ANNUAL REPORT 2024/2025

Mpumalanga
TOURISM AND PARKS AGENCY

An Entity of the Department of Economic Development and Tourism

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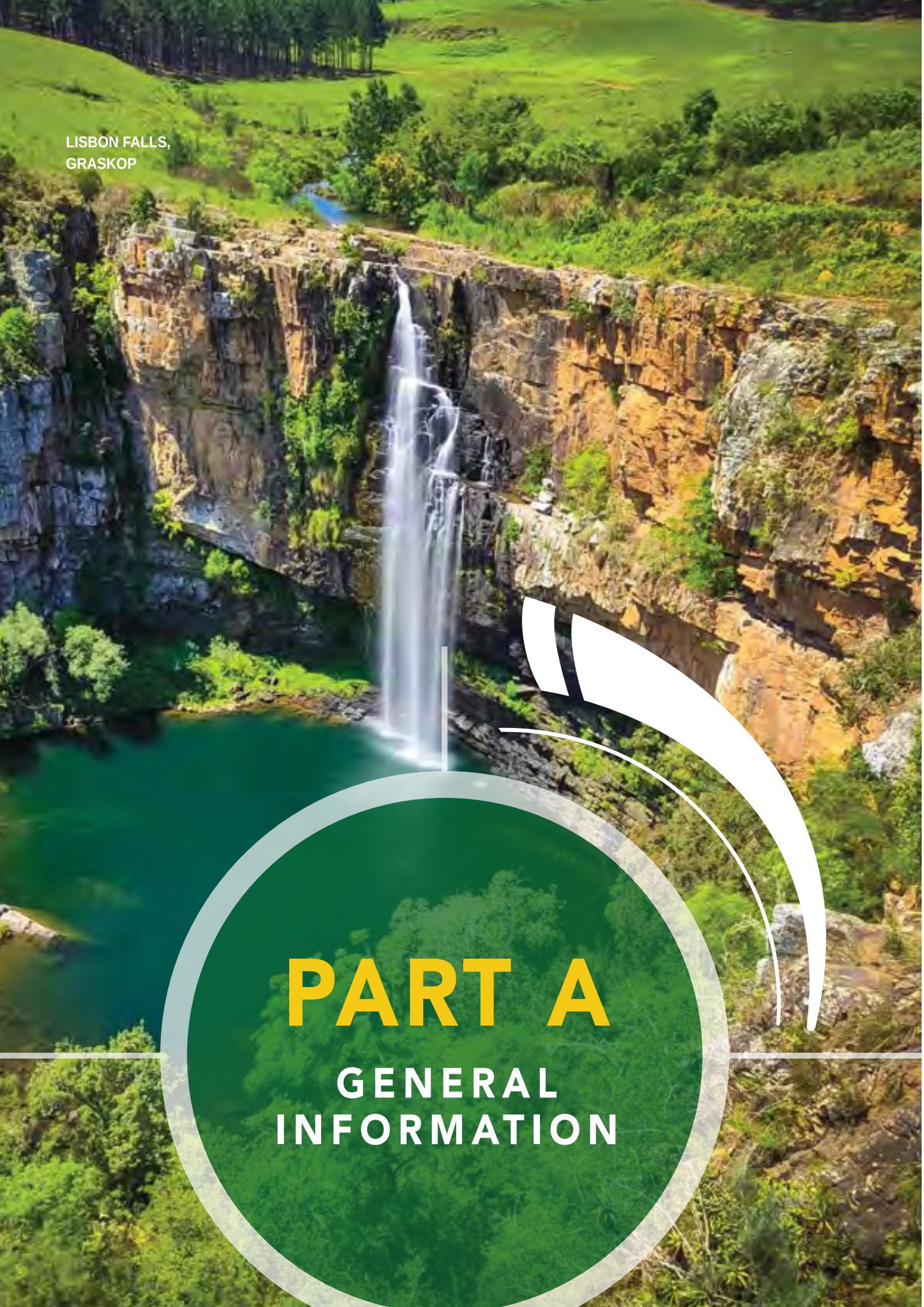


LISBON FALLS,
GRASKOP

PART A

GENERAL INFORMATION

1. PUBLIC AGENCY'S GENERAL INFORMATION

REGISTERED NAME:	Mpumalanga Tourism and Parks Agency
REGISTRATION NUMBER:	Schedule 3C
PHYSICAL ADDRESS:	Samora Machel Drive, Hall's Gateway, Mataffin, Mbombela, 1200
POSTAL ADDRESS:	Private Bag X11338, Mbombela, 1200
TELEPHONE NUMBERS:	+27 13 065 0860 (Switchboard) +27 13 065 0865 (Reservations) +27 13 065 0335 (Kruger Mpumalanga International Airport Information Office)
EMAIL ADDRESSES:	info@mtpa.co.za reservations@mtpa.co.za
WEBSITE ADDRESS:	www.mpumalanga.com
EXTERNAL AUDITORS:	The Auditor-General South Africa, P.O. Box 446, Pretoria, 0001
BANKERS:	First National Bank 1 Parkin Street, Pinnacle Building, Ground Floor, Mbombela, 1201 Standard Bank Corner General Daan Pienaar & N4, Shop 2 & 3, The Crossings Shopping Centre, Mbombela, 1200
COMPANY/BOARD SECRETARY:	Mr. Lucky Zitha

2. LIST OF ABBREVIATIONS / ACRONYMS

AFS	Annual Financial Statements
APR	Annual Performance Report
AGSA	Auditor-General South Africa
BMM-WHS	Barberton Makhonjwa Mountains World Heritage Site
CA	Chartered Accountant
CEO	Chief Executive Officer
CCMA	Commission for Conciliation, Mediation and Arbitration
CFO	Chief Financial Officer
CPA's	Communal Property Association
DARDLEA	Department of Agriculture, Rural Development, Land and Environmental Affairs
DFFE	The Department of Forestry, Fisheries and the Environment
DRP	Disaster Recovery Plan
DT	Department of Tourism
EPWP	Expanded Public Works Programme
GRAP	Generally Recognised Accounting Practice
GVA	Gross value added
HDI	Historically Disadvantaged Individuals
ICT	Information Communication Technology
IMEX	Worldwide Exhibition for Incentives Travel, Meetings and Events
MBSP	Mpumalanga Biodiversity Sector Plan
MBCP	Mpumalanga Biodiversity Conservation Plan
MEC	Member of the Executive Council
METT	Management Effectiveness Tracking Tool
MICE	Meetings, Incentives, Conferences and Exhibitions
MOU	Memorandum of Understanding
HDIs	Historically Disadvantaged Individuals
MTGS	Mpumalanga Tourism Growth Strategy
PFMA	Public Finance Management Act
PMDS	Performance Management and Development System
PMU	Project Management Unit
PPP	Public Private Partnership
POPI	Protection of Personal Information Act
RLCC	Regional Land Claims Commission
SAPS	South African Police Service
SCM	Supply Chain Management
SCOPA	Standing Committee on Public Accounts
TGCSA	Tourism Grading Council of South Africa
UNWTO	United Nations World Tourism Organization
VFR	Visitor friends and relatives
VoIP	Voice Over Internet Protocol
WSP	Workplace Skills Plan

3. FOREWORD BY THE MEC

MS. JESTA SIDELL
MEC: Economic Development
and Tourism

It is with sincere appreciation and a strong sense of responsibility that we present the Mpumalanga Tourism and Parks Agency's (2024/2025) Annual Performance Report.

The 2024/2025 financial year marked a period of transition, considerable progress, and renewed commitment to the sustainable development of tourism and conservation in Mpumalanga. The Mpumalanga Tourism and Parks Agency is one critical Entity that has a huge potential to stimulate economic growth, create the much-needed jobs and alleviate poverty in line with the manifesto commitment of the governing party in Mpumalanga, the African National Congress.

Despite all the challenges we experienced during the period under review, we remain on course on our commitment to implement Catalytic Public-Private Partnership (PPP) projects such as the Mariepskop Cable Car and the Valley of Waves flagship developments as per the directive by the Honourable Premier, Mr. Mandla Ndlovu, to elevate Mpumalanga as a globally competitive tourism destination.

This report does not only highlights our achievements but also reflects the challenges we continue to address as we advancing to build a resilient, inclusive tourism economy. Our work remains aligned with the priorities of the 7th Administration's both the Provincial Medium-Term Development Plan and National Development Goals, three priorities namely, inclusive economic growth, poverty reduction, and the development of a capable and ethical state. As part of this, we have expanded protected areas, embraced digital technologies in conservation, and strengthened partnerships beyond our borders. These efforts have contributed to positioning Mpumalanga as a desirable destination for both domestic and international tourists, while also ensuring that tourism contributes more meaningfully to job creation and community development.

At the same time, the Agency has faced severe financial and operational pressures. The formation of the MTPA brought together several Nature Reserves and tourism assets under one umbrella (MTPA) without budget, including the addition of sites such as Zithabiseni Resort and Conference Center. While this has enhanced our conservation capabilities, it has also increased our operational responsibilities and costs. Employee-related expenses (Cost of Employees) grew by 21% this year (2024/2025), largely due to the normalisation of payment disparities that existed for over a decade. In response, we implemented strict cost-control measures, to remain within the allocated budget for 2025/2026.

3. FOREWORD BY THE MEC

CONTINUED

The financial sustainability of the Agency remains a concern. The approved budget of R511,940 million for the 2024/2025 fiscal year reflects targeted allocations across core functions, including earmarked funds for tourism marketing, reserve management, and operational activities. However, the continued burden of unfunded mandates such as legal obligations, forensic investigations, and compliance-related expenditures has introduced material strain on our financial framework. While these interventions are essential to institutional integrity, they redirect critical resources away from frontline service delivery and programme impact. The unqualified audit opinion issued by the Auditor-General South Africa (AGSA), particularly regarding cash flow management and financial control systems, is being addressed as a priority.

Tourism in Mpumalanga continues to recover steadily from the impact of the COVID-19 pandemic. In the last years, the province welcomed 2.1 million international visitors, placing us second nationally in terms of international arrivals. However, there is still transformational work to be done to strengthen domestic tourism through collaborative campaigns with tourism stakeholders and cross-border tourism activation with neighbouring countries such as Mozambique and Eswatini (Triland). We call on all South Africans to rediscover the beauty of Mpumalanga and become ambassadors for our diverse and unique tourism offerings.

Looking forward, our Five-Year Strategy is firmly focused on three interconnected priorities. First is economic inclusion ensuring that local communities, SMMEs, and youth-owned enterprises are given a meaningful stake in the tourism value chain. Programmes such as the Tourism Careers Expo and enterprise development partnerships are key to this goal. Second is infrastructure renewal, with an emphasis on revitalising key tourism attraction sites. Third is the integration of green economy principles, using Mpumalanga's natural strengths to develop low-carbon, sustainable tourism offerings in alignment with South Africa's broader Just Transition framework

I would like to express my sincere gratitude to my predecessor, who is now the Speaker of the Mpumalanga Provincial Legislature, Honourable Makhosazane Masilela for her visionary leadership. During her tenure, she led the tourism development crusade with zoom and zeal.

I also wish to extend my gratitude to my political home, the African National Congress and the Premier of Mpumalanga, Mr. Mandla Ndlovu, for entrusting me with this enormous task of leading tourism in the Province.

Special appreciation goes to the MTPA Board, executive management, and staff for their tireless work in navigating complex operational and financial landscapes. I also extend my appreciation to our partners in government, the private sector, and civil society for their ongoing support and collaboration. As we carry forward the vision of the 7th Administration, we remain steadfast in our mission to position Mpumalanga as a leading destination one where economic growth, environmental responsibility, and community well-being go hand in hand.

Mpumalanga - the Tourism Destination of Choice.

Ms. J Sidell, MPL

MEC: Economic Development and Tourism

Date 30 August 2025

MR. V ICTOR MASHEGO
Chairperson of the Board

Chairperson's Overview: Reflecting on Four Years of Progress and Resilience (2020-2025)

The road we have travelled, like in previous years, has not always been easy, especially given the pressure to accomplish more with limited financial resources. However, I believe the hard work, unity, and dedication of our staff from management to the lowest level, and the unwavering support from the Executive Authority, have played a central role in our ability to overcome challenges and continue to deliver on the Agency's mandate.

While we have faced significant obstacles, the MTPA has achieved meaningful progress, particularly in conservation, tourism promotion, and community empowerment. The collaboration with provincial departments has been instrumental in aligning tourism promotion with rural development and environmental protection. Our joint initiatives have empowered rural communities to benefit from tourism, promoted responsible land management, and created livelihood opportunities, while maintaining the balance between development and conservation.

The partnership approach we have taken with Aspinall Foundation, GKEPF, and CPA's is aimed at promoting inclusive participation and ensuring that conservation, tourism development, and community socio-economic benefits are integral to Mpumalanga's future.

Nevertheless, we acknowledge that we have not met all targets as planned. The plan to resolve the impasse with key stakeholders at Barberton Makhonjwa Mountain World Heritage Site has delayed the finalisation of its Integrated Management Plan and infrastructure upgrades. Furthermore, the inadequate infrastructure has hindered our ability to competitively host large meetings, conferences, and events.

The tourism sector in Mpumalanga also remains largely untransformed. We still see insufficient participation from historically disadvantaged individuals in mainstream tourism. Tourism safety is one of our biggest concerns that threatens the province's tourism appeal. Additionally, the limited diversification of tourism products and prohibitively high air and ground travel costs have further constrained growth potential.

Despite these challenges, we have introduced a series of interventions aimed at stabilising operations and promoting long-term sustainability. Transformation has been prioritised by supporting enterprises owned by historically disadvantaged individuals, particularly in townships and rural areas. We have strengthened our tourism safety initiatives, including the Victim Support Programme, and have made significant strides in engaging with airlines to expand regional routes and improve road access to key attractions.

The MTPA has faced increasing financial strain. Despite recovering from COVID, the declining budget allocation over the past five years has forced the Entity to lean heavily on own revenue generation to fund operations. This was aggravated by the further absorption of Zithabiseni Resort and Conference Centre (Pty) Ltd, which came with additional staff and operational costs. The financial pressure has led to intensified cost-cutting measures to ensure that overspending levels are contained. The need for increased financial support from both the Provincial Government and external sources has never been more critical.

Looking ahead, we remain committed to realising Mpumalanga's full tourism potential. Our strategic focus is on upgrading the conditions of infrastructure in the Nature Reserves and key tourism attraction sites such as the Panorama Route to improve tourist visitor numbers and the overall experience. The ongoing efforts to promote investment opportunities, particularly in Nature Reserves, are aligned with our vision to position the province as a leader in eco-tourism and conservation.

As we prepare to hand over to the next Board, I would like to reflect on the collective achievements of our Board in terms of good governance and prudent management of the finances of the Entity. Although the Entity has regressed from the clean audit opinion of the previous two years, the Board congratulates it for the unqualified audit opinion with matters of emphasis. The Entity has already started to address the root causes of those findings.

Mr. V. Mashego
Chairperson of the Board

Date 30 August 2025

MR. LEMMY MDLULI
Chief Executive Officer (Acting)

The 2024/2025 financial year presented the Mpumalanga Tourism and Parks Agency (MTPA) with both transformative opportunities and persistent challenges.

As Acting Chief Executive Officer, I am honoured to present this overview of the Agency's performance, reflecting on the critical work undertaken to deliver on our mandate of advancing inclusive tourism growth, sustainable conservation, and economic transformation across the province.

Mpumalanga continued to demonstrate its appeal as a premier tourism destination, recording an impressive 2.1 million international tourist arrivals, representing a 15.6% increase from the previous year and the highest figure in six years. Although Mozambique and Eswatini remained our largest markets, international interest expanded with significant gains from the USA and Germany. On the domestic front, Mpumalanga generated 3.2 million domestic trips and tourism spend amounting to R11.7 billion. These results were supported by intensified marketing campaigns, strategic event hosting such as the Mpumalanga Tourism Expo, and our participation in platforms like Africa's Travel Indaba, ITB Berlin, and the Triland initiative.

While we celebrate these achievements, we are also conscious of areas that need urgent attention. Despite the growth in arrivals, our share of total tourism spend remained low at 7.8%. This calls for a renewed focus on improving tourism products and enhancing visitor experiences in order to increase the average spend per tourist. The revised Tourism Marketing Strategy seeks to reposition the province competitively and deepen the impact of tourism on local economic development.

The Agency achieved 65% of its planned targets, delivering 35 out of 54 planned outputs. Performance highlights include the successful implementation of internal audit and risk strategies, timely financial reporting, and surpassing the projected revenue target of R80 million. Tourism programmes performed exceptionally well, achieving 75% of the planned targets. On the conservation front, over 23,000 hectares were added to the protected area network, infrastructure in the Nature Reserves was upgraded, and METT scores improved in key parks. These gains were made despite the budget constraints and persistent threats of illegal mining, poaching, and climate-related challenges, which continue to affect biodiversity.

We faced major constraints in infrastructure delivery due to budget shortfalls. Projects at Mthethomusha, Blyde River Canyon, and Sterkspruit Nature Reserves were impacted, although some milestones such as the upgrades at Andover, Swadini Gate, and Mahushe Shongwe were reached. The Agency also advanced the revitalisation of underperforming Nature Reserves and improved fencing in Songimvelo, Mdala, and Manyeleti. These projects are expected to enhance the security of wildlife and tourism value and stimulate local economies, especially in rural and township communities.

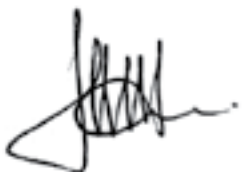
The Entity intensified efforts to unlock sustainable use of biodiversity assets in line with national sector indicators. The game donation programme was successfully rolled out to four emerging conservation farmers, and post-donation support mechanisms are being provided.

The Agency's engagement with stakeholders, including CPAs, local communities, government departments, and private sector partners, was central to advancing co-management agreements, resolving disputes, and securing long-term partnerships. However, unresolved CPA leadership disputes, repeated labour unrest, and illegal industrial actions, particularly during the 3rd and 4th quarters of 2024/2025, disrupted operations and affected visitor numbers to our attraction sites. The Board's mediation efforts in resolving these challenges are applauded.

The MTPA recorded a 75% revenue growth over the five years from R21.5 million in 2021/2022 to R87.3 million in 2024/2025. Nonetheless, budget constraints remain a pressing issue, with cost of employment rising, unfunded infrastructure projects, and legal liabilities presenting financial risks that require careful management.

Looking ahead, our focus will remain on improving operational efficiency, accelerating transformation, enhancing tourism infrastructure, and unlocking new biodiversity-based economic opportunities. The Entity is committed to increasing tourism's contribution to the provincial Gross Domestic Product (GDP), and supporting MSME tourism products owned by historically disadvantaged individuals in Mpumalanga.

In closing, I extend my sincere gratitude to the Board of Directors for their guidance, to our dedicated staff for their service, and to our stakeholders for their continued partnership. The achievements of this financial year would not have been possible without the collective effort of everyone involved. As we move forward, the MTPA remains committed to delivering impact through integrity, stewardship, and visionary leadership, ensuring that the beauty, biodiversity, and cultural heritage of Mpumalanga benefit generations to come



Mr. L. M. Mdluli
Chief Executive Officer (Acting)

Date 30 August 2025

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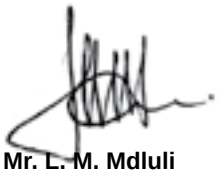
6. STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL PERFORMANCE REPORT

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

- All information and amounts disclosed in the Annual Performance Report are consistent with the Annual Financial Statements audited by the Auditor-General South Africa.
- The Annual Performance Report is complete, accurate, and free from any omissions.
- The Annual Performance Report has been prepared in accordance with the guidelines on the Annual Performance Report as issued by National Treasury.
- The Annual Financial Statements (Part E) have been prepared in accordance with the GRAP standards applicable to the public Entity.
- The Accounting Authority is responsible for the preparation of the Annual Financial Statements and for the judgements made in this information.
- The Accounting Authority is responsible for establishing and implementing a system of internal controls that has been designed to provide reasonable assurance as to the integrity and reliability of the Performance Information, the human resources information, and the Annual Financial Statements.
- The external auditors are engaged to express an independent opinion on the Annual Financial Statements.

In our opinion, the Annual Performance Report fairly reflects the operations, the Performance Information, the human resources information, and the financial affairs of the public Entity for the financial year ended 31 March 2025.

Yours faithfully



Mr. L. M. Mdluli
Chief Executive Officer (Acting)

Date 30 August 2025

Mr. V. Mashego
Chairperson of the Board

Date 30 August 2025

7. STRATEGIC OVERVIEW

7.1 VISION

Mpumalanga, a world-class tourism and wildlife economy.

7.2 MISSION

Grow tourism and manage biodiversity to stimulate sustainable economic growth that is inclusive and creates decent employment.

7.3 VALUES

The MTPA subscribes to the following core values:

- Productive (results-oriented / disciplined / efficient / punctual / cost-conscious)
- Integrity (ethical / honest / transparent / truthful / accountable / reliable / responsible)
- Committed (motivated / dedicated / diligent / passionate)
- Teamwork (participative / consultative / collaborative)
- Service excellence (responsive / client-need-driven / approachable / friendly / competitive / time-conscious)
- Innovative (flexible / creative / adaptable / pro-active / initiative)
- Respectful (treating others with respect / dignity / humility / fairness / consistent)
- Quality conscious (attention to detail / accuracy / critical mind-set / quality focus / preparedness)

8. LEGISLATIVE AND OTHER MANDATES

The MTPA was established in terms of the Mpumalanga Tourism and Parks Agency Act of 2005, Act No. 5 of 2005, and listed as a Schedule 3C Public Agency. The Entity came into existence on 1 April 2006 following the merger of the now defunct Mpumalanga Parks Board and Mpumalanga Tourism Authority.

Section 3 to the MTPA Act defines the Objects of the Entity as follows:

1) The objective of the Entity shall be to provide for sustainable management and promotion of tourism and nature conservation in the province, and to ensure the sustainable utilisation of natural resources.

2) In pursuing its objects, the Entity shall –

   a) Provide for effective management and conservation of biodiversity and ecosystems within the province.

   b) Develop and ensure effective management and market tourism.

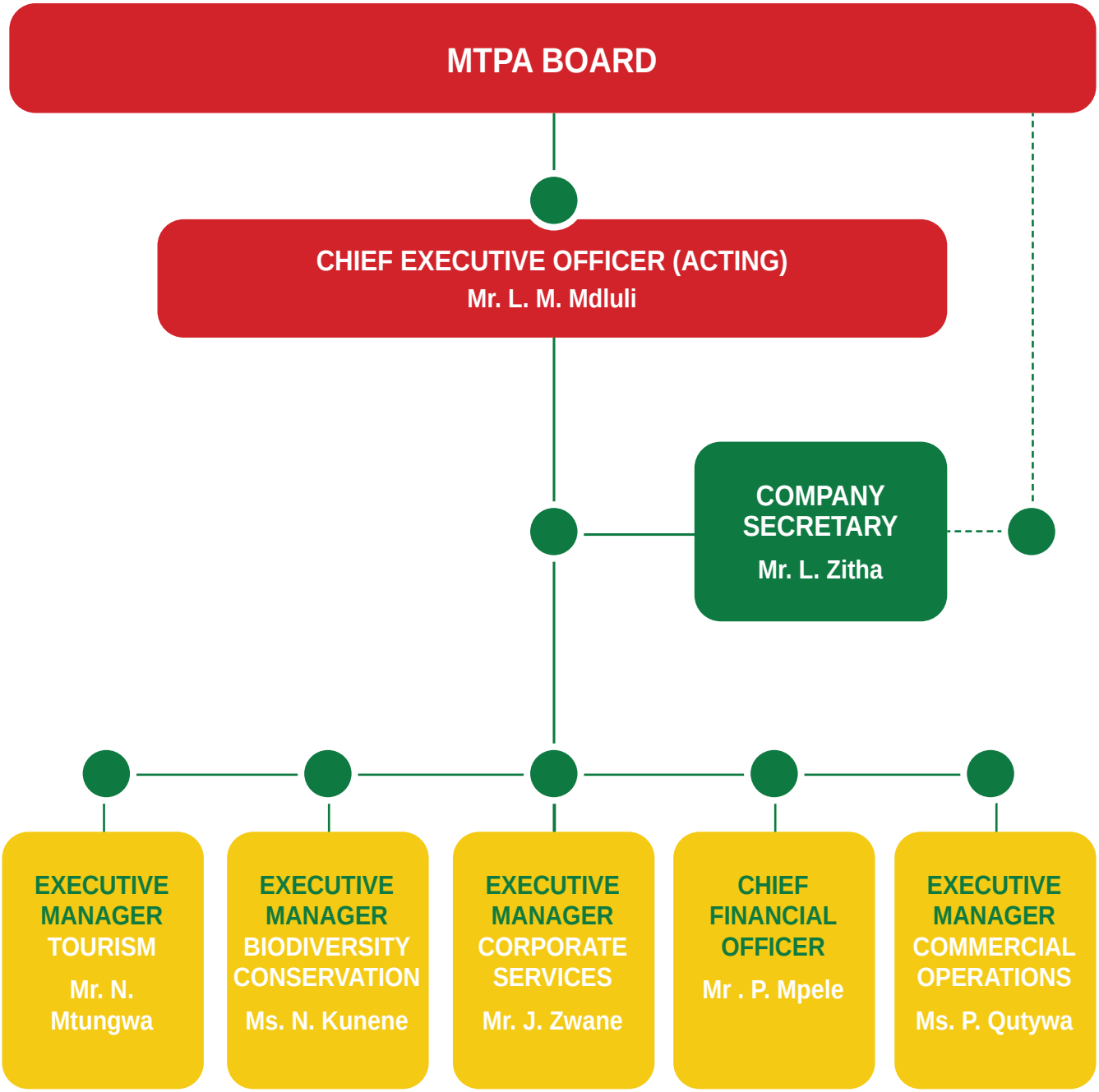
   c) Foster, promote and sustainably develop and market tourism; and

   d) Promote and create socio-economic growth and transformation within the tourism and conservation industry, thereby creating economic and employment opportunities for previously disadvantaged individuals and local communities in the province.

The following key policy frameworks have been recognised as part of clarifying the legal and legislative mandate of MTPA:

- The Constitution of the Republic of South Africa
- The MTPA Act of 2005
- Public Finance Management Act, No. 1 of 1999
- The White Paper on Biodiversity (1997)
- The Mpumalanga Economic Growth and Development Path
- The Mpumalanga Tourism Growth Strategy (MTGS) (2006)
- The National Biodiversity Strategy and Action Plan (DEAT 2005)
- The National Environmental Management: Biodiversity Act (Act 10 of 2004)
- The Mpumalanga Biodiversity Conservation Plan (MBCP 2006)
- The Mpumalanga Nature Conservation Act (Act 10 of 1998)
- The Provincial Growth and Development Strategy (2008)
- The National Environmental Management Act (1998)
- The National Environmental Management: Protected Areas Act (2003)
- The White Paper on the Promotion and Development of Tourism (1996)
- The National Tourism Act (Act 3 of 2014)
- The Mpumalanga Biodiversity Sector Plan (MBSP 2014)
- The National Tourism Act (Act 3 0f 2014)
- The Mpumalanga Biodiversity Sector Plan Conservation Plan (MBSP 2014)

9. ORGANISATIONAL STRUCTURE



MEMBERS OF THE BOARD

MR. VICTOR MASHEGO
Chairperson

MS. SALOME SITHOLE
Deputy Chairperson

ADV. RATHELELE MASIPHA
Board Member

MR. BETHUEL SIBANYONI
Board Member

DR. ERIC KHUMALO
Board Member

MS. LINDIWE DIPUTLA
Board Member

MS. LUNGILE MLABA-DLUDLA
Board Member

MS. NOXOLO OYIYA
Board Member

MS. THENJIWE NKOSI
Board Member

MR. WILLIAM LUBISI
Board Member

AUDIT AND RISK COMMITTEE

MS. MALANDE TONJENI
Chairperson
Audit and Risk Committee

MS. THEMBELIHLE MBATHA
Member

MR. WASEEM-AHMED CARRIM
Member

MS. THENJIWE NKOSI
Member

ADV. RATHELELE MASIPHA
Member

EXECUTIVE MANAGEMENT COMMITTEE

MR. LEMMY MDLULI
Chief Executive Officer (Acting)

MR. NTWANANO MTUNGWA
Executive Manager: Tourism

MS. NOMCEBO KUNENE
Executive Manager: Biodiversity Conservation

MR. JOSHUA ZWANE
Executive Manager: Corporate Service

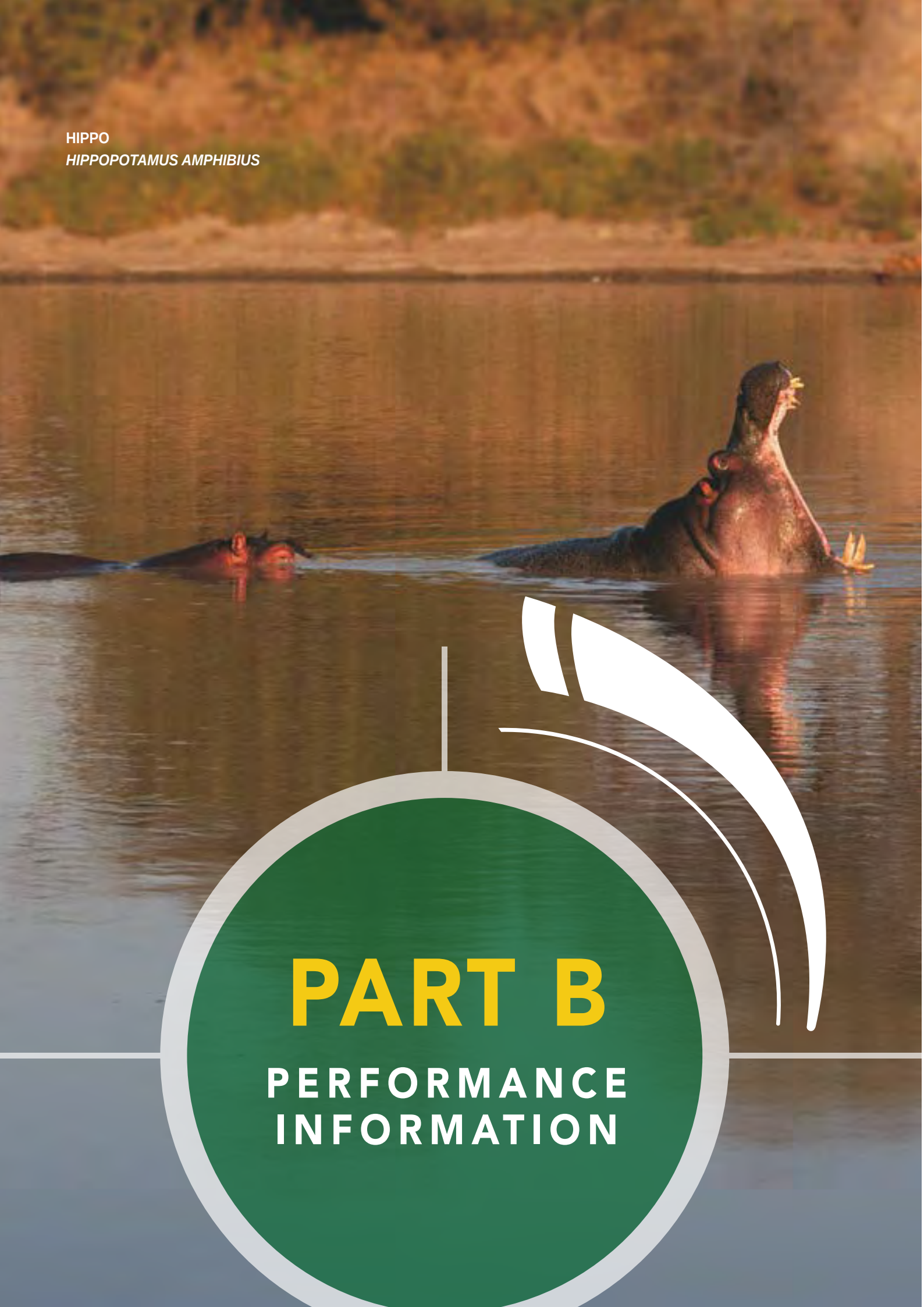
MR. PAUL MPELE
Chief Financial Officer

MS. PHINDA QUTYWA
Executive Manager Commercial Operations

MR. LUCY ZITHA
Company Secretary

MS. LINDIWE MATIBHE
Senior Manager Internal Audit

MR. JUSTUS MOHLALA
Senior Manager Planning, Monitoring & Evaluation



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PART B

PERFORMANCE INFORMATION

1. AUDITOR'S REPORT: PREDETERMINED OBJECTIVE

The AGSA/Auditor currently performs the necessary audit procedures on the Performance Information to provide reasonable assurance in the form of an audit conclusion. The audit conclusion on the performance against predetermined objectives is included in the report to management, with material findings being reported under the Predetermined Objectives heading in the Report on Other Legal and Regulatory Requirements section of the auditor's report.

Refer to page 136 of the Report of the Auditor's Report, published as Part E: Financial Information.

2. OVERVIEW OF PERFORMANCE

2.1. SERVICE DELIVERY ENVIRONMENT

The Mpumalanga economy is significantly supported by the tourism industry, which plays a crucial role in economic growth and driving demand for goods and services. Tourism serves as a key link between underdeveloped and developed areas, overcoming spatial and geographic barriers. It offers access to socio-economic services, job opportunities, and business ventures for residents. Additionally, the industry contributes to job creation, income generation, and the development of sustainable communities. It also fosters social cohesion, promoting understanding and peace among diverse groups. The impact of tourism on the economy is measured by the number of jobs created, its contribution to provincial Gross Value Added (GVA), and the revenue generated from tourism activities. As a service export sector, tourism is a key foreign currency earner. For Mpumalanga, it is essential that tourism growth be based on inclusivity and sustainability to foster sector transformation.

The legislative mandate of the Entity is to provide for the sustainable management and promotion of tourism and nature conservation in the province and to ensure the sustainable utilisation of natural resources. To achieve these outcomes and mandate, the MTPA conducted various activities that sought to market and brand the tourism offering of the province at international, regional, and domestic trade platforms. To diversify the tourism industry, the Entity supports the development of new tourism products and offers market access support to existing tourism SMMEs.

According to the South African Tourism (SAT), international arrivals to the country gradually increased over the past years since 2021 and reached 8.9 million visitors in 2024, a 5.1% improvement from 2023. This is the highest number of international tourist arrivals recorded since 2019, before the advent of the COVID-19 pandemic, leaving a recovery gap of -12.8%. During 2023, global predictions were that full recovery was anticipated in 2024. However, factors such as the economic and geopolitical situations dented this and may continue to do so in 2025. South Africa continued to be an attractive tourist destination with steady year-on-year growth being noted across all regions, except the Middle East, which dropped year-on-year by -16.1%, as anticipated given the prevailing political situation in that region. Year-on-year, arrivals from Australasia and the Americas noted double-digit growth of +12.4% and +10.9% respectively, while arrivals from Africa grew by +5.6%. Arrivals from Europe remained flat against 2023. Mpumalanga towns and tourist attractions continued to account for the share distribution of visitors across the various cities. Mbombela accounted for 7.6% of international arrivals in 2024, an increase from 6.4% in 2023, making the city the 4th most visited city in the country. Malelane, a tourist town in the Nkomazi Local Municipality, accounted for 5.5%, an increase from 5% in 2023, making it the 6th most visited town by international tourists.

Mpumalanga is the second-largest province in terms of international tourist arrivals, accounting for 23.8% of arrivals. On the contrary, spend only accounts for 7.8% share of the total, resulting in a low ratio of % Spend/% Arrivals of 32.9. The province has reached a six-year record, marking arrivals at 2.1 million, a +15.6% growth compared to 2023. Its largest source country is Mozambique, accounting for 1 329 419 arrivals (62.2%), and Eswatini with 367 398 arrivals (17.3%). The USA was the third top source market with 69 884 arrivals (3.3%), followed by Germany with 52 992 arrivals (2.5%). Other top source markets for the province include Zimbabwe, the UK, France, the Netherlands, Australia, and Italy. Of the top 10 source countries, seven of them are overseas visitors. The top attractions in Mpumalanga were natural attractions, with National Kruger National Park and Blyde River Canyon God's Window accounting for 85.2% and 53.2% respectively. Mpumalanga's main purposes for visits were VFR and holidays. Shopping, eating out, and social activities are the main activities, however, Mpumalanga had notable mentions for wildlife and natural attractions.

Between 2022 and 2024, both domestic overnight trips and domestic overnight tourists recovered from the pandemic period (2020 and 2021) and experienced consistent growth. While growth rates slowed in 2023 and 2024, they remained positive, indicating a stable upward trajectory. In 2024, total domestic trips increased by 6.1%, rising from 37.9 million in 2023 to 40.2 million. Similarly, the number of domestic tourists grew by 6.4%, reaching 36.8 million in 2024. Despite a marginal decline of -0.2% in 2024, the average number of domestic trips per tourist has remained steady at 1.1, consistent with previous years. Domestic overnight spending is showing an upward year-on-year trend, increasing from R99.2 billion in 2022 to R121.4 billion in 2023, and now reaching a new

high of R136.4 billion in 2024 – an increase of 12.4% on the previous year (2023) and 37.5% compared to 2022. However, it is worth noting that the year-on-year growth rate appears to be slowing down, which should be borne in mind for spend results in the short term. Mpumalanga generated a good average of R3 693 and a relatively long length of stay of 3.7. The province generated 3.2 million domestic trips, while domestic spend was R11.7 billion. As such, the province recorded a growth of +12.5% in domestic trips compared to 2023. Gauteng remains the top source market for domestic trips. Mpumalanga's reliance on its own residents increased in 2024, with reduced trips from Gauteng and Limpopo.

To market Mpumalanga as a premier tourism destination, the Entity focuses on international, regional, and domestic markets. During the period, the MTPA reviewed the Mpumalanga Tourism Marketing Strategy. This was a consultative process where tourism stakeholders were engaged. During the year under review, the Entity conducted marketing and advertising campaigns using platforms such as radio, social media, leveraging on event collaboration and hosting familiarisation trips. Fifteen destination marketing campaigns were implemented, inclusive of eight marketing and advertising campaigns, participation at the Travel People consumer show, and six domestic activations. Using these platforms generated media coverage and domestic trips for the province. Five tourism marketing initiatives were conducted by participating at Africa's Travel Indaba in Durban, World Travel Market in Cape Town, ITB Germany, World Travel Market in London, and roadshows were conducted in three cities in the Republic of India. These initiatives were able to profile Mpumalanga tourism and participating products. To develop and market the Meetings, Incentives, Conferences, Exhibitions/Events (MICE) industry, four initiatives were conducted. This included participation at the Two Oceans Expo, the Comrades Marathon Expo, Meetings Africa, and the hosting of the Barberton Makhonjwa Marathon. Furthermore, the Entity has identified the hosting of major events as a catalyst to increase domestic travel. As such, eight local events were supported as follows: Metro FM Awards, Sun Riders MCC Biker's Rally, Innibos, Mpumalanga All White in Carolina, 013 Summer Blaze, Mtoni on Steroids in Mhluzi, and the All-White Picnic in Zithabiseni. To enhance regional tourism integration, the Entity continues to cooperate with the tourism authorities of the Republic of Mozambique and the Kingdom of Eswatini within the framework of the Triland tourism initiative. During the year under review, four regional tourism marketing activities were conducted. These include participation in Bushfire in Eswatini, Fikani International Tourism Expo in Mozambique, the Triland Excursion, and änd the hosting of the Mpumalanga Tourism Expo.

To enhance the safety of tourists visiting the province, the Entity established a 24-hour tourism helpline, where tourists in distress can call to seek assistance and report incidents of crime swift response by authorities. This is complemented by the Victim Support Programme, which offers victim support and aftercare for tourists who become victims of crime. Four (4) tourism safety awareness campaigns were conducted together with our partners in the Tourism Safety Forum, who include the South African Police Service, the private sector, Border Management Authority, municipalities, etc. The Entity also hosted the Tourism Month Media Launch and the Tourism Month celebrations. Twenty-three (23) HDI-owned SMMEs were supported to gain market access and to exhibit in various tourism trade shows. To enhance tourism skills in the province, the MTPA facilitated training programmes funded by the National Skills Fund (NSF) and the Local Government Sector Education and Training Authority (LGSETA). These programmes aim to train a total of 1 430 unemployed young people across the province and provide them with practical work experience through placement with host employers. At the end of the financial year, these training programmes were still in progress.

To enhance tourism's contribution to the province's GVA, it is important to increase both domestic and international tourist arrivals, as well as to boost spending and length of stay. The Mpumalanga Tourism and Parks Agency (MTPA), in collaboration with its partners, must create a favourable environment by improving the quality of the province's tourism offerings and developing industry capacity to generate jobs and increase contribution to GVA. The importance of tourism is recognised by the government, which includes it in major economic plans such as the National Development Plan (NDP), the Economic Recovery and Reconstruction Plan (ERRP), and the Mpumalanga Economic Growth and Development Path (MEGDP). This recognition stems from tourism's potential to stimulate small, medium, and micro-enterprise (SMME) growth, attract foreign direct investment, and generate export earnings.

However, the tourism industry is operating in a volatile global environment. Risks such as geopolitical tensions, global warming, and economic instability, including high living costs and misinformation, could negatively impact international tourism. Locally, the industry faces challenges like rising public debt, deteriorating infrastructure, and concerns about tourist safety. The MTPA has undertaken a review of its Tourism Marketing Strategy for the 2024/25 financial year to address these risks and ensure sustainable growth in the tourism sector. This strategy aligns with national policies and aims to increase international arrivals, domestic trips, and tourism spending. It also emphasises resilience in the face of global disruptions and supports sustainable tourism practices as outlined in the Tourism Act of 2014.

To further develop the tourism sector, the MTPA introduced new offers, such as accommodation facilities at Nature Reserves, including wild camping sites and upgraded guesthouses. Investments have been made in infrastructure, including the construction of a new entrance gate at the Swadini Dam viewpoint and directional signage at various Nature Reserves to improve visitor safety and experience. The MTPA has also addressed tourism transformation by appointing historically disadvantaged individuals to manage tourist facilities at key locations.

The MTPA continues to focus on upgrading infrastructure and improving facilities across it's Nature Reserves to ensure high-quality experiences for visitors while protecting the environment. Manyeleti Nature Reserve, for example, retained its two-star grading, with plans to improve to three stars by the end of the 2025/26 financial year. Other Nature Reserves have also achieved higher ratings, reflecting progress in eco-tourism and sustainable hospitality. However, challenges remain in obtaining buy-in from land claimants and addressing human resources and budget constraints, which slow the development of new tourism products.

In addition , the MTPA is unable to ensure that benefits (e.g. income) is shared with land claimants as per the benefit sharing agreements, since the Entity requires all income to adequately fund the entities operations, leaving not surplus to share with CPA's

This further exacerbates the already strained relations with claimant beneficiaries.

Key achievements for the reporting period

The planned directional signage to various tourist attraction sites was fully implemented, with informational and directional signage to nine (9) Nature Reserves, namely Loskop Dam, SS Skosana, Mkhombo Dam, Mdala, Songimvelo, Nooitgedacht Dam, Andover, Mahushe Shongwe, and Ohrigstad Dam. In addition, despite budgetary constraints, the Entity received positive acknowledgements from the Tourism Grading Council of South Africa (TGCSA) for the upkeep of some of its accommodation and conference facilities (i.e. Manyeleti main camp, Andover main camp, Mahushe Shongwe conference centre, CN Mahlangu Lodge at SS Skosana, as well as Kromdraai Camp at Songimvelo). Some of these facilities received a three-star rating from TGCSA. Another achievement is in the area of job creation, where the Entity achieved its set targets of job opportunities created through the EPWP.

Challenges encountered and their impact on performance

Infrastructure at key sites, especially along the Panorama Route, has been deteriorating due to ageing facilities, insufficient maintenance budgets, and increasing visitor pressure. Industry stakeholders and tour operators have raised concerns regarding the state of ablution facilities, signage, road surfaces, and curio stalls, warning that these challenges negatively affect visitor experience and the province's tourism image.

Due to budgetary constraints, progress on some of the infrastructure projects was negatively impacted, as the bleak financial situation experienced by the Entity had a severe negative impact on project implementation. Another challenge was on concession opportunities, which were earmarked for appointments of private operators in the financial year, where the Entity received unresponsive bids, thus negatively impacting revenue generation efforts. The Entity has begun coaching sessions for potential bidders during briefing sessions to assist them in submitting documents correctly. This initiative is aimed at curbing the continuous re-advertising of business opportunities due to disqualification of applicants.

Lastly, the ongoing impasse with the landowners at the BMM-WHS continued, and this negatively affected the Geotrails infrastructure upgrade project, which is still on hold until further notice.

Corrective measures included the implementation of stricter project timelines and acceleration of project deliverables to catch up wherever there have been project delays.

Risks affecting area of operation: CPAs are getting increasingly demanding in terms of their expectations on how tourism development opportunities should be implemented in protected areas. The role of the MTPA as the management authority is being challenged in multiple areas, notably at the Manyeleti and Blyde River Canyon Nature Reserves. The Entity is finding it increasingly difficult to play its role when matters that are in the hands of the Regional Land Claims Commission (RLCC) impact negatively on the operations of the MTPA.

In terms of environmental conservation, Mpumalanga's rich biodiversity, including grasslands, savannahs, and indigenous forests, faces significant threats from agricultural expansion, urbanisation, and climate change. The province's grasslands, which contain high biodiversity, are particularly vulnerable to human activity, including wind energy facilities, which could impact local wildlife. To address these challenges, the MTPA is working to achieve the ambitious targets set by the Global Biodiversity Framework (GBF), including conserving 30% of land by 2030 and restoring degraded ecosystems.

The MTPA faces ongoing issues with illegal mining, especially in four of the protected areas, namely the Blyde River Canyon Nature Reserve, Sterkspruit, Songimvelo and Barberton Nature Reserve (both forming part of the Barberton Makhonjwa World Heritage Site). Increased cooperation with law enforcement agencies is necessary to tackle this problem. To further support conservation efforts, the MTPA is pursuing partnerships with external organisations, such as the co-management agreement with Care for Wild NPC, which has yielded positive results.

The MTPA faces ongoing issues with illegal mining, especially in protected areas like the Barberton Makhonjwa Mountain World Heritage Site. Increased cooperation with law enforcement agencies is necessary to tackle this problem. To further support conservation efforts, the MTPA is pursuing partnerships with external organisations, such as the co-management agreement with Care for Wild NPC, which has yielded positive results.

Internally, the MTPA has experienced leadership changes and is working on addressing its organisational capacity issues. The Entity has enrolled 241 young people in various programmes, including internships and learnerships, and is advancing its ICT strategy to enhance cybersecurity. Despite the challenges, the MTPA remains committed to enhancing its tourism and conservation efforts through strategic planning and partnerships.

The Entity advertised critical positions such as the Chief Financial Officer and Executive Manager: Commercial Operations for the sustainability of the Entity. The recruitment for these positions is now at an advanced stage and candidates are being subjected to competency assessments to finalise the process. However, in the meantime, the Department of Economic Development and Tourism seconded an official to act as Chief Financial Officer, and the contract of the Executive Manager: Commercial Operations, ended on 31 December 2024, and was extended for a period of six months to fast-track service delivery whilst the recruitment process is still ongoing.

The Entity continued to update the public about developments and build strong media relations with media houses to position the MTPA as a trusted brand.

The employee cases were adequately managed, both current and legacy cases. The unit has managed to conclude many cases in the financial year under review, even though some of these cases are still not finalised.

Training interventions in the financial year under review were 100% implemented in accordance with the Workplace Skills Plan (WSP).

The organisation advanced steadily in the execution of phase 1 of its Information and Communications Technology (ICT) strategy. A pivotal aspect of this phase included conducting extensive cybersecurity vulnerability assessments designed to uncover and remedy potential weaknesses within the Entity's IT systems. This comprehensive testing involved a thorough examination of software, network configurations, and hardware to ensure all areas are fortified against cyber threats.

In tandem with these technical measures, a cybersecurity awareness programme was conducted. This awareness focused on educating employees about the various types of cyber threats they may encounter, such as phishing attacks, malware, and social engineering tactics. The goal of these initiatives is to significantly improve the organisation's overall security posture while promoting a culture of cybersecurity awareness and vigilance across all levels of the workforce. By fostering an environment where employees are proactive about security, the organisation aims to reduce potential risks and enhance its resilience against cyber threats.

Corporate Communications provided strategic communications support, such as strengthening media relations and positioning the MTPA as a strong, trusted brand. The Entity, through Corporate Communications, secured media interviews, and the CEO and spokesperson of the Entity were interviewed to position the MTPA as a trusted brand. Internal communications have been strengthened, allowing for the easy flow of communications within the Entity.

In conclusion, the MTPA continues to make strides in growing Mpumalanga's tourism sector, with a focus on sustainability, inclusivity, and infrastructure development. However, ongoing risks and internal challenges must be addressed to ensure long-term success.

2.2. ORGANISATIONAL ENVIRONMENT

The Entity is committed to maintaining a healthy, equitable, and highly motivated workforce by providing support to employees through the provision of skills enhancement programmes, review of human resources policies, conducting human resources policy workshops, health and wellness initiatives, and maintenance of a reliable ICT system. The approved Workplace Skills Plan (WSP) was successfully implemented. The planned skills enhancement programmes scheduled for the year under review were rolled out successfully in accordance with the WSP. The programmes benefited 1 368 employees and members of the Board.

The Zithabiseni Resort employees have been successfully transferred to the MTPA, a move that has significantly bolstered both stability and operational efficacy. The Entity is currently reviewing the organisational structure. This process aims to align various functions within the Entity to ensure a fit-for-purpose design. This strategic realignment is crucial for enhancing the Entity's operational efficiency and effectiveness.

The organisational environment of the MTPA is subject to a detailed assessment through the MTPA Organisational Analysis, which scrutinises its structure, functions, and performance. This examination aims to pinpoint strengths, weaknesses, opportunities, and threats within the Entity, providing insights into its operational dynamics and strategic direction. Ultimately, the analysis serves as a compass for future planning and decision-making, fostering continual enhancement and adaptation within the organisation.

Mpumalanga is home to world-renowned attractions like the Kruger National Park, Blyde River Canyon, and various wildlife reserves, offering significant opportunities for tourism development. The Entity has established partnerships with stakeholders and enhanced its ability to attract investment and visitors. There is a strong focus on conservation and environmental sustainability, aligning with national and international tourism trends emphasising eco-tourism.

Excluding the Kruger National Park (KNP) 698 761 ha (9,13% of the province) is protected within the protected areas system. A total of 301 579 ha is protected within private protected areas (including stewardship sites), representing 43.16% of the protected areas estate and 256 300 ha is protected within state managed protected areas (excluding KNP), which represents 36,68% of the protected areas estate.

Of the state managed protected areas, the MTPA manages 26 Provincial Nature Reserves with a total area of 235,883 ha.

The Biodiversity Conservation Programme is facing numerous constraints and weaknesses in performing its mandate and functions. This is primarily due to the inadequate budget allocated to the Programme which has declined year-on-year over the past ten years and due to the high vacancy rate (>60%) within the programme, as well as the ageing infrastructure on the Nature Reserves.

The MTPA has resolved to aggressively pursue partnership agreements (co-management, MoU's) with external partners to assist and support the organisation in its conservation mandate.

Some successes in this regard, such as the Co-management agreement with Care for Wild NPC on the Barberton Nature Reserve, have yielded very positive results.

The MTPA will pursue similar agreements with potential partners to collaborate with the MTPA in co-management of Nature Reserves and in supporting the MTPA in its conservation mandate.

Financial constraints may limit the Entity's ability to fully develop infrastructure and marketing efforts. Challenges in balancing tourism growth with environmental preservation and infrastructure development will be addressed with the implementation of the tourism growth strategy.

Increasing global interest in eco-tourism and adventure tourism provides an opportunity to position Mpumalanga as a key destination for nature and culture enthusiasts. There is potential for developing new tourism products and experiences, such as cultural heritage tours, adventure activities, and wellness retreats. Collaborations with the private sector and non-governmental organisations could enhance the province's tourism offerings.

Environmental degradation, such as climate change and habitat destruction, could threaten the biodiversity that attracts tourists. Competitor provinces and countries offering similar tourism experiences pose a challenge for Mpumalanga to maintain its competitive edge. Economic factors, including fluctuating exchange rates and global financial uncertainties, further influence travel decisions and affect the province's ability to attract and retain international tourists.

In the 2024/2025 financial year, the Entity faced key risks relating to institutional instability due to leadership challenges emanating from the suspension of the CEO and two Executive Managers as a result of allegations levelled against them, together with the long-outstanding vacancy of the Chief Financial Officer, which impacted the Entity at a strategic level. The vacant position for the Chief Financial Officer has been filled through the secondment of officials from the Department of Agriculture,Rural Development and Environmental Affairs and the Department of Economic Development and Tourism respectively. The contract for the Executive Manager: Commercial Operations ended on 31 December 2024. The incumbent's contract was extended for a period of six months, during which the recruitment process should be finalised. The ACEO's term of office was extended from February 2025 to August 2025, or until the completion of the forensic investigation. The Entity The Entity intends to fill the position of the CFO in the 2025/2026 financial year. The Entity was also faced with unprotected labour actions that had an adverse impact on its revenue collection potential. Another issue that has been a risk to the Entity is its financial stability, as a result of its inability to meet its contractual obligations within a reasonable timeframe. The financial position has also had an adverse impact on the Entity's ability to maintain existing infrastructure within the protected areas, which will have future impact on revenue generation as a result of reduced visitor numbers.

The Entity keeps an employee case register, which currently has 12 cases at the CCMA. Ongoing disciplinary cases and new grievances were registered and attended to.

The Entity faces challenges in terms of skills gaps and staff retention in key areas such as biodiversity conservation. Training and development programmes are essential to enhance the capacity of employees to meet the growing demands of tourism management

and sustainable conservation practices. The Entity has enrolled or recruited 241 young people on different programmes, i.e. there are 53 students doing WIL and internship programmes sponsored by different training service providers; 100 learners in a Nature Conservation Learnership programme; 60 learners in tourism; 15 students for WIL programmes in different disciplines within biodiversity; and 13 students on a Scientific Services Internship programme. The Entity will leverage opportunities while addressing weaknesses to remain competitive and sustainable in the long term.

The Entity overall achieved below sixty-three percent of the planned performance targets. The reasons attributed to this poor performance include, amongst others, the lack of community stakeholder support when introducing programmes and projects within their areas, poor human resource capacity, and internal control deficiencies in procurement processes, which led to delays in spending the allocated budget and ultimately budget cuts.

As at the end of the 2024/2025 financial year, the MTPA had a total of 32 legal court cases forming part of the MTPA's updated Legal Case Register in quarter four. About 24 of those legal court cases were active, with 8 not active.

Of these 32 court cases, there were 18 civil court cases, mostly in the high courts. Out of that, 14 were active, with 9 having critical significance as highlighted below.

Further, there are 7 court cases involving current and former employees of the MTPA whose cases are at the Labour Court, Johannesburg. Out of these, 3 cases are being actively pursued. These three court cases are also highlighted below.

Furthermore, the Entity has 5 cases that involve service providers. Only one of these court cases is active, the rest are inactive. They have not been pursued further by the service providers that instituted them against the MTPA for a considerable period. The one active court case is being settled with the service provider concerned.

Moreover, the Entity has 2 criminal cases in which some of its field rangers (employees) are facing charges related to the execution of their duties with the MTPA. These cases are still under SAPS investigation.

Below are a few critical court cases that the Entity highlights, which include the following:

Finalised court cases during the period under review:

Telkom SA SOC Limited // Mpumalanga Tourism and Parks Agency & Another: CASE NO. 530/2024: THE REGIONAL COURT FOR THE REGIONAL DIVISION OF MPUMALANGA, HELD IN MBOMBELA – On 12 December 2024, the MTPA was served by the Sheriff with the combined summons issued by Telkom relating to the breach of a contract that the MTPA concluded with Trudon for the publication of advertisements (Directories and/or Electronic Yellow Pages). the MTPA breached the contract by failing to pay the amounts due in terms of that contract. The amount sued for was the sum of R388 332.00, which was for arrears at the time the summons was issued.

Following the assessment of the matter and internal discussions, the MTPA resolved not to oppose the court case. Instead, the full amount sued for was settled, as it was established that the MTPA was indeed owing Telkom. An omission had occurred in failing to cancel the Trudon contract when the MTPA terminated Telkom services. This has since been attended to and corrected.

COURT CASES WITH CONTINGENCIES FOR THE ENTITY:

Grand Valley Estates & 11 others Versus the MTPA & 24 others: Case No: 34502/2010:

High Court, North Gauteng Division Pretoria, this court case dates back to 2010 and concerns the plaintiffs' claim for damages which runs into billions of rands against the various cited state organs and officials cited in the court papers which include the MTPA. This action has been instituted by one businessman, namely Mr Frederick Coenraad Daniel & 11 others, the plaintiffs. The case is being defended through the Office of the State Attorney in Pretoria. The amount sued for, as per the Plaintiffs recently amended issued summons, is the sum of R 1 478 152 000.00 which is jointly and severally payable by all the Defendants to the Plaintiffs. Until after

05 December 2024 following the last amendment to their particulars of claim, the plaintiffs initially claimed the sum of R 1 082 330 740. 00 as damages jointly and severally payable by all the Defendants to the Plaintiffs. Out of that amount, the amount computed to be payable by the MTPA was the sum of R1 080 550 000. Whereas originally when the summons were issued out for the first time, the sum of R740 million was the amount computed to be payable by the MTPA.

The cause of action set out in the plaintiffs' recently amended particulars of claim in the summons is broadly alleged to be the claim of damages for alleged wrongful, unlawful, intentional conduct of defendants and the breach of the duty of care by defendants towards the plaintiffs which all this is alleged to have resulted in the loss of opportunity to develop and commercialise Nkomazi Wildness and Travelport in Badplaas, a project that was set to be a big five eco-tourism game reserve attracting upmarket tourists and international investors. As a result of the defendants' alleged wrongful and unlawful conduct as well as their breach of duty of care towards the plaintiffs, plaintiffs allege that they have suffered loss of profit valued in the sum of R812 million as well as loss in respect of vacant project land valued in sum of R665 million as of 28 February 2025.

This court case was initially on trial from 2020 until 14 June 2023 when it became aborted as the then presiding judge became medically boarded and could no longer perform his official duties.

The retired judge, namely Mr Justice Tuchten, is the new judge appointed to preside over this court case until its finality.

Further, even though initially there was disagreement between the parties on how the trial shall proceed, the trial in this matter has started afresh as per an order by agreement between the parties which was reached on 13 May 2024 following the defendants' de novo application.

Furthermore, there was initially a disagreement between the parties on whether pleadings revert to their original status before aborted trial or remain as they are. Also, there was the issue of admission of certain evidence in the aborted trial that plaintiffs contended should be admitted when the trial starts afresh. Defendants did not agree with that. Plaintiffs brought an interlocutory application to argue these matters and the court dismissed the application with costs. The court basically ruled that the trial court will hear and assess all evidence when it starts afresh, and the pleadings will remain as they were when the aborted trial commenced. However, the granted amendments in the pleadings stand unless successfully challenged.

In addition, the parties agreed that the mode of hearings in this case as well as the trial will be as per paragraph 15 of the Consolidated Practice Directive 1 of 2024, meaning that they will be in open court safe for the exceptional circumstances where virtual hearing may be resorted to.

The trial started from 20 January 2025 until 30 July 2025 when all the witnesses of both parties testified in court. On or about 01 September 2025, the parties will present their oral arguments before court. Thereafter, the judgement may be expected probably later during this year.

Numerous previous attempts to have this matter settled out of court were not successful. Only once the court final decides on the matter shall it be certain as to how much the MTPA is liable for, if at all. Similarly, only after the finalization of the court case shall it be known for sure the legal costs, if any, that will be payable by the MTPA and other Defendants.

The legal fees incurred and paid in this matter thus far since it started are in the sum of R14 741 190.21. The current outstanding legal fees are R14 330 256 42. The MTPA has made a payment arrangement with the Department of Justice (DoJ) of reasonable monthly instalments towards settling these owing legal fees. The future payable fees are not known but would be substantial given the complex nature of this matter and the likely period it may take to finalize this court case. The legal fees incurred in this case are not affordable for the MTPA.

Banele Gcina Lubisi Versus the MTPA: CASE NO. 1233/23: High Court, Mpumalanga Division, Mbombela Main Seat – on 22 March 2023, the MTPA received the issued Summons from the Sheriff of the Court for this court action against the MTPA. The

action is for the alleged assault on the plaintiff by the MTPA's officials based in Tonga in August 2022 in an incident relating to illegal trade in fish on the streets and illegal fishing.

The MTPA is sued for R7mil in a vicarious liability for the actions of its officials done when they were carrying out their official duties.

The MTPA has elected to defend the action following the advice received from appointed legal team. It has factually been established that the plaintiff traded illegally on fish on the streets in Tonga on the day in question. When the peace officers from the MTPA (our concerned or involved officials) effected his arrest in respect of such illegal trading, he resisted arrest which led to the necessary use of force that resulted in him suffering some bodily injuries. The community in the area was also involved on the day in question and was siding with the plaintiff.

The MTPA legal team believes that the arrest was lawful, and the use of force was necessary. However, the jury is out whether or not such use of force was excessive in the circumstances as to constitute illegality warranting an award of damages as claimed or otherwise. So, the prospectus of success is balanced. The matter will continue to be defended.

The case is Set Down for the 1st Case Management on the court roll of 18 September 2025 at 09:00 or soon thereafter. The incurred legal fees to date are the sum of R 12 220.76. The future legal fees and legal costs are unknown.

June Mica Ngoza Versus the MTPA: High Court, Mpumalanga Division, Mbombela: Case No: 850/2024 - on 14 March 2024 the MTPA received new summons that the plaintiff issued out at the High Court in Mbombela suing the MTPA for damages in the sum of **R5mil** following an attack by a stray leopard at his homestead in Matsalu Ehlanzeni District, Mpumalanga. As a result, he claims that he has suffered personal physical injuries and emotional shock. In addition, he claims that his earning capacity has also diminished because of injuries sustained in the attack. The MTPA is defending the matter. An exception application was successfully moved resulting in a court order requiring plaintiff to amend its particulars of claim (POC) as they previously did not disclose a cause of action to which the MTPA could plead to. The plaintiff became compelled to amend its POC and the MTPA prepared and filed its plea to the amended POC. The exchange of pleadings is continuing. The MTPA has proceeded to tax the awarded legal costs in the interlocutory application and shall proceed to recovery them. The legal fees incurred thus far are in the sum of R 390 024.17. The future legal fees and legal costs are unknown.

JAN J MULLER Versus THE MTPA: CASE NO: J5412/2020: LABOUR COURT, JHB - this court case is one of the labour litigations that the MTPA unfortunately has with one of its former employees. Mr. Muller is claiming a sum of R 2 267 657.93 against the MTPA which is said to be for breach of his employment contract, occasioned by an alleged incorrect calculation and/or payment of the disability benefit due to him under Group Life that Sanlam offers as the appointed service provider in this regard.

The MTPA is opposing the matter and views it as misdirected as, among others, the formula for calculation in respect of the claim is incorrect. Further, the MTPA puts it in issue that the benefit concerned constitutes a breach of employment as alleged. The MTPA contends that the matter is an insurance matter, which ought to be handled as such. It is not a matter competent for the labour courts.

The MTPA pursued the two technicalities herein, that is it raised two points in limine, namely: one of lack of jurisdiction of the Labour Court as the claim is an insurance related one not the labour; and secondly, the non-joinder of Sanlam, as the insurer concerned.

On 05 October 2023 the court heard an application for hearing of the points in limine that the MTPA raised which was opposed by Mr. Muller. On 16 July 2024 the judgement relating to this matter was electronically received. Unfortunately, the court dismissed the MTPA's application and directed the Court Registrar to enroll the matter for trial. The judge ruled that the costs shall be in cause. The trial date is awaited. The legal fees incurred thus far are in the sum of R 702 025.34. The future legal fees and legal costs are unknown.

MARIA ESNAT MATHEBULA Versus **MPUMALANGA TOURISM AND PARKS AGENCY & ANOTHER: Case No. 1748/2024:**

The Magistrate's Court for the District of Mbombela, Held in Mbombela – On 28 August 2024, the MTPA received summons related to an alleged unlawful arrest and detention claim for damages in the sum of R200 000. On 8 March 2024, at Maggugu Road in Mbombela, Mr. R. L. Mdluli, an employee of the MTPA, while on duty, found Ms. Maria Esnat Mathebula, the plaintiff, on the street in possession of fish that were suspected to have been obtained through illegal fishing, in contravention and violation of the Mpumalanga Nature Conservation Act 10 of 1998 (MNCA).

On a few previous occasions, the MTPA officials had warned her about her illegal practice of selling fish that had not been obtained in keeping with the permit she possessed, which was for angling, not catching fish in a net. Mr. Mdluli effected the arrest of the plaintiff in line with the MNCA. She was detained at Nelspruit Police Station and criminal charges were preferred against her. However, the criminal case was later withdrawn against her by the NPA, and she was released from detention.

Ms. Mathebula has since filed summons against the MTPA and SAPS, suing for damages for unlawful arrest and unlawful detention. The MTPA is sued in vicarious liability for the actions of its official, carried out while he was performing his official duties in effecting the arrest.

The plaintiff is claiming R200 000 for damages for unlawful detention, unlawful arrest, infringement of human dignity, and deprivation of liberty.

Based on the assessment of the merits of the matter, the MTPA has elected to defend this action. In this regard, the MTPA has enlisted the services of its attorneys to handle the matter. The attorneys consulted with the relevant employees of the MTPA and have since prepared and filed the plea in respect of the issued summons. Further, the attorneys have provided a legal opinion on the merits of the matter. The opinion indicates that the MTPA has good prospects of success in defending the matter. The exchange of pleadings continues, after which the trial date will be allocated.

Small Claims Court claims against the MTPA at Elukwatini Magistrate's Court, Mpumalanga

On 16 October 2024, the MTPA was served with several letters of demand/summons (J933) in relation to claims filed by farmers whose crops were damaged by elephants believed to have come from the Songimvelo Nature Reserve (SNR/the Nature Reserve). These matters have been instituted at the Small Claims Court in Elukwatini Magistrate's Court. Below is a list of the plaintiffs involved in these matters:

- Ntombefuthi Florah Mkhonza // Mpumalanga Tourism and Parks Agency (claimed amount R9 200)
- Jaulane Sam Mdawe v/s Mpumalanga Tourism and Parks Agency (claimed amount R9 200)
- Phineas Nhlabathi v/s Mpumalanga Tourism and Parks Agency (claimed amount R9 200)
- Isaiah Vusi Nkosi v/s Mpumalanga Tourism and Parks Agency (claimed amount R9 200)
- Obed Bafana Mathebula v/s Mpumalanga Tourism and Parks Agency (claimed amount R9 200)
- Velly Khoza v/s Mpumalanga Tourism and Parks Agency (claimed amount R4 600)
- Folly Jaybee Msibi v/s Mpumalanga Tourism and Parks Agency (claimed amount R13 800)
- Vina Nomasonto Mavuso v/s Mpumalanga Tourism and Parks Agency (claimed amount R9 200)
- Mfan'uzile July Matsebula v/s Mpumalanga Tourism and Parks Agency (claimed amount R13 800)

Total amount claimed: R87 400

The court hearing was initially scheduled for 29 November 2024 but was postponed to 17 January 2025. The MTPA was informed that legal representation is not allowed in the Small Claims Court. Therefore, one senior manager or reserve manager from Biodiversity, with the guidance of the Legal Services unit, handled the matter and attended the court hearings.

The preliminary view that the Entity holds regarding these matters is that the res nullius rule is applicable, meaning that the Entity arguably bears no direct liability for the actions of the elephants. This will be advanced as the defence of the MTPA when the matter commences, together with the contributory negligence factor on the part of the farmers, as they have no proper fencing and their fields are close to the boundary of the reserve, thus endangering their crops.

The cases were initially placed on the roll for hearings on 17 January 2025. Later, the hearings were postponed to 14 March 2025 and 28 March 2025. On 28 March 2025, the court encouraged the parties to attempt to settle the matter out of court before the next hearing. Again, on the next hearing date, the cases were postponed, with the court encouraging the parties to try to reach a settlement or compensation agreement. This was unsuccessful, and on 30 June 2025 the cases eventually proceeded in court, where they were all dismissed on the basis that the court lacked jurisdiction, as the amounts claimed exceeded the court's monetary limits. This outcome has since infuriated the farmers, who have vowed to disrupt operations at the SNR.

LABOUR/EMPLOYMENT-RELATED COURT CASES

MPUMALANGA TOURISM AND PARKS AGENCY Versus NEHAWU: 2025 - 038808: THE LABOUR COURT OF SOUTH AFRICA - From 19 March 2025, the members of NEHAWU at the MTPA especially in the Bohlabelo and Nkangala regions embarked on an illegal labour action/strike/picket and closed the Nature Reserves and tourist sites. In addition, they refused to allow other employees access to the offices to perform their duties.

Tourism was negatively impacted profoundly with revenue collection for the MTPA impossible as this illegal labour action continued. Further, tourists could not access the Nature Reserves and the tourist sites.

On 19 March 2025 during the morning time, the MTPA management urgently convened a Labour Management Forum (LMF) meeting with NEHAWU to try and sort out their matters that they raised which included the demand to withdraw the termination of temporary employees. NEHAWU refused to attend the meeting.

The MTPA addressed a cease-and-desist letter to NEHAWU giving them an ultimatum of 07:00am on 20 March 2025 to stop their illegal action and open the gates in the reserves. This was ignored. As a result of this illegal conduct of the members of NEHAWU at the MTPA, the MTPA management became compelled to seek an urgent court interdict to legally force members of NEHAWU at the MTPA to refrain from participating in any conduct in furtherance of the illegal labour action/strike/picket and closing the Nature Reserves and tourist sites.

Court papers were served on NEHAWU on 20 March 2025 in the afternoon. Court allocated 26 March 2025 for the urgent hearing of the matter. The Court directed NEHAWU to file any opposing court papers by 24 March 2025. Further, it directed the MTPA to file any replying court papers by 25 March 205. NEHAWU failed and or neglected to file any court papers to date.

On 26 March 2025, the Labour court granted the MTPA an urgent interim court interdict order unopposed which court order has interdicted the members of NEHAWU at the MTPA from embarking on the illegal strike and closing the Nature Reserves and tourist sites.

Upon receipt of the copy of the court order on 27 March 2025, the court order was served by the Sheriff to NEHAWU. It was also emailed to all NEHAWU regional secretaries as well as the MTPA staff as a whole. In addition, it was brought to the attention of all the MTPA's stakeholders.

On 27 March 2025 the illegal labour action/strike/picket and closing of the Nature Reserves and tourist sites came to a stop. The gates in the Nature Reserves were opened, operations resumed, and tourist sites could be accessed by the tourists with no problems.

On 23 May 2025 counsel for the MTPA appeared in court and argued for the granting of the cost order against NEHAWU, which was granted. However, the rule nisi was discharged as the illegal strike was no longer taking place.

OTHER COURT CASES WORTH MENTIONING:

First Loskop Dam Nature Reserve court interdict - MPUMALANGA TOURISM AND PARKS AGENCY Versus KENNETH MAABA & OTHERS: CASE NO. 181/2025: IN THE MAGISTRATES COURT FOR THE DISTRICT OF NKANGALA, HELD IN MIDDLEBURG, MPUMALANGA - Following numerous unsuccessful engagements with 1st to 4th respondents, the MTPA became compelled to institute a court application to deal with the disruptions that are constantly flaring up at the Loskop Dam Nature Reserve (LDNR) instigated by the 1st respondent and other fellow claimants/community members.

Mamarumo Communal Property Association (Mamarumo CPA) is one of the three CPAs at LDNR (the Nature Reserve), and the term of the previous Executive Committee of Mamarumo CPA ended sometime at the beginning of 2024. Unfortunately, the process of appointing a new executive committee has faced significant challenges to date. This has led to the formation of the Concerned Group which may be termed a splinter group or a faction within the CPA. This, Concerned Group of Mamarumo CPA has been continuously disrupting operations at the Nature Reserve, despite multiple engagements between them and the MTPA on this matter.

As a result, the MTPA resolved to appoint its attorneys to institute the court proceedings for an interdict in a competent court with the requisite jurisdiction against Mr. Kenneth Maaba and other members of the Concerned Group who have continuously led some of these disruptions staged at the LDNR.

On the 12 December 2024, the appointed attorneys consulted with the MTPA's employees and are now in the process of preparing the necessary court papers to seek an urgent interdict.

On 25 March 2025, the court granted the MTPA an interim interdict order against the 1st to 4th respondents.

Accordingly, the 1st to 4th respondents got interdicted from interfering with the MTPA in the management of the LDNR. Further, the first to fourth respondents got interdicted and restrained from interfering with all stakeholders at the LDNR including employees, tourists, operators, and service providers there. In addition, the first to fourth respondents got interdicted from blocking the entrance and access to the LDNR including picketing at the gate there.

In addition, the SAPS (who are cited as 5th & 6th respondents), especially the fifth respondent (Station Commander of Middleburg Police Station) was ordered and directed to assist with the enforcement of the interim order within the bounds of their legislative mandate.

Unfortunately, on 23 April 2025 the presiding magistrate (Ms Makhubela) discharged the granted interim interdict order stating that it lapsed as on the last date of appearance the rule nisi was not extended when the postponement of the case was made.

After consideration of this turn of events, the MTPA instructed its attorneys to lodge a review as the discharge of the granted interim order appeared to be irregular.

Whilst still awaiting the reasons for the ruling from the presiding magistrate so as to proceed with the review proceedings, the respondents attempted to disrupt the operations yet again at the LDNR thus constituting a new cause of action in law. Therefore, the MTPA immediately instructed its lawyers to institute a new ex parte interdict application, the details of which are covered below. With the granting of the final interdict court order in respect of the new court case, the review is no longer pursued as it would be costly to the MTPA and be merely academic in effect as there is a final interdict order obtained in respect of this matter in the new court case.

Second Loskop Dam Nature Reserve court interdict – MPUMALANGA TOURISM AND PARKS AGENCY Versus KENNETH MAABA & OTHERS: CASE NO. 865/2025: IN THE MAGISTRATE'S COURT FOR THE DISTRICT OF NKANGALA, HELD IN MIDDELBURG, MPUMALANGA – Following the discharge of the interim interdict order on 23 April 2025 in respect of the first interim interdict order for LDNR, the members of the Concerned Group of the Mamarumo CPA went to the Loskop Dam Nature Reserve

(LDNR) to disrupt the operations there yet again. The MTPA became compelled to urgently approach the court on an ex parte basis for an urgent interim court order on 02 May 2025, which was granted.

On 16 May 2025, the respondents were called upon to show cause in court as to why the issued ex parte interim interdict court order should not be made final. However, owing to service by the sheriff not being effected, the matter was postponed to 06 June 2025 for proper service, with the rule nisi extended. On 06 June 2025, the ex parte interim interdict court order was confirmed as the final interdict court order against the respondents.

MOUNTAINLANDS ESTATE OWNERS' ASSOCIATION & 3 OTHERS Versus **THE MTPA & 3 OTHERS: CASE NO. 1957/2024:** THE HIGH COURT, MPUMALANGA DIVISION, MBOMBELA MAIN SEAT – This court case relates to the impasse that the MTPA has with the private landowners and BATOBIC at the Barberton Makhonjwa Mountain World Heritage Site (BMM-WHS).

On 03 May 2024, the MTPA received court papers for an urgent court interdict against the MTPA and its appointed service provider, the second respondent, that was carrying out refurbishment and upgrade construction work of the Geosites at the BMM-WHS at the behest of the MTPA.

These served and filed court papers notified the MTPA that on 14 May 2024 the applicants would be before the urgent court seeking a final or interim interdict court order interdicting the MTPA and the second respondent from demolishing any structures or undertaking any form of construction activities at any of the Geosites forming part of the Barberton Makhonjwa Mountains Geo-Trail, situated on and adjacent to the P77-1 Provincial Road, which connects the town of Barberton with the Bulembu/Josefsdal border post on the Eswatini border, without the written consent of the applicants and the prior written permission of the third respondent.

The MTPA considered the matter and elected to oppose it, mainly on the basis that the applicants were not willing to cooperate with the MTPA as the assigned management authority of the site, as well as the other relevant state organs that had approved plans to be implemented for the development of the BMM-WHS. The applicants' conduct frustrates the lined-up development plans for the BMM-WHS, with the desired economic development and employment opportunities being missed.

The MTPA appointed its attorneys to oppose the interdict application of the applicants. The matter was eventually heard on 14 May 2024, after which it was removed from the court roll with costs, as it was viewed as not urgent. Subsequently, on 11 July 2024, the applicants brought an application for leave to appeal the ruling. However, that application was also dismissed with costs. The court subsequently allocated 06 March 2025 for the matter to be argued, and judgement was delivered on 27 June 2025 in favour of the MTPA, but with no order as to costs. The applicants are pursuing an appeal in respect of the judgement. The parties have attempted an out-of-court settlement in respect of this matter, but unsuccessfully.

Sappi Southern Africa Limited Versus **the MTPA & 2 Others: Case No. 3172/2024**: The High Court, Mpumalanga Division, Mbombela Main Seat – This is the second court case relating to the impasse that the MTPA has with the private landowners and BATOBIC at Barberton Makhonjwa Mountain – World Heritage Site (BMM-WHS).

On 01 July 2024, the MTPA was served with a draft Notice of Motion, to be issued out in court the same day, whereby the applicant, Sappi Southern Africa Limited, was seeking urgent relief against the first and second respondents, being the MTPA and Siphelele General Trading (Pty) Limited.

In that Notice of Motion, accompanied by the founding affidavit deposed to by Mr J. van der Wath, who says he is the Forest Manager of the applicant, the applicant was notifying the MTPA that on 09 July 2024, the applicant would be before the urgent court seeking a final or interim interdict court order that directs the second respondent and its agents and employees to vacate, with immediate effect, the "Makhonjwa View" and "Painted Quarry" Geosites adjacent to the P77-1 Road, located at latitude 25°53'10.038"S, and longitude 31°5'49.566"E; and latitude 25°52'40.39"S, and longitude 31°5'17.404"E, respectively.

Further, they sought an order interdicting the first and second respondents, and any of their agents or employees, from demolishing

any structures or carrying out any construction activities on the “Makhonjwa View” and “Painted Quarry” Geosites without the prior written permission of the applicant.

The MTPA considered the matter and elected to oppose it mainly on the basis that the applicant’s matter had already been adjudicated upon as not urgent in the initial urgent application that the applicant and others brought before the same court. Further, this new application by the applicant was not materially different from the initial application. Accordingly, the applicant was not entitled to be granted the relief they were seeking. Therefore, the application had to be dismissed with costs.

On 10 July 2024, the matter was argued before AJ Msibi, who, after hearing both parties, dismissed the application with costs on an attorney-and-client scale, including the costs of two counsel. The applicant thereafter pursued an application for leave to appeal from the bar, unsuccessfully, as it was also dismissed with costs for having no prospects of success. The applicant subsequently brought a substantive formal application, which was heard on 04 December 2024, which the MTPA opposed. That application was also dismissed with costs, as per the electronic judgement received on 08 January 2025. The applicant took the matter up to the Supreme Court of Appeal (SCA), still pursuing the appeal route.

SAPPI SOUTHERN AFRICA LIMITED Versus THE MTPA & 2 OTHERS: CASE NO. 3172/2024: THE HIGH COURT, MPUMALANGA DIVISION, MBOMBELA MAIN SEAT – This is the second court case relating to the impasse that the MTPA has with the private landowners and BATOBIC at the Barberton Makhonjwa Mountain World Heritage Site (BMM-WHS).

On 01 July 2024, the MTPA was served with a draft notice of motion, to be issued in court the same day, whereby the applicant, SAPPI Southern Africa Limited, was seeking urgent relief against the first and second respondents, being the MTPA and Siphelele General Trading (Pty) Limited.

In that notice of motion, accompanied by the founding affidavit deposed to by Mr. J. van der Wath, who stated he is the Forest Manager of the applicant, the applicant notified the MTPA that on 09 July 2024 the applicant would be before the urgent court seeking a final or interim interdict court order directing the second respondent and its agents and employees to vacate, with immediate effect, the “Makhonjwa View” and “Painted Quarry” Geosites adjacent to the P77-1 Road, located at latitude 25°53’10.038”S, longitude 31°5’49.566”E, and latitude 25°52’40.39”S, longitude 31°5’17.404”E, respectively.

Further, the applicant sought an order interdicting the first and second respondents, and any of their agents or employees, from demolishing any structures or carrying out any construction activities on the “Makhonjwa View” and “Painted Quarry” Geosites without the prior written permission of the applicant.

The MTPA considered the matter and elected to oppose it, mainly on the basis that the applicant’s matter had already been adjudicated as not urgent in the initial urgent application that the applicant and others brought before the same court. Further, this new application by the applicant was not materially different from the initial application. Accordingly, the applicant was not entitled to be granted the relief sought. Therefore, the application had to be dismissed with costs.

On 10 July 2024, the matter was argued before AJ Msibi who, after hearing both parties, dismissed the application with costs on an attorney-and-client scale, including the costs of two counsel. The applicant thereafter pursued an application for leave to appeal from the bar, unsuccessfully, as it was also dismissed with costs for having no prospects of success. The applicant subsequently brought a substantive formal application, which was heard on 04 December 2024 and opposed by the MTPA. That application was also dismissed with costs, as per the electronic judgement received on 08 January 2025. The applicant has since taken the matter up to the Supreme Court of Appeal (SCA), still pursuing the appeal route.2.2.12 **Sappi Southern Africa Limited** Versus **the MTPA & 2 Others: Case No. 081/2025: Supreme Court of Appeal, South Africa, Bloemfontein** – Subsequently, Sappi pursued the appeal route by petitioning the Supreme Court of Appeal (SCA) for leave to appeal the decision of the High Court, Mbombela, that dismissed their application and refused leave to appeal. On 16 April 2025, the SCA dismissed Sappi’s petition for leave to appeal with costs.

On 16 May 2025, Sappi brought an application for reconsideration in terms of section 17(2)(f) of the Superior Courts Act, 2013, wherein they made an application to the President of the SCA to refer the matter back to the SCA for reconsideration and, if necessary, for variation of the SCA's decision that dismissed Sappi's petition for appeal. The MTPA opposed Sappi's application for reconsideration. On 18 July 2025, the SCA handed down an order dismissing the reconsideration application with costs.

SAPPI SOUTHERN AFRICA LIMITED Versus **THE MTPA & 2 Others: CASE NO. 081/2025: SUPREME COURT OF APPEAL SOUTH AFRICA, BLOEMFONTEIN** – Subsequently, Sappi pursued the appeal route by petitioning the Supreme Court of Appeal (SCA) for leave to appeal the decision of the High Court, Mbombela, that dismissed their application and refused leave to appeal. On 16 April 2025, the SCA dismissed Sappi's petition for leave to appeal with costs.

On 16 May 2025, Sappi brought an application for reconsideration in terms of Section 17(2)(f) of the Superior Courts Act, 2013, wherein they made an application to the President of the SCA to refer the matter back to the SCA for reconsideration and, if necessary, for variation of the SCA's decision that dismissed Sappi's petition for appeal. The MTPA opposed Sappi's application for reconsideration. On 18 July 2025, the SCA handed down an order dismissing the reconsideration application with costs.

OUT OF COURT SETTLEMENT NEGOTIATIONS: BMM-WHS LITIGATIONS – During the months of February and March 2025, the parties engaged in out-of-court settlement negotiations aimed at resolving all BMM-WHS litigations and the related challenges at the BMM-WHS. Unfortunately, this attempt to settle the court cases was unsuccessful. Among other issues, the private landowners insisted on the Entity paying their legal costs to date. Further, they refused to qualify their granting of consent for the implementation of projects at the BMM-WHS.

There is now renewed interest on the part of private landowners and BATOBIC in pursuing out-of-court settlement negotiations, especially following the outcome of the forensic investigation on the BMM-WHS. However, the private landowners still insist on the same issues that the parties could not agree on in February/March 2025, namely that the MTPA must pay their legal costs and that they refuse to qualify their support and consent.

Moreover, since the private landowners are still vigorously pursuing their court cases, it is advisable that settlement negotiations be dealt with by the parties' respective legal representatives. Having another parallel engagement not involving the legal representatives while the case is still ongoing could be prejudicial to the MTPA.

However, the MTPA is not opposed to an out-of-court settlement provided the private landowners:

- Formally withdraw their court cases against the MTPA,
- Formally tender to pay all of the MTPA's court-awarded legal costs, and
- Agree to support, as well as provide their consent to, the implementation of the approved projects at the site, which consent and support must not unreasonably be withheld, to ensure the development of the site for the benefit of all people of South Africa.

In addition, the private landowners must withdraw their objections submitted to SAHRA for the Geosites refurbishment project, as well as undertake not to object to permit applications at SAHRA for the projects at the site. The MTPA remains committed to always consulting all stakeholders regarding all BMM-WHS matters.

SAHRA CEASE ORDER – In December 2023, the attorneys of BATOBIC, private landowners, and SAPPI Forestry Limited (private landowners) exchanged several correspondences with the MTPA regarding their refusal of the implementation of the approved projects in the Geotrails at the BMM-WHS, which entailed the upgrade and refurbishment of the Geosites on the P77-1 Provincial Road reserve. In January 2024, the MTPA agreed to halt the implementation of the Geosites project pending engagements on the revision of the project scope, working with the private landowners. In April 2024, the MTPA proceeded with the implementation of the upgrade and refurbishment of the Geosites at the BMM-WHS due to lack of cooperation, especially from BATOBIC.

During July 2024, BATOBIC/private landowners and the local geologists' fraternity lodged complaints with the South African Heritage Resources Agency (SAHRA) alleging destruction of various Geosites at the BMM-WHS and the conducting of unpermitted works there by the MTPA. On 24 July 2024, SAHRA convened a meeting with the MTPA, DFFE, and complainants, including landowner representatives. After receiving prior presentations prepared by the complainants and listening to the official from the DFFE, SAHRA issued an order for immediate cessation of all works or actions in the BMM-WHS by the MTPA and its contractor (Cease Works Order), without affording the MTPA an opportunity to make similar representations on the matter as it had afforded the complainants. After initially contemplating reviewing or appealing the Cease Works Order, the MTPA resolved to comply with it so as to enable the development and management of the site. The MTPA engaged with SAHRA on the matter and subsequently made the required permit application. Regrettably, on 14 October 2025, SAHRA declined to grant the permits applied for, citing objections received from the private landowners and the pending litigations.

As a result of the SAHRA Cease Works Order and SAHRA's refusal to grant the permits mentioned above, the MTPA became compelled to instruct its contractor to halt all construction at the site and vacate the construction site. The project for the refurbishment of the Geosites was therefore never finalised.

DFFE Warning Letter – Following the complaint of the alleged destruction of the geosites from the local geologists and the private landowners, the Department of Forestry, Fisheries and the Environment (DFFE) conducted its own site inspection at the geosites regarding the matter. Upon conclusion of its investigation, the DFFE issued a Warning Letter to the MTPA wherein it raised several concerns relating to the contractor's activities which may have caused significant pollution or degradation of the environment within BMM-WHS in contravention of section 28(1) of the National Environmental Management Act 107 of 1998 (NEMA). Such concerns include:

a) Dumping of waste such as rubble, cement, tins, and bottles within the site with the potential to pollute the environment.

b) Mixing cement on the unpaved/unlined ground with the potential to contaminate soil, surface water, and groundwater.

c) Uncontrolled open fires at different areas within the site with the potential to cause runaway fires with subsequent significant environmental damage and damage to the properties in and around the site.

d) Placing mobile ablution facilities on undesignated areas such as open veld, which could pose a risk of contamination of soil, surface water, and groundwater.

These kinds of concerns constitute an offence in terms of section 49 of NEMA and can attract penalties such as a fine not exceeding R10 million or imprisonment for a period not exceeding 10 years.

Upon receipt of this Warning Letter, the MTPA resolved to embark on a compliance exercise, heeding the content of that Warning Letter. So, in order not to be mistaken as undertaking construction activities at the site contrary to the Cease Works Order whilst heeding the Warning Letter, the MTPA decided to notify BMM-WHS stakeholders, including SAHRA and the private landowners, about the Warning Letter that the MTPA had received from the DFFE, as well as the MTPA's contemplated compliance exercise relating thereto, within the prescribed period.

The MTPA received a response correspondence from the legal representatives of the private landowners, which indicated that the MTPA was not welcome in the land of their clients, and that their clients had no intent of ever cooperating with the MTPA as regards BMM-WHS matters. They also expressly stated that they would never support the issuing of permits to the MTPA by SAHRA. Lastly, they stated that the compliance exercise by the MTPA should not take 14 days as the Warning Letter provided, but only 3 days. All in all, the letter from the private landowners simply gave a bleak outlook regarding co-operative management of the site between the MTPA and the private landowners.

The MTPA has since complied with the Warning Letter from the DFFE. All indicated concerns were attended to and cleared. The report in this regard was prepared and sent to the DFFE. The matter is viewed as closed.

TSWALE COURT ORDER – There are court proceedings, namely **SHOFEEDS (Pty) Ltd versus Johann Muller, Sonell Jourbert, Conference and Management Solutions and the MTPA under case number 2049/2024 in the High Court, Mpumalanga Division, Mbombela.** The main issues for determination by the court in these proceedings pertain to the ownership and permits relating to the elephant bull called Tswale. The MTPA did not participate in these proceedings even though it is cited as one of the respondents in the court papers. The MTPA decided not to take part in these court proceedings as it had no issues to contest regarding the matter.

On 08 October 2024, the court issued an order which, among others, requires the MTPA to assist the Sheriff to remove Tswale from Farm Lowhills 394 in Hectorspruit and to relocate the elephant to a place of safety and care, as identified and determined by the MTPA, which is cited as the 4th respondent in these proceedings. Further, the removal shall be at the expense of the MTPA.

The MTPA has given effect to the court order. It attended to all necessary logistics, obtained all necessary permits that paved the way for the ordered removal, and ensured that all required tests on Tswale were conducted accordingly.

Further, the sponsor for the ordered removal was secured, namely WeWild Africa, who committed to cover all the costs of the removal operation. A place of safety wherein the elephant was to be relocated was also identified.

Although initially, especially in the months of December 2024 to February 2025, several challenges were encountered which delayed the MTPA's compliance with the order, most of the hurdles were eventually overcome, with the translocation of Tswale to its final place of safety undertaken and finalised by the end of June 2025. All the required tests on Tswale were completed and returned negative, paving the way for his removal to his final place of safety and care as ordered by the court.

Criminal investigations against the MTPA's field rangers at Songimvelo Nature Reserve (SNR) who dealt with illegal miners – During the period under review, some of the field rangers of the MTPA at the SNR dealt with several invasions of the reserve by illegal miners, and there were incidents that resulted in the South African Police Service (SAPS) considering possible criminal charges against those rangers. Consequently, legal assistance became necessary in the preparation of their statements to be submitted to SAPS. The expertise of a criminal lawyer versed in this kind of matter has been enlisted to assist these field rangers with the required statements. This process is ongoing.

Public Protector investigation regarding the damage to crops of the complainant caused by escaping elephants at the SNR – On 16 October 2024, the MTPA received a Public Protector's notice of investigation regarding a complaint lodged by Mr. Joshua Makhaya Nkosi (Mr. Nkosi/the farmer), who is the owner of a farm situated at Moddergat (Elukwatini). The farmer claims that his crops were damaged by elephants believed to have come from the Songimvelo Nature Reserve (SNR/reserve). The Public Protector (PP) required the MTPA to submit a written response to the lodged complaint.

The MTPA submitted a detailed reply to the Public Protector, raising, among others, the following defences: no legal liability, contributory negligence, invocation of the res nullius rule, and lack of compensatory policy regarding these kinds of matters. The MTPA maintains that the res nullius rule is invocable in this matter, meaning that the Entity arguably bears no direct liability for the actions of the escaping elephants from the provincial protected area. The issue of conflict between wildlife and human settlement was also alluded to, hence the legal submission for contributory negligence on the part of the complainant, who lives in close proximity to the reserve. Feedback from the Office of the Public Protector is awaited on the matter.

Information Regulator (IR) – During the period under review, the MTPA received several PAIA requests. Most of these requests related to APNR information and permits pertaining to the Big Five, trophy hunting, etc. Often, the scope of these requests extended back several years, for example requesting information from 2020. Since the MTPA's permit filing system is largely still manual, the searching, retrieving, redacting, and preparing of the requested information tends to be prolonged. Moreover, at times, the requested information concerns third parties, thus necessitating consultation with them. Consequently, on a few occasions, delays in searching, consulting, and preparing the requested information resulted in complaints being lodged with the Information Regulator against the MTPA by some of the requestors. Fortunately, most of those complaints were amicably resolved with the Information Regulator and the parties concerned, with no penalties imposed against the MTPA.

Trademark application no. 2021/26965 NOOITGEDACHT DAM NATURE RESERVE in Class 43

In 2021, the MTPA resolved to have intellectual property registration in respect of some of its tourist attraction sites and premium Nature Reserves. To that end, the MTPA appointed its attorneys to pursue intellectual property rights applications in Class 44 (provision of flora and fauna), Class 43 (temporary accommodation), and Class 35 (information dissemination, publicity, trade affairs, etc. in the field of tourism and nature conservation) for the identified Nature Reserves and tourist sites.

These instructions were successfully carried out for all tourist sites and identified Nature Reserves, except for Nooitgedacht Dam Nature Reserve, where there was a threatened opposition to trademark application no. 2021/26965 NOOITGEDACHT DAM NATURE RESERVE in Class 43 in the name of the Mpumalanga Tourism and Parks Agency by Nooitgedacht Beherend (Pty) Limited – the objector. The objector's lawyers and the MTPA's lawyers engaged on possible resolution of the matter during the course of last year, which culminated in an agreement involving an undertaking on the part of the MTPA to eliminate any potential confusion regarding the name Nooitgedacht.

On 30 April 2025, the MTPA was advised that the undertaking was provided on its behalf to the attorneys of Nooitgedacht Beherend (Pty) Ltd. The undertaking states that: the MTPA undertakes only ever to use the trademark "Nooitgedacht Dam Nature Reserve" as a whole and agrees to this undertaking being binding on its directors, shareholders, employees, affiliates, successors, and assigns – and will endure to the benefit of the successors and assigns of Nooitgedacht Beherend (Pty) Ltd. Accordingly, the Registrar has been informed that the opponent has withdrawn its threat of opposition, and the registration certificate in respect of the MTPA's application can therefore now be issued. The certificate is awaited.

January 2025 NEHAWU Disruptions

During the month of January 2025, there were disruptions in the Nature Reserves with NEHAWU members embarking on an illegal strike that resulted in the closure of the MTPA's Nature Reserves. This led to disruptions of operations, tourists being unable to access tourist sites, small business owners being unable to conduct their trading in the reserves, a negative impact on the tourism industry in the province, and strained relations with the Communal Property Associations (CPAs) in these reserves. The main issue from NEHAWU was the demand to allow the acting in higher positions to continue in spite of the cost-curtailment measures that management was implementing, owing to the financial situation of the Entity.

The MTPA management considered instituting disciplinary actions against an identified perpetrator, as there was a circulated audio recording that pinpointed the instigator, hence the contemplation to rely on it and proceed with summary dismissal proceedings. There was, however, a subsequent amicable resolution of that illegal action through the mediation intervention of the Board Chairperson. The disciplinary proceedings were therefore not pursued.

2.3. KEY POLICY DEVELOPMENTS AND LEGISLATIVE CHANGES

There were no key policy developments and legislative changes for the year under review.

2.4. PROGRESS TOWARDS ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES

EXECUTIVE SUMMARY

The MTPA achieved a 65% success rate, completing 35 out of 54 set targets during the 2024-2025 financial year. While the Agency maintained its commitment to strategic initiatives, this represents a 4% decrease in overall target achievement compared to the previous year, achievement of 69%. The MTPA's performance was supported by a strong emphasis on corporate governance, including effective risk management and fraud prevention strategies.

KEY HIGHLIGHTS:

Tourism Programme (75% achievement):

Successfully completed 6 out of 8 targets which demonstrates a strong focus on promoting tourism and supporting local businesses. Conducted 5 marketing initiatives and Expos, 4 MICE activities, collaborated on 8 local events, and supported 23 SMMEs to gain Market access.

Biodiversity Conservation Programme (60% achievement):

The programme achieved 60%, that is, 9 of the 15 planned targets. An area of notable achievement is the METT assessment score of 12% above the planned target of 10%. The Entity collaborated with GKEPF to improve the condition of infrastructure, particularly in the Manyeleti Nature Reserve. A total of 22 km of boundary fence was upgraded. Inspections (296 conducted), enforcement notices (125 issued), permit issuance (99.83% on time), criminal investigations (26 completed), the maintenance of a biodiversity information management system (inclusive of the Mpumalanga Biodiversity Sector Plan and biodiversity data and system maintenance.

Executive Office (100% achievement):

Successfully implemented the Risk Management Plan, Fraud Prevention Strategy, and Internal Audit Plan, ensuring 100% completion. All legal contract requests were processed within 60 days, reflecting high operational efficiency.

Office of the CFO (100% achievement):

Compiled and received Board approval for three accurate interim financial statements. All audit action plan findings were resolved, R87.3 million in revenue collected, and maintained 40% of all procurement of goods and services spent on women, youth, and people with disabilities.

Corporate Services (60% achievement):

Successfully implemented quarterly employee skills enhancement programmes (100%), provided comprehensive communication support services (press releases, media engagement, newsletter, media monitoring), and filled all funded vacant positions within 365 days (100%).

Commercial Operations Programme (50% achievement):

Successfully completed 8 out of 17 targets, including providing directional signage to 9 Nature Reserves, making significant progress (87%) on Swadini Dam entrance gate construction, removing asbestos from 7 buildings, creating 391 EPWP work opportunities, and developing tourism products at Sterkspruit Nature Reserve (50% complete). Furthermore, hospitality facilities received 3-star level gradings at various Nature Reserves awarded by the Tourism Grading Council of South Africa (TGCSA).

3.1. PROGRAMME 1: EXECUTIVE OFFICE

PURPOSE

To provide strategic support and oversee specialist functions

SUB-PROGRAMMES

- Office of the CEO
- Legal Services
- Risk Management
- Planning, Monitoring and Evaluation
- Security Management
- Internal Audit

OUTCOMES

- Good corporate governance
- Improved financial performance

SUB-PROGRAMME: RISK MANAGEMENT AND INTERNAL AUDIT

Purpose: Foster a systematic and robust approach that will enable the Entity to optimise its corporate governance to efficiently achieve its corporate goals

OUTCOMES, OUTPUTS, OUTPUT INDICATORS, TARGETS AND ACTUAL ACHIEVEMENT

The organisation successfully executed the Risk Management Plan and Fraud Prevention Strategy as intended. Enhancements were made to strengthen the implementation of the Internal Audit Plan for both financial and non-financial performance, and these improvements were effectively implemented. By following through with the Internal Audit Plan, the organisation was able to reduce irregular activities and address deficiencies in disclosing performance information. These actions contributed to upholding strong corporate governance practices and preserving a positive corporate image.

All 4 targets were successfully achieved, resulting in a 100% achievement rate in the year under review. This signifies a commendable performance where the goals set at the beginning were met in their entirety. Achieving all planned targets demonstrates effective planning, execution, and dedication towards meeting the set objectives. It reflects positively on the efficiency and effectiveness of the programme implementation during the specified period. Such a high level of achievement is a significant accomplishment and indicates successful performance in meeting the set goals and objectives.

Table 2.4.4.1:

The Annual Performance Plan was not re-tabled during the year under review.

Table 2.4.4.2:

Report against the tabled Annual Performance Plan

PROGRAMME / SUB-PROGRAMME: RISK MANAGEMENT AND INTERNAL AUDIT								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2022/2023**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	**Actual Achievement 2024/2025**	**Deviation from planned target to Actual Achievement 2024/2025**	**Reasons for Deviations**
Good corporate governance and image	Positive audit outcome: Unqualified audit opinion on financial and non-financial performance	Percentage of the Risk Management Plan and Fraud Prevention Strategy implemented	100% implementation of the Risk Management Plan and Fraud Prevention Strategy by 31 March 2023	100% implementation of the Risk Management Plan and Fraud Prevention Strategy by 31 March 2024	100% implementation of the Risk Management Plan and Fraud Prevention Strategy by 31 March 2025	100% implementation of the Risk Management Plan and Fraud Prevention Strategy by 31 March 2025	Not applicable	Not applicable
	Economic, efficient and effective use of Entity resources	Percentage of the internal audit plan implemented	100% implementation of internal controls related to financial and non-financial performance by 31 March 2023	100% of the annual internal audit plan implemented by 31 March 2024	100% implementation of the internal audit plan by 31 March 2025	100% implementation of the internal audit plan by 31 March 2025	Not applicable	Not applicable

SUB-PROGRAMME: LEGAL SERVICES

Purpose: Legal Support Services

OUTCOMES, OUTPUTS, OUTPUT INDICATORS, TARGETS AND ACTUAL ACHIEVEMENT

The Legal Support Services processed a total of 73 requests from various programmes to develop legal contracts during the specified period. Each of these requests was managed and addressed promptly, ensuring that all 73 contracts were completed within the designated timeframe of 60 days, as set out for the year under review. This efficient and timely handling of requests highlights the dedication and effectiveness of the Legal Support Services team in meeting the legal contract development needs of the programmes supported within the Entity.

Table 2.4.4.1:

The Annual Performance Plan was not re-tabled during the year under review.

Table 2.4.4.2:

Report against the tabled Annual Performance Plan

PROGRAMME / SUB-PROGRAMME: LEGAL SERVICES								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2022/2023**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	**Actual Achievement 2024/2025**	**Deviation from planned target to Actual Achievement 2024/2025**	**Reasons for Deviations**
% of requests to develop legal contracts attended to within 60 days of receipt	Legal contracts developed within the prescribed timeframes	Percentage of requests to develop legal contracts attended to within 60 days of receipt	58% (41 of 71) of requests to develop legal contracts attended to within 30 days of receipt by 31 March 2023	100% of requests to develop legal contracts attended to within 60 days of receipt by 31 March 2024	100% of requests to develop legal contracts attended to within 60 days of receipt by 31 March 2025	100% of requests to develop legal contracts attended to within 60 days of receipt by 31 March 2025	Not applicable	Not applicable

STRATEGY TO OVERCOME AREAS OF UNDERPERFORMANCE

Area of under performance	Strategy to overcome areas of under performance
None	None

LINKING PERFORMANCE WITH BUDGET

Programme	2024/2025			2023/2024		
	Budget	Actual Expenditure	(Over)/Under Expenditure	Budget	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Office of the CEO	8 004	9 604	(1 601)	8 075	4 213	3 862
Company Secretariat	5 460	6 868	(1 408)	5 270	8 579	(3 309)
Communication and Public Relations	1 482	1 997	(516)	2 188	1 884	304
Risk Management and Internal Audit	16 156	12 908	3 248	10 792	9 536	1 255
Planning and Coordination	3 700	4 058	(358)	2 984	2 895	89
Security Management	25 644	18 029	7 615	18 067	17 099	968
Monitoring and Evaluation	30	0	0	0	0	0
Legal Services	6 610	11 155	(4 545)	0	0	0
Total	**67 085**	**64 620**	**2 435**	**47 376**	**44 206**	**3 170**
Joint Project Conservation Expenses	0	0	0	376	376	0
Ring-fenced Projects	**0**	**0**	**0**	**0**	**0**	**0**
Total after Joint Project Conservation and Ring-fenced Expenses	**67 085**	**64 620**	**2 435**	**47 752**	**44 582**	**3 170**

3.2. PROGRAMME 2: OFFICE OF THE CFO

PURPOSE

Provide Financial Management Services

SUB-PROGRAMMES

- Financial and Management Accounting
- Supply Chain Management
- Asset Management

OUTCOMES

- Improved financial performance
- Transformed tourism and biodiversity industry

OUTCOMES, OUTPUTS, OUTPUT INDICATORS, TARGETS AND ACTUAL ACHIEVEMENT

The Entity compiled accurate and complete interim financial statements for the 2024–2025 financial year, demonstrating commitment to financial transparency and accuracy. Additionally, the Annual Financial Statements for the previous 2023/2024 financial year were thoroughly prepared, audited, and formally approved, reflecting a dedication to sound financial practices. The Entity successfully collected R87 million in revenue from various sources, surpassing the expected target of R80 million.

The CFO set 5 targets for the financial year under review, and impressively, all 5 targets were successfully achieved, resulting in a remarkable 100% achievement rate. This outstanding performance highlights the effectiveness of the CFO's strategic planning, management skills, and the dedication of the team involved.

Table 2.4.4.1:

The Annual Performance Plan was not re-tabled during the year under review.

Table 2.4.4.2:

Report against the tabled Annual Performance Plan

PROGRAMME / SUB-PROGRAMME: FINANCIAL AND MANAGEMENT ACCOUNTING								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2022/2023**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	**Actual Achievement 2024/2025**	**Deviation from planned target to Actual Achievement 2024/2025**	**Reasons for Deviations**
Improved financial perfor-mance	Good corporate govern-ance	Number of accurate and complete interim financial statements compiled and approved by the Board	3 accurate and complete interim financial statements compiled and approved by the Board by 31 January 2023	3 accurate and complete interim financial statements compiled and approved by the Board by 31 January 2024	3 accurate and complete interim financial statements compiled and approved by the Board by 31 January 2025	3 accurate and complete interim financial statements compiled and approved by the Board by 31 January 2025	Not applicable	Not applicable
	Good corporate govern-ance	Number of accurate and complete Annual Financial Statements compiled and submitted to AGSA	1 accurate and complete Annual Financial Statement for the 2021/2022 financial year compiled and submitted to AGSA by 31 May 2023	1 accurate and complete Annual Financial Statements for the 2022/2023 financial year compiled and submitted to AGSA by 31 May 2023	1 accurate and complete Annual Financial Statements for the 2023/2024 financial year compiled and submitted to AGSA by 31 May 2024	1 accurate and complete Annual Financial Statements for the 2023/2024 financial year compiled and submitted to AGSA by 31 May 2024	Not applicable	Not applicable
	Unqualified audit opinion without findings	Percentage of the findings in the audit action plan for the year resolved	60% of the findings in the audit action plan for the year ending 31 December 2022 resolved	100% of the findings in the audit action plan for the year ending 31 March 2024 resolved	100% of the findings in the audit action plan resolved by year ending 31 December 2024	100% of the findings in the audit action plan resolved by year ending 31 December 2024	Not applicable	Not applicable

PROGRAMME / SUB-PROGRAMME: FINANCIAL AND MANAGEMENT ACCOUNTING								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2022/2023**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	**Actual Achievement 2024/2025**	**Deviation from planned target to Actual Achievement 2024/2025**	**Reasons for Deviations**
Improved financial perfor-mance continued...	Revenue collected	Total amount of revenue collected	R56.2 million revenue collected	R78.94 million revenue collected by 31 March 2024	R80 million revenue collected by 31 March 2025	R87.3 million revenue collected by 31 March 2025	R7.3 million more revenue collected by 31 March 2025	Effective use of the cashless system at pay-points reduced shrinkage
Trans-formed tourism and biodiversity industry	Percent-age budget spending on women, youth and people with disabilities	Percentage of budget on Programme Cost and Payment of Capital assets spent on women, youth, and people with disabilities	33% of all procure-ment of goods and services spent on women, youth, and people with disabilities by 31 March 2023	64% of the Entity's budget on Goods and Services, Programme Costs and Capital Assets spent on women, youth, and people with disabilities by 31 March 2024	40% budget on Programme Cost and Payment of Capital Assets spent on women, youth, and people with disabilities by 31 March 2025	40% budget on Pro-gramme Cost and Payment of Capital As-sets spent on women, youth, and people with disabilities by 31 March 2025	Not applicable	Not applicable

STRATEGY TO OVERCOME AREAS OF UNDERPERFORMANCE

Area of under performance	Strategy to overcome areas of under performance
None	None

LINKING PERFORMANCE WITH BUDGET

Programme	2024/2025			2023/2024		
	Budget	Actual Expenditure	(Over)/Under Expenditure	Budget	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
CFO	2 674	2 243	430	2 577	2 522	55
Financial and Management Accounting	16 599	15 523	1 076	16 712	15 337	1 375
Supply Chain Management	9 532	12 918	(3 385)	8 719	11 651	(2 932)
Asset Management	17 235	14 518	2 717	11 595	10 980	615
Total	**46 040**	**45 202**	**838**	**39 603**	**40 489**	**(887)**

3.3. PROGRAMME 3: CORPORATE SERVICES

PURPOSE

To provide effective and efficient management and business support.

SUB-PROGRAMMES

- Human Resources
- Communications and Public Relations
- Information Communications Technology, Management and Systems

OUTCOMES

- High-performing workforce
- Good corporate governance

OUTCOMES, OUTPUTS, OUTPUT INDICATORS, TARGETS AND ACTUAL ACHIEVEMENT

During the year under review, the organisation successfully executed all planned skills enhancement programmes, ensuring 100% implementation. These programmes were designed to enrich the capabilities of our workforce.

The Corporate Services programme has made progress by achieving 60% of its set targets, successfully completing three out of five planned objectives. Key accomplishments include: 100% implementation of quarterly employee skills enhancement programmes, provision of comprehensive communication support services, including press releases, media engagements, a monthly newsletter, and 100% filling of funded vacant positions within 365 days of being vacant by 31 March 2025.

These achievements demonstrate the programme's commitment to enhancing employee development, strengthening communication channels, and ensuring efficient workforce management.

Table 2.4.4.1:

The Annual Performance Plan was not re-tabled during the year under review..

Table 2.4.4.2:

Report against the tabled Annual Performance Plan

PROGRAMME / SUB-PROGRAMME: HUMAN RESOURCES MANAGEMENT								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2022/2023**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	**Actual Achievement 2024/2025**	**Deviation from planned target to Actual Achievement 2024/2025**	**Reasons for Deviations**
High-performing workforce	Healthy, equitable and motivated workforce	Number of Human Resource Policies developed/ reviewed and approved by the Board	5 Human Resources policies developed/ reviewed and approved by 31 December 2022. • Sexual Harassment Policy • Job Evaluation Policy • Employment Policy • Succession Policy • POPI Policy	8 Human Resources policies reviewed and approved by the Board by 31 December 2023 • Incapacity Management Policy • Special Leave Policy • Recruitment and Selection Policy • Standby Allowance Policy • Early Retirement Incentive Policy • Remunerations Policy • Disciplinary Code and Procedure • PMDS Policy	5 Human Resources policies developed/ reviewed and approved by the Board by 31 March 2025 • Cellphone Allowance Policy • Housing Policy • Bursary Policy • Skills Development Policy • Grievance Policy and Procedure	0 Human Resources policies developed/reviewed and approved by the Board by 31 March 2025 • Cellphone Allowance Policy • Housing Policy • Bursary Policy • Skills Development Policy • Grievance Policy and Procedure	5 Human Resources policies not developed/ reviewed and approved by the Board by 31 March 2025 • Cellphone Allowance Policy • Housing Policy • Bursary Policy • Skills Development Policy • Grievance Policy and Procedure	Policies will be finalised in the 2025–2026 financial year.
High-performing workforce	Healthy, equitable and motivated workforce	Percentage of funded vacant positions filled within 365 days of being vacant	Not achieved	100% of funded vacant positions filled within 180 days of being vacant by 31 March 2024	100% of funded vacant positions filled within 365 days of being vacant by 31 March 2025	100% of funded vacant positions filled within 365 days of being vacant by 31 March 2025	Not applicable	Not applicable

PROGRAMME / SUB-PROGRAMME: HUMAN RESOURCES MANAGEMENT								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for Deviations
High-performing workforce	Healthy, equitable and motivated workforce	Percentage implementation of the planned skills enhancement programmes	100% implementation of the planned skills enhancement programmes scheduled for the year ending 31 March 2023	100% implementation of the planned skills enhancement programmes scheduled for the year ending 31 March 2024	100% of the planned employee skills enhancement programmes implemented by 31 March 2025	100% of the planned employee skills enhancement programmes implemented by 31 March 2025	Not applicable	Not applicable

SUB-PROGRAMME: CORPORATE COMMUNICATIONS

Purpose: Provide public relations and media liaison services

OUTCOMES, OUTPUTS, OUTPUT INDICATORS, TARGETS AND ACTUAL ACHIEVEMENT

The employee cases were adequately managed, both current and legacy cases. The unit managed to conclude many cases in the financial year under review, even though some of these cases are still not finalised.

Training interventions in the financial year under review were 100% implemented in accordance with the Workplace Skills Plan (WSP).

Table 2.4.4.1:

The Annual Performance Plan was not re-tabled during the year under review.

Table 2.4.4.2:

Report against the tabled Annual Performance Plan

PROGRAMME / SUB-PROGRAMME: COMMUNICATIONS AND PUBLIC RELATIONS								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2022/2023**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	**Actual Achievement 2024/2025**	**Deviation from planned target to Actual Achievement 2024/2025**	**Reasons for Deviations**
Good corporate governance	Improved communication and awareness	Number of communication support services provided	4 communication support services provided by 31 March 2023 (press releases, media engagements, monthly internal newsletter, monthly media monitoring reports)	4 communication support services provided by 31 March 2024 (press releases, media engagements, monthly internal newsletter, monthly media monitoring reports)	4 communication support services provided by 31 March 2025 (press releases, media engagements, monthly internal newsletter, monthly media monitoring reports)	4 communication support services provided by 31 March 2025 (press releases, media engagements, monthly internal newsletter, monthly media monitoring reports)	Not applicable	Not applicable

SUB-PROGRAMME: INFORMATION TECHNOLOGY, MANAGEMENT AND SYSTEMS

Purpose: Information communication technology support as well as information and systems management

OUTCOMES, OUTPUTS, OUTPUT INDICATORS, TARGETS AND ACTUAL ACHIEVEMENT

During the year under review, the ICT Strategy saw the successful implementation of two key recommendations. The first recommendation involved the publication of Enterprise Resource Planning (ERP) solutions. This process entailed conducting thorough user requirements analyses, customising systems to meet specific needs, conducting user profiling and data capturing exercises, and eventually publishing the ERP solution to streamline operations.

Table 2.4.4.1:

The Annual Performance Plan was not re-tabled during the year under review.

Table 2.4.4.2:

Report against the tabled Annual Performance Plan

PROGRAMME / SUB-PROGRAMME: INFORMATION TECHNOLOGY, MANAGEMENT AND SYSTEMS								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2022/2023**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	**Actual Achievement 2024/2025**	**Deviation from planned target to Actual Achievement 2024/2025**	**Reasons for Deviations**
Effective and Efficient ICT services	Phase 1 of the ICT strategy implemented	Number of elements of the phase 1 ICT strategy implemented	2 elements of the ICT strategy implemented by 31 March 2023 • Implementation of Disaster Recovery Plan phase two (configuration of battery system and firewall, testing of DRP, migrating Exchange server to Office 365, migrating user data to Office 365) • Implementation of VOIP (develop TOR, appoint service provider, implement VOIP, maintenance of VOIP)	2 recommendations of the ICT strategy implemented by 31 March 2024 • Enterprise Resource Planning (ERP) solutions published (user requirements conducted, system customised, user profiling and data capturing conducted and published. The Enterprise Resource Planning solution was published). • Cybersecurity vulnerability assessment recommendation implemented (firewall configured, ICT security awareness conducted, user password policy reviewed).	3 elements of the phase 1 ICT strategy implemented by 31 March 2025 • Disaster Recovery Plan (DRP) approved • Conduct Cyber Security assessment and vulnerability testing • Development of the Records Management Policy	2 elements of the phase 1 ICT strategy implemented by 31 March 2025 • Conduct cybersecurity assessment and vulnerability testing • Development of the Records Management Policy	1 element of the phase 1 ICT strategy not implemented by 31 March 2025 • Disaster Recovery Plan (DRP) approved	Disaster Recovery Plan (DRP) has been deferred to the 2025/2026 financial year.

PROGRAMME / SUB-PROGRAMME: INFORMATION TECHNOLOGY, MANAGEMENT AND SYSTEMS								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for Deviations
Effective and Efficient ICT services continued...				• Existing ICT strategy reviewed.				

STRATEGY TO OVERCOME AREAS OF UNDERPERFORMANCE

Area of under performance	Strategy to overcome areas of under performance
The target of developing/reviewing and approving 5 Human Resources policies by the Board by 31 March 2025 was not achieved, as indicated by the lack of completion for the Cellphone Allowance, Housing, Bursary, Skills Development, and Grievance policies and procedures.	The development, review, and approval of the Human Resources policies, including the Cellphone Allowance, Housing, Bursary, Skills Development, and Grievance Policy and Procedure, by the Board, has been deferred to the 2025/2026 financial year.
The planned implementation of 3 elements of the Phase 1 ICT strategy by 31 March 2025 was not fully achieved, as only 1 element, the Disaster Recovery Plan (DRP), was consulted with the ICT committee and is awaiting Board approval.	The implementation of 1 element of the Phase 1 ICT strategy, the Disaster Recovery Plan (DRP), has been defe

LINKING PERFORMANCE WITH BUDGET

PROGRAMME	2024/2025			2023/2024		
	BUDGET	ACTUAL EXPENDITURE	(OVER)/UNDER EXPENDITURE	BUDGET	ACTUAL EXPENDITURE	(OVER)/UNDER EXPENDITURE
	R'000	R'000	R'000	R'000	R'000	R'000
Head Corporate Services	2 669	3 538	(869)	2 270	2 500	(230)
Human Resources	32 933	30 430	2 503	28 098	30 054	(1 956)
Legal Services	0	0	0	7 376	11 672	(4 296)
ICT	21 137	20 224	914	20 042	17 605	2 437
Total	**56 739**	**54 191**	**2 548**	**57 785**	**61 830**	**(4 045)**
Joint Project Conservation expenses	11 300	11 300	0	3 535	3 535	0
Ringfenced projects	0	0	0	0	0	0
Total after Joint Project Conservation and Ringfenced expenses	**68 039**	**65 491**	**2 548**	**61 320**	**65 365**	**(4 045)**

3.4. PROGRAMME 4: TOURISM

PURPOSE

Foster, promote and sustainably develop and market tourism.

SUB-PROGRAMMES

The Tourism Programme comprises the following sub-programmes:

- Tourism Marketing
- Tourism Development
- Tourism Registration

OUTCOMES

- Increased job opportunities
- Transformed tourism and biodiversity industry
- Increased tourist arrivals

SUB – PROGRAMME: TOURISM MARKETING

Purpose: Market Mpumalanga Province as a tourism destination

OUTCOMES, OUTPUTS, OUTPUT INDICATORS, TARGETS AND ACTUAL ACHIEVEMENT

The Tourism Programme successfully executed two international tourism marketing initiatives (ITB Berlin and an India roadshow), a MICE marketing activity at Meetings Africa, and supported local events like the All-White Picnic in Nkangala. It also conducted destination and regional marketing activities. SMMEs were supported through a virtual market access workshop and assistance with the Mpumalanga Tourism Youth Fund.

The Tourism sector had set a total of eight targets. Impressively, the team successfully achieved six of the planned targets, resulting in an 75% achievement rate. This high level of success demonstrates the sector's strong commitment, strategic planning, and effective execution of plans to meet and exceed most of their set objectives.

Table 2.4.4.1:

The Annual Performance Plan was not re-tabled during the year under review.

Table 2.4.4.2:

Report against the tabled Annual Performance Plan

PROGRAMME / SUB-PROGRAMME: TOURISM MARKETING								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2022/2023**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	**Actual Achievement 2024/2025**	**Deviation from planned target to Actual Achievement 2024/2025**	**Reasons for Deviations**
Increased tourist arrivals	Tourism marketing initiatives & expos conducted	Number of tourism marketing initiatives & expos conducted	5 leisure marketing activities conducted by 31 December 2022 Domestic campaigns: • Winter campaign (mall activation, radio & social media packages, influencer hosting) • Festive season campaign (mall activation, city invasion, print, radio and online campaigns, trade hosting) • WTM Africa • INDABA International marketing campaign: • Asia Tradeshow	5 tourism marketing initiatives & expos conducted by 31 March 2024: Domestic: • Africa's Travel Indaba • WTM Africa • Meetings Africa International: • India (SATTE & Roadshows) • IMEX Frankfurt	5 tourism marketing initiatives & expos conducted by 31 March 2025 • World Travel Market Africa (Cape Town) • Africa's Travel Indaba (Durban) • World Travel Market (London) • India Roadshow • ITB, Germany	5 tourism marketing initiatives & expos conducted by 31 March 2025 • World Travel Market Africa (Cape Town) • Africa's Travel Indaba (Durban) • World Travel Market (London) • India Roadshow • ITB, Germany	Not applicable	Not applicable

PROGRAMME / SUB-PROGRAMME: TOURISM MARKETING								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2022/2023**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	**Actual Achievement 2024/2025**	**Deviation from planned target to Actual Achievement 2024/2025**	**Reasons for Deviations**
Increased tourist arrivals	Tourism business marketing activities conducted	Number of MICE (meetings, incentives, conference, exhibitions/ events) marketing activities conducted	3 MICE (meetings, incentives, confer-ence, exhibitions/ events) marketing activities conducted by 31 March 2023 • Pre-East-er gospel celebra-tion • BMM-WHS marathon • Gert Sibande Resist-ance and Liberation Heritage Route Celebra-tions	3 tourism business marketing activities conducted by 31 March 2024: • Participate in the Two Oceans Marathon exhibition to promote the BMM-WHS marathon. • Participate in the Comrades exhibition to promote the BMM-WHS Marathon • Barberton Makhonjwa Mountain-WHS Marathon hosted.	4 MICE (meetings, incentives, conference, exhibitions/ events) marketing activities conducted by 31 March 2025: • Two Oceans EXPO • Comrades Marathon EXPO • BMM-WHS Marathon • Meetings Africa	4 MICE (meetings, incentives, confer-ence, exhibitions/ events) marketing activities conducted by 31 March 2025: • Two Oceans EXPO • Com-rades Marathon EXPO • BMM-WHS Marathon • Meetings Africa	Not applicable	Not applicable

PROGRAMME / SUB-PROGRAMME: TOURISM MARKETING								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2022/2023**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	**Actual Achievement 2024/2025**	**Deviation from planned target to Actual Achievement 2024/2025**	**Reasons for Deviations**
Increased tourist arrivals	Local events collaborated with	Number of local events collaborated with	None	5 local events supported by 31 March 2024: • Innibos • MCC Biker's Rally • 013 Summer Blaze • King Silamba Commemoration • Govan Mbeki Cultural and Heritage Music Festival	8 local events collaborated with by 31 March 2025: • Metro FM Awards • MCC Biker's Rally • Innibos • Mpumalanga All White (Carolina) • 013 Summer Blaze • Full Moon Music Festival (Piet Retief) • Mtoni on Steroids (Nkangala) • All White Picnic (Nkangala)	8 local events collaborated with by 31 March 2025: • Metro FM Awards • MCC Biker's Rally • Innibos • Mpumalanga All White (Carolina) • 013 Summer Blaze • Full Moon Music Festival (Piet Retief) • Mtoni on Steroids (Nkangala) • All White Picnic (Nkangala)	Not applicable	Not applicable

PROGRAMME / SUB-PROGRAMME: TOURISM MARKETING								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2022/2023**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	**Actual Achievement 2024/2025**	**Deviation from planned target to Actual Achievement 2024/2025**	**Reasons for Deviations**
Increased tourist arrivals	Destination marketing activities	Number of destination marketing activities conducted	5 provincial marketing activities conducted by 31 March 2023 4 digital and social media campaigns 1 media hosting	4 provincial media marketing activities conducted by 31 March 2024 4 marketing media campaigns (winter, spring, festive and Easter season)	7 destination marketing activities conducted by 31 March 2025: • 4 x marketing and advertising campaigns • 1 x consumer show (Travel People Show) • 2 x domestic activations	15 destination marketing activities conducted by 31 March 2025: • 8 x marketing and advertising campaigns • 1 x consumer show (Travel People Show) • 6 x domestic activations	8 more promotional activities conducted to promote the destination through collaborations with tourism stakeholders.	Not applicable
Increased tourist arrivals	Regional tourism marketing activities conducted	Number of regional tourism marketing activities conducted	3 activities conducted to implement the Triland regional tourism cooperation programmes by 30 September 2022: • Triland Activation (Eswatini Bushfire) • Mozambique Expo • Mpumalanga Tourism Expo	4 activities conducted to implement the Triland cooperation programme by 31 March 2024: • Mpumalanga Tourism Expo • Bushfire (Kingdom of Eswatini) • Fikani (Mozambique) • Triland tour operators' excursion	4 regional tourism marketing activities conducted by 31 March 2025: • Triland activation • Bushfire (Eswatini) • Mpumalanga Tourism Expo • Fikani International Tourism Expo (Mozambique)	4 regional tourism marketing activities conducted by 31 March 2025: • Triland activation • Bushfire (Eswatini) • Mpumalanga Tourism Expo • Fikani International Tourism Expo (Mozambique)	Not applicable	Not applicable

SUB-PROGRAMME: TOURISM DEVELOPMENT

Purpose: Develop and grow the tourism industry

OUTCOMES, OUTPUTS, OUTPUT INDICATORS, TARGETS AND ACTUAL ACHIEVEMENT

Four (4) tourism safety initiatives were conducted, and 30 product owners from historically disadvantaged backgrounds were supported to access markets.

Table 2.4.4.1:

The Annual Performance Plan was not re-tabled during the year under review.

Table 2.4.4.2:

Report against the tabled Annual Performance Plan

PROGRAMME / SUB-PROGRAMME: TOURISM DEVELOPMENT								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2022/2023**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	**Actual Achievement 2024/2025**	**Deviation from planned target to Actual Achievement 2024/2025**	**Reasons for Deviations**
Transformed tourism and biodiversity industry	Tourism awareness activities conducted	Number of tourism awareness and safety campaigns conducted	3 tourism awareness activities conducted by 31 Dec 2022: • World Tourism Day • 3 x rural and township activations per district municipalities	5 tourism awareness activities conducted by 31 March 2024: • 2 tourism awareness campaigns (Bushbuckridge LM & Govan Mbeki LM) • 3 Tourism Month activities (media launch, Tourism Day celebrations, & Spring Day)	4 tourism awareness and safety campaigns conducted by 31 March 2025: • 1 x Tourism Month celebration • 3 x tourism awareness and safety campaigns	4 tourism awareness and safety campaigns conducted by 31 March 2025: • 1 x Tourism Month celebration • 3 x tourism awareness and safety campaigns	Not applicable	Not applicable
Transformed tourism and biodiversity industry	Existing HDI-owned products supported to gain market access	Number of SMMEs supported to gain market access	8 existing HDI-owned products supported to gain market access by 31 March 2024	20 existing HDI-owned products supported to gain market access by 31 March 2024	30 SMMEs supported to gain market access by 31 March 2025	23 SMMEs supported to gain market access by 31 March 2025	7 SMMEs were not supported to gain market access	6 SMMEs attended more than once to gain market access

PROGRAMME / SUB-PROGRAMME: TOURISM DEVELOPMENT								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2022/2023**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	**Actual Achievement 2024/2025**	**Deviation from planned target to Actual Achievement 2024/2025**	**Reasons for Deviations**
Transformed tourism and biodiversity industry	Customer service excellence	Number of tourism skills development programmes conducted	None	4 Tourism skills development programmes conducted by 31 December 2023: • 3 x skills development (Housekeeping training - Ehlanzeni; Food and Beverage - Nkangala; Customer care/front office training - Gert Sibande) • 1 x Tourist Guide Training	4 x Tourism skills development programmes conducted by 31 March 2025: • 4 x tourism skills development training	0 Tourism skills development programme conducted by 31 March 2025: • 0 x skills development training	4 Tourism skills development programmes not conducted by 31 March 2025: • 0 x skills development training	The Technical Indicator Definition was erroneously interpreted to include the training of unemployed youth.

STRATEGY TO OVERCOME AREAS OF UNDERPERFORMANCE

Area of under performance	Strategy to overcome areas of under performance
The target of 4 tourism skills development training sessions planned by March 31, 2025, was not met, with 0 sessions conducted.	Effective management of the training programmes, with a target completion date in June of the 2025/2026 financial year.

LINKING PERFORMANCE WITH BUDGET

Programme	2024/2025			2023/2024		
	Budget	Actual Expenditure	(Over)/Under Expenditure	Budget	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Head Tourism	3 825	4 927	(1 102)	3 352	3 434	(82)
Tourism Development	15 529	18 108	(2 579)	13 350	13 848	(499)
Tourism Marketing	43 923	37 325	6 598	40 447	36 567	3 881
Tourism Registration	3 179	3 368	(190)	3 024	3 246	(222)
Total	**66 456**	**63 728**	**2 728**	**60 173**	**57 095**	**3 077**

3.5. PROGRAMME 5: BIODIVERSITY CONSERVATION

PURPOSE

Management and conservation of biodiversity and ecosystems within the province.

SUB-PROGRAMMES

- Parks Operations Services
- Conservation Support Services
- Conservation Management Services
- BMM-WHS

OUTCOMES

- Transformed tourism and biodiversity industry.
- Sustainably and effectively managed protected areas network, heritage resources, and ecosystem in the province
- Reduced wildlife crime within the province's protected area network and ecosystem

SUB – PROGRAMME: PARKS OPERATIONS SERVICES

Purpose: Management and conservation of biodiversity in protected areas and management and maintenance of facilities within Protected Areas

OUTCOMES, OUTPUTS, OUTPUT INDICATORS, TARGETS AND ACTUAL ACHIEVEMENT

An area of notable achievement is the METT assessment score of 12% above the planned target of 10%. The Entity collaborated with GKEPF to improve the condition of infrastructure, particularly in the Manyeleti Nature Reserve. A total of 22 km of boundary fence was upgraded.

Table 2.4.4.1:

The Annual Performance Plan was not re-tabled during the year under review.

Table 2.4.4.2:

Report against the tabled Annual Performance Plan

PROGRAMME / SUB-PROGRAMME: PARKS OPERATIONS SERVICES								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2022/2023**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	**Actual Achievement 2024/2025**	**Deviation from planned target to Actual Achievement 2024/2025**	**Reasons for Deviations**
Sustainably and effectively managed protected areas network, heritage resources and ecosystem in the province	Improved management of protected areas network	Percentage of the area of MTPA managed provincial protected areas assessed with a METT score above 67%	0% of the area of provincial protected areas assessed with a METT score above 67% by 31 March 2023	0% of the area of MTPA managed provincial protected areas assessed with a METT score above 67% by 31 March 2024	10% of the area of provincial protected areas assessed with a METT score above 67% by 31 March 2025	12% of the area of provincial protected areas assessed with a METT score above 67% by 31 March 2025	An additional 2% of the area of provincial protected areas assessed with a METT score above 67% by 31 March 2025	Improved effective management of some of the protected areas
Sustainably and effectively managed protected areas network, heritage resources and ecosystem in the province	Integrated Management Plans (IMPs) developed for Nature Reserves	Number of Integrated Management Plans (IMPs) developed for the MTPA managed Nature Reserves and submitted to the MEC: DARDLEA for approval	Not assessed	0 Integrated Management Plans (IMPs) developed for the Sterkspruit and Mahushe Shongwe Nature Reserves and submitted to the MEC: DARDLEA for approval by 31 March 2024	2 Integrated Management Plans (IMPs) developed for the Sterkspruit and Mahushe Shongwe Nature Reserves and submitted to the MEC: DARDLEA for approval by 31 March 2025	0 Integrated Management Plans (IMPs) developed for the Sterkspruit and Mahushe Shongwe Nature Reserves and submitted to the MEC: DARDLEA for approval by 31 March 2025	2 Integrated Management Plans (IMPs) have been developed for the Sterkspruit and Mahushe Shongwe Nature Reserves, however, were not submitted to the MEC: DARDLEA for approval by 31 March 2025	Additional stakeholder engagement for both external and internal stakeholders was required to finalise the management plan, which resulted in delays to complete the plans and submit to the MEC: DARDLEA for approval.

PROGRAMME / SUB-PROGRAMME: PARKS OPERATIONS SERVICES								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2022/2023**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	**Actual Achievement 2024/2025**	**Deviation from planned target to Actual Achievement 2024/2025**	**Reasons for Deviations**
Sustainably and effectively managed protected areas network, heritage resources and ecosystem in the province	Improved management of protected areas network	Number of integrated management plans (IMPs) reviewed for the Manyeleti, Loskop Dam, Mdala and Mthethomusha Nature Reserves and submitted to the MEC: DARDLEA for approval	Not assessed	0 integrated management plans (IMPs) reviewed for the Manyeleti, Loskop Dam, Mdala and Mthethomusha Nature Reserves and submitted to the MEC: DARDLEA for approval by 31 March 2024	4 integrated management plans (IMPs) reviewed for the MTPA managed Nature Reserves and submitted to the MEC: DARDLEA for approval by 31 December 2024 1. Manyeleti NR, 2. Loskop Dam NR, 3. Mdala NR, 4. Mthethomusha NR	0 integrated management plans (IMPs) reviewed for the MTPA managed Nature Reserves and submitted to the MEC: DARDLEA for approval by 31 December 2024 1. Manyeleti NR, 2. Loskop Dam NR, 3. Mdala NR, 4. Mthethomusha NR	0 integrated management plans (IMPs) not reviewed for the MTPA managed Nature Reserves and submitted to the MEC: DARDLEA for approval by 31 December 2024 1. Manyeleti NR, 2. Loskop Dam NR, 3. Mdala NR, 4. Mthethomusha NR	3 integrated management plans (Mdala NR, Loskop Dam NR and Mthethomusha NR) were completed, however, due to the need for additional stakeholder engagements as well as postponements by CPAs, the three IMPs could not be submitted in time for MEC: DARDLEA approval. The Manyeleti IMP could not be completed due to ongoing consultation with stakeholders.

PROGRAMME / SUB-PROGRAMME: PARKS OPERATIONS SERVICES								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2022/2023**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	**Actual Achievement 2024/2025**	**Deviation from planned target to Actual Achievement 2024/2025**	**Reasons for Deviations**
Sustainably and effectively managed protected areas network, heritage resources and ecosystem in the province	World Heritage Site projects developed.	Number of integrated management plans (IMP) developed for the Barberton Makhonjwa Mountains World Heritage Site (BMM-WHS) and submitted to the Minister: DFFE for approval	None	0 integrated management plan (IMP) developed for the Barberton Makhonjwa Mountains World Heritage Site (BMM-WHS) and submitted to the Minister: DFFE for approval by 31 March 2024	1 integrated management plan (IMP) developed for the Barberton Makhonjwa Mountains World Heritage Site (BMM-WHS) and submitted to the Minister: DFFE for approval by 31 December 2024	0 integrated management plan (IMP) developed for the Barberton Makhonjwa Mountains World Heritage Site (BMM-WHS) and submitted to the Minister: DFFE for approval by 31 December 2024	1 integrated management plan (IMP) not developed for the Barberton Makhonjwa Mountains World Heritage Site (BMM-WHS) and submitted to the Minister: DFFE for approval by 31 December 2024	The BMM-WHS IMP could not be completed by the service provider due to the ongoing impasse with the private and communal landowners.

PROGRAMME: CONSERVATION SUPPORT SERVICES

Purpose: Biodiversity research, status monitoring and scientific support, engagement, and development of neighbouring communities to protected areas, and increase of land under conservation to achieve national targets.

OUTCOMES, OUTPUTS, OUTPUT INDICATORS, TARGETS AND ACTUAL ACHIEVEMENT

32 environmental awareness programmes and 11 conservation career exhibitions were conducted to improve the People and Parks relations amongst communities. A partnership with private sector environmental organisations saw the upgrade and maintenance of a 22 kilometre boundary fence in Manyeleti Nature Reserve.

Table 2.4.4.1:

The Annual Performance Plan was not re-tabled during the year under review.

Table 2.4.4.2:

Report against the tabled Annual Performance Plan

PROGRAMME / SUB-PROGRAMME: CONSERVATION SUPPORT SERVICES								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2022/2023**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	**Actual Achievement 2024/2025**	**Deviation from planned target to Actual Achievement 2024/2025**	**Reasons for Deviations**
Sustainably and effectively managed protected areas network, heritage resources and ecosystem in the province	Hectares for biodiversity stewardship sites proposed to the MEC to gazette as protected areas	Number of hectares (ha) of biodiversity stewardship sites proposed to the MEC to gazette as Protected Areas	7 974 hectares (ha) of biodiversity stewardship sites proposed to the MEC to gazette as Protected Areas by 31 March 2023 • Greater Lakenvlei Protected Environment – 7 448 ha • Middelpunt Nature Reserve – 526 ha	8 499 hectares (ha) of biodiversity stewardship sites proposed to the MEC to gazette as Protected Areas by 31 March 2024 • Alicecot as part of SSW – 180 ha (was planned) • GLPE expansion – 7 448 ha (7 400 was planned) • Roodewal – 868 ha (880 ha was planned)	9 000 hectares (ha) of biodiversity stewardship sites proposed to the MEC to gazette as Protected Areas by 31 March 2025 • Santa – 1 100 • De Berg – 1 200 • APNR – 1 172 • Dixie – 800 • Ukuthanda – 755 • Bambanani – 933 • S. Mpu – 1 500 • Tim Tilden-Davis – 340 • Loskop – 1 200	5 572.8 hectares (ha) of biodiversity stewardship sites proposed to the MEC to gazette as Protected Areas by 31 March 2025 • Santa – 1 185.3 • De Berg (Davel NR) – 1 265.5 • APNR (Klaserie NR) – 1 087 • Ukuthanda – 755 • Bambanani – 933 • Tim Tilden-Davis – 347	3 427.2 hectares (ha) of biodiversity stewardship sites not proposed to the MEC to gazette as Protected Areas by 31 March 2025 Due to delays regarding declarations of: • S. Mpu (1 500) • Loskop (1 200) • Dixie (800)	The reasons for deviations at the three sites: Dixie: Legal review and approvals are pending from SSW and GLTFCA JMC before final submission to the MEC. S. Mpumalanga: Landowner agreements are not yet finalised, preventing the preparation of a declaration motivation and submission. Loskop: The Aspinall Foundation's delayed support for land surveying has prevented the completion of the declaration process.

PROGRAMME / SUB-PROGRAMME: CONSERVATION SUPPORT SERVICES								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2022/2023**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	**Actual Achievement 2024/2025**	**Deviation from planned target to Actual Achievement 2024/2025**	**Reasons for Deviations**
Sustainably and effectively managed protected areas network, heritage resources and ecosystem in the province	Biodiversity Economy projects implemented.	Number of Biodiversity Economy initiatives implemented	None	None	1 Biodiversity Economy initiative implemented by 31 March 2025 • BMM-WHS node	0 Biodiversity Economy initiative implemented by 31 March 2025 • BMM-WHS node	1 Biodiversity Economy initiative not implemented • BMM-WHS node	Cost curtailment measures in both DFFE and MTPA led to the non-implementation of the BMM-WHS node
Sustainably and effectively managed protected areas network, heritage resources and ecosystem in the province	Biodiversity conservation awareness programmes	Number of environmental awareness programmes conducted	None	None	32 environmental awareness programmes conducted by 31 March 2025	29 environmental awareness programmes conducted by 31 March 2025	3 environmental awareness programmes not conducted	Budgetary constraints led to the environmental awareness programmes not being conducted
Sustainably and effectively managed protected areas network, heritage resources and ecosystem in the province	Intake of the youth in environmental management	Number of conservation career exhibitions conducted	None	None	8 conservation career exhibitions conducted by 31 March 2025	11 conservation career exhibitions conducted by 31 March 2025	3 more conservation career exhibitions conducted by 31 March 2025	The Entity received more requests for environmental education from the target market.

PROGRAMME / SUB-PROGRAMME: CONSERVATION SUPPORT SERVICES								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2022/2023**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	**Actual Achievement 2024/2025**	**Deviation from planned target to Actual Achievement 2024/2025**	**Reasons for Deviations**
Sustainably and effectively managed protected areas network, heritage resources and ecosystem in the province	Safe and conducive assets for conducting tourism and biodiversity mandates	Number of kilometres of boundary fence maintained at Manyeleti Nature Reserve	None	None	8 kilometres of boundary fence maintained at Manyeleti Nature Reserve by 30 September 2024	22 kilometres of boundary fence maintained at Manyeleti Nature Reserve by 30 September 2024	14 kilometres more of boundary fence maintained at Manyeleti Nature Reserve (damaged fence repaired and/or removed) by 30 September 2024	The GKEPF provided financial support to the fence maintenance project and achieved a greater number of kilometres of fence repairs than initially planned.
Sustainably and effectively managed protected areas network, heritage resources and ecosystem in the province	Safe and conducive assets for conducting tourism and biodiversity mandates	Number of kilometres of boundary fence maintained at Manyeleti Nature Reserve	None	None	20 kilometres of boundary fence maintained at Loskop Dam Nature Reserve by 31 March 2025	0 kilometres of boundary fence maintained at Loskop Dam Nature Reserve by 31 March 2025	20 kilometres of boundary fence not maintained at Loskop Dam Nature Reserve by 31 March 2025	Extended consultation with the community prohibited the boundary fence from being maintained with Aspinall Foundation support and investment.

SUB-PROGRAMME: CONSERVATION MANAGEMENT SERVICES

Purpose: Manage and propagate threatened wildlife, compliance monitoring, wildlife management, enforcement, and permits.

OUTCOMES, OUTPUTS, OUTPUT INDICATORS, TARGETS AND ACTUAL ACHIEVEMENT

Inspections (296 conducted), enforcement notices (125 issued), permit issuance (100% on time), criminal investigations (26 completed), and system maintenance were carried out. Formal stewardship processes were conducted with stakeholders on land earmarked as a protected area to be declared as conservation land. The activities for the management and propagation of threatened wildlife, compliance monitoring, wildlife management, enforcement, and permits were conducted effectively.

Table 2.4.4.1:

The Annual Performance Plan was not re-tabled during the year under review.

Table 2.4.4.2:

Report against the tabled Annual Performance Plan

PROGRAMME / SUB-PROGRAMME: CONSERVATION SERVICES								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2022/2023**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	**Actual Achievement 2024/2025**	**Deviation from planned target to Actual Achievement 2024/2025**	**Reasons for Deviations**
Reduced wildlife crime within the province's protected area network and ecosystem	Improved levels of compliance with the relevant legislations	Number of inspections conducted on licensed facilities	285 inspections conducted on licensed facilities by 31 March 2023	289 inspections conducted on licensed facilities by 31 March 2024	150 inspections conducted on licensed facilities by 31 March 2025	296 inspections conducted on licensed facilities by 31 March 2025	146 inspections conducted on licensed facilities by 31 March 2025	More applications received from licensed facilities.
Reduced wildlife crime within the province's protected area network and ecosystem	Administrative enforcement notices issued	Number of administrative enforcement notices issued for non-compliance with environmental management legislations	178 administrative enforcement notices issued for non-compliance with environmental legislation by 31 March 2023	84 administrative enforcement notices issued for non-compliance with environmental management legislation by 31 March 2024	100 administrative enforcement notices issued for non-compliance with environmental management legislation by 31 March 2025	125 administrative enforcement notices issued for non-compliance with environmental management legislation by 31 March 2025	25 more administrative enforcement notices issued for non-compliance with environmental management legislation by 31 March 2025	More inspections were required to be conducted than planned.
Reduced wildlife crime within the province's protected area network and ecosystem	Improved levels of compliance with legal obligations	Percentage of complete biodiversity management permits issued within legislated timeframes	4 228 permits issued within legislated timeframes by 31 March 2023	99.89% of complete biodiversity management permits issued within legislated timeframes by 31 March 2024	100% of complete biodiversity management permits issued within legislated timeframes by 31 March 2025	99.83% of complete biodiversity management permits issued within legislated timeframes by 31 March 2025	9 out of 5 153 permits were issued outside the legislated timeframe by 31 March 2025	System error on the 9 online permit applications received.

PROGRAMME / SUB-PROGRAMME: CONSERVATION SERVICES								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2022/2023**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	**Actual Achievement 2024/2025**	**Deviation from planned target to Actual Achievement 2024/2025**	**Reasons for Deviations**
Reduced wildlife crime within the province's protected area network and ecosystem	Criminal investigation completed and handed to the NPA	Number of criminal investigations completed and handed to the NPA for prosecution	23 criminal investigations completed and handed to the NPA for prosecution by 31 March 2023	23 criminal investigations completed and handed to the NPA for prosecution by 31 March 2024	20 criminal investigations completed and handed to the NPA for prosecution by 31 March 2025	26 criminal investigations completed and handed to the NPA for prosecution by 31 March 2025	6 more criminal investigations completed and handed to the NPA for prosecution by 31 March 2025	6 additional criminal investigations have been completed and handed over to the National Prosecuting Authority (NPA) for prosecution.
Sustainably and effectively managed protected areas network, heritage resources and ecosystem in the province	Functional biodiversity information management systems maintained	Number of functional biodiversity information management systems maintained	1 functional biodiversity information management system maintained by 31 March 2023	1 functional biodiversity information management system maintained by 31 March 2024. Updated Mpumalanga Biodiversity Sector Plan (MBSP) species database (desktop and online GIS platform)	1 functional biodiversity information management system maintained by 31 March 2025	1 functional biodiversity information management system maintained by 31 March 2025	Not applicable	Not applicable

STRATEGY TO OVERCOME AREAS OF UNDERPERFORMANCE

Area of under performance	Strategy to overcome areas of under performance
The target of developing and submitting 2 integrated management plans (IMPs) for the Sterkspruit and Mahushe Shongwe Nature Reserves to the MEC: DARDLEA by 31 March 2025 was not met, with 0 plans completed.	The final integrated management plans (IMPs) for the Sterkspruit and Mahushe Shongwe Nature Reserves have been submitted for MEC approval in Q4 2025 and are currently awaiting approval.
The target of reviewing 4 integrated management plans (IMPs) for the MTPA-managed Nature Reserves (Manyeleti NR, Loskop Dam NR, Mdala NR, and Mthethomusha NR) and submitting them to the MEC: DARDLEA for approval by 31 December 2024 was not met, with 0 plans reviewed.	The remaining 2 IMPs for Mdala and Mthethomusha are still in draft form after review. The Loskop and Manyeleti IMPs have been completed. The final 2 IMPs were drafted, completed, and submitted in Q4 for MEC signature and are currently awaiting approval.

Area of under performance	Strategy to overcome areas of under performance
0 out of the 1 integrated management plan (IMP) developed for the Barberton Makhonjwa Mountains World Heritage Site (BMM-WHS) has been submitted to the Minister: DFFE for approval, indicating that the target was not achieved.	Due to unsuccessful landowner engagements and an impasse caused by legal challenges in BMM-WHS, the WHS Management Plan is on hold. The Entity continues engagement to resolve unrest, with consultants focusing on the Songimvelo Nature Reserve IMP (draft submitted) and the Barberton Nature Reserve IMP (submitted to the MEC: DARDLEA for approval).
Against a target of 9 000 hectares, only 5 572.3 hectares of biodiversity stewardship sites were proposed for gazettement as Protected Areas by 31 March 2025, resulting in a variance of 3 427.2 hectares.	The shortfall of 3 427.2 hectares in biodiversity stewardship site declarations was due to delays in declaring S Mpu (1 500 ha), Loskop (1 200 ha), and Dixie (800 ha), with ongoing engagement planned to finalise these declarations in the 2025/2026 financial year.
No Biodiversity Economy Initiatives were implemented by 31 March 2025, against a target of 1, specifically the BMM-WHS node.	The BMM-WHS node was not implemented due to cost-cutting measures. It is now planned for implementation in the 2025/2026 financial year.
A total of only 29 environmental awareness programmes were conducted by 31 March 2025, which is 3 short of the planned 32.	3 environmental awareness programmes not completed by 31 March 2025 have been deferred to the 2025/2026 financial year.
The planned target of 20 kilometres of boundary fence at Loskop Dam Nature Reserve by 31 March 2025 was not met, with 0 kilometres completed.	The Entity, currently reliant on Aspinall Foundation's support and investment, will continue engaging with the Aspinall Foundation to maintain the boundary fence in the upcoming financial year.

LINKING PERFORMANCE WITH BUDGET

Programme	2024/2025			2023/2024		
	Budget	Actual Expenditure	(Over)/Under Expenditure	Budget	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Head Biodiversity Conservation	4 886	10 080	(5 195)	5 382	5 130	252
Protected Area Management	225 425	242 106	(16 681)	231 009	219 823	11 186
Biodiversity Support Services	29 247	23 881	5 366	21 031	20 591	440
Conservation Services	35 899	42 155	(6 256)	35 420	38 295	(2 875)
Total	**295 457**	**318 223**	**(22 766)**	**292 843**	**283 839**	**9 004**
Joint Project Conservation expenses	617	617	0	741	741	0
Ringfenced projects	**1 569**	**1 569**	**0**	**875**	**875**	**0**
Total after Joint Project Conservation and Ringfenced expenses	**297 643**	**320 408**	**(22 766)**	**294 459**	**285 455**	**9 004**

3.6. PROGRAMME 6: COMMERCIAL OPERATIONS

PURPOSE

To sustainably improve revenue generation and collection to secure the future existence of the MTPA.

SUB-PROGRAMMES

- Hospitality Service Management
- Business Development
- Project Management

SUB – PROGRAMME: HOSPITALITY SERVICE MANAGEMENT

Purpose: Management of facilities and provision of hospitality services in compliance with the mandate of the MTPA

OUTCOMES, OUTPUTS, OUTPUT INDICATORS, TARGETS AND ACTUAL ACHIEVEMENT

Provided directional signage to 9 Nature Reserves. Furthermore, hospitality facilities received 3-star level gradings at various Nature Reserves, awarded by the Tourism Grading Council of South Africa (TGCSA).

Table 2.4.4.1:

The Annual Performance Plan was not re-tabled during the year under review.

Table 2.4.4.2:

Report against the tabled Annual Performance Plan

PROGRAMME: HOSPITALITY SERVICES MANAGEMENT								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2022/2023**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	**Actual Achievement 2024/2025**	**Deviation from planned target to Actual Achievement 2024/2025**	**Reasons for Deviations**
Improved Financial Performance	Quality hospitality tourism	Number of hospitality tourism facilities assessed and awarded a level grading at Manyeleti Nature Reserve by the Tourism Grading Council of South Africa (TGCSA)	2 hospitality tourism facilities awarded a level grading at Nature Reserves by the Tourism Grading Council of South Africa (TGCSA) by 31 March 2023: • Manyeleti Main Camp • Andover Nature Reserve	1 hospitality tourism facility assessed and awarded a level grading at Manyeleti Nature Reserve by the Tourism Grading Council of South Africa (TGCSA) by 31 March 2024	1 hospitality tourism facility assessed and awarded a level grading at Manyeleti Nature Reserve by the Tourism Grading Council of South Africa (TGCSA) by 31 March 2025: • Main Camp	1 hospitality tourism facility assessed and awarded a level grading at Manyeleti Nature Reserve by the Tourism Grading Council of South Africa (TGCSA) by 31 March 2025: • Main Camp	Not applicable	Not applicable
Improved Financial Performance	Quality hospitality tourism	Number of hospitality tourism facilities awarded a level grading at Andover Nature Reserve by the Tourism Grading Council of South Africa (TGCSA)	Not assessed	1 hospitality tourism facility assessed and awarded a level grading at Andover Nature Reserve by the Tourism Grading Council of South Africa (TGCSA) by 31 March 2024	1 hospitality tourism facility assessed and awarded a level grading at Andover Nature Reserve by 31 March 2025: • Kromdraai Camp	1 hospitality tourism facility assessed and awarded a level grading at Andover Nature Reserve by 31 March 2025: • Kromdraai Camp	Not applicable	Not applicable

PROGRAMME: HOSPITALITY SERVICES MANAGEMENT								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2022/2023**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	**Actual Achievement 2024/2025**	**Deviation from planned target to Actual Achievement 2024/2025**	**Reasons for Deviations**
Improved Financial Performance	Quality hospitality tourism	Number of hospitality tourism facilities assessed and awarded a level grading at SS Skosana Nature Reserve by the Tourism Grading Council of South Africa (TGCSA)	Not assessed	1 hospitality tourism facility assessed and awarded a level grading at SS Skosana Nature Reserve (CN Mahlangu Lodge) by the Tourism Grading Council of South Africa (TGCSA) by 31 March 2024	1 hospitality tourism facility assessed and awarded a level grading at SS Skosana by the Tourism Grading Council of South Africa (TGCSA) by 31 March 2025: • CN Mahlangu Lodge	1 hospitality tourism facility assessed and awarded a level grading at SS Skosana by the Tourism Grading Council of South Africa (TGCSA) by 31 March 2025: • CN Mahlangu Lodge	Not applicable	Not applicable
Improved Financial Performance	Quality hospitality tourism	Number of hospitality tourism facilities assessed and awarded a level grading at Songimvelo Nature Reserve by the Tourism Grading Council of South Africa (TGCSA)	Not assessed	1 hospitality tourism facility assessed and awarded a level grading at Songimvelo Nature Reserve (Kromdraai Camp) by the Tourism Grading Council of South Africa (TGCSA) by 31 March 2024	1 hospitality tourism facility assessed and awarded a level grading at Songimvelo Nature Reserve by the Tourism Grading Council of South Africa (TGCSA) by 31 March 2025: • Kromdraai Camp	1 hospitality tourism facility assessed and awarded a level grading at Songimvelo Nature Reserve by the Tourism Grading Council of South Africa (TGCSA) by 31 March 2025: • Kromdraai Camp	Not applicable	Not applicable

PROGRAMME: HOSPITALITY SERVICES MANAGEMENT								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2022/2023**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	**Actual Achievement 2024/2025**	**Deviation from planned target to Actual Achievement 2024/2025**	**Reasons for Deviations**
Improved Financial Performance	Quality hospitality tourism	Number of hospitality tourism facilities assessed and awarded a level grading at Mahushe Shongwe Nature Reserve Conference Centre by the Tourism Grading Council of South Africa (TGCSA)	Not assessed	1 hospitality tourism facility assessed and awarded a level grading at Mahushe Shongwe Nature Reserve Conference Centre by the Tourism Grading Council of South Africa (TGCSA) by 31 March 2024	1 hospitality tourism facility assessed and awarded a level grading at Mahushe Shongwe Nature Reserve by the Tourism Grading Council of South Africa (TGCSA) by 31 March 2025: • Mtomeni Camp	1 hospitality tourism facility assessed and awarded a level grading at Mahushe Shongwe Nature Reserve by the Tourism Grading Council of South Africa (TGCSA) by 31 March 2025: • Mtomeni Camp	Not applicable	The "Mtomeni Camp" is a typo. However, as planned, the output indicator clearly stated the target was to upgrade the Conference Centre, which has been achieved.

SUB-PROGRAMME: BUSINESS DEVELOPMENT

Purpose: Development of businesses in the protected areas to ensure revenue generation.

OUTCOMES, OUTPUTS, OUTPUT INDICATORS, TARGETS AND ACTUAL ACHIEVEMENT

During the year under review, 9 Nature Reserves were provided with directional route signs, namely Loskop Dam, SS Skosana, Mkhombo Dam, Mdala, Songimvelo, and Nooitgedacht Nature Reserves.

Table 2.4.4.1:

The Annual Performance Plan was not re-tabled during the year under review..

Table 2.4.4.2:

Report against the tabled Annual Performance Plan

PROGRAMME / SUB-PROGRAMME: BUSINESS DEVELOPMENT								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2022/2023**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	**Actual Achievement 2024/2025**	**Deviation from planned target to Actual Achievement 2024/2025**	**Reasons for Deviations**
Improved financial performance	Diversified tourism product offerings	Number of tourism product offerings developed at the Sterkspruit Nature Reserve	Not achieved	0 tourism product offerings developed at Sterkspruit Nature Reserve by 31 March 2024: • Upgrade of Rooikat house • Apply for power supply • Repair roof	1 tourism product offering developed at the Sterkspruit Nature Reserve by 31 March 2025: • Upgrade of Rooikat house • Repair of roof • Installation of power	0 tourism product offerings developed at the Sterkspruit Nature Reserve by 31 March 2025: • Upgrade of Rooikat house • Repair of roof • Installation of power	60% of construction work completed by 31 March 2025. • Upgrade of Rooikat house at Sterkspruit Nature Reserve	Budgetary constraints in the Entity led to delayed payments to service providers. Deferred to next financial year.
Improved financial performance	Diversified tourism product offerings	Number of staff houses converted into family chalets at Bourke's Luck Potholes tourist attraction centre	An architect was appointed and completed all the design work and bills of quantities by 31 March 2023	2 staff houses converted into 4 family chalets at Bourke's Luck Potholes in the Blyde River Canyon Nature Reserve by 31 March 2024	3 staff houses converted into 9 family chalets at Bourke's Luck Potholes tourist attraction centre by 31 March 2025	0 staff houses converted into 9 family chalets at Bourke's Luck Potholes tourist attraction centre by 31 March 2025	85% construction work completed: • House No. 4 (Old Mine House): Demolition completed; concrete foundation filling, tiling, painting, plumbing, and roofing completed. • Houses No. 5 and 6: Demolishing, brickwork and plastering, tiling, painting, plumbing, and roofing completed.	

PROGRAMME / SUB-PROGRAMME: BUSINESS DEVELOPMENT								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2022/2023**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	**Actual Achievement 2024/2025**	**Deviation from planned target to Actual Achievement 2024/2025**	**Reasons for Deviations**
							• 15% construction not completed due to water, electricity, and sewer system services not connected. Electricity installation was suspended due to cable theft.	Water, electricity, and sewer system connection deferred to the next financial year and is dependent on availability of funds.
Improved financial performance	Diversified tourism product offerings	Number of Nature Reserves provided with directional signage	20 tourism attraction centres provided with directional route signs by 31 December 2022: • Gert Sibande District Municipality ×9 • Nkangala District Municipality ×6 • Ehlanzeni District Municipality ×5	10 tourism attraction centres provided with directional route signs by 31 March 2024: • Nkangala (Mabusa NR, Loskop Dam NR, SS Skosana NR, Mkhombo NR) • Gert Sibande (Songimvelo NR, Goliath Footprint Site, SR Mountain Doornhoek) • Ehlanzeni (Numbi Gate, Mariepskop, Inyaka Dam)	9 Nature Reserves provided with directional signage by 31 March 2025: • Loskop NR • SS Skosana NR • Mkhombo NR • Mdala NR • Songimvelo NR • Nooitgedacht NR • Andover NR • Mahushe Shongwe NR • Ohrigstad NR	9 Nature Reserves provided with directional signage by 31 March 2025: • Loskop NR • SS Skosana NR • Mkhombo NR • Mdala NR • Songimvelo NR • Nooitgedacht NR • Andover NR • Mahushe Shongwe NR • Ohrigstad NR	Not applicable	Not applicable

PROGRAMME / SUB-PROGRAMME: BUSINESS DEVELOPMENT								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2022/2023**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	**Actual Achievement 2024/2025**	**Deviation from planned target to Actual Achievement 2024/2025**	**Reasons for Deviations**
Transformation of the tourism industry	Concession businesses owned by HDIs	Number of concessionaires appointed to operate the Mkholwane Lodge hospitality tourism facility at the Mdala Nature Reserve	None	None	1 concessionaire appointed to operate the Mkholwane Lodge hospitality tourism facility at the Mdala Nature Reserve by 31 March 2025	0 concessionaire appointed to operate the Mkholwane Lodge hospitality tourism facility at the Mdala Nature Reserve by 31 March 2025	1 concessionaire not appointed	Concession opportunity has been re-advertised due to poor responses from bidders.
Transformation of the tourism industry	Concession businesses owned by HDIs	Number of concessionaires appointed to operate the Humala Lodge hospitality tourism facility at the Songimvelo Nature Reserve	None	None	1 concessionaire appointed to operate the Humala Lodge hospitality tourism facility at the Songimvelo Nature Reserve by 31 March 2025	0 concessionaire appointed to operate the Humala Lodge hospitality tourism facility at the Songimvelo Nature Reserve by 31 March 2025	1 concessionaire not appointed	Concession opportunity has been readvertised due to poor responses from bidders.
Transformation of the tourism industry	Concession businesses owned by HDIs	Number of concessionaires appointed to operate the Zithabiseni hospitality tourism facility at the Mabusa Nature Reserve	None	None	1 concessionaire appointed to operate the Zithabiseni hospitality tourism facility at the Mabusa Nature Reserve by 31 March 2025	0 concessionaire appointed to operate the Zithabiseni Resort and Conference Centre (Pty) Ltd hospitality tourism facility at the Mabusa Nature Reserve by 31 March 2025	1 concessionaire not appointed	Concession opportunity has been readvertised due to poor responses from bidders.

SUB-PROGRAMME: PROJECT MANAGEMENT UNIT

Purpose: The management of MTPA and partnership-funded projects to improve infrastructure conditions in the Nature Reserves.

OUTCOMES, OUTPUTS, OUTPUT INDICATORS, TARGETS AND ACTUAL ACHIEVEMENT

The Project Management Unit successfully met two out of seven targets, demonstrating notable progress in various key areas, such as the significant progress (87%) on Swadini Dam entrance gate construction, removal of asbestos from seven buildings, creation of 391 EPWP work opportunities, and development of tourism products at Sterkspruit Nature Reserve (50% complete). However, challenges arose that impacted the completion of the remaining targets.

Table 2.4.4.1:

The Annual Performance Plan was not re-tabled during the year under review.

Table 2.4.4.2:

Report against the tabled Annual Performance Plan

PROGRAMME / SUB-PROGRAMME: PROJECT MANAGEMENT UNIT								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2022/2023**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	**Actual Achievement 2024/2025**	**Deviation from planned target to Actual Achievement 2024/2025**	**Reasons for Deviations**
Improved Financial Performance.	Safe and conducive assets for conducting tourism and biodiversity mandates.	Number of tourist attraction centres provided with infrastructure for bulk water supply at the Blyde River Canyon Nature Reserve.	Service provider appointed by 31 March 2023 for the provision of a 3 km bulk water pipeline to support the commencement of the Skywalk PPP Project.	0 tourist attraction centre provided with infrastructure for bulk water supply at the Blyde River Canyon Nature by 31 March 2024. • Bourke's Luck Potholes	1 tourist attraction centre provided with infrastructure for bulk water supply at the Blyde River Canyon Nature by 31 March 2025. • Bourke's Luck Potholes	0 tourist attraction centre provided with infrastructure for bulk water supply at the Blyde River Canyon Nature by 31 March 2025. • Bourke's Luck Potholes	0 tourist attraction centre provided with infrastructure for bulk water supply at the Blyde River Canyon Nature by 31 March 2025. • Bourke's Luck Potholes	Appointment of service provider was halted due to budget constraints.

PROGRAMME / SUB-PROGRAMME: PROJECT MANAGEMENT UNIT								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2022/2023**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	**Actual Achievement 2024/2025**	**Deviation from planned target to Actual Achievement 2024/2025**	**Reasons for Deviations**
Improved Financial Performance.	Safe and conducive assets for conducting tourism and biodiversity mandates.	Percentage completion of the construction of the Swadini Dam entrance gate at the Blyde River Canyon Nature Reserve.	None	21% completion of the construction of the Swadini Dam entrance gate at the Blyde River Canyon Nature Reserve by 31 March 2024.	100% completion of the construction of the Swadini Dam entrance gate at the Blyde River Canyon Nature Reserve by 31 March 2025.	87% construction completed of the Swadini Dam entrance gate at the Blyde River Canyon Nature Reserve by 31 March 2025.	13% construction not completed of the Swadini Dam entrance gate at the Blyde River Canyon Nature Reserve by 31 March 2025.	Budgetary constraints in the Entity have led to delayed payments to service providers, which led to delayed implementation of projects.
Sustainably and effectively managed protected areas network, heritage resources and ecosystem in the province.	Safe and conducive assets for conducting tourism and biodiversity mandates.	Number of buildings upgraded at the Mthethomusha Nature Reserve.	None	None	2 buildings upgraded at the Mthethomusha Nature Reserve by 31 March 2025 • Upgrade of staff houses. • Upgrade of environmental centre.	0 buildings upgraded at the Mthethomusha Nature Reserve by 31 March 2025 • Upgrade of staff houses. • Upgrade of environmental centre.	0 buildings upgraded at the Mthethomusha Nature Reserve by 31 March 2025 • Upgrade of staff houses. • Upgrade of environmental centre.	Budgetary constraints delayed the project from commencing.
Sustainably and effectively managed protected areas network, heritage resources and ecosystem in the province.	Safe and conducive assets for conducting tourism and biodiversity mandates.	Number of buildings in Manyeleti Nature Reserves free of asbestos materials.	Asbestos roof materials removed at the Nooitgedacht and Mabusa Nature Reserves by 31 March 2023. Replacement with proper roof material is underway.	1 Nature Reserve free of buildings with asbestos roof materials by 31 December 2024. • Blyde River Canyon Nature Reserve.	7 buildings in Manyeleti Nature Reserves free of asbestos materials by 31 March 2025.	7 buildings in Manyeleti Nature Reserves free of asbestos materials by 31 March 2025.	Not applicable	Not applicable

PROGRAMME / SUB-PROGRAMME: PROJECT MANAGEMENT UNIT								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2022/2023**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	**Actual Achievement 2024/2025**	**Deviation from planned target to Actual Achievement 2024/2025**	**Reasons for Deviations**
Sustainably and effectively managed protected areas network, heritage resources and ecosystem in the province	Safe and conducive assets for conducting tourism and biodiversity mandates	Number of kilometres of electrified boundary fence completed at Mthethomusha Nature Reserve	31 kilometres of boundary fence installed at the Mthethomusha Nature Reserve (9 km) and Songimvelo Nature Reserve (22 km) by 31 March 2023	100% of the construction of 8 kilometres of electrified boundary fence completed at Songimvelo Nature Reserve by 31 March 2024	20 kilometres of electrified boundary fence constructed at Mthethomusha Nature Reserve by 31 March 2025	7.5 kilometres of electrified boundary fence constructed at Mthethomusha Nature Reserve by 31 March 2025	12.5 kilometres of electrified boundary fence not constructed at Mthethomusha Nature Reserve by 31 March 2025	Budgetary constraints in the Entity led to the delayed issuing of the instruction to perform. This affected the pace of the entire project. As the Entity's financial situation worsened, the contractor also went on a go-slow.
Sustainably and effectively managed protected areas network, heritage resources and ecosystem in the province	Infrastructure developed for the BMM-WHS	Number of Geosites and ablution facilities upgraded at the BMM-WHS	None	100% completion of project planning at the BMM-WHS by 31 March 2024: • Designs and BoQ for the interpretation centre completed. • BoQ for the Geosites completed. • Information signage installed.	9 Geosites and 1 ablution facility upgraded at the BMM-WHS by 31 March 2025	3 Geosites and 1 ablution facility upgraded at the BMM-WHS by 31 March 2025	6 Geosites not upgraded at the BMM-WHS by 31 March 2025	Project was put on hold due to disputes with landowners at the BMM-WHS.

PROGRAMME / SUB-PROGRAMME: PROJECT MANAGEMENT UNIT								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2022/2023**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	**Actual Achievement 2024/2025**	**Deviation from planned target to Actual Achievement 2024/2025**	**Reasons for Deviations**
Increased job opportunities	EPWP Work opportunities created	Number of EPWP work opportunities created	485 work opportunities created through EPWP by 31 December 2022 59 EPWP work opportunities were created after the planned period of 31 December 2022	517 work opportunities created through EPWP by 31 March 2024	370 EPWP work opportunities created by 31 March 2025	391 EPWP work opportunities created by 31 March 2025	21 more EPWP work opportunities created by 31 March 2025	Additional work opportunities were created during the festive season.

STRATEGY TO OVERCOME AREAS OF UNDERPERFORMANCE

Area of under performance	Strategy to overcome areas of under performance
50% of the construction work remaining incomplete on the 1 tourism product offerings at the Sterkspruit Nature Reserve (including the upgrade of the Rooikat house, roof repairs, and power installation).	The remaining 50% construction work at the Sterkspruit Nature Reserve has been deferred to the next financial year (the upgrade of the Rooikat house, roof repairs, and power installation).
No concessionaire had been appointed to operate the Mkholwane Lodge hospitality tourism facility at the Mdala Nature Reserve as of March 31, 2025.	The concession opportunity at Mdala Nature Reserve (Mkholwane Lodge hospitality) has been readvertised, and the appointment of the concessionaire is to be facilitated by the first quarter of the next financial year, with the new tender advert closing on April 11, 2025.
As of March 31, 2025, no concessionaire had been appointed to operate the Humala Lodge hospitality tourism facility at the Songimvelo Nature Reserve.	The concession opportunity at Songimvelo Nature Reserve (Humala Lodge hospitality) has been readvertised, and the appointment of the concessionaire is to be facilitated by the first quarter of the next financial year, with the new tender advert closing on April 11, 2025.
By the deadline of March 31, 2025, a concessionaire had not been appointed for the Zithabiseni Resort and Conference Centre (Pty) Ltd hospitality tourism facility at the Mabusa Nature Reserve.	The concession opportunity at Mabusa Nature Reserve (Zithabiseni Resort and Conference Centre (Pty) Ltd hospitality) has been readvertised, and the appointment of the concessionaire is to be facilitated by the first quarter of the next financial year, with the new tender advert closing on April 11, 2025.
Infrastructure for bulk water supply at Bourke's Luck Potholes in the Blyde River Canyon Nature Reserve was not completed by the target date of March 31, 2025.	Ready for implementation with construction designs available, the project's budget will be prioritised in the 2025/26 financial year.
The Swadini Dam entrance gate construction at the Blyde River Canyon Nature Reserve, with a target of 100% completion by March 31, 2025, reached only 87% underperformance by 13% still to be completed.	The remaining 13% of the construction for the Swadini Dam entrance gate at the Blyde River Canyon Nature Reserve will be completed by March 31, 2026, in the next financial year.

Area of under performance	Strategy to overcome areas of under performance
The planned upgrade for staff houses and the environmental centre at Mthethomusha Nature Reserve were not finished by the deadline of March 31, 2025, representing an area of underperformance.	The planned upgrades at Mthethomusha Nature Reserve have been deferred to the 2025/2026 financial year.
By March 31, 2025, only 7.5 kilometres of the planned 20 kilometres of electrified boundary fence had been constructed at Mthethomusha Nature Reserve, with a shortfall of 12.5 kilometres to be constructed.	The construction of the remaining 12.5 kilometres of electrified boundary fence at Mthethomusha Nature Reserve has been delayed due to budgetary constraints, which have impacted the overall pace of the project; it is now expected to be completed in the 2025/2026 financial year.
By March 31, 2025, only 3 of the planned 9 geosites and 1 ablution facility were upgraded at the BMM-WHS, resulting in a shortfall of 6 geosites not upgraded.	The upgrade of the remaining 6 geosites at the BMM-WHS has been put on hold due to disputes with landowners. The Mpumalanga Tourism and Parks Agency (MTPA) is actively engaging with the affected stakeholders to resolve the impasse and aims to resume the upgrades in the 2025/2026 financial year.

LINKING PERFORMANCE WITH BUDGET

Programme	2024/2025			2023/2024		
	Budget	Actual Expenditure	(Over)/Under Expenditure	Budget	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Commercial Operations	14 060	12 641	1 418	7 005	8 942	(1 937)
Project Management	62 816	60 072	2 744	72 089	59 938	12 151
EPWP	2 438	2 345	93	3 147	2 744	403
Zithabiseni	0	39 036	(39 036)	20 000	26 410	(6 410)
Total	**79 314**	**114 095**	**(34 781)**	**102 241**	**98 033**	**4 208**

4. REVENUE COLLECTION

Sources of revenue	2024/2025			2023/2024		
	Estimate	Actual Amount Collected	(Over) / Under Collection	Estimate	Actual Amount Collected	(Over) / Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
Sale of goods	5 663	6 191	(528)	5 405	5 710	(304)
Rendering of services	59 970	62 117	(2 147)	52 595	54 821	(2 226)
Concession fees	6 543	9 665	(3 123)	4 358	8 449	(4 092)
Rental income	182	467	(285)	203	487	(284)
Recoveries	125	119	7	103	129	(26)
Wildlife sales	1 946	3 466	(1 520)	2 144	2 174	(30)
Sundry income	4 251	3 905	346	3 083	3 999	(916)
Interest received	1 320	1 412	(92)	2 625	3 169	(543)
TOTAL	**80 000**	**87 342**	**(7 342)**	**70 516**	**78 938**	**(8 422)**
Joint Project Conservation income	9 867	9 867	0	3 467	3 467	0
Total after Joint Project Conservation income and Non-cash Asset Donation	**89 867**	**97 209**	**(7 342)**	**73 983**	**82 404**	**(8 422)**

5. CAPITAL INVESTMENT

Infrastructure Projects as per Special allocation	2024/2025				2023/2024		
	Budget	Actual Expenditure	Commitment	(Over)/ Under Expenditure	Budget	Actual Expenditure	(Over)/ Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Revitalisation of Nature Reserve							
Integrated Management Plans	0	0	0	0	2 050	0	2 050
Mahushe Shongwe - Log Cabin, Solar and Air Conditioners	0	0	0	0	1 000	991	9

5. CAPITAL INVESTMENT

CONTINUED

Infrastructure Projects as per Special allocation	2024/2025				2023/2024		
	Budget	Actual Expenditure	Commitment	(Over)/ Under Expenditure	Budget	Actual Expenditure	(Over)/ Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
OSV Vehicles	0	0	0	0	1 000	1 000	0
God's Window Water Reticulation	0	0	0	0	905	380	525
Fencing of Mthethomusha Nature Reserve	20 000	7 649	1 503	10 848	13 584	14 915	(1 331)
Fencing of Songimvelo Nature Reserve	0	0	0	0	5 480	3 640	1 840
Fencing of Andover Nature Reserve	0	0	0	0	4 550	4 337	213
Fencing of Ohrigstad Nature Reserve	0	0	0	0	6 200	7 277	(1 077)
Staff Houses and Guest Houses	0	0	0	0	2 000	1 753	247
Swadini Gate	6 000	1 417	3 719	863	2 000	608	1 392
Bourke's Luck Potholes Ablusion	0	0	0	0	1 265	1 514	(249)
Bourke's Luck Potholes Ablusion - Bulk Water Supply	0	0	0	0	0	518	(518)
Mthethomusha Water Infrastructure	10 000	362	9 980	(342)	0	0	0
Integrated Management Plans	0	0	0	0	2 450	0	2 450
Designs for Visitor and Interpretation Centre	0	0	0	0	4 500	6 817	(2 317)
Maintenance and Upgrades of Geo Sites and Nodal Points (5 of 11)	0	0	0	0	7 000	2 641	4 359
Mthethomusha Nature Reserve – (Upgrades of Infrastructure, Improvement of Bulk Water Supply)	4 000	297	127	3 575	0	0	0
Mdala Nature Reserve – (Upgrades of Infrastructure, Improvement of Bulk Water Supply)	12 000	300	10 871	830	0	0	0
Songimvelo, Nooitgedacht and Mabusa Nature Reserves – (Removal of Asbestos Roofing Material)	4 000	3 350	0	650	0	3 097	(3 097)
Mabusa and Mthethomusha Nature Reserves – (Renovation of Rangers' Picket and Entrance Gate)	0	0	0	0	0	0	0
TOTAL	**56 000**	**13 375**	**26 201**	**16 424**	**53 984**	**49 487**	**4 497**

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PART C
GOVERNANCE

1. INTRODUCTION

Corporate governance embodies the processes and systems by which public entities are directed, controlled, and held to account. In addition to legislative requirements based on a public Entity's enabling legislation and the Companies Act, corporate governance in public agencies is applied through the precepts of the Public Finance Management Act (PFMA), and operates in tandem with the Protocol on Corporate Governance, which encapsulates the principles contained in the King's Report on Corporate Governance.

The Executive and the Boards of the public Entity are responsible for corporate governance.

2. PORTFOLIO COMMITTEES

The MTPA responded and appeared before the Portfolio Committee on Premier's Office, Finance, Economic Development and Tourism to present the following reports:

- 23 July 2024 – attended Portfolio Committee to deliberate on the 2024/2025 Annual Performance Plan and Budget
- 30 August 2024 – appeared before the Portfolio Committee on the 2023/2024 Fourth Quarter Performance Report
- 05 September 2024 – Portfolio Committee on Mthethomusha Nature Reserve
- 05 September 2024 – attended oversight visit with the Select Committee on Public Accounts (SCOPA), progress on Mthethomusha Nature Reserve
- 08 October 2024 – attended Portfolio Committee to deliberate on First Quarter Performance
- 24 October 2024 – attended oversight visit on Mthethomusha Nature Reserve
- 25 October 2024 – oversight visit to Mdala Nature Reserve
- 14 November 2024 – appeared before the Select Committee on Public Accounts (SCOPA) on the Auditor-General's 2023/2024 Audit Outcomes
- 28 November 2024 – appeared before the Portfolio Committee to present the 2023/2024 Annual Performance Report and the 2023/2024 Second Quarter Performance Report
- 06 March 2025 – appeared before the Portfolio Committee for the Third Quarter Performance Report

FINDINGS AND RECOMMENDATIONS ON 2023-2024 ANNUAL REPORT

COMMITTEE FINDINGS AND RECOMMENDATIONS			
	HOUSE FINDINGS	**HOUSE RECOMMENDATIONS**	**PROGRESS REPORT TO DATE**
i.	The Entity cannot afford to pay Eskom the R3 300 000.00 for the power upgrade at God's Window.	The Accounting Authority must engage public private partnerships to acquire funding for the power upgrades.	As the Sky Walk project enters its development phase, the Entity will work with the private investor to upgrade the electricity at God's Window.
ii.	The investigations on the suspension of the CEO are timed to be concluded in February 2025.	The Accounting Authority must provide in update on the processes taken after the suspension of the CEO.	The investigators have concluded their work onsite, the Entity is awaiting the draft reports and will share with the committee through the department as soon as the reports are available.
iii.	The dispute emanating from the Barberton Makhonjwa Mountain-World Heritage Site (BMM-WHS) project has not been settled	The Executive Authority must provide an update on the process to resolve the dispute involving Barberton Makhonjwa Mountain-World Heritage Site (BMM-WHS) project.	The Entity is engaged with the private landowners on a possible out-of-court settlement of the pending litigations. These engagements are ongoing and there is hope that they may ultimately become fruitful. The update will be provided in due course.
iv.	The Entity appointed a service provider to review its Tourism Marketing Strategy in February 2024 which was completed in August 2024.	The Accounting Authority must develop internal controls, systems, tools and mechanisms to implement, monitor and evaluate the Tourism Marketing Strategy.	The Entity has developed a 5-year strategy and annual performance plan targets that will aid it in monitoring and evaluating the implementation of the Tourism Marketing Strategy. Key components of focus are Marketing and promotions, collaborations and partnerships, financial controls, human resources, regulatory frameworks, and institutional capacity.
v.	The Entity failed to develop Integrated Management Plans for Sterkspruit and Mahushe Shongwe Nature Reserves	The Accounting Authority must develop Integrated Management Plans for Sterkspruit and Mahushe Shongwe Nature Reserves	The development of Integrated Management plans for the Sterkspruit and Mahushe Shongwe Nature Reserves has been completed in the Third Quarter 2024-2025 financial year.
vi.	The Entity transferred employees from Zithabiseni, and a new organizational structure is underway	The Accounting Authority must develop internal controls to appropriately integrate officials from Zithabiseni Resort into the Entity's organogram and ensure that all employees are allocated adequate responsibilities to add public value.	The Entity established a committee that oversaw the placement of employees into the MTPA structure. This resulted in the Zithabiseni resort employees being absorbed in the MTPA in September 2023. The Entity is currently in the process of aligning the employees to the relevant programs within the Entity as they are placed under Commercial Operations.

COMMITTEE FINDINGS AND RECOMMENDATIONS			
	HOUSE FINDINGS	HOUSE RECOMMENDATIONS	PROGRESS REPORT TO DATE
vii.	The Entity appointed forensic investigator to conduct investigation on the Entity and is expected to conclude the investigation in February	The Accounting Authority must update the Committee on the forensic investigation conducted in the Entity expected to be concluded in February 2025.	The investigators have concluded their work onsite, the Entity is awaiting the draft reports and will share with the committee through the department as soonest the reports are available.
viii.	The Entity dismissed ten officials in the period under review	The Accounting Authority must provide a detailed report resulting in the dismal of ten officials in the period under review and indicate measures put in place to strengthen internal control to prevent employee misconduct leading to dismissal	The Entity is ramping up its internal implementation capacity as it is a critical factor that determines whether tourism plans, marketing strategies and other related initiatives can be successfully carried out. Key components of focus are Marketing and promotions, collaborations and partnerships, financial controls, human resources, regulatory frameworks, and institutional capacity. Furthermore, the Entity has developed a 5-year strategy and annual performance targets that will aid it in monitoring and evaluating the implementation of the Tourism Marketing Strategy.

FINDINGS AND RECOMMENDATIONS ON 2024-2025 FIRST QUARTERLY PERFORMANCE REPORT

COMMITTEE FINDINGS AND RECOMMENDATIONS			
	HOUSE FINDINGS	HOUSE RECOMMENDATIONS	PROGRESS REPORT TO DATE
i.	The Entity plans to undertake maintenance upgrades of existing infrastructure at Manyeleti Nature Reserve.	The Entity to put appropriate internal control and measures to achieve all its infrastructure maintenance plans within the limited resources. Furthermore, the Entity must engage the department of Public Works, Roads & Transport to prioritize and facilitate the maintenance and upgrades of Manyeleti Nature Reserve.	The Entity has developed an infrastructure maintenance plan, which includes Manyeleti Nature Reserve. An infrastructure upgrade project was successfully completed at Manyeleti Narure Reserve in November 2024. The project was the removal of asbestos building materials in 7 buildings within the Manyeleti Nature Reserve. Routine daily maintenance is conducted as required.
ii.	The Entity plans to intensify tourism marketing initiatives to maximize revenue collection across the revenue collection the revenue collection streams.	The Entity to develop measures to improve its revenue collection especially during the tourism off-peak and intensify its marketing and advertising of tourism during tourism off-peak periods	The MTPA has started using local print media and community radio stations to encourage locals to visit its Nature Reserves. Furthermore, social media campaigns are conducted to market our tourist attractions to community-based organizations, schools, corporates, and the broader community. Discounts are offered during off-peak periods to encourage the residents

COMMITTEE FINDINGS AND RECOMMENDATIONS			
	HOUSE FINDINGS	HOUSE RECOMMENDATIONS	PROGRESS REPORT TO DATE
iii.	The Entity has robust tourism marketing campaigns which include tourist activation events for reserves to increase tourist arrivals in the province.	The Entity must conduct a study or survey to assess if the activation events do empower the province as a tourism destination of choice and assist in revenue growth	Activation events hosted at Nature Reserves do increase awareness about the attractions, and tourist numbers increase after hosting such events. The Sunset Safari Dinner hosted at Mahushe Shongwe during the last financial year has significantly increased tourist arrivals at that site. This concept will be expanded to Manyeleti Nature Reserve during this financial year to market the reserve for the festive season.
iv.	Due to salary disparities and CCMA ruling, the Entity moved employees to mid notches of their salary levels.	The Entity must apply cost curtailment measures to realize savings that will assist on the implementation of priority targets throughout the year. Furthermore, the Entity must keep the Committee abreast on its financial status.	The cost containment measures include, but are not limited to, halting acting in higher positions, reducing overtime, restricting travel, recruitment suspension and non – renewal of expired temporary worker contracts unless it is a critical position.
v.	The Entity submitted budget pressures to Provincial Treasury to avoid and address overspending on COE.	The Entity must update the Committee on the outcomes from Provincial Treasury.	The MTPA outlined budgetary challenges during the Mid Term Expenditure Committee hearing held on October 24th, 2024. The committee's feedback indicated that the Entity would not be granted additional funding for the COE.
vi.	The MEC ordered the MTPA Board to finalize matters relating to the suspension of the CEO and report back to her to consult the Executive Council on further actions.	The MEC and the MTPA Board must put measures and systems to accelerate the conclusion of matters related to the suspension of the CEO	The investigation is ongoing and expected to be completed or before the end of February 2025. The investigators have been provided with information and documents. Interviews with staff members have been scheduled to begin on 13 January 2025. The Board is awaiting the written report and findings and will advise the MEC accordingly. The Board is looking into expanding the current scope of the investigation to include allegations received relating to Mthethomusha Nature Reserve and the National Skills Fund as directed by both the PC and SCOPA.

FINDINGS AND RECOMMENDATIONS ON 2024-2025 SECOND QUARTERLY PERFORMANCE REPORT

COMMITTEE FINDINGS AND RECOMMENDATIONS			
	HOUSE FINDINGS	**HOUSE RECOMMENDATIONS**	**PROGRESS REPORT TO DATE**
i.	The Entity deferred the filling of vacant positions to the next financial year due to budget constraints.	The Entity must prioritise the vacant funded positions. Furthermore, the Entity must make requests to the Provincial Treasury for the funding of vacant positions. a. The Accounting Authority must develop internal controls and measures to mitigate the negative impact or wicked problem as a result of deferring the filling of vacant positions to the next financial period.	The Entity prioritized the filling of the critical vacant position of the Chief Financial Officer and the Executive Manager Commercial Operations. The Entity is currently finalizing recruitment for the next financial year. The implementation of the recruitment plan is dependent on the availability of budget allocated
ii.	The Entity successfully hosted the Mpumalanga Tourism Expo on 4 - 6 October 2024.	The Entity must provide the Committee with a detailed report on the impact made by the 3 days tourism expo, including the business opportunities secured thereof.	The Mpumalanga Tourism Expo was held from 04 to 06 October 2024 at Riverside Mall in the City of Mbombela. The Expo provided a platform to fifty-seven (57) tourism SMMEs to showcase their products and services. The Expo was attended by tourism business delegates and media from other provinces (Gauteng, Northwest, Kwazulu-Natal, Western Cape and Limpopo) the Kingdom of Eswatini and the Republic of Mozambique. The value of returns derived from the 2024 Mpumalanga Tourism Expo and its side events is estimated in the region of over R40 Million for the provincial economy. One hundred and fifty (150) direct and four hundred (400) indirect jobs were created during the hosting of the 2024 Mpumalanga Tourism Expo. The detailed report on the Mpumalanga Tourism Expo is attached herein as Annexure A.
iii.	The Entity was awaiting a court hearing on 4 December 2024 on the BMM-WHS case as instituted by landowners.	The Entity must provide the Committee with feedback on the court hearing conducted on 4 December 2024.	The court case was indeed heard on 4th of December 2024 with both parties presenting their respective arguments. Judgement was reserved. On 8th of January 2025 the Entity received the copy of the written judgement wherein Sappi's application for leave to appeal was dismissed with costs. During the month of February 2025, the Entity learnt that Sappi is taking this matter to the Supreme Court of Appeal. Attached herewith Annexure B

COMMITTEE FINDINGS AND RECOMMENDATIONS			
	HOUSE FINDINGS	HOUSE RECOMMENDATIONS	PROGRESS REPORT TO DATE
iv.	The Entity projects to have the entire 10.5KM fence of phase 3 installed in Mthethomusha Nature Reserve completed by January 2025	The Entity must ensure that the target is achieved as planned and furnish the Committee with proof thereof.	The project of Mthethomusha Nature Reserve fencing is at 7.5 km of 10.5 km. Progress was affected by the December builders' holiday and delayed payments to the contractor due to budget constraints within the MTPA. The project completion is differed to the first quarter of the next financial year.
v.	The Entity issued a letter about poor performance consulting engineers for delaying the Mthethomusha Nature Reserve facilities upgrade.	The Entity must provide the Committee with proof that the said engineers are blacklisted from the Entity's database for future projects.	The engineers were able to rectify their nonperformance and submitted designs and the BoQ on 23 October 2024. The MTPA did not blacklist the engineers as they were able to meet the terms and conditions set in their service level agreement.
vi.	The Entity in the second quarter overspent its CoE budget by 8% and exhausted the CoE budget for programme 6	The Accounting Authority must develop internal controls to contain CoE Expenditure and develop plans to make provision for CoE in programme 6.	The Entity is currently in the process of reallocating the officials from Zithabiseni Resort to other functions within the Entity in order to relieve the CoE cost of the programme 6.
vii.	The Entity is implementing cost curtailment measures to keep the organization financially sound	The Accounting Authority must develop systems and measures to prevent cost curtailment from compromising its core mandate and service delivery.	Whilst the austerity measures have been implemented the Entity continues to deliver and fulfill its mandate.
viii.	The Entity will not renew the contract of all temporary or contract workers once they are expired in the third quarter.	The Accounting Authority must provide a comprehensive report detailing the measures implemented to mitiqate the non-renewal of all contract work from the third quarter from negatively impacting the Entity.	The Entity has not terminated the contract of the temporary workers due to the Labour dispute however the implementation of the termination contract will be affected from 1st April 2025. The critical positions to be advertised and filled to mitigate the vacancies within the Entity
ix.	The Entity implemented 88% instead of 100% of the Risk Management and Fraud Prevention Strategy.	The Accounting Authority must develop internal controls and measures to fully implement the Risk Management and Fraud Prevention Strategy	The Entity has implemented 100% of the Risk Implementation plan by the 3rd quarter through the implementation of corrective action to address those areas which were not achieved in the 2nd quarter.

COMMITTEE FINDINGS AND RECOMMENDATIONS			
	HOUSE FINDINGS	HOUSE RECOMMENDATIONS	PROGRESS REPORT TO DATE
x.	The Entity was still in the process of reviewing the Risk Management Policy, Framework and Strategy	The Accounting Authority must develop internal controls and measures to implement, monitor and evaluate Risk Management Policy, Framework and Strategy	The Entity implemented corrective action to address the non-achievement of targets set out on the Risk Implementation Plan. This resulted in the Risk Management Policy, Framework and Strategy being approved by the Board in the 3rd quarter and being shared with officials.
xi.	The Entity failed to compile four (4) draft integrated management plans for the Manyeleti, Loskop Dam, Mdala and Mthethomusha Nature Reserves.	The Accounting Authority must compile four (4) draft integrated management plans for the Manyeleti, Loskop Dam, Mdala and Mthethomusha Nature Reserves	The four Integrated Management Plans will not be completed in 04 due to the continuous stakeholder engagements processes that delay the finalizations of the IMP's.
xii.	The Entity failed to develop a draft Integrated Management Plan (IMP) for the Barberton Makhonjwa Mountains World Heritage Site (BMM-WHS) and submit to the Minister.	The Accounting Authority must develop a draft Integrated Management Plan (IMP) for the Barberton Makhonjwa Mountains World Heritage Site (BMM- WHS) and submit to the Minister as planned and take actions against service providers who failed to develop IMPs	The integrated management plan for the BMM- WHS will not be completed as planned in the current financial year due to the inability of the private and community landowners and the MTPA to resolve the impasse. The Songimvelo Nature Reserve Management Plan (Songimvelo Nature Reserve being a part of the BMM-WHS) will therefore be developed as a deliverable of the amended SLA with the service provider. The Songimvelo Nature Reserve IMP will be completed by the 15th of March 2024/25. The BMM-WHS will be completed in Q4 of 2024/25. The service provider was not penalised due to the failure of the MTPA. not meeting its obligation. There is an impasse between the MTPA and stakeholders which has impacted on the service provider's ability to render the services. The service provider was therefore unable to engage the landowners and communities to enable the development of the management plan.

PROGRESS REPORT ON THE PORTFOLIO COMMITTEE HOUSE RESOLUTIONS 2023-2024 THIRD QUARTER PERFORMANCE REPORT

COMMITTEE FINDINGS AND RECOMMENDATIONS			
	COMMITTEE FINDINGS	**HOUSE RESOLUTIONS**	**PROGRESS TO DATE**
i.	The procurement process of commercialization of Zithabiseni Resort and Conference Centre (Pty) Ltd is planned for completion by the end of the fourth quarter 2023/24 financial year.	The Entity must ensure that procurement processes are completed in the stipulated time. Furthermore, the Entity must ensure that they appoint a credible service provider.	The procurement process to source an operator to invest, upgrade, operate and manage the Zithabiseni Resort and Conference Centre (Pty) Ltd was re-advertised in the May 2024 Tender Bulletin, Number MTPA/20232024/COM/07. However, the advertisement was subsequently withdrawn following a decision to rehabilitate the infrastructure after the recent veld fires thatdestroyed some of the chalets that are in use. The rehabilitation will improve the infrastructure condition to be more appealing to potential investors when readvertised.
ii.	The Entity has identified events and activities as a marketing tool that has potential to increas tourists and attract media.coverage	the Entity must ensure that it has sufficient budget which is allocated to the marketing actitivies.	Initiatives and activities aimed at marketing the province to tourists have been marketing the prioritised province and to tourists sufficientlyhave budgeted for. Furthermore, strategic partners have been sought to complement the marketing initiatives of the Province i.e. South African Tourism offices abroad, the Triland partners, media outdoor adventure partners and sport clubs.

3. EXECUTIVE AUTHORITY

The following reports were compiled and submitted to the Executive Authority during the reporting period:

- 2025/2026 Annual Performance Report and Annual Financial Statement – 31 May 2025
- Annual Performance Report 2024/2025 – 31 August 2024
- Quarter 1 (2024/2025) – 31 July 2024
- Quarter 2 (2024/2025) – 31 October 2024
- Quarter 3 (2024/2025) – 31 January 2025
- Quarter 4 (2024/2025) – 31 April 2025

The Executive Authority raised no issues during the reporting period regarding the above reports submitted.

4. THE ACCOUNTING AUTHORITY / THE BOARD

INTRODUCTION

The Board is the Accounting Authority of the MTPA and constitutes a fundamental base for the application of corporate governance principles in the MTPA. The Board exercises and performs the powers and functions conferred or imposed upon the Entity by the MTPA Act or any other law. The Board provides strategic direction to the MTPA.

THE ROLE OF THE BOARD IS AS FOLLOWS

In accordance with the MTPA Act and corporate governance, the specific responsibilities discharged by the Board collectively include the following:

- Retaining effective control over the MTPA and monitoring Management's implementation of the strategic plan, the Annual Performance Plan as well as financial objectives, as approved by the Board.
- Defining levels of materiality.
- Written delegation of specific powers to management and reserving specific powers to the Board.
- Monitoring of the delegated powers to management.
- Ensuring that efficient systems of policies and procedures are in place and appropriate governance structures exist to ensure efficient and effective running of the Entity.
- Ensuring compliance with applicable laws and regulations, audit and accounting principles, the MTPA Code of Conduct, the King III report and such other principles that may be established by the Board from time to time.
- Regularly reviewing and evaluating the risks to the business of the MTPA and ensuring the existence of comprehensive and appropriate internal controls to mitigate such risks.
- Exercising objective judgement on the affairs of the MTPA, independent from management, but with sufficient management information to enable a proper and informed assessment.
- Ensuring that MTPA acts responsibly towards all relevant stakeholders who have a legitimate interest in its affairs.

BOARD CHARTER

As recommended by the King Code, the Board has a Charter that sets out the role of the Board, the composition of the Board and the processes that relate to key governance activities.

The Charter does not necessarily specify all the workings of the Board. It is a high-level document that is supported by other (internal) documents such as:

- Delegation of Authority
- Board Policies
- Operational Policies

The following progress was made in complying with the Board Charter:

- The Board has satisfied its role in determining the Entity's purpose and values, giving strategic direction, identifying key risk areas and monitoring the performance of the Entity against the set objectives. It has successfully advised on significant financial matters in the period under review. Regarding the composition of the Board, the Board's composition is according to the terms set out in the MTPA Act.
- There is a clear division of responsibilities between the Chairperson of the Board and the CEO. The Board convened its meetings as set out in the Act and in the Charter and has also convened additional meetings to address issues that were pertinent to the Entity.
- The Board established governance structures on assumption of office to facilitate efficient decision-making. It has further aligned the structures according to its mandate and Treasury prescripts.
- The Board Members adhere to the declaration of interest on an annual basis and at each meeting Board Members are required to declare conflict of interest, if any.
- The Company Secretary's office has been aligned with the Charter to permeate a situation whereby it works closely with the Chairperson of the Board and the CEO.
- The appointment of Internal Auditors has been delegated to the Audit and Risk Committee.
- The Board has satisfied all the reporting and accountability requirements to the MEC, Provincial Legislature, Provincial Treasury and the Auditor-General's office as set out in the MTPA Act and the PFMA.

COMPOSITION OF THE BOARD

The composition of the Board is as follows:

MTPA OUTGOING BOARD

Name	Designation (in terms of the Public Agency Board structure)	Date appointed	Date resigned	Qualifications	Areas of expertise	Board directorships	Other committees or task teams (e.g. Audit committee / Ministerial task team)	No. of meetings attended
Mr. Mashego V	Chair-person	01 September 2021	Active	Vaal University of Technology (VUT) N. Dip Biomedical Technology S4 Not Completed 2005 University of Lim-popo: Business Management & Leadership – Completed 2016 UCT Commercial & Contract Law Current	Biomedical, Business Advisory, Supply Chain Management	National President of Youth Chamber of Commerce & Industry South Africa (YCCISA) Chairperson of the Board – Thaba Chweu Local Economic Development Agency Member of Mpumalanga Provincial Government BBBEE Advisory Council	Board Task Team	21 of 25

Name	Designation (in terms of the Public Agency Board structure)	Date appointed	Date resigned	Qualifications	Areas of expertise	Board directorships	Other committees or task teams (e.g. Audit committee / Ministerial task team)	No. of meetings attended
Mr. Mashego V continued				Accredited International Business Advisor – Growthwheel Inc. (SEDA)		Chairperson Subcommittee of Black Industrialist (Mpumalanga Provincial Government BBBEE Advisory Council) Chairperson of the Board and Executive Member of Mzansi Housing Company Chairperson of Mpumalanga Fly Ash Council Mbombela Laboratory & Medicals (Founder and CEO) Mpumalanga Economic Development Group (Founder and CEO) Mzansi Housing Company (SHRA Accredited) – Board Chairperson Sun Rising TV (ICASA Accredited) – Board member Chairperson Vaal University of Technology – National Federated Chamber of Commerce and Industry Youth Coordinator Ehlanzeni – NAFCOC Youth Bushbuckridge Local Municipality LED Forum Member LED Steve Tshwete Local Municipality – Chairperson of Mining Subcommittee		

Name	Designation (in terms of the Public Agency Board structure)	Date appointed	Date resigned	Qualifications	Areas of expertise	Board directorships	Other committees or task teams (e.g. Audit committee / Ministerial task team)	No. of meetings attended
Ms. Sithole S	Deputy Chairperson	01 September 2021	Active	Junior Primary Teachers Diploma Certificate in Technology Education Bachelor of Arts Bachelor of Laws Degree LLB Certificate in Project Management Professional Certificate in Public Management Certificate in Financial and Accounting Principles for Public Entities	Education Labour Legal Services	None	Tourism and Biodiversity Conservation Committee Governance, Social and Ethics Committee Board Task Team Interviews of the Barberton Makhonjwa Mountains World Heritage Site Advisory Council	39 of 39
Mr. Masipha RB	Member	01 September 2021	Active	Bachelor of Laws degree LLB. Master of Law LLM Corporate Law. Master of Business Leadership MBL. B.Com Statistics and Financial Mathematics (2020–2022). Doctor of Philosophy in Law (PhD) (2021–to date).	Legal Services	Secretary General of Black Youth Business Council. Chief Executive Officer of African Young Dreamers (NPO). Director of Giant Oracle Investments (Pty) Ltd. Director of RB Global Investments (Pty) Ltd. Director of The Curve Behind Trading 429. Board member of Govan Mbeki Fly Ash Consortium.	Tourism and Biodiversity Conservation Committee. Audit, Risk and IT Committee. Interviews of the Barberton Makhonjwa Mountains World Heritage Site Advisory Council.	56 of 56

Name	Designation (in terms of the Public Agency Board structure)	Date appointed	Date resigned	Qualifications	Areas of expertise	Board directorships	Other committees or task teams (e.g. Audit committee / Ministerial task team)	No. of meetings attended
*Dr. Khumalo ME	Member	01 September 2021	Active	Medical degree (MBChB) from MEDUNSA.	Medicine	SAMA (South African Medical Association) board. Board Chairperson – SOS Children's Villages – Mpumalanga Region. Board Chairperson – African Health Excellence Organization (AHEO). Managing Director – Emergency Medicine (EM) Consultants Inc. Active Membership of the Institute of Directors South Africa – IODSA.	Human Resources and Remunerations Committee. Finance and Investment Committee.	47 of 47
*Mr. Sibanyoni B	Member	01 September 2021	Active	National Higher Certificate in Executive Leadership. Municipal Development Programme.	Governance	Mpumalanga Regional Training Trust Director 2017–To Date. Mpumalanga Rental Housing Tribunal Board (Human Settlement) Commissioner 2017–To Date. Mpumalanga Innovative Skills Hub 2020–To Date.	Finance and Investment Committee. Human Resources and Remuneration Committee. Interviews of the Barberton Makhonjwa Mountains World Heritage Site Advisory Council. Shortlisting and Interview – Chief Financial Officer.	51 of 51

Name	Designation (in terms of the Public Agency Board structure)	Date appointed	Date resigned	Qualifications	Areas of expertise	Board directorships	Other committees or task teams (e.g. Audit committee / Ministerial task team)	No. of meetings attended
Mr. Lubisi SW	Member	01 September 2021	Active	Certificate in Personnel Management - Rand Afrikaans University (RAU) now University of Johannesburg. Certificate in Economics & Public Finance (UNISA). Post Graduate Diploma in Management – Wits University.	Governance Leadership Management Communica-tion Negotiation Skills	Member of the National Archives Advisory Council 2023 to date. Director for Kingdoms of Africa. Director – Nombutha Logistics. Director – Intokomalo Holdings. Trustee Member of Jane Goodall Institute South Africa. Trustee Member of Ntongande Trust.	Social and Ethics Committee. Finance and Investment Committee. Board Task Team. Shortlisting and Interview – Barberton Makhonjwa Mountains World Heritage Site Advisory Council.	46 of 46
*Ms. Diputla LE	Member	01 September 2021	Active	Certificate in Management and Business Accounting	Administra-tion	Member of the Gauteng Gambling Board	Finance and Investment Committee, Human Resources and Remuneration Committee	50 of 50
*Ms. Dludla LG	Member	01 September 2021	Active	B. Tech Degree: Tourism Management, Research, Tourism Management, Marketing UNISA 2001, Marketing & Research UNISA 2010, Property Practitioners Regulatory	Tourism Management	None	Tourism and Biodiversity Conservation Committee, Social and Ethics Committee	36 of 36

Name	Designation (in terms of the Public Agency Board structure)	Date appointed	Date resigned	Qualifications	Areas of expertise	Board directorships	Other committees or task teams (e.g. Audit committee / Ministerial task team)	No. of meetings attended
Ms. NZ Oyiya	Member	01 September 2021	Active	Bachelors in Business Administration (BBA) – Southern Business School (SBS (Honours) Public Sector Management – 2020 Diploma: Public Sector Management – 2012 National School of Governance BIT Committees – PFMA – 2015 – University of Pretoria Certificate: Outcomes-based Monitoring & Evaluation Implementation – 2012 University of the Witwatersrand (Wits) Business School Certificate: Programme in Principles of Business and Management – 2009 Damelin Business School – Fundamentals of Microsoft Office – 2006	Business Admin-istration	Board Member HA Grove Hospital	Audit, Risk and IT Committee Social and Ethics Committee	54 of 54

Name	Designation (in terms of the Public Agency Board structure)	Date appointed	Date resigned	Qualifications	Areas of expertise	Board directorships	Other committees or task teams (e.g. Audit committee / Ministerial task team)	No. of meetings attended
*Ms. Nkosi TJ	Member	01 September 2021	Active	Diploma in Public Management 2003 - Institute of Man-agement and Busi-ness Bachelor of Laws 2008 - University of Pretoria Certificate in Prac-tical Legal Training 2009 - Legal Edu-cation and Devel-opment	Legal Services	None	Human Resources and Remuneration, Committee Tourism and Biodiversity Conservation Committee Board Task Team Shortlisting and Interview – Barberton Makhonjwa Mountains World Heritage Site Advisory Council Shortlisting and Interview Process – Chief Financial Officer	44 of 44

BOARD COMMITTEES

The Board had the following Board Committees:

- Audit, Risk and IT Committee**.**
- Human Resources and Remuneration Committee**.**
- Tourism and Biodiversity Conservation Committee**.**
- Social** and** Ethics Committee**.**
- Finance and Investment Committee** –** established 08 September 2021

LIST OF BOARD COMMITTEES, MEMBERS WHO SERVED ON EACH COMMITTEE, AND THE NUMBER OF MEETINGS HELD ARE AS FOLLOWS:

Committee	No. of meetings held	No. of members	Name of members
Audit, Risk and IT Committee	24	5	Ms. MS Tonjeni - Chairperson Mr. W Carrim Ms. TH Mbatha Mr. RB Masipha Ms. NZ Oyiya
Human Resources and Remuneration Committee	9	4	Ms. TJ Nkosi - Chairperson Dr. ME Khumalo Mr. B Sibanyoni Ms. LE Diputla
Tourism and Biodiversity Conservation Committee	5	4	Mr. RB Masipha - Chairperson Ms. SF Sithole Ms. LG Mlaba-Dludla Ms. TJ Nkosi
Finance and Investment Committee	14	4	Mr. B Sibanyoni - Chairperson Mr. SW Lubisi Dr. ME Khumalo Ms. LE Diputla
Social and Ethics Committee	4	4	Mr. SW Lubisi - Chairperson Ms. SF Sithole Ms. NZ Oyiya Ms. LG Mlaba-Dludla

REMUNERATION OF BOARD MEMBERS

- The remuneration of the Board is determined by the Board Remuneration Policy. There has been no change in the Board Remuneration Policy, and the rates are decided by the Shareholder. The only time adjustments are made is when they have been amended by the Shareholder.
- All members of the Board are remunerated, except the Shareholder representative who is an ex officio member of the Board.
- Members are paid for out-of-pocket travel and accommodation.

The remuneration of the Board for the period 01 April 2024 to 31 March 2025

THE REMUNERATION OF THE BOARD FOR THE PERIOD 01 APRIL 2024 TO 31 MARCH 2025

Name	Remuneration R	Other allowances R	Other reimbursement R	Total R
Mr. V Mashego (Chairperson)	700 308	12 000	37 051	749 359
Ms. S Sithole	480 690	12 000	7 383	500 073
Dr. E Khumalo	388 485	12 000	8 427	408 912
Mr. W Lubisi	474 375	12 000	12 514	498 889
Ms. G Mlaba-Dludla	333 519	12 000	1 102	346 621
Ms. T Nkosi	401 756	12 000	16 021	429 777
Ms. N Oyiya*	433 540	12 000	20 919	466 459
Adv. B Masipha*	453 750	12 000	16 026	481 776
Mr. B Sibanyoni	499 125	12 000	33 474	544 599
Ms. L Diputla	424 530	12 000	30 075	466 605
TOTAL	**4 590 078**	**120 000**	**182 992**	**4 893 073**

*Totals include remuneration for Audit and Risk Committee meetings attended.
*Remuneration = Gross Amount

5. RISK MANAGEMENT

The Entity promotes a “risk-matured and risk-intelligent” culture through the Risk Management Framework, Policy and Procedure manual. The Board, in discharging its risk management responsibilities, is supported by the Audit, Risk and IT Committee, which ensures that Management has implemented an effective risk management strategy that will enhance the organisation’s ability to achieve its strategic objectives. As a result, the Committee provides the oversight required to ensure that stakeholder interests are protected. The Committee is provided with quarterly progress reports, which are subsequently presented to the Board.

In terms of the Public Finance Management Act and Treasury regulations, the Accounting Authority is responsible for ensuring the MTPA has an effective and efficient system of managing risk. The Risk Management Committee has adopted formally approved terms of reference as contained in the Risk Management Committee Charter and regulates its affairs and discharges all its responsibilities in compliance with the approved Charter. Furthermore, the Entity has diligently implemented the risk management framework and strategy to improve its risk maturity level.

The Committee is satisfied with the effectiveness of its oversight of the governance of risk, and this was attested to by Management’s

engagement in risk management and utilising this as a management tool. The Committee has reviewed the risk register and the quarterly risk management reports from the Risk Management Committee and is aware of some of the risks which were not fully mitigated at the end of the financial year. This highlights the need to ensure plans are elevated to be generally satisfied with the maturity of the risk management process.

The MTPA aimed to achieve a level 5 rating by the end of the 2024/25 financial year, which would confirm that the organisation is risk intelligent; however, it has remained within Level 4. To achieve this goal, a Risk Maturity Model is developed and will be reviewed annually, and the Annual Implementation Plan will be reviewed each year to identify the key initiatives to be implemented or performed to ensure overall improvement of Risk Management maturity throughout the organisation.

1. The risks which consistently breached tolerance levels are those relating to:

    1.1. Failure to implement infrastructure projects within the planned time frame and the budget. The process to implement the infrastructure plan has been affected by both internal and external factors, such as community disputes on the appointed service providers, prolonged planning and consultations with applicable stakeholders.

    1.2. The protected areas experienced an increase in wildlife crime inside and outside protected areas, specifically illegal mining, because of the poor infrastructure within the protected areas as well as the vacancy rate within law enforcement. These activities impacted the fauna and flora within the protected areas and the safety of tourists within the tourism attraction sites.

    1.3. The Entity experienced financial challenges which impact the financial viability of the Entity for the coming financial years because of overcommitments due to the implementation of salary disparities and adjustments. The financial health of the Entity is impacted further because the grant allocation is not sufficient to cover the operational costs of the Entity.

    1.4. The Entity's organisational environment further experienced instability because of a lack of leadership due to the suspension of key executives within the Entity, unprotected strikes from employees and the high vacancy rate that has impacted on the overall performance of the Entity.

2. The Committee placed special emphasis on strategic risk mitigation for the following risks, wherein the mitigation plans materialised to achieve the goals set by the Entity in the following areas:

    2.1. Inadequate marketing of the destination. The Entity finalised the Mpumalanga Tourism Strategy, which outlines the plans and activities to promote the province. The Entity further embarked on promotional activities to promote the province.

    2.2. Inadequate generation and collection of revenue. The Entity's control environment has a set of standards, such as policies, processes and structures including capacity, that provide the basis for carrying out internal control across the Entity.

The Entity reported an amount of R87.3 million in revenue, which was collected from the various revenue streams within the Entity, against a planned target of R80 million.

6. INTERNAL AUDIT AND AUDIT COMMITTEE

Details on the Entity's Internal Audit function and activities, including the composition of the Audit, Risk and IT Committee (ARIC) are contained in the ARIC report in Part F of the Annual Report.

The ARIC assists the Board by critically evaluating the Board's financial control measures, accounting practices, information systems and audit procedures, including information systems controls and security, the quality of the financial and other management information produced to ensure integrity and reliability, any related significant findings and recommendations of the internal and external auditors together with management's responses thereto. The Committee performs this function continuously by way of close liaison with the executive management and with the Board's internal and external auditors.

The Committee complied with its responsibilities arising from Treasury Regulations and PFMA.

Name	Qualifications	Internal or external	If internal, position in the public Entity	Date appointed	Date Resigned	No. of Meetings attended
Ms. MS Tonjeni	• BCom and BCom Honours (Accounting) – University of Port Elizabeth, Chartered Accountant (SAICA) • Mining Tax Postgraduate Diploma – University of the Witwatersrand • Banking Postgraduate Diploma – University of Johannesburg • Mining Engineering Postgraduate Diploma – University of the Witwatersrand	External	None	09 December 2021	Active	24 of 24
Mr. RB Masipha	• Bachelor of Laws degree LLB, LLM Corporate Law • Master of Business Leadership (MBL) Unisa • BCom Statistics and Financial Mathematics (2020–2022)	Internal	Board Member	01 September 2021	Active	24 of 24
Ms. T.H. Mbatha	• BCom Accounting Degree, BCompt Honours Accounting (CTA), University of South Africa, Chartered Accountant (SA) SAICA • Master of Business Leadership (MBL) • University of South Africa	External	None	09 December 2021	Active	23/24
Mr. W. Carrim	• BCom Honours Accounting Sciences, 2009 – University of Pretoria • Master of Business Administration, 2021 – Wits Business School • MCom Taxation, 2014 • Chartered Accountant (SAICA), 2021	External	None	09 December 2021	Active	24/24
Ms. NZ Oyiya	• Bachelor's in Business Administration (BBA) - Southern Business School (SBS) • (Honours) Public Sector Management 2020 • Diploma: Public Sector Management 2012 • National School of Governance BIT Committees • PFMA 2015 – University of Pretoria • Certificate: Outcomes-based Monitoring & Evaluation Implementation 2012 • University of the Witwatersrand (Wits) Business School	Internal	Board Member	28 May 2022	Active	24 of 24

Name	Qualifications	Internal or external	If internal, position in the public Entity	Date appointed	Date Resigned	No. of Meetings attended
Ms. NZ Oyiya (continued)	• Certificate: Programme in Principles of Business and Management 2009 • Damelin Business School – Fundamentals of Microsoft Office 2006					

7. COMPLIANCE WITH LAWS AND REGULATIONS

The Entity ensured compliance with applicable legislation as follows:

MTPA Act, PFMA and Treasury Regulations

Compiled and submitted the following documents:

- 2024/25 Annual Report.
- Four quarterly reports for the year 2024/25.
- 2025/26 Annual Performance Plan.
- The Board members fulfilled their fiduciary obligations by holding a minimum of 4 Board meetings as required by the PFMA and Companies Act.

8. FRAUD AND CORRUPTION

The MTPA is governed by the Public Finance Management Act (No. 1 of 1999) (as amended by Act 29 of 1999) and the associated Treasury Regulations. A review of the fraud prevention strategy, policy and plan was conducted and implemented. These policies and strategies are designed to align the MTPA's anti-fraud functions with the PFMA. The MTPA has committed itself to actively combat fraud and all other acts of dishonesty on a zero-tolerance basis. In line with the implementation of its Fraud and Corruption Prevention Strategy, the Entity has published the fraud and corruption reporting hotline number (080 021 4775) on its website. Cases reported via the national anti-corruption hotline are referred to the office of the CEO, who appoints an investigative officer to facilitate the investigation of alleged fraud or corruption. The Board placed the Chief Executive Officer under suspension and initiated a process for a forensic investigation to be conducted in relation to allegations of maladministration and corruption at the Barberton Makhonwa World Heritage Site. The forensic investigation was concluded in May 2025 and the recommendation thereof are being implemented.

There were ongoing awareness campaigns on existing fraud prevention policy and strategies, including applicable approved policies and procedures across MTPA, continuous monitoring and evaluation by governance structures, existing code of conduct, disciplinary code and procedures. Declaration of interest is monitored annually. Accordingly, Ethics Management is overseen and directed through the Board, the Audit, Risk and IT Committee.

9. MINIMISING CONFLICT OF INTEREST

Board members are obliged to declare any directorship or business interest they may hold, as well as interest in any matter that is to be discussed at Board and Committee meetings, and to recuse themselves from meetings where such matters are discussed, when appropriate. Officials are also expected to complete an annual declaration of interest and to avoid conflict between their personal interests and those of MTPA. Policies and procedures are in place to ensure that all staff declare directorships or any other business interests on an annual basis. The Supply Chain Management and the Code of Conduct policies are implemented in all procurement

processes. The policies were developed in line with the Treasury Regulations; the Code of Conduct is issued in accordance with the framework for supply chain management, section 74(4)(c) of the PFMA. MTPA is therefore required to align this to Treasury Regulations and to issue a Code of Conduct for all officials involved in supply chain management processes.

All officials involved in the procurement process are made aware of the requirements of supply chain management procedures and the Code of Conduct. In addition, an SCM policy is in place requiring that all members of Bid Specification, Bid Evaluation and Bid Adjudication Committees declare any conflict of interest regarding agenda items of the relevant structure and recuse themselves from the meeting when the item is discussed. Such declarations are on record and reflected in the minutes of the meeting.

Officials who are involved in procurement should:

- Not take improper advantage of their previous office after leaving their official position in the Public Service.
- To the extent of their position, declare any business, commercial and financial interests or activities undertaken for financial gain that may raise a possible conflict of interest.
- Not place themselves under any financial or other obligation to outside individuals or companies and organisations that might seek to influence them in the performance of their official duties.
- Be or are accountable for their decisions and actions to the public and use public property scrupulously.
- Record and account for all transactions conducted by a particular practitioner in an appropriate accounting system, i.e. all transactions (requisitions/orders/invoices and payments) should be captured on the appropriate financial system. Practitioners should not make any false or misleading entries into the system for any reason whatsoever.
- All officials on the bid committees are required to declare their interest annually, cleared to the level of confidentiality.

During the period under review no instances of conflict of interest were identified.

10. CODE OF CONDUCT

The Entity has a Code of Ethics as part of its Human Resource Policies. This Code is intended to raise ethical awareness and to act as a guide to employees of the MTPA. The Code contains ethical and moral standards to which employees are expected to conform. Contravention of the Code is dealt with in terms of the Disciplinary Procedure of the Entity.

11. HEALTH, SAFETY AND ENVIRONMENTAL ISSUES

The Entity values its employees and recognises that health and safety are integral to achieving excellent performance outcomes. The Entity continues to assist the employees through the Employee Wellness Programme. In compliance with the Occupational Health and Safety Act, 1993 (Act No. 85 of 1993), the appointed Health and Safety representatives continued to do their legislated functions. The Occupational Health and Safety Committee was established to assist in monitoring compliance with legislation on all the workstations.

The MTPA is legally and morally committed to providing employees, visitors, researchers, concessionaires, communities, and all other stakeholders with a healthy and safe working, visiting, and learning environment, as well as minimising waste generation, air emissions, and other discharges from activities to the environment. In this context, Occupational Health and Safety (OHS) forms an integral part of the organisational strategic management under Risk Management. This is the process that focuses on constant health and safety improvements across all organisational levels, ensuring a safe working environment. It further strives to effectively deal with constant ongoing inspections conducted to identify occupational hazards and recommend remedial actions. Ongoing inspections were conducted to identify occupational hazards and recommend remedial actions. Furthermore, the Entity has committed to conducting health audits for the employees to assess fitness to perform duties and ensure that the employees on site have a valid medical certificate of fitness, specific to the work being performed, issued by an occupational health practitioner. The OHS-appointed committee is currently identifying all hazardous areas, thus coming up with corrective measures. Included in this process was a refresher course, thereafter reports presented by reps from the respective reserves.

12. COMPANY SECRETARY/BOARD SECRETARIAT

In the period under review, the roles and responsibilities of the Board Secretariat were the following:

- Compliance in terms of the King IV Report, Companies Act, PFMA and MTPA Act.
- Coordination of Board and Board Committee meetings.
- Keeping of Board and Board-related documents.
- Monitoring Board compliance.
- Advising the Board as a collective and as individuals.
- Ensuring that the Board is properly inducted.
- Identifying the training needs of Board Members.
- Writing minutes and reports.
- Managing the Board Office.

13. SOCIAL RESPONSIBILITY

During this period under review, the MTPA did not conduct any social responsibility programme due to the COVID-19 pandemic.

14. AUDIT COMMITTEE REPORT

We are pleased to present our report for the financial year ended 31 March 2025. The Committee adopted appropriate formal terms of reference and regulated its affairs in compliance with this charter. Accordingly, the Committee has discharged its responsibilities as contained therein in the year under review. The fundamental role of the Committee is to assist the Board in effecting its oversight responsibilities in the areas of internal and external audit, internal controls, and financial and performance information reporting.

AUDIT, RISK AND IT COMMITTEE MEMBERS AND ATTENDANCE

The Audit, Risk and IT Committee (ARIC) consists of the members listed hereunder and should meet at least four times per annum per its approved Committee charter.

The Committee met on 24 (24) occasions – 4 Ordinary Committee meetings, and 20 Special Committee meetings. 4 of the Special Audit Committee meetings dealt with the review of the draft and annual financial statements and annual performance reports (unaudited and audited); 1 dealt with the review of the 2023/24 Annual Performance Plan; 4 dealt with the Risk and Governance reports; and 11 dealt with the special investigations and reporting relating to the Barberton Makhonjwa Mountains World Heritage Site.

Name	Role	Attended
Ms M Tonjeni (09/12/2021)	Chairperson (Independent Member)	24/24
Ms T Mbatha (09/12/2021)	Independent Member	23/24
Mr W Carrim (09/12/2021)	Independent Member	24/24
Ms NZ Oyiya (01/09/2021)	Board Member	24/24
Adv. B Masipha (01/09/2021)	Board Member	24/24

AUDIT, RISK AND IT COMMITTEE RESPONSIBILITY

The Committee reports that it has complied with its responsibilities arising from Section 51 (1) (ii), Section 76 (4) (d) of the Public Finance Management Act 1 of 1999 and Treasury Regulations 27.1.

The Committee also reports that it adopted appropriate formal terms of reference as its Audit, Risk and IT Committee Charter. The charter was reviewed and adopted by the Committee for approval by the Board to ensure compliance with regulations and best practices. The Committee regulated its affairs in compliance with this charter and has discharged its responsibilities as contained therein.

KEY FOCUS AREAS

During the year under review, the Committee continued its quest to ensure that the requisite risk management culture, practices, policies, resources, and systems are in place and are functioning effectively. Although the Entity regressed from maintaining a clean audit outcome to an unqualified opinion with findings, the Committee is satisfied with the notable improvements in the following areas:

a) A notable improvement in the collection of revenue, an amount of R87.3 million in revenue was collected from the various revenue streams within the Entity, against a planned target of R80 million;

b) Improvement in the reporting of the audit of predetermined objectives of the Entity. However, it must be noted that the concerns of non-achievement of one of the indicators that play a key role in Tourism is the Number of SMMEs supported to gain market access; Number of tourism skills development programmes conducted; and will be given priority in the 2025/26 financial year;

c) The improvement in the implementation of recommendations by the assurers, which further brought alignment and improvement in addressing the root causes; and the risk management reporting across the business units within the Entity, with regular feedback to the Committee; and

d) The stability of ICT with limited resources.

INTERNAL AUDIT AND THE EFFECTIVENESS OF INTERNAL CONTROLS.

During the financial year under review, the Committee actively monitored the implementation of the approved Internal Audit Plan. The Internal Audit Charter was reviewed and updated to align with applicable regulations and best practices. The Committee ensured that all Internal Audit reports were based on independent, objective assessments and complied with the provisions of the Audit, Risk and IT Committee (ARIC) Charter. To enhance audit coverage amidst budgetary constraints, the Internal Audit function was co-sourced. This approach enabled a broader assessment of the Agency's risk exposures. In collaboration with Monitoring and Evaluation and Internal Audit, Management implemented improvements to internal controls throughout the year.

The Committee reviewed internal audit findings and evaluated Management's responses to identified control weaknesses. Focus was placed on ensuring appropriate remedial actions were taken to mitigate risk exposures and support continuous improvement of the internal control environment. Despite resource limitations, the Committee is satisfied with the effectiveness of the Internal Audit function. Efforts to augment the capacity of the Internal Audit Activity were noted and will continue to be monitored.

Notably, the Internal Audit unit completed 100% of its planned audits for the year. While internal controls were generally assessed as adequate, they were found to be ineffective in consistently ensuring the achievement of the Agency's strategic objectives.

Internal audit activities conducted during the year included:

- Review and update of the Internal Audit Strategic and Annual Operational Plan;
- Review of governance documents: Board, ARIC, Internal Audit, and Risk Management Committee Charters;
- Evaluation of strategic frameworks and policies, including the Internal Audit Methodology, Risk Management Framework and Policy, and the Fraud Strategy and Prevention Plan;
- Audits covering Governance, Risk, Fraud, and Compliance Management;
- Audit of Predetermined Objectives;
- External Audit Readiness: Annual Financial Statements and Performance Information Review;
- Finance-related audits: Revenue Management, Supply Chain Management (including Irregular Expenditure), and Asset Management;
- Commercial Operations: Project Management Audit;
- Corporate Services: Human Resources and IT General Controls;
- Follow-up audits on previously identified findings from both internal and external audits.

The Committee provided oversight of the Agency's internal control environment in accordance with the Public Finance Management Act (PFMA), the Treasury Regulations, and the ARIC Charter. This oversight was supported by assurance activities conducted by

Internal Audit and the Auditor-General of South Africa (AGSA), as per their respective audit plans.

The collaboration between Internal Audit, Monitoring and Evaluation, and Management was instrumental in using risk and audit processes as tools to strengthen the control environment. The Committee acknowledges that while a system of internal controls is in place, there remains a need to further strengthen and capacitate key areas to ensure the preparation of reliable financial and performance information.

There is a need for Management to improve and implement continuous monitoring within the organisation to ensure compliance with key legislative prescripts. Both the Internal and external audit action plans and recommendations should be timeously implemented to ensure the effectiveness of the improved controls over a reasonable period.

The Internal Audit reports were recommended to the Accounting Authority for adoption.

RISK MANAGEMENT

The Committee is responsible for overseeing the institution's governance, risk management, and internal controls, and provides the Board with independent assurance in these areas. In line with the Public Finance Management Act and Treasury Regulations, the Accounting Authority remains accountable for ensuring that MTPA maintains an effective and efficient risk management system. The Risk Management Committee operates in accordance with its approved Charter and has implemented the risk management framework and strategy to enhance the Entity's risk maturity. The Committee is generally satisfied with the effectiveness of governance over risk, supported by management's active participation in risk processes and use of risk management as a strategic tool.

During the year, the Committee reviewed the risk register and quarterly reports. While progress has been made, certain risks remained unmitigated by year-end—particularly those related to the management of protected areas, delayed infrastructure project implementation, wildlife crime inside and outside the protected areas, financial viability and instability in leadership. These areas will remain under close monitoring to bring the risks within acceptable tolerance levels.

The MTPA had set a goal to attain a Level 5 risk maturity rating—indicating a fully risk-intelligent organisation—by the end of the 2024/25 financial year. However, the Entity remains at Level 4. To support progress toward this objective, the Risk Maturity Model has been developed and is subject to annual review. In addition, the Annual Implementation Plan will continue to be updated each year to identify and execute key initiatives aimed at strengthening risk management practices and advancing the organisation's overall risk maturity

IN YEAR MANAGEMENT AND QUARTERLY REPORTING

The Committee determined that the administration of quarterly reports submitted in terms of the PFMA and Division of Revenue Act was adequate according to internal audit assurance results and management assurances.

EVALUATION OF ANNUAL FINANCIAL STATEMENTS

The Committee reviewed the annual financial statements, focusing on:

- Compliance with relevant provisions of the Public Finance Management Act, the consistent application of accounting policies and practices; the quality and acceptability of, and any changes in, accounting policies and practices;
- the appropriateness, adoption and consistent application of the GRAP standards;
- the quality and timeliness of the financial information available to the Committee for oversight purposes during the year;
- unusual circumstances or events and management's explanation for the accounting treatment adopted. Sought explanations for and evaluated all significant variances in the annual financial statements as compared to the prior year and the disclosure thereof;
- the write-offs and the levels of general and specific provisions.

EVALUATION OF REPORTING ON PRE-DETERMINED OBJECTIVES

The Committee has to the extent:

- Possible reviewed the Annual Performance Report to provide an authoritative and credible view of the Entity, its efficiency and effectiveness and its overall level of compliance with the applicable legislation [Section 55 of the PFMA, Section 55(1)(d)(i) of the PFMA and Chapter 28 of the Treasury Regulations (28.2)].
- reviewed the performance of the Entity concerning the achievement of the set targets. Reviewed the alignment of performance reporting to the annual performance plan;
- Reviewed the consistency of quarterly reporting to the annual report; and
- Noted the Internal Audit findings on whether the performance reported agrees with the portfolio of evidence.

AUDITOR GENERAL SOUTH AFRICA

The Committee is satisfied that the Auditor General of South Africa, as the external auditor, is independent and the Committee determined that the Auditor General of South Africa did not provide non-audit services during the year.

The Committee has reviewed the Entity's implementation plan for audit issues raised in the previous years and we are satisfied that almost all of the matters have been adequately resolved. We will monitor the remainder of the matters that still need attention.

The ARIC concurs with the Auditor General of South Africa's conclusions on the annual financial statements and pre-determined objectives and noted the unqualified audit opinion with findings.

FUTURE AREAS OF FOCUS:

- Improvement in the reporting of the audit of predetermined objectives of the Entity. The concerns are strengthening their review of the Annual Performance Report to confirm that the reported achievements are consistent with planned targets;
- More stringent audits should be conducted on compliance with laws and regulations and on ensuring the policies, procedures and internal controls are updated regularly, especially significant policies around supply chain management, consequence management and revenue management;
- There is also a need by the Entity to institute more controls on the supply chain management processes to ensure that these are fair, equitable and transparent as part of complying with all SCM regulations;
- Continue to focus on ensuring that financial and non-financial systems, processes and internal controls are operating effectively.

GENERAL

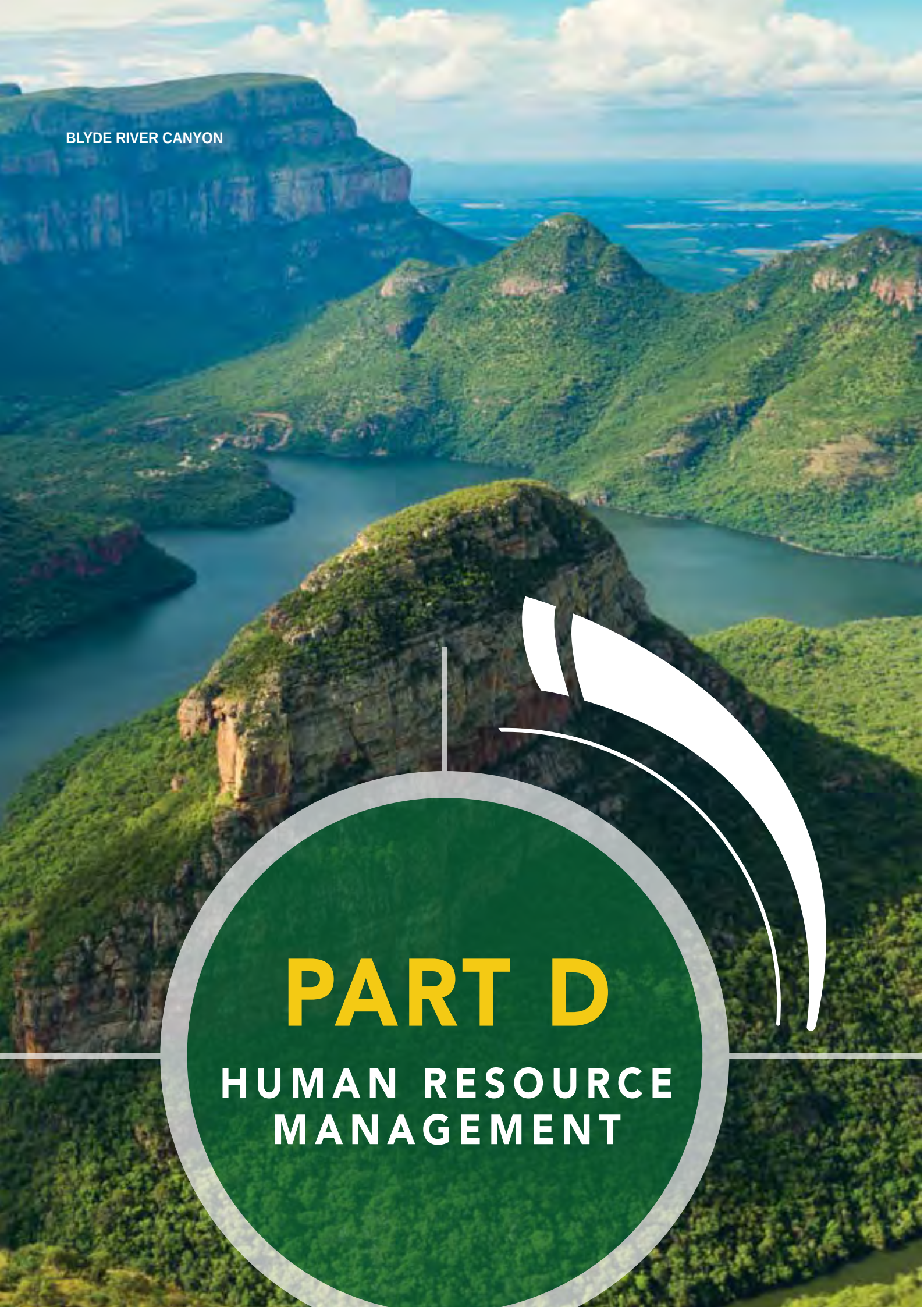
The ARIC strongly recommends that the Entity must continue to prioritise the adequate, effective implementation and frequent monitoring of the audit action plans for both internal and external auditors, together with all other recommendations made by the Audit, Risk and IT Committee, to maintain effective governance, accountability and a clean administration.

Malande Tonjeni

Ms M Tonjeni
Chairperson of the Audit, Risk and IT Committee
Date _____

16. B-BBEE COMPLIANCE PERFORMANCE INFORMATION

HAS THE PUBLIC AGENCY APPLIED ANY RELEVANT CODE OF GOOD PRACTICE (B-BBEE CERTIFICATE LEVELS 1–8) WITH REGARDS TO THE FOLLOWING:		
Criteria	**Response Yes / No**	**Discussion (Include a discussion on your response and indicate what measures have been taken to comply)**
Determining qualification criteria for the issuing of licences, concessions, or other authorisations in respect of economic activity in terms of any law?	Yes	The award of concessions for facilities within our reserves is based on the Tourism BEE scorecard and forms part of the Entity's Commercialisation Strategy and concession framework. The Entity has also started an initiative within Biodiversity Management to encourage previously disadvantaged communities to set up their own game farms by donating wildlife to these established game farms, thus giving these communities the required permits to hold such wildlife.
Developing and implementing a preferential procurement policy?	Yes	The Entity has an approved Supply Chain Management Policy that is aligned to legislation. Over 40% of the total amount of goods and services were procured from women, youth, and people with disabilities.
Determining qualification criteria for the sale of state-owned enterprises?	No	It is not applicable to the Entity.
Developing criteria for entering partnerships with the private sector?	Yes	The Entity has different partnerships with the private sector in relation to the tourism sector. There are MOUs that have been signed with different private sector and regional tourism organisations. The Entity also has MOUs with privately owned reserves in the management of protected areas.
Determining criteria for the awarding of incentives, grants, and investment schemes in support of Broad-Based Black Economic Empowerment?	Yes	The Entity currently provides sponsorship to event organisers to leverage the events for the promotion of the province. The provincial reserves are mostly claimed by the claimant community, and the revenue generated by the reserves is shared with the claimant community.



PART D

HUMAN RESOURCE MANAGEMENT

1. INTRODUCTION

The Corporate Services programme has made progress by achieving 60% of its set targets, successfully completing three out of five planned objectives. Key accomplishments include 100% implementation of quarterly employee skills enhancement programmes, provision of comprehensive communication support services, including press releases, media engagements, a monthly newsletter, and 100% filling of funded vacant positions within 365 days of being vacant by 31 March 2025.

These achievements demonstrate the programme's commitment to enhancing employee development, strengthening communication channels, and ensuring efficient workforce management.:

- Overview of HR matters at the public Entity
- The Board approved a request by Management to review the current organogram to properly align the functions and have a fit-for-purpose organogram.
- Set HR priorities for the year under review and the impact of these priorities.
- The set HR priorities for the period under review were the review of the HR Strategy and the development of 10 HR policies, and the roll-out of the Workplace Skills Plan (WSP).
- Workforce planning framework and key strategies to attract and recruit a skilled and capable workforce.
- Employee performance management framework
- The Performance Development Management System (PDMS) was not implemented during the year due to the unavailability of the PDMS Policy. The approval of the HR policies included the PDMS Policy, and the implementation of the policy is scheduled for the 1st quarter of the new financial year.
- The Employee Wellness Programme continued to give support to distressed employees.
- Policy development
- Highlight achievements.
- One of the notable achievements of the Entity was the placement of Zithabiseni Resort employees into the MTPA.
- Challenges faced by the public Entity.
- The Entity is facing the challenge of the high number of ageing staff (above 60 years old).
- Future HR plans/goals

The main future HR goal is to improve the organisational performance by ensuring the staff is healthy, motivated, and capacitated to carry out their functions.

2. HUMAN RESOURCE OVERSIGHT STATISTICS

2.1 PERSONNEL RELATED EXPENDITURE

PERSONNEL COST BY PROGRAMME/ ACTIVITY/ OBJECTIVE

Programme	Total expenditure for the Entity (R'000)	Personnel expenditure (R'000)	Personnel exp. as a % of total exp. (R'000)	Number of employees	Average personnel cost per employee (R'000)
Executive Office	64 310	24 866	38.7%	14	1 776
Office of the CFO	45 202	29 810	65.9%	28	1 065

Programme	Total expenditure for the Entity (R'000)	Personnel expenditure (R'000)	Personnel exp. as a % of total exp. (R'000)	Number of employees	Average personnel cost per employee (R'000)
Corporate Services	54 501	35 595	65.3%	33	1 079
Tourism	63 728	32 141	50.4%	30	1 071
Biodiversity Conservation	318 223	285 926	89.9%	415	689
Commercial Operations	114 095	56 542	49.6%	98	577
TOTAL	**660 059**	**464 879**	**70.4%**	**618**	**6 257**

PERSONNEL COST BY SALARY BAND

Level	Personnel Expenditure (R'000)	% of personnel exp. to total personnel cost (R'000)	No. of employees	Average Personnel cost per employee (R'000)
Top Management	24 354	5.24%	5	4 871
Senior Management	35 820	7.71%	19	1 885
Professional Qualified	199 653	42.95%	169	1 181
Skilled	38 793	8.34%	72	539
Semi-skilled	130 728	28.12%	207	632
Unskilled	35 531	7.64%	146	243
TOTAL	**464 879**	**100.00%**	**618**	**752**

PERFORMANCE REWARDS – NO PERFORMANCE WARDS WERE PAID DURING THE YEAR UNDER REVIEW

Programme//activity /objective	Performance rewards	Personnel Expenditure (R'000)	% of performance rewards to total personnel cost (R'000)
Top Management	R0	R0	R0
Senior Management	R0	R0	R0
Professional Qualified	R0	R0	R0
Skilled	R0	R0	R0
Semi-skilled	R0	R0	R0
Unskilled	R0	R0	R0
TOTAL	**R0**	**R0**	**R0**

TRAINING COSTS

Programme/Activity/ Objectives	Personnel Expenditure (R'000)	Training Expenditure (R'000)	Training Expenditure as a % of Personnel Cost	No. of employees trained	Avg training cost per employee
Executive Office	24 866	6 815	27.4%	65	104.8
Office of the CFO	29 810	7 783	26.1%	64	121.6
Corporate Services	35 595	10 143	28.5%	171	59.3
Tourism	32 141	8 520	26.5%	46	185.2
Biodiversity Conservation	285 926	75 349	26.4%	994	75.8
Commercial Operations	56 542	17 275	30.6%	193	89.5
TOTAL	**464 879**	**125 884**	**27.1%**	**1 533**	**82.1**

EMPLOYMENT AND VACANCIES

Programme/activity/ objective	2024/2024 No. of Employees	2024/2025 Approved Posts	2024/2025 No. of Employees	2024/2025 Vacancies	% of vacancies of Approved posts
Executive Office	14	22	14	8	36.4%
Office of the CFO	28	36	28	8	22.2%
Corporate Services	33	56	33	23	41.1%
Tourism	30	52	30	22	42.3%
Biodiversity Conservation	415	1 081	415	666	61.6%
Commercial Operations	98	118	98	20	16.9%
TOTAL	**618**	**1 365**	**618**	**747**	**54.7%**

Programme/activity/ objective	2024/2025 No. of Employees	2024/2025 Approved Posts	2024/2025 No. of Employees	2024/2025 Vacancies	% of vacancies
Top Management	4	6	14	2	33%
Senior Management	10	23	22	13	57%
Professional Qualified	136	215	32	79	37%
Skilled	73	186	30	113	60%
Semi-skilled	185	410	472	225	55%
Unskilled	163	289	1	126	44%
TOTAL	**571**	**1129**	**571**	**558**	**49%**

EMPLOYMENT CHANGES

Salary Band	Employment at beginning of period	Appointments	Terminations	Employment at end of the period
Top Management	5	0	0	5
Senior Management	18	1	0	19
Professional Qualified	165	1	6	172
Skilled	71	0	3	74
Semi-skilled	195	0	9	204
Unskilled	119	5	17	141
TOTAL	**573**	**7**	**35**	**615**

REASONS FOR STAFF LEAVING

REASON	NUMBER	% OF TOTAL NO. OF STAFF LEAVING
Death	3	0.5%
Resignation	0	0.0%
Dismissal	0	0.0%
Retirement	31	5.0%
Ill health	0	0.0%
Expiry of contract	0	0.0%
Other	0	0.0%
TOTAL	**34**	**5.5%**

LABOUR RELATIONS: MISCONDUCT AND DISCIPLINARY ACTION

Nature of disciplinary Action	Number
Verbal warning	2
Written warning	5
Final written warning	7
Dismissal	9
Demotion	3
Suspension	8
Mediation	24

EQUITY TARGET AND EMPLOYMENT EQUITY STATUS

Levels	Male							
	African		Coloured		Indian		White	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	3	3	0	0	0	0	0	0
Senior Management	9	9	0	0	0	0	1	2
Professional Qualified	68	51	2	0	0	1	20	33
Skilled	29	41	0	0	0	1	0	1
Semi-skilled	127	138	1	1	0	0	0	0
Unskilled	46	50	0	0	0	0	0	0
TOTAL	**282**	**292**	**3**	**1**	**0**	**2**	**21**	**36**

Levels	Female							
	African		Coloured		Indian		White	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	2	3	0	0	0	0	0	0
Senior Management	9	8	0	0	0	0	0	0
Professional Qualified	62	47	1	0	1	1	7	9
Skilled	36	45	0	1	0	1	4	5
Semi-skilled	61	50	0	0	0	0	0	0
Unskilled	67	108	0	0	0	0	0	0
TOTAL	**237**	**261**	**1**	**1**	**1**	**2**	**11**	**16**

Levels	disabled staff			
	Male		Female	
	Current	Target	Current	Target
Top Management	0	0	0	0
Senior Management	1	0	0	0
Professional Qualified	0	0	2	0
Skilled	0	0	0	0
Semi-skilled	4	0	0	0
Unskilled	3	5	5	0
TOTAL	**8**	**5**	**7**	**0**

GREAT EGRET
ARDEA ALBA

PART E

PFMA COMPLIANCE REPORT

1. IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE AND MATERIAL LOSSES

1.1. IRREGULAR EXPENDITURE

a) Reconciliation of irregular expenditure

Description	2024/2025 (R'000)	2023/2024 (R'000)
Opening balance	57 285 506	53 544 214
Add: Irregular expenditure confirmed	58 201 497	3 741 292
Less: Irregular expenditure condoned	14 835 856	0
Less: Irregular expenditure not condoned and removed	0	0
Less: Irregular expenditure recoverable	0	0
Less: Irregular expenditure not recovered and written off	0	0
CLOSING BALANCE	**100 651 147**	**57 285 506**

The irregular expenditure for 2022/2023 and 2023/2024 has been investigated by the Loss Committee and consequence management not yet concluded to apply for a condonation. The irregular expenditure for an amount of **R44 944 770.12** (overspending on budget) is under assessment.

Reconciling notes

Description	2024/2025 (R'000)	2023/2024 (R'000)
Irregular expenditure that was under assessment in 2023/2024	3 741 292	4 710 325
Irregular expenditure that relates to 2023/2024 and identified in 2024/2025	0	0
Irregular expenditure for the current year	58 201 497	3 741 292
TOTAL	**76 941 984.90**	**8 451 617**

b) Details of current and previous year irregular expenditure (under assessment, determination, and investigation)

Description	2024/2025 (R'000)	2023/2024 (R'000)
Irregular expenditure under assessment	48 968 401	4 710 324
Irregular expenditure under determination	24 323 291	0
Irregular expenditure under investigation	0	0
TOTAL	**73 200 692**	**4 710 324**

c) Details of current and previous year irregular expenditure condoned

Description	2024/2025 (R'000)	2023/2024 (R'000)
Irregular expenditure condoned	14 835 856	0
TOTAL	**14 835 856**	**0**

d) Details of current and previous year irregular expenditure removed - (not condoned

Description	2024/2025 (R'000)	2023/2024 (R'000)
Irregular expenditure NOT condoned and removed	0	0
TOTAL	**0**	**0**

e) Details of current and previous year irregular expenditure recovereD

Description	2024/2025 (R'000)	2023/2024 (R'000)
Irregular expenditure recovered	0	0
TOTAL	**0**	**0**

f) Details of current and previous year irregular expenditure written off (irrecoverable

Description	2024/2025 (R'000)	2023/2024 (R'000)
Irregular expenditure written off	0	0
TOTAL	**0**	**0**

ADDITIONAL DISCLOSURE RELATING TO INTER-INSTITUTIONAL ARRANGEMENTS

g) Details of non-compliance cases where an institution is involved in an inter-institutional arrangement (where such institution is not responsible for the non-compliance

Description	2024/2025 (R'000)	2023/2024 (R'000)
None	0	0
TOTAL	**0**	**0**

h) Details of non-compliance cases where an institution is involved in an inter-institutional arrangement (where such institution is responsible for the non-compliance

Description	2024/2025 (R'000)	2023/2024 (R'000)
None	0	0
TOTAL	**0**	

i) Details of current and previous year disciplinary or criminal steps taken as a result of irregular expenditur

Disciplinary steps taken
Consequence management underway for implementation in the 2025/2026 Financial Year for irregular expenditure incurred in 2023/2024 and 2024/2025 Financial Year.

1.2. FRUITLESS AND WASTEFUL EXPENDITURE

a) Reconciliation of Fruitless and Wasteful Expenditure

Description	2024/2025 (R'000)	2023/2024 (R'000)
Opening balance	3 250 863	3 200 362
Add: Fruitless and wasteful expenditure confirmed	44 808	50 501
Less: Fruitless and wasteful expenditure written off	0	0
Less: Fruitless and wasteful expenditure recoverable	0	0
CLOSING BALANCE	**3 295 582**	**3 250 863**

Reconciling note

Description	2024/2025 (R'000)	2023/2024 (R'000)
Fruitless and wasteful expenditure that was under assessment in 2024/2025	50 501	0
Fruitless and wasteful expenditure that relates to 2023/2024 and identified in 2024/2025	0	0
Fruitless and wasteful expenditure for the current year	44 808	0
TOTAL	**92 220**	**0**

b) Details of Current and Previous Year Fruitless and Wasteful Expenditure (Under Assessment, Determination, and Investigation)

Description*	2024/2025 (R'000)	2023/2024 (R'000)
Fruitless and wasteful expenditure under assessment	44 808	50 5010
Fruitless and wasteful expenditure under determination	50 501	0
Fruitless and wasteful expenditure under investigation	0	0
TOTAL	**92 220**	**50 501**

c) Details of Current and Previous Year Fruitless and Wasteful Expenditure Recovered

Description	2024/2025 (R'000)	2023/2024 (R'000)
Fruitless and wasteful expenditure recovered	0	0
TOTAL	**0**	**0**

d) Details of Current and Previous Year Irregular Expenditure Not Recovered and Written Off

Description	2024/2025 (R'000)	2023/2024 (R'000)
Fruitless and wasteful expenditure recovered	0	0
TOTAL	**0**	**0**

e) Details of Current and Previous Year Disciplinary or Criminal Steps Taken Because of Fruitless and Wasteful Expenditure

Disciplinary steps taken
None

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

a) Details of current and previous year material losses through criminal conduct

Material losses through criminal conduct	2024/2025 (R'000)	2023/2024 (R'000)
Theft	0	0
Other material losses	0	0
Less: Recovered	0	0
Less: Not recovered and written off	0	0
TOTAL	**0**	**0**

Details of other material losses

Nature of other material losses	2024/2025 (R'000)	2023/2024 (R'000)
None	0	0
TOTAL	**0**	**0**

b) Other material losses recovered

Nature of losses	2024/2025 (R'000)	2023/2024 (R'000)
None	0	0
TOTAL	**0**	**0**

c) Other material losses written off

Nature of losses	2024/2025 (R'000)	2023/2024 (R'000)
None	0	0
TOTAL	**0**	**0**

2. LATE AND/OR NON-PAYMENT OF SUPPLIERS

Description	Number of invoices	Consolidated Value
Valid invoices received	1317	327 221
Invoices paid within 30 days or agreed period	1071	152 729
Invoices paid after 30 days or agreed period	134	52 341
Invoices older than 30 days or agreed period (unpaid and without dispute)	22	19 384
Invoices older than 30 days or agreed period (unpaid and in dispute)	4	14 885 383

The late payments for invoiced that have been paid after 30 days is as a result of cash flow challenges that emanated from the reduction of the budget by R 16 million and implementation of the organisational structure.

The invoice that is under dispute is related to a payment being withheld as a result of the supplier owing the MTPA rental fees.

3. SUPPLY CHAIN MANAGEMENT

3.1. PROCUREMENT BY OTHER MEANS

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract R'000
Provision of Professional Services for Forensic Investigation within the Mpumalanga Province.	Various suppliers / Panel	Participation in contract awarded by the Department of COGSTA	CGT/084/23/MP	Rates
Travel and Accommodation	Various suppliers / Panel		MPPT002/22/03	Rates
Total				**0**

3.2. CONTRACT VARIATIONS AND EXPANSIONS

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value	Value of previous contract expansion/s or variation/s (if applicable)	Value of current contract expansion or variation
None	Renekoa Trading Enterprise 707	Variation	MTPA/2022023/PMU/01	695 562	88 000	3 477 810
Total						**0**

LEOPARD
PANTHERA PARDUS

PART F

ANNUAL FINANCIAL STATEMENTS

GENERAL INFORMATION

FOR THE YEAR ENDING 31 MARCH 2025

COUNTRY OF INCORPORATION AND DOMICILE	South Africa
NATURE OF BUSINESS AND PRINCIPAL ACTIVITIES	To perform its duties in line with the Mpumalanga Tourism and Parks Agency Act 5 of 2005. Mpumalanga Tourism and Parks Agency's (hereinafter "MTPA") main shareholder is the Department of Economic Development and Tourism, formerly DEDET (hereinafter "DEDT"), from which it receives its funding.
BOARD MEMBERS IN THE OFFICE DURING THE REPORTING PERIOD	Mr. Mashego V (Chairperson) Ms. Sithole S (Deputy Chairperson) Mr. Lubisi SW Ms. Mlaba-Dludla GL Ms. Nkosi TJ Ms. Oyiya NZ Adv. Masipha RB Mr. Sibanyoni B Ms. Diputla LE Dr. Khumalo ME
EX OFFICIO BOARD MEMBERS	Mr. Mdluli JD (Shareholder representative) Mr. Vilakazi MH (Chief Executive Officer) (Precautionary suspention) Mr. Mohlala MJ (Acting Chief Executive Officer)
REGISTERED OFFICE	Samora Machel Drive Hall's Gateway Mataffin Mbombela, 1200
BUSINESS ADDRESS	Samora Machel Drive Hall's Gateway Mataffin Mbombela, 1200
POSTAL ADDRESS	Private Bag X11338 Mbombela, 1200
BANKERS	Standard Bank and, First National Bank of South Africa Limited
AUDITORS	The Auditor General South Africa
COMPANY SECRETARY	Mr. Zitha L
AUDIT AND RISK COMMITTEE EXTERNAL INDEPENDENT MEMBERS FOR THE REPORTING PERIOD	Ms. Tonjeni MS (Chairperson) (Independent) Ms. Mbatha TH Mr. Carrim W Ms. Oyiya NZ Adv. Masipha RB

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ACCOUNTING AUTHORITY'S RESPONSIBILITIES AND APPROVAL

FOR THE YEAR ENDED 31 MARCH 2025

The Board is aware of its responsibilities as stipulated in the PFMA. Those responsibilities include, but are not limited to, the following:

- Establishing and maintaining effective, efficient and transparent systems of financial and risk management, and internal controls;
- Managing, including the safeguarding of assets and the management of the revenue, expenditure and liabilities of the MTPA;
- Taking effective and appropriate steps to prevent irregular, fruitless and wasteful expenditure, losses resulting from criminal conduct, and expenditure not complying with the operational policies of the MTPA;
- Taking effective and appropriate disciplinary steps against any employee(s) of the MTPA who contravenes or fails to comply with a provision of the PFMA, or commits an act which undermines the financial management and internal control system of the MTPA, or makes or permits an irregular expenditure or a fruitless and wasteful expenditure to be incurred;
- Keeping full and proper records of the financial affairs of the MTPA; and
- Preparation of the Annual Financial Statements for each financial year, in accordance with GRAP.

The Board confirms that it has discharged all the above-stated responsibilities during the period ending 31 March 2025. To the best of the Board's knowledge and belief, the Board further confirms the following:

- All information and amounts disclosed in this Annual Performance Report are consistent with the Annual Financial Statements.
- The report is complete, accurate and free of omissions.
- The Annual Performance Report has been prepared in accordance with the guidelines issued by National Treasury, and the Annual Financial Statements were prepared in accordance with the PFMA and Generally Recognised Accounting Practice (GRAP).
- The Going Concern basis has been adopted in preparing the Annual Financial Statements. The Board, after having reviewed management's assessment of the MTPA's ability to operate as a going concern, has a reasonable expectation that the organisation will have adequate resources to continue its operations as a going concern for the foreseeable future.
- Management and employees operated within a framework requiring compliance with all applicable laws and maintenance of the highest integrity in the conduct of all aspects of the business, except where transgressions are indicated in the Annual Report.

In the Board's opinion, the Annual Performance Report and Annual Financial Statements fairly present, in all material respects, the state of affairs of the MTPA, its business, its financial results and its performance against predetermined objectives for the period ending 31 March 2025, and its financial position as at 31 March 2025.

Mr. L. M. Mdluli
Chief Executive Officer (Acting)

Date 30 August 2025

Mr. V. Mashego
Chairperson of the Board

Date 30 August 2025

REPORT OF ACCOUNTING AUTHORITY

FOR THE YEAR ENDING 31 MARCH 2025

1. BACKGROUND

The MTPA is a juristic person established in terms of the MTPA Act (Act 5 of 2005) and is registered as a Schedule 3C Public Entity in terms of the PFMA Act (Act 1 of 1999). The MTPA's main shareholder is the Department of Economic Development and Tourism (hereinafter "DEDT"), from which it receives its funding.

2. REVIEW OF ACTIVITIES

MAIN BUSINESS AND OPERATIONS

The operating results and state of affairs of the Entity are fully set out in the attached Annual Financial Statements.

Financial Performance	31 March 2025 (R)	31 March 2024 (R)
Grant received	417 502 000	443 314 000
Conditional grant Expanded Public Works Programme	2 438 000	2 708 000
Special allocation	92 000 000	83 984 000
(Deficit)/Surplus	**(10 007 240)**	**24 160 278**
Total assets	597 318 228	547 921 431
Total liabilities	112 461 259	84 519 971

3. GOING CONCERN

The MTPA is not liquid as the current liabilities exceed current assets with (R65 635 698) **(31 March 2024: R533 952)**. As a going concern, the MTPA's total assets exceed its total liabilities. The MTPA has a net asset value of R484 856 969 **(31 March 2024: R463 401 460)**.

The MTPA's ability to continue operating as a going concern is heavily dependent on grant income received from the Department of Economic Development and Tourism. The grant accounts for about 82% of the MTPA's revenue. Thus, continued support from the Department is instrumental in the MTPA's ability to continue operations.

4. IRREGULAR EXPENDITURE

Irregular expenditure amounting to R58 201 497 **(31 March 2024: R3 741 292)** was identified during the year under review. The details of these are disclosed under Note 35.

5. FRUITLESS AND WASTEFUL EXPENDITURE

The fruitless and wasteful expenditure amounting to R44 809 **(31 March 2024: R50 501)** was identified during the year. The details of these are disclosed under Note 35.

6. ACCOUNTING AUTHORITY

Mr. Mashego V (Chairperson)
Ms. Sithole S (Deputy Chairperson)
Dr. Khumalo ME
Mr. Lubisi SW

Ms. Mlaba-Dludla GL
Ms. Nkosi TJ
Ms. Oyiya NZ
Adv. Masipha RB
Mr. Sibanyoni B
Ms. Diputla LE

EX OFFICIO BOARD MEMBERS

Mr. Mdluli JD (Shareholder representative)
Mr. Vilakazi MH (Chief Executive Officer) (Precausionary suspension)
Mr. Mohlala MJ (Acting Chief Executive Officer)

7. ZITHABISENI RESORT AND CONFERENCE CENTRE

In accordance with CIPC Publication No. 202404 Notice No. 25-A, it is noted that Zithabiseni Resort and Conference Centre (Pty) Ltd was deregistered on 30 April 2024.

8. SUSPENSION OF THE CHIEF EXECUTIVE OFFICER

The Chief Executive Officer of the Mpumalanga Tourism and Parks Agency (MTPA) was placed on precautionary suspension by the Board on 04 August 2024, following allegations of corruption and/or maladministration within the Entity. This action took place during the reporting period ended 31 March 2025. The suspension was intended to enable an independent forensic investigation into the allegations. As of the reporting date, the investigation process was still in progress, and the Chief Executive Officer remained on precautionary suspension pending its outcome.

9. ANNUAL FINANCIAL STATEMENT AND ANNUAL PERFORMANCE REPORT

The Annual Financial Statement and the Annual Performance Report are for the main Entity (the MTPA), excluding the Nelspruit Development Trust and Zithabiseni Resort and Conference Centre (Pty) Ltd, and are for the period ending 31 March 2025.

10. CONCLUSION

Other than the above, there is nothing that the MTPA Board wishes to draw attention to that has not already been highlighted elsewhere in the Annual Financial Statements.

Mr. L. M. Mdluli
Chief Executive Officer (Acting)

Date 30 August 2025

Mr. V. Mashego
Chairperson of the Board

Date 30 August 2025

REPORT OF THE AUDIT AND RISK COMMITTEE

FOR THE PERIOD ENDING 31 MARCH 2025

We are pleased to present our report for the financial year ended 31 March 2025. The Committee adopted appropriate formal terms of reference and regulated its affairs in compliance with this charter. Accordingly, the Committee has discharged its responsibilities as contained therein in the year under review. The fundamental role of the Committee is to assist the Board in effecting its oversight responsibilities in the areas of internal and external audit, internal controls, and financial and performance information reporting.

AUDIT, RISK AND IT COMMITTEE MEMBERS AND ATTENDANCE

The Audit, Risk and IT Committee (ARIC) consists of the members listed hereunder and should meet at least four times per annum per its approved Committee charter.

The Committee met on twenty-four (24) occasions – 4 Ordinary Committee meetings, and 20 Special Committee meetings. 4 of the Special Audit Committee meetings dealt with the review of the draft and annual financial statements and annual performance reports (unaudited and audited); 1 dealt with the review of the 2025/26 Annual Performance Plan; 4 dealt with the Risk and Governance reports; and 11 dealt with the special investigations and reporting relating to the Barberton Makhonjwa Mountains World Heritage Site.

NAME	ROLE	ATTENDED
Ms M Tonjeni (09/12/2021)	Chairperson (Independent Member)	24/24
Ms T Mbatha (09/12/2021)	Independent Member	23/24
Mr W Carrim (09/12/2021)	Independent Member	24/24
Ms NZ Oyiya (01/09/2021)	Board Member	24/24
Adv. B Masipha (01/09/2021)	Board Member	24/24

AUDIT, RISK AND IT COMMITTEE RESPONSIBILITY

The Committee reports that it has complied with its responsibilities arising from Section 51 (1) (ii), Section 76 (4) (d) of the Public Finance Management Act 1 of 1999 and Treasury Regulations 27.1.

The Committee also reports that it adopted appropriate formal terms of reference as its Audit, Risk and IT Committee Charter. The charter was reviewed and adopted by the Committee for approval by the Board to ensure compliance with regulations and best practices. The Committee regulated its affairs in compliance with this charter and has discharged its responsibilities as contained therein.

KEY FOCUS AREAS

During the year under review, the Committee continued its quest to ensure that the requisite risk management culture, practices, policies, resources, and systems are in place and are functioning effectively. Although the Entity regressed from maintaining a clean audit outcome to an unqualified opinion with findings, the Committee is satisfied with the notable improvements in the following areas:

a) A notable improvement in the collection of revenue, an amount of R87.3 million in revenue was collected from the various revenue streams within the Entity, against a planned target of R80 million;

b) Improvement in the reporting of the audit of predetermined objectives of the Entity. However, it must be noted that the concerns of non-achievement of one of the indicators that play a key role in Tourism is the Number of SMMEs supported to gain market access; Number of tourism skills development programmes conducted; and will be given priority in the 2025/26 financial year;

c) The improvement in the implementation of recommendations by the assurers, which further brought alignment and improvement in addressing the root causes; and the risk management reporting across the business units within the Entity, with regular feedback to the Committee; and

d) The stability of ICT with limited resources.

INTERNAL AUDIT AND THE EFFECTIVENESS OF INTERNAL CONTROLS.

During the financial year under review, the Committee actively monitored the implementation of the approved Internal Audit Plan. The Internal Audit Charter was reviewed and updated to align with applicable regulations and best practices. The Committee ensured that all Internal Audit reports were based on independent, objective assessments and complied with the provisions of the Audit, Risk and IT Committee (ARIC) Charter. To enhance audit coverage amidst budgetary constraints, the Internal Audit function was co-sourced. This approach enabled a broader assessment of the Agency's risk exposures. In collaboration with Monitoring and Evaluation and Internal Audit, Management implemented improvements to internal controls throughout the year.

The Committee reviewed internal audit findings and evaluated Management's responses to identified control weaknesses. Focus was placed on ensuring appropriate remedial actions were taken to mitigate risk exposures and support continuous improvement of the internal control environment. Despite resource limitations, the Committee is satisfied with the effectiveness of the Internal Audit function. Efforts to augment the capacity of the Internal Audit Activity were noted and will continue to be monitored.

Notably, the Internal Audit unit completed 100% of its planned audits for the year. While internal controls were generally assessed as adequate, they were found to be ineffective in consistently ensuring the achievement of the Agency's strategic objectives.

Internal audit activities conducted during the year included:

- Review and update of the Internal Audit Strategic and Annual Operational Plan;
- Review of governance documents: Board, ARIC, Internal Audit, and Risk Management Committee Charters;
- Evaluation of strategic frameworks and policies, including the Internal Audit Methodology, Risk Management Framework and Policy, and the Fraud Strategy and Prevention Plan;
- Audits covering Governance, Risk, Fraud, and Compliance Management;
- Audit of Predetermined Objectives;
- External Audit Readiness: Annual Financial Statements and Performance Information Review;
- Finance-related audits: Revenue Management, Supply Chain Management (including Irregular Expenditure), and Asset Management;
- Commercial Operations: Project Management Audit;
- Corporate Services: Human Resources and IT General Controls;
- Follow-up audits on previously identified findings from both internal and external audits.

The Committee provided oversight of the Agency's internal control environment in accordance with the Public Finance Management Act (PFMA), the Treasury Regulations, and the ARIC Charter. This oversight was supported by assurance activities conducted by Internal Audit and the Auditor-General of South Africa (AGSA), as per their respective audit plans.

The collaboration between Internal Audit, Monitoring and Evaluation, and Management was instrumental in using risk and audit processes as tools to strengthen the control environment. The Committee acknowledges that while a system of internal controls is in place, there remains a need to further strengthen and capacitate key areas to ensure the preparation of reliable financial and performance information.

There is a need for Management to improve and implement continuous monitoring within the organisation to ensure compliance with key legislative prescripts. Both the Internal and external audit action plans and recommendations should be timeously implemented to ensure the effectiveness of the improved controls over a reasonable period.

The Internal Audit reports were recommended to the Accounting Authority for adoption.

RISK MANAGEMENT

The Committee is responsible for overseeing the institution's governance, risk management, and internal controls, and provides the Board with independent assurance in these areas. In line with the Public Finance Management Act and Treasury Regulations, the Accounting Authority remains accountable for ensuring that MTPA maintains an effective and efficient risk management system. The Risk Management Committee operates in accordance with its approved Charter and has implemented the risk management framework and strategy to enhance the Entity's risk maturity. The Committee is generally satisfied with the effectiveness of governance over risk, supported by management's active participation in risk processes and use of risk management as a strategic tool.

During the year, the Committee reviewed the risk register and quarterly reports. While progress has been made, certain risks remained unmitigated by year-end—particularly those related to the management of protected areas, delayed infrastructure project implementation, wildlife crime inside and outside the protected areas, financial viability and instability in leadership. These areas will remain under close monitoring to bring the risks within acceptable tolerance levels.

The MTPA had set a goal to attain a Level 5 risk maturity rating—indicating a fully risk-intelligent organisation—by the end of the 2024/25 financial year. However, the Entity remains at Level 4. To support progress toward this objective, the Risk Maturity Model has been developed and is subject to annual review. In addition, the Annual Implementation Plan will continue to be updated each year to identify and execute key initiatives aimed at strengthening risk management practices and advancing the organisation's overall risk maturity

IN YEAR MANAGEMENT AND QUARTERLY REPORTING

The Committee determined that the administration of quarterly reports submitted in terms of the PFMA and Division of Revenue Act was adequate according to internal audit assurance results and management assurances.

EVALUATION OF ANNUAL FINANCIAL STATEMENTS

The Committee reviewed the annual financial statements, focusing on:

- Compliance with relevant provisions of the Public Finance Management Act, the consistent application of accounting policies and practices; the quality and acceptability of, and any changes in, accounting policies and practices;
- the appropriateness, adoption and consistent application of the GRAP standards;
- the quality and timeliness of the financial information available to the Committee for oversight purposes during the year;
- unusual circumstances or events and management's explanation for the accounting treatment adopted. Sought explanations for and evaluated all significant variances in the annual financial statements as compared to the prior year and the disclosure thereof;
- the write-offs and the levels of general and specific provisions.

EVALUATION OF REPORTING ON PRE-DETERMINED OBJECTIVES

The Committee has to the extent:

- Possible reviewed the Annual Performance Report to provide an authoritative and credible view of the Entity, its efficiency and effectiveness and its overall level of compliance with the applicable legislation [Section 55 of the PFMA, Section 55(1)(d)(i) of the PFMA and Chapter 28 of the Treasury Regulations (28.2)].
- reviewed the performance of the Entity concerning the achievement of the set targets. Reviewed the alignment of performance reporting to the annual performance plan;
- Reviewed the consistency of quarterly reporting to the annual report; and
- Noted the Internal Audit findings on whether the performance reported agrees with the portfolio of evidence.

AUDITOR GENERAL SOUTH AFRICA

The Committee is satisfied that the Auditor General of South Africa, as the external auditor, is independent and the Committee determined that the Auditor General of South Africa did not provide non-audit services during the year.

The Committee has reviewed the Entity's implementation plan for audit issues raised in the previous years and we are satisfied that almost all of the matters have been adequately resolved. We will monitor the remainder of the matters that still need attention.

The ARIC concurs with the Auditor General of South Africa's conclusions on the annual financial statements and pre-determined objectives and noted the unqualified audit opinion with findings.

Future areas of focus:

- Improvement in the reporting of the audit of predetermined objectives of the Entity. The concerns are strengthening their review of the Annual Performance Report to confirm that the reported achievements are consistent with planned targets;
- More stringent audits should be conducted on compliance with laws and regulations and on ensuring the policies, procedures and internal controls are updated regularly, especially significant policies around supply chain management, consequence management and revenue management;
- There is also a need by the Entity to institute more controls on the supply chain management processes to ensure that these are fair, equitable and transparent as part of complying with all SCM regulations;
- Continue to focus on ensuring that financial and non-financial systems, processes and internal controls are operating effectively.

GENERAL

The ARIC strongly recommends that the Entity must continue to prioritise the adequate, effective implementation and frequent monitoring of the audit action plans for both internal and external auditors, together with all other recommendations made by the Audit, Risk and IT Committee, to maintain effective governance, accountability and a clean administration.

Malande Tonjeni

Ms M Tonjeni
Chairperson of the Audit and Risk Committee

Date 30 August 2025

Report of the auditor-general to the Mpumalanga Provincial Legislature on the Mpumalanga Tourism and Parks Agency

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Mpumalanga Tourism and Parks Agency set out on pages xx to xx, which comprise the statement of financial position as at 31 March 2025, statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.

2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Mpumalanga Tourism and Parks Agency as at 31 March 2025 and financial performance and cash flows for the year then ended in accordance with the Generally Recognised Accounting Practice (GRAP) and the requirements of the Public Finance Management Act 1 of 1999 (PFMA).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.

4. I am independent of the entity in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.

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

Material uncertainty relating to going concern

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

7. I draw attention to note 40 to the financial statements, which indicates that a deficit of R10 million was incurred during the year ended 31 March 2025 and, as of that date the current liabilities exceeded its current assets by R66 million. As stated in note 40, these events or conditions, along with other matters as set forth in note 31, indicate that a material uncertainty exists that may cast significant doubt on the entity's ability to continue as a going concern.

Emphasis of matters

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

Uncertainty relating to the future outcome of significant litigation

9. I draw attention to note 31 to the financial statements, the public entity is a defendant in a court case. The public entity is opposing the claim. A case has been instituted by one businessman, and 11 others, against various governmental bodies in the North Gauteng High Court in Pretoria in 2010. The best estimate of the potential financial outlay is R1,48 billion. The ultimate outcome of the matter could not be determined and no provision for any liability that may result, was made in the financial statements.

Restatement of corresponding figures

10. As disclosed in note 39 to the financial statements, the corresponding figures for 31 March 2024 were restated as a result of an error in the financial statements of the entity at, and for the year ended, 31 March 2025.

Responsibilities of the accounting authority for the financial statements

11. The accounting authority is responsible for the preparation and fair presentation of the financial statements in accordance with the GRAP and the requirements of the PFMA; and for such internal control as the accounting authority determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

12. In preparing the financial statements, the accounting authority is responsible for assessing the entity's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

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

13. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

14. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report. This description, which is located at page xx to xx, forms part of my auditor's report.

Report on the annual performance report

15. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof; I must audit and report on the usefulness and reliability of the reported performance information against predetermined objectives for the selected material performance indicators presented in the annual performance report. The accounting authority is responsible for the preparation of the annual performance report.

16. I selected the following material performance indicators related to programme 4: tourism presented in the annual performance report for the year ended 31 March 2025. I selected those indicators that measure the entity's performance on its primary mandated functions and that are of significant national, community or public interest.

    - Number of tourism marketing initiatives & expos conducted
    - Number of MICE (meetings, incentives, conference, exhibitions/events) marketing activities conducted
    - Number of local events collaborated with
    - Number of destination marketing activities conducted
    - Number of regional tourism marketing activities conducted
    - Number of tourism awareness and safety campaigns conducted
    - Number of SMMEs supported to gain market access

- Number of tourism skills development programmes conducted

17. I evaluated the reported performance information for the selected material performance indicators against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the entity's planning and delivery on its mandate and objectives.

18. I performed procedures to test whether:

    - the indicators used for planning and reporting on performance can be linked directly to the entity's mandate and the achievement of its planned objectives

- all the indicators relevant for measuring the entity's performance against its primary mandated and prioritised functions and planned objectives are included
- the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements
- the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
- the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents
- the reported performance information is presented in the annual performance report in the prescribed manner and
- there is adequate supporting evidence for the achievements and for the reasons provided for any over- or underachievement of targets.

19. I performed the procedures to report material findings only; and not to express an assurance opinion or conclusion.

20. I did not identify any material findings on the reported performance information for the selected programme.

Other matters

21. I draw attention to the matters below.

Achievement of planned targets

22. The annual performance report includes information on reported achievements against planned targets and provides explanations for over and under achievement.

23. The table that follows provides information on the achievement of planned targets and list the key indicators that were not achieved as reported in the annual performance report. The reasons for any underachievement of targets are included in the annual performance report on pages 39 to 81

Tourism programme

Targets achieved: 75% Budget spent: 96%		
Key indicator not achieved	**Planned target**	**Reported achievement**
Number of SMMEs supported to gain market access	30	23
Number of tourism skills development programmes conducted	4	0

Material misstatements

24. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information for programme 4: tourism. Management subsequently corrected all the misstatements, and I did not include any material findings in this report.

Report on compliance with legislation

25. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting authority is responsible for the entity's compliance with legislation.

26. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.

27. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the entity, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.

28. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

Annual financial statements and annual report

29. The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework, as required by section 55(1)(b) of the PFMA. Material misstatements of revenue, expenditure, current liabilities, non-current assets, cashflow statement, statement of comparison of budget and actual amounts and disclosure notes identified by the auditors in the submitted financial statements were corrected, resulting in the financial statements receiving an unqualified audit opinion

Revenue management

30. Effective and appropriate steps were not taken to collect all revenue due, as required by section 51(1)(b)(i) of the PFMA.

Procurement and contract management

31. Some of the goods and services of a transaction value above R1 000 000 were procured without inviting competitive bids, as required by Treasury Regulation 16A6.1, paragraph 3.3.1 of NTI 02 of 2021/22, paragraph 4.1 of NTI 03 of 2021/22 and TR 16A6.4. The non-compliance was identified in the procurement processes for the provision of training programs for unemployed youth in the province funded by National Skills Development Fund.

32. I was unable to obtain sufficient appropriate audit evidence that deviations from competitive bids were awarded to suppliers whose tax matters have been declared by the South African Revenue Services to be in order as required by Treasury Regulation 16A9.1(d).

33. I was unable to obtain sufficient appropriate audit evidence that contracts were awarded only to bidders who submitted a declaration on whether they are employed by the state or connected to any person employed by the state, which is prescribed in order to comply with Treasury Regulation 16A8.3.

Other information in the annual report

34. The accounting authority is responsible for the other information included in the annual report. The other information referred to does not include the financial statements, the auditor's report and those selected material indicators in the scoped-in programme presented in the annual performance report that have been specifically reported on in this auditor's report.

35. My opinion on the financial statements and my reports on the audit of the annual performance report and compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.

36. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected material indicators in the scoped-in programme presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

37. I did not receive the final other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

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

39. The matters reported below are limited to the significant internal control deficiencies that resulted in the material findings on compliance with legislation included in this report.

40. Senior management did not implement adequate recording, reviewing and reporting processes and controls to ensure credible, complete and accurate financial and performance reports.

41. Non-compliance with legislation could have been prevented if senior management sufficiently monitored and reviewed the implementation of the controls during implementation and applied timely corrective action where non-compliance is identified. This resulted in the compliance matters reported above as well as irregular expenditure.

Other reports

42. I draw attention to the following investigation conducted by an independent firm to the entity. The report did not form part of my opinion on the financial statements or my findings on compliance with legislation.

43. An independent firm was appointed at the request of the board to investigate allegations of corruption and/or maladministration against the chief executive officer (CEO). The investigation was concluded on 19 May 2025. The board considered the investigation report, adopted its findings, and resolved to continue the suspension of the CEO pending the conclusion of formal disciplinary proceedings.

Auditor General

Mbombela

18 August 2025

AUDITOR - GENERAL SOUTH AFRICA
Auditing to build public confidence

Annexure to the auditor's report

The annexure includes the following:

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

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

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

Financial statements

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

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made
- conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the separate financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the entity to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause an entity to cease operating as a going concern
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

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

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

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Public Finance Management Act 1 of 1999	Section 51(1)(b)(i); 51(1)(b)(ii); 51(1)(e)(iii); 53(4); Section 54(2)(c); 54(2)(d); 55(1)(a); 55(1)(b); Section 55(1)(c)(i); 56(1); 57(b); 66(4)
Treasury Regulations, 2005	Regulation 8.2.1; 8.2.2; 16A3.2; 16A3.2(a); Regulation 16A6.1; 16A6.2(a) 16A6.2(b); Regulation 16A6.3(a); 16A6.3(b); 16A6.3(c); Regulation 16A6.3(e); 16A6.4; 16A6.5; 16A6.6; Regulation 16A7.1; 16A7.3; 16A7.6; 16A7.7; Regulation 16A8.3; 16A8.4; 16A9.1(b)(ii); Regulation 16A9.1(d); 16A9.1(e); 16A9.1(f); Regulation 16A9.2; 16A9.2(a)(ii); 30.1.1; Regulation 30.1.3(a); 30.1.3(b); 30.1.3(d); 30.2.1; Regulation 31.1.2(c); 31.2.1; 31.2.5; 31.2.7(a); Regulation 33.1.1; 33.1.3
Construction Industry Development Board Act 38 of 2000	Section 18(1)
Construction Industry Development Board Regulations 2004	Regulation 17; 25(7A)
Second amendment National Treasury Instruction No. 5 of 2020/21	Paragraph 1
Erratum National Treasury Instruction No. 5 of 2020/21	Paragraph 2
National Treasury Instruction No 5 of 2020/21	Paragraph 4.8; 4.9; 5.3
National Treasury Instruction No. 1 of 2021/22	Paragraph 4.1
National Treasury Instruction No. 4 of 2015/16	Paragraph 3.4
National Treasury SCM Instruction No. 4A of 2016/17	Paragraph 6
National Treasury SCM Instruction No. 03 of 2021/22	Paragraph 4.1; 4.2 (b); 4.3; 4.4(a); 4.17; 7.2; 7.6
National Treasury SCM Instruction No. 11 of 2020/21	Paragraph 3.4(a); 3.4(b); 3.9
National Treasury SCM Instruction No. 2 of 2021/22	Paragraph 3.2.1; 3.2.4; 3.2.4(a); 3.3.1
Practice Note 11 of 2008/9	Paragraph 2.1; 3.1(b)
Practice Note 5 of 2009/10	Paragraph 3.3
Practice Note 7 of 2009/10	Paragraph 4.1.2
Preferential Procurement Policy Framework Act 5 of 2000	Section 1; 2.1(a); 2.1(f)
Preferential Procurement Regulations, 2022	Paragraph 4.1; 4.2; 4.3; 4.4; 5.1; 5.2; 5.3; 5.4
Preferential Procurement Regulations, 2017	Paragraph 4.1; 4
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section 34(1)

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2025

Figures in Rand	Note(s)	31 March 2025	31 March 2024 *Restated*
ASSETS			
CURRENT ASSETS			
Inventories	2	702 671	1 744 834
Receivables from exchange transactions	3	8 475 101	11 124 115
Receivables from non-exchange transactions	4	5 801 808	5 402 980
Cash and cash equivalents	5	16 981 018	54 903 554
		31 960 598	**73 175 483**
NON-CURRENT ASSETS			
Property, plant and equipment	6	556 939 952	466 327 727
Intangible assets	7	1 403	1 946
Heritage assets	8	8 416 275	8 416 275
		565 357 630	**474 745 948**
Total Assets		**597 318 228**	**547 921 431**
LIABILITIES			
CURRENT LIABILITIES			
Payables from exchange transactions	10	66 750 814	43 938 171
Payables from non-exchange transactions	11	16 210 755	16 210 755
Long service awards - short term portion	12	1 369 249	1 237 397
Provisions	13	1 822 114	1 530 667
Project liabilities	14	11 443 364	9 724 541
		97 596 296	**72 641 531**
NON-CURRENT LIABILITIES			
Long service awards	12	14 864 963	11 878 440
Total Liabilities		**112 461 259**	**84 519 971**
Net Assets		**597 318 228**	**547 921 431**
Contribution from owners	29	70 015 412	70 015 412
Accumulated surplus		414 841 557	393 386 048
Net Assets		484 856 969	463 401 460
Total Liabilities		112 461 259	84 519 971
Total net assets and liabilities		**597 318 228**	**547 921 431**

STATEMENT OF FINANCIAL PERFORMANCE

FOR THE PERIOD ENDING 31 MARCH 2025

Figures in Rand	Note(s)	31 March 2025	31 March 2024 *Restated*
REVENUE			
REVENUE FROM EXCHANGE TRANSACTIONS			
Sale of goods	16	6 190 676	5 709 663
Rendering of services	17	62 117 449	54 821 242
Concession fees	18	9 665 263	8 976 677
Other operating income	19	9 390 199	9 623 209
Interest received	20	1 412 462	3 168 548
Total revenue from exchange transactions		**88 776 049**	**82 299 339**
REVENUE FROM NON-EXCHANGE TRANSACTIONS			
Transfer revenue			
Government grants	21	417 502 000	443 314 000
Conditional grant (EPWP, and other)	21	103 538 521	88 078 657
Assets received in kind	22	51 090 523	-
Total revenue from non-exchange transactions		**572 131 044**	**531 392 657**
Total revenue		**660 907 093**	**613 691 996**
EXPENDITURE			
Compensation of employees	23	(479 612 190)	(391 274 114)
Depreciation and amortisation	6&7	(36 530 381)	(31 268 957)
Impairment loss	27	-	(1 444 024)
Interest expense	24	(43 945)	(20 992)
Loss on sale of heritage assets	8	-	(7 716 442)
Operating expenses	25	(149 717 068)	(152 070 308)
Repairs and maintenance	26	(5 010 749)	(5 736 881)
Total expenditure		**(670 914 333)**	**(589 531 718)**
(Deficit)/Surplus for the period ending 31 March 2025		**(10 007 240)**	**24 160 278**

STATEMENT OF CHANGES IN NET ASSETS

FOR THE PERIOD ENDING 31 MARCH 2025

Figures in Rand	Note(s)	Contribution from owners	Accumulated surplus	Total net assets
Opening balances *Restated*		**70 015 412**	**369 225 771**	**439 241 183**
CHANGES IN NET ASSETS				
Audited Surplus/(Deficit) for the year 2024		-	30 282 355	30 282 355
Prior period adjustment	39	-	(6 122 078)	(6 122 078)
Balance as at 31 March 2024 *Restated*		**70 015 412**	**24 160 277**	**24 160 277**
CHANGES IN NET ASSETS				
Balance as at 1 April 2024		**70 015 412**	**393 386 048**	**463 401 460**
Profit/(loss) of Zithabiseni take on balances		-	31 462 748	31 462 748
Surplus/(Deficit) for the year		-	(10 007 240)	(10 007 240)
Total recognised income and expenses for the year		-	21 455 508	21 455 508
Total changes		-	21 455 508	21 455 508
Closing balance as at 31 March 2025		**70 015 412**	**414 841 556**	**484 856 968**
Note(s)		29		

CASH FLOW STATEMENT

FOR THE PERIOD ENDING 31 MARCH 2025

Figures in Rand	Note(s)	31 March 2025	31 March 2024 *Restated*
CASH FLOWS FROM OPERATING ACTIVITIES			
RECEIPTS			
Cash receipts from exchange transactions		89 779 765	74 345 688
Cash receipts from non-exchange transactions		520 641 693	528 143 849
Interest received		1 412 462	3 168 548
		611 833 920	605 658 085
PAYMENTS			
Employee costs		(475 309 954)	(390 581 241)
Suppliers		(138 905 752)	(150 169 697)
Interest expense		(22 706)	(20 992)
		(614 238 412)	(540 771 930)
Net cash flows from operating activities	28	**(2 404 492)**	**64 886 155**
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment	6	(37 236 867)	(42 862 525)
Proceeds from sale of heritage assets	8	-	19 150 491
Net cash flows from investing activities		**(37 236 867)**	**(23 712 034)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Movement in project liability	13	276 061	(1 465 907)
Interest in project liabilities	13	1 442 762	756 769
Net cash flows from financing activities		**1 718 823**	**(709 138)**
Net increase/(decrease) in cash and cash equivalents		**(37 922 536)**	**40 464 983**
Cash and cash equivalents at the beginning of the period		54 903 554	14 438 571
Cash and cash equivalents at the end of the period	5	**16 981 018**	**54 903 554**

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

FOR THE PERIOD ENDING 31 MARCH 2025

STATEMENT OF FINANCIAL PERFORMANCE

Revenue / Expenditure	Approved budget	Adjust-ments	Final budget	YTD Actuals	(Over)/Under collection - Over/(Under) Expenditure
Sale of Goods	5 663 160	-	5 663 160	6 190 676	(527 516)
Rendering of Services	59 970 467	-	59 970 467	62 117 448	(2 146 981)
Concession fees	6 542 540	-	6 542 540	9 665 263	(3 122 723)
Rental income	181 960	-	181 960	466 885	(284 925)
Recoveries	125 400	-	125 400	118 619	6 781
Hunting wildlife sales	1 945 693	-	1 945 693	3 465 524	(1 519 831)
Sundry income	4 250 780	-	4 250 780	3 905 007	345 773
Interest received	1 320 000	-	1 320 000	1 412 462	(92 462)
Total Revenue	**80 000 000**	**-**	**80 000 000**	**87 341 884**	**(7 341 884)**
TRANSFERS					
Grant allocation	417 502 000	-	417 502 000	417 502 000	-
EPWP	2 438 000	-	2 438 000	2 438 000	-
Special allocation	92 000 000	-	92 000 000	92 000 000	-
Total Revenue non exchange	**511 940 000**	**-**	**511 940 000**	**511 940 000**	**-**
All revenue	**591 940 000**	**-**	**591 940 000**	**599 281 884**	**(7 341 884)**
EXPENDITURE					
Compensation of Employees	(401 589 000)	-	(401 589 000)	(466 193 751)	64 604 751
Board and Board committee	(5 000 000)	-	(5 000 000)	(6 021 961)	1 021 961
EPWP compensation	(2 438 000)	-	(2 438 000)	(2 345 224)	(92 776)
Programme Costs	(63 540 000)	-	(63 540 000)	(57 816 547)	(5 723 453)
Payment of Capital assets	(45 750 000)	-	(45 750 000)	(45 084 775)	(665 225)
Goods and Services	(92 774 000)	-	(92 774 000)	(84 177 901)	(8 596 099)
Total Expenditure	**(611 091 000)**	**-**	**(611 091 000)**	**(661 640 159)**	**50 549 159**
	(19 151 000)	**-**	**(19 151 000)**	**(62 358 275)**	**43 207 275**
External project Funds - Income	-	-	-	9 867 423	(9 867 423)
External project funds - Expenses	-	-	-	(5 145 318)	5 145 318
External project funds - Salaries	-	-	-	(6 770 978)	6 770 978
Ring fenced - Expenses	-	-	-	(1 569 102)	1 569 102
	-	**-**	**-**	**(3 617 975)**	**3 617 975**
OPERATING (DEFICIT)/SURPLUS	**-**	**-**	**-**	**(65 976 250)**	**46 825 250**

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS (CONTINUED)

FOR THE PERIOD ENDING 31 MARCH 2025

STATEMENT OF FINANCIAL PERFORMANCE (CONTINUED)

Revenue / Expenditure	Approved budget	Adjust-ments	Final budget	YTD Actuals	(Over)/Under collection - Over/(Under) Expenditure
RECONCILIATION					
Stock adjustments				225 160	
Loss on sale of assets				(40 933)	
Provision for bad debts				442 101	
Provision for long service awards				(3 118 374)	
Provision for leave accrual				(291 447)	
Provision for bonus				(892 415)	
Donation				51 090 523	
Depreciation				(36 530 380)	
Non income statement - Capex				45 084 775	
OPERATING SURPLUS	**-**	**-**	**-**	**(10 007 240)**	

The approved budget for the financial year 2024/2025 was R611 090 million, including own revenue estimated at R80 million. This allocation included a special allocation of R92 million for the 2024/2025 financial year for Tourism Marketing (R36 million), Provincial Nature Reserve Maintenance (R34 million), and Mdala Reserve (R22 million). The estimated target for own revenue is R80 million. The shortfall is due to a reduction in the operational grant allocation received from DEDT for the 2024/2025 financial year. To help cover this budget shortfall in 2024/2025, MTPA has used the R19.150 million received from the Land Commission for land expropriation in the 2023/2024 financial year.

MTPA determined that a material variance can vary depending on the specific circumstances. Generally, a variance is considered material if it is large enough to influence the decisions of users of the financial statements. MTPA established a 2% variance threshold as adequate for the purpose of giving explanation on the budget versus actual variance. This percentage is in line with Treasury budget reporting standards.

BUDGET VERSUS ACTUALS VARIANCE ANALYSIS

REVENUE

No	Item	(Over)/ Under spending R	% collected	Variance commentaries
1	Sale of Goods	(527 516)	109%	Actual revenue from wildlife permits exceeded the budgeted projections, which were based on the previous year's actuals. The positive variance is primarily attributable to increased demand across multiple permit categories. This growth was driven by a higher volume of applications received compared to the prior year. Income from trail usage exceeded budgeted expectations, with the budget based on prior year actuals. The positive variance is primarily demand-driven, as a significant portion of trail usage is generated by external service providers operating game viewing vehicles in the Manyeleti area. Contributing factors to the increase include favourable weather conditions during peak periods and enhanced marketing efforts by these service providers, which boosted visitor numbers and trail activity.
2	Rendering of Services	(2 146 981)	104%	Slight improvement in Accommodation bookings but occupancy not yet sufficient for ROI. Union unrest during January and March created a significant reduction in Entrance fees, causing a negative impact on cash flow reserves.
3	Concession fees	(3 122 723)	148%	Revenue from the Wildlife Close-Up concessionaire exceeded budget expectations, mainly due to the inclusion of an additional fixed fee introduced under the new Service Level Agreement (SLA), which had not been accounted for in the original budget. This fixed fee was fully recognised during the reporting period. However, the variable portion of the concession fee, calculated based on the concessionaire's Annual Financial Statements could not be verified, as the required financial statements had not been submitted by year-end. The Honeyguide and Tinswalo concessionaires generated higher-than-budgeted revenue during the period, driven by increases in the variable fee component linked to their reported sales figures. Since MTPA is unable to independently estimate these sales, it relies on the concessionaires' submissions for revenue recognition. This reliance resulted in an over-collection of revenue relative to the original budget for the year.
4	Rental income	(284 925)	257%	Yearly upfront rental agreement processed for the Witbad Wagendrift property that is leased for Game farming activities
5	Recoveries	6 781	95%	Staff recoveries fell below budgeted levels, mainly due to employee terminations arising from retirements and deaths during the period. However, the variance is not material in terms of value impact
6	Hunting wildlife sales	(1 519 831)	178%	Fees from the 2024/25 hunting tender were received as expected. The ad hoc sale of hippos boosted expected outcome for the year
7	Sundry income	345 773	92%	Skywalk payments are deferred as negotiations continue, with losses persisting.
8	Interest received	(92 462)	107%	Variations in interest income are directly linked to the bank balances held at month-end

EXPENDITURES

BOARD AND BOARD COMMITTEE COMPENSATION

- During the financial period the Board had many commitments, which were either contact meetings or events, causing an increase in spending iro Board fees.

COMPENSATION OF EMPLOYEES

- Budgetary pressures on the COE arose from the resolution of salary disparities in Quarter 1 and the unbudgeted incorporation of Zithabiseni Resort and Conference Centre (Pty) Ltd personnel.
- Expenditure on public holiday and Sunday work for personnel stationed at Nature Reserves continues to rise, driven by high vacancy levels and constrained budget allocations.

GOODS AND SERVICES

Underspending relates to the movement of the below net transactions:

- The underspending on security fees is primarily due to conservative budgeting assumptions made at the start of the financial year, which anticipated higher security requirements and associated costs than were ultimately incurred.
- The savings noted under consultant fees are due to the reclassification of certain expenditures. While these costs were originally budgeted under goods and services, in accordance with GRAP, amounts meeting the criteria for capital assets have been recorded as capital expenditure.
- Due to cash flow constraints, the renewal of the Microsoft licence was successfully deferred, with the agreement extended to the beginning of the 2025/2026 financial year.
- The variance in uniform expenditure is attributed to underspending, resulting from reduced operational requirements compared to initial projections, to accommodate cost curtailment measures.
- The full settlement of the 2024/2025 insurance premium in advance has resulted in the recognition of savings for the entire financial year.
- At the time of reporting, the Workmen's Compensation billing had not been finalised by the Department of Labour. The necessary adjustments will be made once the billing is received, and the liability will be accurately reflected in the final Annual Financial Statements. In the interim, the MTPA raised an accrual based on the prior year invoice.

Overspending relates to the movement of the below net transactions:

- Utility fees continue to surpass expectations due to rate increases being above inflation year on year.
- Cleaning and consumable usage continues to exceed budget expectations, necessitating the implementation of stricter internal controls to prevent excessive overspending.
- Vehicle maintenance costs exceeded the budget despite the implementation of cost-containment measures. This variance is primarily due to the ageing fleet, which incurs higher maintenance expenses to remain roadworthy and compliant with regulatory requirements.
- The integration of Zithabiseni Resort and Conference Centre (Pty) Ltd operations led to unbudgeted increases in operational costs, including higher subscription fees, rental expenses, and other related overheads.

PROGRAMME COSTS

- A site survey was conducted in Q2, with procurement and testing planned for Q4 to implement a radio communication solution in the Reserves. The estimated costs exceed the available budget, and a tender process may be required once maintenance costs are included. The project was deferred until extra funding has been secured.
- The Disaster Recovery initiative progressed with benchmarking completed in Q1 and stakeholder consultations conducted in Q2.

While implementation was initially planned for Q4, it has been deferred due to cash flow constraints. Key components affected by the delay include the system integration landscape, the SITA Permit System, offsite document warehouse storage, and the full implementation of the Sage300 HR module.

- Internal Audit: Internal reviews were carried out with the support of the internal audit team during the first nine months. A revised audit plan was submitted and approved by the Audit Committee, with execution started in Q4. A significant portion of the remaining budget has been allocated for the annual AFS review.
- The Game Census project was concluded in Q2 with a lower-than-budgeted expenditure. However, the savings realised were offset by overspending in other operational areas.
- IMPS Finalisation: Delays in finalising the IMPS are due to a change in scope affecting Barberton Makhonjwa Mountain, resulting from a community dispute. Progress continues in Songimvelo, however, another one-year extension was issued during Q3 to accommodate further delays.
- The actual expenditure on Long Service Awards was lower than budgeted. This was primarily due to the inclusion of newly appointed Zithabiseni employees in the initial budget projections; however, the request to include them in the Long Service Awards payments was not approved. Further fluctuations are expected as the provision includes rate adjustments and assumptions for retirements.
- The recorded savings in the Tourism Special Allocation resulted from a well-defined activity plan designed to ensure that the allocated budget was fully utilised and that the targets set were met.
- Inadequate budget provision for litigation fees continues to pose a challenge. The matter has been raised with the Department of Economic Development and Tourism (DEDT) as a critical area of budgetary concern.

PAYMENT OF CAPITAL ASSETS

The following capital activities were funded:

- Water reticulation project at God's Window and water treatment project at Songimvelo Nature Reserve concluded.
- Installation of fences for Mthethomusha, Andover and Ohrigstad.
- Construction of the Swadini Gate Dam entrance gate at the Blyde River Canyon.
- Upgrade and refurbishment of 3x GEO sites at Barberton Makhonjwa Heritage Site.
- Supply and delivery of office furniture for Mdala Nature Reserve, and furniture for various accommodation facilities.
- ITC successfully managed to purchase 41 laptops and 4 projectors to date.
- Delivery of 3x Hilux Single Cab 2.4 GD 4X4 SR, 6-speed manual transmission vehicles.
- Conversion of 3 staff houses into 9 family chalets at Bourke's Luck Potholes tourist attraction centre.
- 7 buildings in Manyeleti Nature Reserve free of asbestos materials.
- Progress made on the Mthethomusha water project initiated.
- Upgrade and construction at Sterkspruit Guest House.

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 in accordance with Section 91(1) of the Public Finance Management Act (Act No. 1 of 1999).

In the absence of an issued and effective Standard of GRAP, accounting policies for material transactions, events or conditions were developed in accordance with paragraphs 8, 10 and 11 of GRAP 3 as read with Directive 5.

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

The principal accounting policies applied in the preparation of these Annual Financial Statements are set out below, and are consistent with those adopted in the prior financial year.

These Annual Financial Statements have been prepared on an accrual basis of accounting and are in accordance with the historical cost convention as the basis of measurement, unless specified otherwise. They are presented in South African Rand. The figures are rounded off to the nearest Rand.

1.1 SIGNIFICANT JUDGEMENTS AND SOURCES OF ESTIMATION UNCERTAINTY

- These Annual Financial Statements have been prepared based on the expectation that the Entity will continue to operate as a going concern for at least the next 12 months.
- The Annual Financial Statements have been prepared on an accrual basis.
- 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.
- Transactions are accounted for and presented in accordance with their substance and economic reality, and not merely their legal form. The substance of transactions or other events is not always consistent with that which is apparent from their legal or contrived form.
- Presentation and disclosure take into consideration the materiality of the transaction, which can either be material qualitatively or quantitatively, or both.
- In preparing the Annual Financial Statements, management is required to make estimates and assumptions that affect the amounts represented in the Annual Financial Statements and related disclosures. Use of available information and the application of judgements are inherent in the formation of estimates. Actual results in the future could differ from these estimates, which may be material to the Annual Financial Statements. Accounting estimates are utilised in determining fair value, total useful lives and remaining useful lives of property, plant and equipment.

1.2 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are tangible items that:

- are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes; and
- are expected to be used during more than one reporting period.

An item of property, plant and equipment that qualifies for recognition as an asset shall be measured at its cost, including:

- any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management; and

1.2 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

- the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an Entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Subsequent measurement

The MTPA chose to use the cost model as its accounting policy and applies this policy to the entire class of property, plant and equipment.

After initial recognition as an asset, an item of property, plant and equipment shall be carried at its cost less any accumulated depreciation and any accumulated impairment losses.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits or service potential over the total life of the asset, in excess of the most recently assessed standard of performance of the existing asset, will flow to the Entity.

Where an asset is acquired through a non-exchange transaction, its cost is its fair value at the date of acquisition. All other repairs and maintenance are charged to surplus or deficit for the year in which they are incurred.

Depreciation amount and depreciation period

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

The residual value and the useful life of each asset are reviewed at the end of each reporting date to assess whether there is any indication that the expectations of the asset have changed since the preceding reporting date. If any such indication exists, the MTPA shall revise the expected useful life and/or residual value accordingly. The change(s) shall be accounted for as a change in an accounting estimate in accordance with the Standard of GRAP on Accounting Policies, Changes in Accounting Estimates and Errors.

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

Recognition

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

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

Measurement at recognition

An item of property, plant and equipment that qualifies for recognition as an asset shall be measured at its cost.

Where an asset is acquired at no cost, or for a nominal cost, its cost shall be measured at its fair value as at the date of acquisition.

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

1.2 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

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

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.

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

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

The depreciation rates are in accordance with the MTPA's asset management policy. Assets are written off over their expected useful lives, up to their residual values.

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

Item	Average useful life
Land	Indefinite
Buildings	10 - 50 years
Machinery and mechanical equipment	5 - 25 years
Furniture and fixtures	5 - 25 years
Motor vehicles	5 - 30 years
Computer equipment	3 - 15 years
Infrastructure	10 - 80 years
Minor assets	2 years

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

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

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

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

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

1.2 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

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

The MTPA separately discloses expenditure to repair and maintain property, plant and equipment in the notes to the Annual Financial Statements (see note 24).

Work in progress

Work in progress related to assets under construction. The cost of a work in progress asset is determined using the same principles as for an acquired asset outlined above. Work in progress assets are not depreciated. Depreciation only commences when the asset thus constructed becomes available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

1.3 SERVICE CONCESSION ARRANGEMENTS: ENTITY AS GRANTOR

Service concession arrangements arise from the service concession agreements that the Entity (the grantor) has with different operators. These arrangements give the operator the right to provide a mandated function of the Entity over the period of the service concession agreement. The operator is given the right to build and/or operate an infrastructure asset within the Entity's parks.

These transactions give rise to assets (infrastructure and other movable assets), liabilities and revenues that are accounted for in the manner outlined below:

Assets

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

Recognition

The grantor shall recognise an asset provided by the operator, and an upgrade to an existing asset of the grantor, as a service concession asset if:

- the grantor controls or regulates what services the operator must provide with the asset, to whom it must provide them and at what price; and
- the grantor controls, through ownership, beneficial entitlement or otherwise, any significant residual interest in the asset at the end of the term of the arrangement.

Initial measurement

The grantor shall initially measure a new service concession asset that meets the concession asset recognition criteria at its fair value.

Where an existing asset meets the conditions of a concession asset, the grantor shall reclassify the asset as a concession asset. The reclassified service concession asset shall be initially measured and accounted for in accordance with the Standards of GRAP on Investment Property (GRAP 16), Property, Plant and Equipment (GRAP 17), Intangible Assets (GRAP 31), or Heritage Assets (GRAP 103), as appropriate.

1.3 SERVICE CONCESSION ARRANGEMENTS: ENTITY AS GRANTOR (CONTINUED)

Subsequent measurement

After initial recognition or reclassification, service concession assets shall be initially measured and accounted for (in all respects), in accordance with the Standards of GRAP on Investment Property (GRAP 16), Property, Plant and Equipment (GRAP 17), Intangible Assets (GRAP 31), or Heritage Assets (GRAP 103), as appropriate.

Liability

Recognition

Where the grantor recognises a service concession asset, the grantor shall also recognise a liability. The grantor shall not recognise a liability where an existing asset of the grantor is reclassified as a service concession asset, except in circumstances where additional consideration is provided by the operator.

Initial measurement

Where the grantor has an unconditional obligation to pay cash or another financial asset to the operator for the construction, development, acquisition, or upgrade of a service concession asset, the grantor shall account for the liability recognised as a financial liability.

The liability arising from concession asset recognition shall be initially measured at the same amount as the service concession asset, adjusted by the amount of any other consideration (e.g. cash) from the grantor to the operator, or from the operator to the grantor.

Subsequent measurement

The Financial Liability Model

Subsequent to initial measurement, the Standard of GRAP on Financial Instruments (GRAP 104) applies to the financial liability recognised above.

The grantor shall allocate the payments to the operator and account for them according to their substance as a reduction in the liability recognised, a finance charge and charges for services provided by the operator.

The finance charges and charges for services provided by the operator in a service concession arrangement shall be accounted for as expenses.

Where the asset and service components of a service concession arrangement are separately identifiable, the service components of payments from the grantor to the operator shall be allocated by reference to the relative fair values of the service concession asset and the services. Where the asset and service components are not separately identifiable, the service component of payments from the grantor to the operator is determined using estimation techniques.

Grant of a Right to the Operator Model

Where the grantor does not have an unconditional obligation to pay cash or another financial asset to the operator for the construction, development, acquisition or upgrade of a service concession asset, and grants the operator the right to earn revenue from third-party users or another revenue-generating asset, the grantor shall account for the liability as the unearned portion of the revenue arising from the exchange of assets between the grantor and the operator.

The grantor shall recognise revenue and reduce the liability recognised according to the substance of the service concession arrangement.

1.3 SERVICE CONCESSION ARRANGEMENTS: ENTITY AS GRANTOR (CONTINUED)

Other Liabilities

The grantor shall account for other liabilities, contingent liabilities and contingent assets arising from a service concession arrangement in accordance with the Standard of GRAP on Provisions, Contingent Assets (GRAP 19) and Financial Instruments (GRAP 104).

Other Revenues

The grantor shall account for revenues from a service concession arrangement, other than those specified under Grant of a Right to the Operator Model, in accordance with the Standard of GRAP on Revenue from Exchange Transactions (GRAP 9).

Derecognition

Service concession arrangements are derecognised on disposal or when the investment property is permanently withdrawn from use and no future economic benefits or service potential are expected from its disposal.

Gains or losses arising from the retirement or disposal of service concession arrangements are the difference between the net disposal proceeds and the carrying amount of the asset, and are recognised in surplus or deficit in the period of retirement or disposal.

Compensation from third parties for service concession arrangements that were impaired, lost or given up is recognised in surplus or deficit when the compensation becomes receivable.

1.4 ACCOUNTING BY PRINCIPALS AND AGENTS

Identification

An agent is an Entity that has been directed by another Entity (a principal), through a binding arrangement, to undertake transactions with third parties on behalf of the principal and for the benefit of the principal.

A principal is an Entity that directs another Entity (an agent), through a binding arrangement, to undertake transactions with third parties on its behalf and for its own benefit.

A principal-agent arrangement results from a binding arrangement in which one Entity (an agent) undertakes transactions with third parties on behalf of, and for the benefit of, another Entity (the principal).

Identifying whether an Entity is a principal or an agent

When the Entity is party to a principal-agent arrangement, it assesses whether it is the principal or the agent in accounting for revenue, expenses, assets and/or liabilities that result from transactions with third parties undertaken in terms of the arrangement.

The assessment of whether an Entity is a principal or an agent requires the Entity to assess whether the transactions it undertakes with third parties are for the benefit of another Entity or for its own benefit.

Binding arrangement

The Entity assesses whether it is an agent or a principal by assessing the rights and obligations of the various parties established in the binding arrangement.

Where the terms of a binding arrangement are modified, the parties to the arrangement re-assess whether they act as a principal or an agent.

1.4 ACCOUNTING BY PRINCIPALS AND AGENTS (CONTINUED)

Assessing which Entity benefits from the transactions with third parties

When the Entity in a principal-agent arrangement concludes that it undertakes transactions with third parties for the benefit of another Entity, then it is the agent. If the Entity concludes that it is not the agent, then it is the principal in the transactions.

The Entity is an agent when, in relation to transactions with third parties, all three of the following criteria are present:

- It does not have the power to determine the significant terms and conditions of the transaction.
- It does not have the ability to use all, or substantially all, of the resources that result from the transaction for its own benefit.
- It is not exposed to variability in the results of the transaction.

Where the Entity has been granted specific powers in terms of legislation to direct the terms and conditions of particular transactions, it is not required to consider the criteria of whether it does not have the power to determine the significant terms and conditions of the transaction to conclude that it is an agent. The Entity applies judgement in determining whether such powers exist and whether they are relevant in assessing whether the Entity is an agent.

Recognition

The Entity, as a principal, recognises revenue and expenses that arise from transactions with third parties in a principal-agent arrangement in accordance with the requirements of the relevant Standards of GRAP.

The Entity, as an agent, recognises only that portion of the revenue and expenses it receives or incurs in executing the transactions on behalf of the principal in accordance with the requirements of the relevant Standards of GRAP.

The Entity recognises assets and liabilities arising from principal-agent arrangements in accordance with the requirements of the relevant Standards of GRAP.

1.5 INTANGIBLE ASSETS

An intangible asset is an identifiable, non-monetary asset without physical substance. Intangible assets are identifiable resources controlled by the Entity from which the Entity expects to derive future economic benefits.

An intangible asset is identifiable if it either is separable, i.e. is capable of being separated or divided from the Entity and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, identifiable asset or liability, regardless of whether the Entity intends to do so, or arises from contractual or other legal rights, regardless of whether those rights are transferable or separable from the Entity or from other rights and obligations.

An intangible asset is recognised if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Entity and the cost of the asset can be measured reliably.

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

Intangible assets that are acquired and have finite useful lives are initially recognised at cost, with subsequent measurement at cost less any accumulated amortisation and any impairment losses.

1.5 INTANGIBLE ASSETS (CONTINUED)

Intangible assets are derecognised upon disposal or when no future economic benefits are expected from their use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss in the year the asset is derecognised.

An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows. Amortisation is not provided for these intangible assets. For all other intangible assets, amortisation is recognised in the profit or loss and is provided on the straight-line basis, which it is estimated will reduce the carrying amount of the assets to their residual values at the end of their useful lives.

Intangible assets are amortised at the following rates:

Computer software 3 - 15 years

1.6 HERITAGE ASSETS

After recognition as an asset, a class of heritage assets is carried at its cost less any accumulated impairment losses.

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

Classes of heritage assets include conservation areas such as reserves. This land is reflected as a heritage asset of the MTPA.

Characteristics often displayed by heritage assets include the following:

- their value in cultural, environmental, educational and historical terms is unlikely to be fully reflected in monetary terms
- ethical, legal and/or statutory obligations may impose prohibitions or severe stipulations on disposal by sale
- they are often irreplaceable
- their value may increase over time even if their physical condition deteriorates
- they have an indefinite life and their value appreciates over time due to their cultural, environmental, educational, natural, scientific, technological, artistic or historical significance
- and they are protected, kept unencumbered, cared for and preserved

Recognition

A heritage asset shall be recognised as an asset if, and only if:

- it is probable that future economic benefits or service potential associated with the asset will flow to the Entity, and
- the cost or fair value of the asset can be measured reliably

The MTPA holds heritage assets through conservation areas in the reserves that are regarded as heritage assets. The MTPA does not recognise heritage assets which, on initial recognition, do not meet the recognition criteria of a heritage asset because they cannot be reliably measured. Relevant and useful information about them has been disclosed in the notes to the Annual Financial Statements.

1.6 HERITAGE ASSETS (CONTINUED)

Initial measurement

A heritage asset that qualifies for recognition as an asset shall be measured at its cost. When it is acquired through a non-exchange transaction, it will be measured at its fair value/deemed cost as at the date of acquisition.

Subsequent measurement

After recognition as an asset, a class of heritage assets is carried at its cost less any accumulated impairment losses.

Impairment

The MTPA assesses at each reporting date whether there is an indication that it may be impaired. If any such indication exists, the MTPA estimates the recoverable amount or the recoverable service amount of the heritage asset.

Transfers

Transfers from heritage assets are only made when the particular asset no longer meets the definition of a heritage asset. Transfers to heritage assets are only made when the asset meets the definition of a heritage asset. The transfer will be made at the carrying value of the heritage asset.

Derecognition

The MTPA derecognises heritage assets on disposal, or when no future economic benefits or service potential are expected from their use or disposal. The gain or loss arising from derecognition of a heritage asset is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the heritage asset. Such difference is recognised in surplus or deficit when the heritage asset is derecognised.

1.7 BIOLOGICAL ASSETS THAT FORM PART OF AN AGRICULTURAL ACTIVITY

The MTPA's main mandate is to provide for the sustainable management and promotion of tourism and nature conservation in the Mpumalanga Province and to ensure the sustainable utilisation of natural resources. As part of this mandate, the MTPA is responsible for biodiversity conservation in defined protected areas and the biological assets consists of a large variety of species.

The MTPA does not intervene in eco-systems. The Nature Reserves are home to different species of animals where all inhabitants of an eco-system co-exist without human interference.

Biological assets consist of wild animals managed for conservation purposes. This management is however not an agricultural activity as the main objective is not to harvest (or produce additional biological assets for harvest) but manage and maintain a specific environment as a whole. Hence such assets cannot be accounted for using the principles of GRAP 27.

Hence the MTPA has accounted for these assets in accordance with the principles and interpretations of GRAP 17.

Based on the Framework for the Preparation and Presentation of Financial Statements and GRAP 17, these assets meet the definition of an asset but does not meet the recognition criteria relating to reliable measurement. The MTPA cannot reliable measure the values of biological assets as they are not of a nature that can be easily counted with a level of certainty. Valuations are not easily available as the assets are kept for conservation purposes, and the parks cannot keep up with births and deaths and migrations of wildlife. As the biological assets cannot be counted, it is impossible to calculate gains and losses in biological assets during the year.

1.7 BIOLOGICAL ASSETS THAT FORM PART OF AN AGRICULTURAL ACTIVITY (CONTINUED)

The MTPA does not recognise its biodiversity assets as it does not meet the recognition criteria, but only discloses statistical numbers results as additional disclosure for the benefit of users to the Annual Financial Statements.

GRAP 110

Living resources

15. A living resource shall be recognised as an asset if, and only if:

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

Assessing if a living resource is an asset

16. The definition of an asset is met if the living resource is controlled by the Entity, as a result of past events, and from which future economic benefits or service potential is expected to flow to the Entity.

17. Control of a living resource may be evidenced:

- by legislation or similar means, where the Entity is granted control of an asset to meet its service delivery objectives;
- through an acquisition;
- due to a non-exchange transaction, for example through a donation or reproduction which results in off-spring.

18. To demonstrate control, the Entity needs to control the right or access to future economic benefits or service potential of the resource. To assess whether the Entity controls the living resource, the following indicators can be applied individually, or in combination, to conclude that control exists:

- The intervention by an Entity in the management of the physical condition of the living resource.
- The ability to restrict the movement of the living resource.
- The ability to direct the use of the living resource.

In light of the above, the MTPA has no control over its living and non-living assets, hence cannot record living and non- living resources as assets

1.8 FINANCIAL INSTRUMENTS

Initial recognition

The MTPA classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement.

Financial assets and financial liabilities are recognised on the MTPA's Statement of Financial Position when the MTPA becomes party to the contractual provisions of the instrument.

Receivables from exchange and non-exchange transactions

Trade and other receivables are classified as receivables from exchange transactions and receivables from non-exchange transactions.

1.8 FINANCIAL INSTRUMENTS (CONTINUED)

Trade receivables are measured at initial recognition at fair value less provision made for impairment of these receivables.

Short-term receivables and payables are not discounted where the initial credit period granted or received is consistent with terms used in the public sector, either through established practices or legislation.

The MTPA provides for receivables which are older than 120 days. Appropriate allowances for estimated irrecoverable amounts are recognised in deficit or surplus when there is objective evidence that the asset is impaired. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the trade receivable is impaired.

The carrying value of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the income statement within operating expenses. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited as other income in the Statement of Financial Performance.

Payables from exchange transactions and payables from non-exchange transactions

Payables from exchange transactions are carried at the fair value of the consideration to be paid in future for goods or services that have been received or supplied and invoiced or formally agreed with the supplier.

Trade payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

Cash and cash equivalents

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

Other loans and receivables

Other financial assets classified as loans and receivables are initially recognised at fair value plus transaction costs, and are subsequently carried at amortised cost less any accumulated impairment losses.

These financial assets are not quoted in an active market and have fixed or determinable payments.

Financial instrument

Projects arise as and when a new project is planned per the MTPA's implementation plan. These projects are funded by external stakeholders and the project funds are managed by the MTPA.

Included in this liability are the community benefit-sharing projects. The community benefit-sharing projects arise upon the existence of a co-management agreement between the MTPA and the respective communities adjacent to the protected area.

- its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract (sometimes called the 'underlying')

- it requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors
- it is settled at a future date
- cash
- a residual interest of another Entity
- a contractual right to:
  - receive cash or another financial asset from another Entity, or
  - exchange financial assets or financial liabilities with another Entity under conditions that are potentially favourable to the Entity
- deliver cash or another financial asset to another Entity, or
- exchange financial assets or financial liabilities under conditions that are potentially unfavourable to the Entity
- equity instruments or similar forms of unitised capital.
- a formal designation of a transfer of resources (or a class of such transfers) by the parties to the transaction as forming part of an Entity's net assets, either before the contribution occurs or at the time of the contribution
- a formal agreement, in relation to the contribution, establishing or increasing an existing financial interest in the net assets of an Entity
- the Entity designates at fair value at initial recognition, or
- are held for trading
- derivatives
- combined instruments that are designated at fair value
- instruments held for trading. A financial instrument is held for trading if:
  - it is acquired or incurred principally for the purpose of selling or repurchasing it in the near term, or
  - on initial recognition it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking
  - non-derivative financial assets or financial liabilities with fixed or determinable payments that are designated at fair value at initial recognition, and
  - financial instruments that do not meet the definition of financial instruments at amortised cost or financial instruments at cost

1.9 TAX

Current tax assets and liabilities

The MTPA is registered as a tax payer in terms of S10(1) of the Income Tax Act, 1962. The institution qualifies as an exempt institution, and is accordingly exempt from South African normal tax in terms of S10(1) of the Income Tax Act, 1962.

1.10 LEASES

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. All other leases are classified as operating leases.

Operating leases

Leases for assets under which 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 after taking into account any fixed escalation clauses.

Contingent rents are charged as an expense in the periods in which they are incurred.

1.11 INVENTORIES

The MTPA inventories include consumables, cleaning materials, stationery and fuel.

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

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

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

Current replacement cost is the cost the Entity incurs to acquire the asset on the reporting date.

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

The cost of inventories is assigned using Weighted Average Method and inventory is managed using the perpetual inventory system.

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

When inventories are sold, the carrying amounts of those inventories are recognised as an expense in the period in which the related revenue is recognised. If there is no related revenue, the expenses are recognised when the goods are distributed, or related services are rendered. The amount of any write-down of inventories to net realisable value or current replacement cost and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value or current replacement cost, are recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

1.12 IMPAIRMENT OF NON-CASH-GENERATING ASSETS

Non-cash-generating assets are those assets held by the MTPA without an intention of generating a commercial return from such asset, such as assets used for general administrative and governance purposes and assets used purely for service delivery. This identification is based on the materiality of cash flows generated from these assets.

The MTPA assesses at each reporting date whether any indications exist that an asset may be impaired. When such an indication exists, the MTPA estimates the recoverable service amount of the asset. The recoverable service amount is the higher of a non-cash-generating asset's fair value less costs to sell and its value in use. The value in use is determined by using either the depreciated replacement cost, restoration cost or service unit approach, depending on the availability of data and the nature of the impairment.

If the carrying amount of a non-cash-generating asset exceeds its recoverable service amount, it is impaired. An impairment loss is recognised immediately in surplus or deficit.

The MTPA assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for a non-cash-generating asset may no longer exist or may have decreased. If any such indication exists, the MTPA estimates the recoverable service amount of that asset and accounts for the reversal of impairment loss if necessary. The increase in carrying amount of an asset due to the reversal of impairment loss should not exceed what the asset's original carrying value would have been if no impairment loss were recognised.

1.13 CONTRIBUTION FROM OWNERS

An equity instrument is any contract that evidences a residual interest in the assets of an Entity after deducting all of its liabilities.

1.14 CONTINGENT ASSETS

Contingent assets are possible assets whose existence will be confirmed by the occurrence or non-occurrence of uncertain future events that are not wholly within the control of the Entity. Contingent assets are not recognised, but they are disclosed when it is more likely than not that an inflow of benefits will occur. However, when the inflow of benefits is virtually certain, an asset is recognised in the Statement of Financial Position because that asset is no longer considered to be contingent.

1.15 EMPLOYEE BENEFITS

Short-term employee benefits

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

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

The expected cost of surplus sharing and bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

Defined contribution plans

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

Payments made to industry-managed (or state plans) retirement benefit schemes are dealt with as defined contribution plans where the Entity's obligation under the schemes is equivalent to those arising in a defined contribution retirement benefit plan.

Defined benefit plans

Other long-term employee benefits

Other long-term employee benefits may include, for example:

- long-term compensated absences such as long service or sabbatical leave
- other long service benefits
- long-term disability benefits
- bonus, incentive and performance-related payments payable twelve months or more after the end of the reporting period in which the employees render the related service
- deferred compensation paid twelve months or more after the end of the reporting period in which it is earned

Long service awards

Long service awards are provided to employees who achieve certain pre-determined milestones of service within the MTPA. The MTPA's obligation under these plans is valued periodically and the corresponding liability is raised. Payments are set off against the liability, including notional interest, resulting from the valuation by management and are charged against the Statement of Financial Performance as employee benefits upon valuation.

1.15 EMPLOYEE BENEFITS (CONTINUED)

Gains and losses arising from the experience adjustments and changes in assumptions are charged or credited to the Statement of Financial Performance in the period that they occur. These obligations are valued periodically by management.

1.16 PROVISIONS AND CONTINGENCIES

A provision is a liability of uncertain timing or amount.

Provisions are recognised when:

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

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

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

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

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

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

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

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

Provisions are not recognised for future operating deficits.

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

A constructive obligation to restructure arises only when an Entity:

- has a detailed formal plan for the restructuring, identifying at least:
- the activity/operating unit or part of an activity/operating unit concerned;
- the principal locations affected - the location, function, and approximate number of employees who will be compensated for services being terminated;

1.16 PROVISIONS AND CONTINGENCIES (CONTINUED)

- the expenditures that will be undertaken; and
- when the plan will be implemented; and
- has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

A restructuring provision includes only the direct expenditures arising from the restructuring, which are those that are both:

- necessarily entailed by the restructuring; and
- not associated with the ongoing activities of the MTPA

No obligation arises as a consequence of the sale or transfer of an operation until the MTPA is committed to the sale or transfer, that is, there is a binding arrangement.

After their initial recognition, contingent liabilities recognised in Entity combinations that are recognised separately are subsequently measured at the higher of:

- the amount that would be recognised as a provision; and
- the amount initially recognised less cumulative amortisation.

Contingent Liabilities

A contingent liability is:

A possible obligation that arises from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Entity; or a present obligation that arises from past events, but is not recognised because:

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

Contingent liabilities are not recognised in the statement of financial position but are disclosed in the notes to the financial statements, unless the possibility of an outflow of resources is remote.

The Entity assesses all known contingent liabilities at reporting date and discloses them, where material, in the notes to the financial statements. The disclosure includes:

- an estimate of the potential financial effect.
- an indication of the uncertainties relating to the amount or timing of any outflow; and
- the possibility of any reimbursement.

This policy is applied in accordance with GRAP 19, and any updates or new information after reporting date that may affect the assessment of contingent liabilities are considered up to the date of approval of the financial statements.

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

Loan commitment is a firm commitment to provide credit under pre-specified terms and conditions.

1.16 PROVISIONS AND CONTINGENCIES (CONTINUED)

The MTPA recognises a provision for financial guarantees and loan commitments when it is probable that an outflow of resources embodying economic benefits and service potential will be required to settle the obligation and a reliable estimate of the obligation can be made.

Determining whether an outflow of resources is probable in relation to financial guarantees requires judgement. Indications that an outflow of resources may be probable are:

- financial difficulty of the debtor;
- defaults or delinquencies in interest and capital repayments by the debtor;
- breaches of the terms of the debt instrument that result in it being payable earlier than the agreed term and the ability of the debtor to settle its obligation on the amended terms; and
- a decline in prevailing economic circumstances (e.g. high interest rates, inflation and unemployment) that impact on the ability of entities to repay their obligations.

Where a fee is received by the MTPA for issuing a financial guarantee and/or where a fee is charged on loan commitments, it is considered in determining the best estimate of the amount required to settle the obligation at reporting date.

Where a fee is charged and the MTPA considers that an outflow of economic resources is probable, the MTPA recognises the obligation at the higher of:

- the amount determined using the Standard of GRAP on Provisions, Contingent Liabilities and Contingent Assets; and
- the amount of the fee initially recognised less, where appropriate, cumulative amortisation recognised in accordance with the Standard of GRAP on Revenue from Exchange Transactions.

A contingent asset is a possible asset that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the MTPA.

The MTPA does not recognise contingent assets. Rather, contingent assets are disclosed where an inflow of economic benefits or service potential is probable.

Contingent assets usually arise from unplanned or other unexpected events that are not wholly within the control of the MTPA and give rise to the possibility of an inflow of economic benefits or service potential to the MTPA. An example is a claim that the MTPA is pursuing through legal processes, where the outcome is uncertain.

Contingent assets are not recognised in financial statements since this may result in the recognition of revenue that may never be realised. However, when the realisation of revenue is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate.

Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognised in the financial statements of the period in which the change occurs. If an inflow of economic benefits or service potential has become probable, an Entity discloses the contingent asset.

1.17 REVENUE FROM NON-EXCHANGE TRANSACTIONS

Government grants

Government grants are recognised in the period when they become receivable and credited to the Statement of Financial Performance. Funds received for capital development as conditional grants are recognised as deferred income and credited to the Statement of Financial Performance on a straight-line basis when the stipulations of the conditional grants are met.

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

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

Revenue from non-exchange transactions

Revenue from donations received shall be measured at the amount of the increase in net assets, which in this case will be the net proceeds received from the various donors; and

Revenue from special projects grants shall be measured at the amount of the increase in net assets, which in this case will be the net proceeds received from the funders. If conditions are attached to the grant, a liability will be recognised and shall be the best estimate of the amount required to settle the present obligation at the reporting date. When a liability is subsequently reduced because a condition is satisfied, the amount of the reduction in the liability will be recognised as revenue.

Assets in-kind

Assets in-kind are property, plant and equipment transferred to an Entity in a non-exchange transaction, without charge, but may be subject to stipulations. Assets in-kind are recognised as revenue and property, plant and equipment:

- when it is probable that the future economic benefits or service potential will flow to the MTPA and the fair value of the assets can be measured reliably;
- when the assets are received, or there is a binding arrangement to receive the goods. If assets in-kind are received without conditions attached, revenue is recognised immediately. If conditions are attached, a liability is recognised, which is reduced and revenue recognised as the conditions are satisfied.

On initial recognition, assets in-kind are measured at their fair value as at the date of acquisition, which may be ascertained by reference to an active market or by appraisal.

1.18 REVENUE FROM EXCHANGE TRANSACTIONS

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

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

1.18 REVENUE FROM EXCHANGE TRANSACTIONS (CONTINUED)

Sale of goods

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

- the MTPA has transferred to the purchaser the significant risks and rewards of ownership of the goods;
- the MTPA retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the Entity; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

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

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

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

This category includes accommodation and revenue generated from entrance fees.

Other exchange transactions

These includes concession fees, rental income, wildlife income and sundry income, where:

- concession income is income from concessionaires granted right to operators infrastructure facilities within the reserves. Such income is recognised as it accrues over the period of the agreement;
- Implementation fees are fees that are receivable for managing special projects on behalf of other state entities. This income is recognised on a monthly basis, based on the services performed; and
- Rent income is accrued on a daily basis in accordance with the substance of the relevant agreements

Interest Income

Interest is recognised using the effective interest rate method on a time proportion basis. Revenue arising from the use by others of the MTPA assets yielding interest is recognised when:

- it is probable that the economic benefits or service potential associated with the transaction will flow to the Entity; and
- the amount of revenue can be measured reliably.

1.19 COMMITMENTS UNDER SERVICE LEVEL AGREEMENTS

Commitments under service level agreements are disclosed in respect of contracted amounts for which delivery by the contractor is outstanding at the accounting date, and for amounts for which the Board's approval has been obtained but not yet contracted for.

Commitments are not recognised in the Statement of Financial Position as a liability or as an expenditure in the Statement of Financial Performance, but are included in disclosure note 34.

1.20 PROJECT LIABILITIES

Projects arise as and when a new project is planned per the MTPA's implementation plan. These projects are funded by external stakeholders and the project funds are managed by the MTPA.

Included in this liability are the community benefit-sharing projects. The community benefit-sharing projects arise upon the existence of a co-management agreement between the MTPA and the respective communities adjacent to the protected area.

Project liabilities are recognised in the Statement of Financial Position as a liability. Funds held on behalf of the projects are recognised in the Statement of Financial Position as cash and cash equivalents.

1.21 BORROWING COSTS INTEREST

Interest expense

All interest expenses are recognised in profit or loss in the period in which they are incurred.

1.22 FRUITLESS AND WASTEFUL EXPENDITURE

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

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

1.23 IRREGULAR EXPENDITURE

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

- this Act; or
- the State Tender Board Act, 1968 (Act No. 86 of 1968), or any regulations made in terms of the Act; or
- any provincial legislation providing for procurement procedures in that Provincial Government.

Irregular expenditure that was incurred and identified during the current financial year is disclosed under note 32.

Irregular expenditure is recorded in the notes to the Annual Financial Statements when confirmed. The amount recorded is equal to the value of the irregular expenditure incurred, unless it is impractical to determine, in which case reasons must be provided in the notes.

1.23 IRREGULAR EXPENDITURE (CONTINUED)

Irregular expenditure receivables are measured at the amount that is expected to be recovered and are de-recognised when settled or written off as irrecoverable.

Irregular expenditure must be removed from the balance of the irregular expenditure notes when it is either:

- condoned by the relevant authority if no official was found to be liable in law;
- recovered from an official liable in law;
- written off if it is irrecoverable from an official liable in law; or
- written off if it is not condoned and not recoverable.

1.24 TRANSFER OF FUNCTIONS BETWEEN ENTITIES UNDER COMMON CONTROL

Definitions

An acquirer is the Entity that obtains control of the acquiree or transferor.

Carrying amount of an asset or liability is the amount at which an asset or liability is recognised in the Statement of Financial Position.

Control is the power to govern the financial and operating policies of another Entity so as to benefit from its activities.

A function is an integrated set of activities that is capable of being conducted and managed for purposes of achieving an Entity's objectives, either by providing economic benefits or service potential.

A merger is the establishment of a new combined Entity in which none of the former entities obtains control over any other and no acquirer can be identified.

Transfer date is the date on which the acquirer obtains control of the function and the transferor loses control of that function.

A transfer of functions is the reorganisation and/or the reallocation of functions between entities by transferring functions between entities or into another Entity.

A transferor is the Entity that relinquishes control of a function.

Common control – For a transaction or event to occur between entities under common control, the transaction or event needs to be undertaken between entities within the same sphere of government or between entities that are part of the same economic Entity. Entities that are ultimately controlled by the same Entity before and after the transfer of functions are within the same economic Entity.

Input: Any resource that creates, or has the ability to create, outputs when one or more processes are applied to it.

Process: Any system, standard, protocol, convention or rule that, when applied to an input or inputs, creates or has the ability to create outputs.

Output: The result of inputs and processes applied to achieve and improve efficiency. This may be in the form of achieving service delivery objectives, or the delivery of goods and/or services.

1.24 TRANSFER OF FUNCTIONS BETWEEN ENTITIES UNDER COMMON CONTROL (CONTINUED)

Determining the transfer date

The acquirer and the transferor identify the transfer date, which is the date on which the acquirer obtains control and the transferor loses control of that function.

All relevant facts and circumstances are considered in identifying the transfer date.

Accounting by the Entity as acquirer

Initial recognition and measurement

As of the transfer date, the Entity recognises the purchase consideration paid to the transferor and all the assets acquired and liabilities assumed in a transfer of functions. The assets acquired and liabilities assumed are measured at their carrying amounts.

If, prior to the transfer of functions, the transferor was not applying the accrual basis of accounting, the transferor changes its basis of accounting to the accrual basis of accounting prior to the transfer.

The consideration paid by the Entity can be in the form of cash, cash equivalents or other assets. If the consideration paid is in the form of other assets, the Entity derecognises such assets on the transfer date at their carrying amounts.

The difference between the carrying amounts of the assets acquired, the liabilities assumed and the consideration paid to the transferor is recognised in accumulated surplus or deficit.

Accounting by the Entity as transferor

Derecognition of assets transferred and liabilities relinquished

As of the transfer date, the Entity derecognises from its Annual Financial Statements all the assets transferred and liabilities relinquished in a transfer of functions at their carrying amounts.

Until the transfer date, the Entity continues to measure these assets and liabilities in accordance with applicable Standards of GRAP.

The consideration received from the acquirer can be in the form of cash, cash equivalents or other assets. If the consideration received is in the form of other assets, the Entity measures such assets at their fair value on the transfer date in accordance with the applicable Standard of GRAP. The difference between the carrying amounts of the assets transferred, the liabilities relinquished and the consideration received from the acquirer is recognised in accumulated surplus or deficit.

1.25 BUDGET INFORMATION

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

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

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

The approved budget covers the fiscal period from 01 Apr 2024 to 31 Mar 2025.

1.26 RELATED PARTIES

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

Management are those persons responsible for planning, directing and controlling the activities of the MTPA, including those charged with the governance of the MTPA in accordance with legislation, in instances where they are required to perform such functions. This includes close family members, who are considered to be those family members who may be expected to influence, or be influenced by, management in their dealings with the MTPA.

1.27 SEGMENT INFORMATION

A segment is an activity of an Entity:

- that generates economic benefits or service potential (including economic benefits or service potential relating to transactions between activities of the same Entity);
- whose results are regularly reviewed by management to make decisions about resources to be allocated to that activity and in assessing its performance; and
- for which separate financial information is available.

Reportable segments are the actual segments which are reported on in the segment report. They are the segments identified above or alternatively an aggregation of two or more of those segments where the aggregation criteria are met.

1.28 CHANGE IN ACCOUNTING POLICIES, ESTIMATES AND ERRORS

Change in estimate

A change in accounting estimate is an adjustment of the carrying amount of an asset or a liability, or the amount of a period consumption of an asset, that results from the assessment of the present status of, and expected future benefits and obligations associated with, assets and liabilities. A change in accounting estimate results from new information and new developments and is not a correction of errors.

The effect of a change in accounting estimate shall be recognised prospectively by including it in surplus or deficit in:

- the period of the change, if the change affects that period only; or
- the period of the change and future periods, if the change affects both.

To the extent that a change in an accounting estimate gives rise to changes in assets and liabilities, or relates to an item of net assets, it shall be recognised by adjusting the carrying amount of the related asset, liability or item of net assets in the period of the change.

Prior period errors

Prior period errors are omissions from, and misstatements in, the Entity's financial statements for one or more prior periods arising from a failure to use, or misuse of, reliable information that:

- was available when the Annual Financial Statements for those periods were authorised for issue; and
- could reasonably be expected to have been obtained and taken into account in the preparation and presentation of those financial statements.

A prior period error shall be corrected by retrospective restatement in the first set of financial statements authorised for issue after its discovery by:

1.28 CHANGE IN ACCOUNTING POLICIES, ESTIMATES AND ERRORS (CONTINUED)

- restating the comparative amounts for the prior period(s) presented in which the error occurred; or
- if the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and net assets for the earliest prior period presented.

A prior period error shall be corrected by retrospective restatement, except to the extent that it is impracticable to determine either the period-specific effects or the cumulative effect of the error.

Prior period error adjustments have been disclosed in note 36.

When it is impracticable to determine the period-specific effects of the error on comparative information for one or more prior periods presented, the Entity shall restate the opening balances of the assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable (which may be the current period).

When it is impracticable to determine the cumulative effect at the beginning of the current period, the Entity shall restate the comparative information to correct the error prospectively from the earliest date practicable.

Change in accounting policies

Accounting policies are the specific principles, bases, conventions, rules and practices applied by an Entity in preparing and presenting financial statements.

An Entity shall change an accounting policy only if the change:

- is required by a Standard of GRAP; or
- results in the Annual Financial Statements providing reliable and more relevant information about the effects of the transactions, other events or conditions on the MTPA's financial position, financial performance or cash flows.

A change in accounting policy shall be applied retrospectively, except to the extent that it is impracticable to determine either the period-specific effects or the cumulative effect of the change.

When it is impracticable to determine the period-specific effects of changing an accounting policy on comparative information of one or more prior periods presented, the Entity shall apply the new accounting policy to the carrying amounts of the assets and liabilities as at the beginning of the earliest period for which retrospective application is practicable, which may be the current period, and shall make a corresponding adjustment to the opening balance of each affected component of net assets for that period.

When it is impracticable to determine the cumulative effect, at the beginning of the current period, of applying a new accounting policy to all prior periods, the Entity shall adjust the comparative information to apply the new accounting policy prospectively from the earliest date practicable.

1.29 EVENTS AFTER REPORTING DATE

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

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

1.29 EVENTS AFTER REPORTING DATE (CONTINUED)

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

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

1.30 RECENT STANDARDS AND INTERPRETATIONS

Standards and interpretations effective and adopted by MTPA.

GRAP 109: Accounting by Principals and Agents

This standard will have an impact on the MTPA as the MTPA does act as both a principal and agent in binding principal-agent arrangements.

Service concession agreements give rise to transactions where the MTPA is a principal. The business plans and memorandum of agreement between the MTPA and the different organs of state from which the MTPA receives funding to implement projects on their behalf give rise to the MTPA being an agent.

The impact of the standard when it becomes adopted is that the MTPA will have to recognise all revenues, expenses, assets and liabilities arising from transactions where the MTPA is **a principal.** The material effect of this standard would be the recognition of the concession asset. The liabilities and expenses affecting service concession agreements are already recognised in the Statement of Financial Performance by virtue of other Standards of GRAP.

Additionally, the MTPA will have to recognise all assets, liabilities and expenses arising from transactions where the MTPA is **an agent.** The material effect of this standard would be the derecognition of the assets and liabilities that arise from the MTPA acting as an agent. The revenues arising from principal-agent arrangements are already recognised in the Statement of Financial Performance by virtue of other Standards of GRAP.

GRAP 110: Living and non-living resources

This standard will have an impact on the MTPA as the MTPA does have living and non-living resources.

Non-living resources include land and water, minerals, oil and gas and other non-regenerative resources which have not been extracted. Living resources are those resources that undergo biological transformation, such as plants and animals.

The impact of the standard when it becomes effective is that the MTPA will have to recognise living and non-living resources, subject to the resource meeting the criteria of control.

Figures in Rand	31 March 2025	31 March 2024 *Restated*

2. INVENTORIES

Consumable stores	237 654	819 773
Fuel (diesel, petrol)	465 017	925 061
	702 671	**1 744 834**

3. RECEIVABLES FROM EXCHANGE TRANSACTIONS

Receivable from exchange transactions	8 671 475	11 709 650
Provision for impairment of trade receivables	(2 351 449)	(3 175 036)
Prepaid expenses	2 155 075	2 589 501
	8 475 101	**11 124 115**

TRADE AND OTHER RECEIVABLES - ADDITIONAL DISCLOSURE

The average credit period on trade receivables is 30 days. No interest is charged on outstanding balances of trade receivables accounts.

The majority of the MTPA's accounts receivable originate from sales of goods and the rendering of services. The inherent credit risk is mitigated by a credit verification process performed before awarding future accounts.

The following receivables had balances outstanding that represented more than 5% of the total balance of outstanding receivables from exchange transactions:

Account	31 March 2025 Rand	Percentage of total (%)	31 March 2024 Rand	Percentage of total (%)
Tintswalo Safari Lodge	3 124 263	35	4 496 549	38
Mpumalanga Film	567 000	6	567 000	5
Blyde Adventure Centre	-	-	846 050	7
Wildlife Up Close (Pty) Ltd	1 274 502	14	1 274 502	11
Honeyguide Tented Safari Camps	3 132 605	35	2 668 630	23
Total	**8 098 369**		**9 852 731**	

AGEING OF DEBTORS IS AS FOLLOWS:

Account	31 March 2025 Rand	31 March 2024 *Restated* Rand
0 - 30 days	6 102 156	8 069 268
30 - 60 days	199 337	331 192
60 - 90 days	9 826	6 419
90 - 120 days	8 706	127 735
> 120 days	2 351 449	3 175 036
	8 671 475	**11 709 650**

Figures in Rand	31 March 2025	31 March 2024 *Restated*
RECONCILIATION OF PROVISION FOR IMPAIRMENT OF TRADE AND OTHER RECEIVABLES		
Opening balance	(3 175 036)	(4 682 348)
Provision for impairment	823 587	1 507 312
	(2 351 449)	**(3 175 036)**

In determining the recoverability of a trade receivable, the Entity considers any change in the credit quality of the trade receivable from the date the credit was initially granted up to the reporting date. The receivable balances that constitute the prior year allowance for impairment losses have not been partially collected in the current year, since these receivables are still in the process of being collected.

4. RECEIVABLES FROM NON-EXCHANGE TRANSACTIONS

Other receivables*	5 256 590	5 192 161
Deposits	291 725	39 193
Staff receivables	253 493	171 626
	5 801 808	**5 402 980**

*The MTPA has conditional grants from different public sector funders for special projects. The terms of reference differ per project. During the execution of such projects, sometimes the MTPA uses its own funds to cover project costs. The above amounts indicate instances where the MTPA has used its own funds to cover project costs. This amount is recoverable from the funders. The MTPA ensures that they do not exceed the project value as per the project's Memorandum of Agreement.

5. CASH AND CASH EQUIVALENTS

CASH AND CASH EQUIVALENTS CONSIST OF:		
Bank balances	16 981 018	54 903 554
BANK BALANCES		
MTPA operating accounts**	4 963 644	26 191 187
MTPA salaries accounts	144 510	16 220 699
Funds held on behalf of the projects*	11 872 864	12 491 668
	16 981 018	**54 903 554**

*Funds held on behalf of projects in several bank accounts.

**Included in the cash and bank balance is an amount of R313,199.89 as at 31 March 2025, which remains in the bank account of Zithabiseni Resort and Conference Centre (Pty) Ltd. The funds have not yet been transferred to the Mpumalanga Tourism and Parks Agency (MTPA) due to administrative delays, specifically the absence of authorised signatories required to close the account. In accordance with GRAP 105, the cash is recognised by MTPA from the effective date of transfer, being 1 April 2024, as control of the funds was obtained on that date.

Figures in Rand	31 March 2025	31 March 2024 *Restated*

6. PROPERTY, PLANT AND EQUIPMENT

	31 March 2025			31 March 2024 *Restated		
Description	**Cost/ Valuation**	**Accumulated depreciation and accumulated impairment**	**Carrying value**	**Cost/ Valuation**	**Accumulated depreciation and accumulated impairment**	**Carrying value**
Land	4 487 213	-	4 487 213	4 487 213	-	4 487 213
Buildings	427 038 163	(134 872 898)	292 165 265	394 130 972	(118 383 057)	275 747 915
Furniture and fixtures	13 452 637	(7 258 606)	6 194 031	10 729 174	(6 166 963)	4 562 211
Motor vehicles	32 874 286	(23 560 580)	9 313 706	31 100 704	(21 578 666)	9 522 038
Computer equipment	14 077 997	(8 153 908)	5 924 089	12 789 654	(7 030 296)	5 759 358
Infrastructure	363 828 846	(189 475 256)	174 353 590	297 092 043	(175 220 074)	121 871 969
Machinery and mechanical equipment	21 703 682	(16 307 635)	5 396 047	20 591 908	(15 019 459)	5 572 449
Concession - infrastructures*	735 433	(438 616)	296 817	735 433	(401 992)	333 441
Concession - building*	3 513 075	(1 856 094)	1 656 981	3 513 075	(1 649 767)	1 863 308
Minor assets	212 737	(183 941)	28 796	175 060	(158 614)	16 446
Work in progress	57 123 417	-	57 123 417	36 591 379	-	36 591 379
Total	**939 047 486**	**(382 107 534)**	**556 939 952**	**811 936 615**	**(345 608 888)**	**466 327 727**

RECONCILIATION OF PROPERTY, PLANT AND EQUIPMENT - 31 MARCH 2025

	Opening Balance	Additions	Disposal	Transfer from Zithahiseni	Transfer from WIP	Assets in Kind	Depre-ciation	Closing Balance
Land	4 487 213	-	-	-	-	-	-	4 487 213
Buildings	275 747 915	73 156	-	26 424 000	6 410 036	-	(16 489 842)	292 165 265
Furniture and fixtures	4 562 211	1 619 038	(11 684)	1 117 580	-	-	(1 093 114)	6 194 031
Motor vehicles	9 522 038	1 680 583	-	93 000	-	-	(1 981 915)	9 313 706
Computer equipment	5 759 358	1 155 113	-	133 229	-	-	(1 123 611)	5 924 089
Infrastructure	121 871 969	-	-	3 119 903	12 526 377	51 090 523	(14 255 182)	174 353 590
Machinery and mechanical equipment	5 572 449	1 050 758	(29 248)	119 985	-	-	(1 317 897)	5 396 047
Minor assets	16 446	37 677	-	-	-	-	(25 327)	28 796
Work in progress	36 591 379	39 468 450	-	-	(18 936 413)	-	-	57 123 416
Concession - building*	1 863 308	-	-	-	-	-	(206 327)	1 656 981
Concession - infrastructures*	333 441	-	-	-	-	-	(36 624)	296 817
	466 327 727	**45 084 775**	**(40 932)**	**31 007 697**	**-**	**51 090 523**	**(36 529 839)**	**556 939 951**

Figures in Rand	31 March 2025	31 March 2024 *Restated*

ASSETS IN KIND

The Mpumalanga Tourism and Parks Agency (MTPA) required the installation of perimeter fencing at the Mdala Nature Reserve to enhance the management and protection of the area. To support this initiative, the Department of Agriculture, Rural Development and Environmental Affairs undertook the project on behalf of the MTPA.

The Department managed and executed all aspects of the project, including supply chain processes, installation and construction. Once completed, the asset was formally handed over to the MTPA.

The total cost of the project, amounting to R51 090 523, was borne by the Department. The transfer of the completed asset was effected in accordance with Section 42 of the Public Finance Management Act, 1999 (Act No. 1 of 1999, as amended), and the asset was duly recognised in the records of the MTPA.

Zithabiseni assets not included in the take on, due to dilapidated state

Movable assets identified by the Professional Valuer with an associated replacement value of R162 206,00 have been excluded from the asset register. Management acknowledges the obsolete assets; however, in accordance with the provisions of GRAP 17, they do not meet the criteria for recognition as assets. As a result, management has resolved not to include these obsolete movable assets in the asset register or recognise them in the MTPA's financial records.

A total of 223 chalet units have been destroyed, and the associated replacement value of R181 600 000 has been excluded from this valuation. Management acknowledges the deteriorated condition of these assets; however, in accordance with the provisions of GRAP 17, they do not meet the criteria for recognition as assets. As a result, management has resolved not to include these 223 chalet units in the asset register or recognise them in the MTPA's financial records.

The following existing assets are classified as service concession assets Tintswalo, Khoku Moya and Mantobeni

Detail	Opening Balance	Additions	Depreciation	Closing Balance
Tintswalo Buildings	34 494 560	-	(1 245 366)	33 249 194
Mantobeni Buildings	6 894 724	-	(285 064)	6 609 660
Khokhu Moya Buildings	7 966 567	-	(327 216)	7 639 351
Total	**49 355 852**	**-**	**(1 857 646)**	**47 498 206**

***Concession**

- The concession period shall commence on the Commencement date and shall continue thereafter for a period of 15 (fifteen) years ("the Initial Concession Period).
- The Concessionaire has a right to the following
  a. Finance, design, construct and operate the facilities
  b. General, charge and collect revenue from the operation and management of the Facility during the Concession Period; and
  c. Use the Concession Area for the purpose of the project, refer to contract.
- The Concessor requires the Concessionaire to promote on its mandate to uplift tourism and create employment.

Figures in Rand	31 March 2025	31 March 2024 *Restated*

- The Concessionaire shall, ensure that the standards, quality and nature of the access roads and control points, in place at the Commencement Date will remain substantially the same during the Concession Period.
- On the expiry or termination of the agreement and/ or the Concession Period for whatever reason and without prejudice to any of the Parties hereto (subject as herein provided).
- The Concession agreement shall cease to have effect, subject to all rights and obligations of the Parties existing prior to such termination;
  a. Such rights as the concession may have over the Concession Area, the Camp and facilities shall terminate
  b. The Concessionaire shall, without payment of any compensation by the Concessor, transfer all of its right, title and interests in the concession Area and facilities to the Concessor in good condition and in accordance with a standard and quality reasonably acceptable to the Concessor.

Work in progress

The Mpumalanga Tourism and Parks Agency has identified several projects experiencing significant delays, in accordance with GRAP 17 .87. These projects are currently under construction or development, with a cumulative expenditure of **R 7,536,220** recognized in their carrying value.

Delays in the Construction of the Dixie Kitchen Picket, Removal of Asbestos at Songimvelo, Mabusa, Blyde, and Nooitgedacht Dam, as well as procurement of materials for drainage/sewer works at Andover Nature Reserve, are attributed to disputes with CPAs and sub-contractors.

Meanwhile, delays in the flood gate installation at Nooitgedacht Dam, fencing at Songimvelo, and the installation of log cabins at Mahushe Shongwe are due to budgetary constraints.

Despite these interruptions, no indicators of impairment have been identified for the affected projects.

Management has reviewed the carrying value of property, plant, and equipment facing prolonged completion times and found none to be recognise.

Project Description	Reasons for Halted	Carrying Value
Construction of Dixie Kitchen Picket, Removal of Asbestos at Songimvelo, Mabusa, Blyde and Nooitgedacht Dam. Material for the construction of Drainage/Sewer at Andover Nature Reserve	Due to disagreement with CPAs and sub-contractors	3 766 529
Floodgate at Nooitgedacht Dam, Songimvelo Fence, Installation of Log Cabins at Mahushe Shongwe, Bulk Water Supply at Blyde NR	Budget constraints	3 769 691
Total		**7 536 220**

Figures in Rand	31 March 2025	31 March 2024 *Restated*

RECONCILIATION OF PROPERTY, PLANT AND EQUIPMENT - 31 MARCH 2024

	Opening balance	Additions	Disposals	Transfers	Depreciation	Impairment loss	Closing Balance
Land	4 487 213	-	-	-	-	-	4 487 213
Buildings	286 135 242	194 542	(907 102)	5 484 297	(13 819 525)	(1 339 539)	275 747 915
Furniture and fixtures	4 688 054	427 955	(2 066)	-	(551 732)	-	4 562 211
Motor vehicles	10 032 059	1 562 681	(12 162)	-	(2 060 540)	-	9 522 038
Computer equipment	5 459 483	1 472 168	(103 656)	-	(1 068 637)	-	5 759 358
Infrastructure	123 449 441	1 768 675	-	8 836 002	(12 077 664)	(104 485)	121 871 969
Machinery and mechanical equipment	5 779 828	1 013 650	(18 456)	136 774	(1 339 347)	-	5 572 449
Minor assets	18 077	24 339	-	-	(25 970)	-	16 446
Work in progress	12 256 884	38 791 568	-	(14 457 073)	-	-	36 591 379
Concession - building*	2 118 367	-	-	-	(255 059)	-	1 863 308
Concession - infrastructures*	400 590	-	-	-	(67 149)	-	333 441
	454 825 238	**45 255 578**	**(1 043 442)**	**-**	**(31 265 623)**	**(1 444 024)**	**466 327 727**

The following existing assets are classified as service concession assets Tintswalo, Khoku Moya, Mantobeni and Humala Lodge.

Detail	Opening Balance	Additions	Depreciation	Closing Balance
Tintswalo Buildings	35 932 762	-	(1 438 201)	34 494 561
Mantobeni Buildings	7 194 968	-	(300 244)	6 894 724
Khokhu Moya Buildings	8 339 909	-	(373 342)	7 966 567
Total	**51 467 639**	**-**	**(2 111 787)**	**49 355 852**

Description of land

Place	ERF	Rands
Head Office	Portion 14 of the Farm Riverside 308 JT	3 505 433
Elukwatini	ERF 27 Elukwatini B Ext 1	981 780
Total		**4 487 213**

7. INTANGIBLE ASSETS

	31 March 2025			31 March 2024 *Restated		
	Cost/ Valuation	Accumulated amoritisation and accumulated impairment	Carrying value	Cost/ Valuation	Accumulated amortisation and accumulated impairment	Carrying value
Computer software	542 875	(541 472)	1 403	542 875	(540 929)	1 946

Figures in Rand	31 March 2025	31 March 2024 *Restated*

RECONCILIATION OF INTANGIBLE ASSETS - 31 MARCH 2025

	Opening balance	Amortisation	Total
Computer software	1 946	(543)	1 403

RECONCILIATION OF INTANGIBLE ASSETS - 31 MARCH 2024

	Opening balance	Amortisation	Total
Computer software	5 281	(3 335)	1 946

The MTPA assesses at each reporting date whether there is any indication that the computer software may be impaired, or that the useful life is still appropriate. No such indication existed at the end of the current financial reporting period.

8. HERITAGE ASSETS

In 2017, the MTPA reviewed its accounting policy for land and a decision was taken to change the accounting policy for conservation land from Property, Plant and Equipment (GRAP 17) to account for it as Heritage Assets under GRAP 103. Hence the below items, which met the definition of Heritage Assets, were transferred from Property, Plant and Equipment (GRAP 17) to Heritage Assets (GRAP 103).

	31 March 2025			31 March 2024 *Restated		
	Cost/ Valuation	Accumulated Impairment losses	Carrying value	Cost/ Valuation	Accumulated depreciation	Carrying value
Conservation areas	8 416 275	-	8 416 275	8 416 275	-	8 416 275

RECONCILIATION OF HERITAGE ASSETS -31 MARCH 2025

	Opening balance	Total
Conservation areas	8 416 275	8 416 275
Name of the reserve	**Hectares**	**Historical cost**
Paardeplaats Nature Reserve	2 426	8 416 275
Totals		**8 416 275**

RECONCILIATION OF HERITAGE ASSETS - 31 MARCH 2024

	Opening balance	Disposals	Transfers	Total
Conservation areas	35 283 207	(19 150 490)	(7 716 442)	8 416 275

The MTPA assesses at each reporting date whether there is any indication that the heritage assets may be impaired. No such indication existed at the end of the financial reporting period.

Figures in Rand	31 March 2025	31 March 2024 *Restated*

Name of the reserve	Hectares	Historical cost
Loskop Dam Nature Reserve	22 891	26 866 932
Paardeplaats Nature Reserve	2 426	8 416 275
Totals		**35 283 207**

Heritage assets which fair values cannot be reliably measured

A significant value of the MTPA heritage assets was obtained through non-exchange transactions from various state-owned organisations. For heritage assets obtained from non-exchange transactions, the MTPA attempted to establish the value thereof using guidance from Directive 7 issued by the Accounting Standards Board. Due to the nature of the MTPA's activities, the MTPA could not establish a fair value/deemed cost nor a replacement cost for its heritage assets acquired from non-exchange transactions. For that reason, the MTPA heritage assets acquired from non-exchange transactions could not be recognised in the Annual Financial Statements. However, information pertaining to such assets has been disclosed below.

The MTPA assesses at each reporting date whether there is any indication that the heritage assets may be impaired. No such indication existed at the end of the current financial reporting period.

The restitution of the above properties was successfully restored. The claimants opted for land restoration, although the property shall remain as a Nature Reserve under the management of MTPA of the remaining extent of portion 3 of the farm Rietfontein 70 JS, owned by the seller.

Name of the Nature Reserve	31 March 2025 Square meters	31 March 2024 Square meters
Cynthia Letty Nature Reserve	7	7
Ida Doyer Nature Reserve	32	32
Tinie Louw Nature Reserve	10	10
Thorncroft Nature Reserve	17	17
Swadini Nature Resort	100	100
Vertroosting Nature Reserve	162	162
Mangwazi Nature Reserve	419	419
Sterkspruit 2 Nature Reserve	478	478
Witbad Nature Reserve	565	565
Mahushe Shongwe Nature Reserve	1 140	1 140
Sterkspruit 1 Nature Reserve	1 133	1 133
Little Joker - Formosa Nature Reserve	1 273	1 273
SS Skosana Nature Reserve	1 816	1 816
Ohrigstad Dam Nature Reserve	2 525	2 525
Barberton Phase 1 Nature Reserve	2 569	2 569
Nooitgedacht Dam Nature Reserve	2 986	2 986
Barberton Phase 2 Nature Reserve	5 415	5 415
Verloren Vallei Nature Reserve	5 989	5 989
Andover Nature Reserve	6 816	6 816
Bushbuck Ridge Nature Reserve	7 094	7 094
Mthethomusha Nature Reserve	7 979	7 979
Mdala Nature Reserve	8 165	8 165
Mabusa Nature Reserve	10 006	10 006
Mkhombo Nature Reserve	11 224	11 224
Barberton Phase 3 Nature Reserve	19 558	19 558

Figures in Rand	31 March 2025	31 March 2024 *Restated*

Name of the Nature Reserve	31 March 2025 Square meters	31 March 2024 Square meters
Manyeleti Nature Reserve	22 563	22 563
Loskop Dam Nature Reserve	23 610	23 610
Blyde River Canyon Nature Reserve	27 290	27 290
Songimvelo Nature Reserve	46 320	46 320
Total	**217 261**	**217 261**

9. BIOLOGICAL ASSETS

NON-FINANCIAL INFORMATION: QUANTITIES

The MTPA performs a scientific calculation or game census every three years on animals that can easily be counted from the air and for specific sections of the Nature Reserves depending on the allocated budget and funding available. The MTPA does not perform counts on small animals, insects, birds and freshwater biodiversity.

The last census done on biological assets was carried out in the 2019 calendar year. Thereafter, scientific calculations were done in order to compute approximate numbers of biological assets on hand for each financial year. The latest scientific calculation was done in March 2025 in order to compute the approximate numbers of biological assets on hand for the 2025 reporting period. Movements in biological assets are clearly visible in the tabulated disclosure below.

The following methodology is applied during the count. Projected game totals are calculated by multiplying the known projected totals of species with the acceptable population parameters, specifically the population growth.

Species	Estimated head count 2025	Estimated head count 2024
Giraffe	119	140
Kudu	638	606
Eland	245	221
Nyala	153	106
Bushbuck	144	142
Duiker	133	112
Steenbok	21	14
Klipspringer	79	57
White Rhino	41	38
Elephant	174	133
Hippo	46	51
Buffalo	335	319
Zebra	1178	1345
Ostrich	32	30
Warthog	89	105
Bushpig	46	53
Waterbuck	195	189
Sable	72	72
Tsessebe	15	15
Red hartebeest	258	258

Figures in Rand	31 March 2025	31 March 2024 *Restated*
Species	**Estimated head count 2025**	**Estimated head count 2024**
Mountain reedbuck	334	324
Common reedbuck	29	36
Oribi	44	45
Gray rhebuck	190	157
Blue wildebeest	975	975
Impala	877	877
Black wildebeest	489	481
Sprinbok	135	127
Blesbok	2176	2148

The MTPA's main mandate is to provide for the sustainable management and promotion of tourism and nature conservation in the Mpumalanga Province and to ensure the sustainable utilisation of natural resources. As part of this mandate, the MTPA is responsible for biodiversity conservation in defined protected areas and the biological assets consist of a large variety of species.

The MTPA does not intervene in ecosystems. The Nature Reserves are home to different species of animals where all inhabitants of an ecosystem coexist without human interference.

Biological assets consist of wild animals managed for conservation purposes. This management is, however, not an agricultural activity as the main objective is not to harvest (or produce additional biological assets for harvest) but manage and maintain a specific environment as a whole. Hence such assets cannot be accounted for using the principles of GRAP 27. Hence the MTPA has accounted for these assets in accordance with the principles and interpretations of GRAP 17.

Based on the Framework for the Preparation and Presentation of the Annual Financial Statements and GRAP 17, these assets meet the definition of an asset but do not meet the recognition criteria relating to reliable measurement. The MTPA cannot reliably measure the values of biological assets as they are not of a nature that can be easily counted with a level of certainty. Valuations are not easily available as the assets are kept for conservation purposes, and the parks cannot keep up with births, deaths and migrations of wildlife. As the biological assets cannot be counted, it is impossible to calculate gains and losses in biological assets during the year.

The MTPA does not recognise its biodiversity assets as they do not meet the recognition criteria, but only discloses the game census results as additional disclosure for the benefit of users to the Annual Financial Statements.

10. PAYABLES FROM EXCHANGE TRANSACTIONS

Trade payables from exchange transactions	41 847 201	31 001 971
Contractual retention	1 558 183	126 157
Salary control accounts	11 555 677	5 284 743
Other payables - accruals*	11 589 709	7 325 256
Deposits received	200 044	200 044
	66 750 814	**43 938 171**

Included in other payables is an amount of R6.5m **(March 2024: R5.6m)** of bonus provision.

Figures in Rand	31 March 2025	31 March 2024 *Restated*

11. PAYABLE FROM NON-EXCHANGE TRANSACTIONS

Surplus payable to Provincial Revenue Funds	16 210 755	16 210 755

The balance relates to surplus funds from the 2023/24 financial year which were required to be surrendered to the Provincial Revenue Fund in accordance with Section 53(3) of the PFMA.

12. LONG-SERVICE AWARDS

Opening balance as previously reported	13 115 838	12 977 241
Movements	3 118 374	138 597
Closing balance	**16 234 212**	**13 115 838**
Short term portion	1 369 249	1 237 397
Long term portion	14 864 963	11 878 440
Closing balance	**16 234 212**	**13 115 838**

The provision relates to a long-term portion of amounts due to employees over a period between 10-40 years of service. The obligation will be settled upon completion of each five-year period of employment. MTPA assumes a staff loss percentage based on the previous year's results. The average future rate increase is 2.70% **(2024: 5.30%)**.

In September 2023, the MTPA integrated the employees of Zithabiseni into the MTPA as new employees. No prior year adjustments were necessary, as the first monetary obligation arises only after 10 years of continuous service.

13. PROVISIONS

Opening balance	1 530 668	1 391 728
Raised/(utilised)	291 446	138 940
	1 822 114	**1 530 668**

The annual leave pay accrual consists of the valued leave as at reporting date, which accrues in terms of the Basic Conditions of Employment Act. The Entity allows its employees to accumulate annual leave to a maximum of one year's allocation of 30 days' annual leave per employee. The Entity remains liable to pay out an amount equal to the leave balance at the current rate of remuneration.

Prior year capped leave accrual was either taken or forfeited by staff.

14. PROJECT LIABILITIES

Community Benefit Sharing (CPA)@	48 722	48 722
Mzinti Conservation Fund@	197 328	181 249
LG SETA Project	7 099	-
Tourism Monitors**	174 341	172 256
Land User Incentive (LUI) project t	9 873 175	9 322 314
National Skills Fund	1 142 699	-
	11 443 364	**9 724 541**

@Relates to co-management with claimant communities where settlement and co-management agreements have been concluded.

**Funds from the National Department of Tourism for the Tourism Monitors learnerships project.

Figures in Rand	31 March 2025	31 March 2024 *Restated*

15. SERVICE CONCESSION REALISATION OF CONCESSION LIABILITIES

Concession service - liabilities	-	708 083
Service concessions - short-term	-	(708 083)
Service concessions - long-term	**-**	**-**

16. SALE OF GOODS

Nursery	139 974	7 880
Permit sales	2 247 512	2 069 508
Hiking Trails	3 803 190	3 632 275
	6 190 676	**5 709 663**

17. RENDERING OF SERVICES

Accommodation	3 200 618	2 188 567
Entrance fees	58 916 831	52 632 675
	62 117 449	**54 821 242**

18. CONCESSION FEES

Operating grants		
Concessions	9 665 263	8 976 677

Concessionaires are private operators who render tourism services within the MTPA's Nature Reserves. The MTPA has a standard framework that governs the handling of private operators. As per the framework, the concessionaire is expected to pay the higher of (i) the minimum concession fee and (ii) the variable concession fee for the period.

The variable fee percentage varies per concession and is dictated by the concession contract. Concessionaires pay the MTPA a monthly fee as per the contract. At the end of the financial year, using the concessionaire's audited Annual Financial Statements, the final fee payable is calculated using the formula disclosed above. Where audited Annual Financial Statements were not received, estimates were used.

Where the monthly fee resulted in the concessionaire having exceeded the calculated amount, the MTPA will reimburse the concessionaire. Where the monthly fee resulted in the concessionaire having paid less money during the year, the concessionaire will be billed the difference top-up fee. In both cases, the gross revenue receivable is adjusted accordingly in the Statement of Financial Performance.

Figures in Rand	31 March 2025	31 March 2024 *Restated*

19. OTHER OPERATING INCOME

Rental income	466 885	487 089
Recoveries	118 619	129 009
Wildlife income	3 465 524	2 174 030
Sundry income	5 339 171	6 833 081
	9 390 199	**9 623 209**

SUNDRY INCOME

Department of Science and Technology (DST) funds	700 000	700 000
SANBI Groen Sebenza	66 902	1 060 967
African Global	-	105 000
Realisation of concession revenue	-	708 085
Other income**	4 572 269	4 259 029
	5 339 171	**6 833 081**

**Included in other income is the income from Grouplife of R 1.3k.

20. INTEREST RECEIVED

Interest received	1 412 462	3 168 548

21. REVENUE FROM NON-EXCHANGE TRANSACTIONS

Grant received	417 502 000	443 314 000

CONDITIONAL GRANT AND OTHER

Conditional grant - Expanded Public Works Programme (EPWP)	2 438 000	2 708 000
Special allocation	92 000 000	83 984 000
SANBI	-	917
CATHSETA	9 100 521	1 385 740
	103 538 521	**88 078 657**

22. REVENUE FROM NON-EXCHANGE TRANSACTIONS

Assets received in kind	51 090 523	-

The Mpumalanga Tourism and Parks Agency (MTPA) required the installation of perimeter fencing at the Mdala Nature Reserve to enhance the management and protection of the area. To support this initiative, the Department of Agriculture, Rural Development and Environmental Affairs undertook the project on behalf of the MTPA.

The Department managed and executed all aspects of the project, including supply chain processes, installation and construction. Once completed, the asset was formally handed over to the MTPA.

Figures in Rand	31 March 2025	31 March 2024 *Restated*

The total cost of the project, amounting to R51 090 522.65, was borne by the Department. The transfer of the completed asset was effected in accordance with Section 42 of the Public Finance Management Act, 1999 (Act No. 1 of 1999, as amended), and the asset was duly recognised in the records of the MTPA.

23. COMPENSATION OF EMPLOYEES

Basic	324 069 781	258 986 513
Bonus	13 902 388	12 132 731
Bonds	11 392 937	9 753 726
Acting allowance	5 246 111	3 595 988
Standby Allowance	4 951 264	3 635 070
Danger allowance	687 647	420 696
Overtime payments	13 507 098	14 201 796
UIF	1 367 354	1 301 576
Skills development levy	3 739 664	3 136 795
Gratuity	-	749 352
Provident fund	32 083 992	26 530 065
Pension fund (GEPF)	6 209 688	6 211 835
Group life	24 017 831	21 975 967
Medical aid - company contributions	23 353 367	20 872 551
Long-service awards	4 433 047	2 096 769
Leave paid and accrual	1 533 819	1 663 347
Partnership Basic	8 916 912	3 699 127
Partnership Overtime payments	13 530	-
Partnership UIF	93 249	44 082
Partnership Skills Development Levy	92 511	266 128
	479 612 190	**391 274 114**

24. INTEREST EXPENSE

Interest expense	43 945	20 992

25. OPERATING EXPENSES

Animal feed	162 500	150 000
Auditor’s remuneration - external audit fees	6 564 399	4 701 060
Auditor’s remuneration - internal audit fees	596 423	1 575 822
Bank charges	39 363	197 610
Board emoluments and travelling allowance	6 021 961	4 888 833
Catering expenses	207 778	128 929
Cleaning and consumables	2 323 041	2 139 893
Courier and delivery expenses	400	-
Conference and venue	-	190 837
Loss on disposal of assets	40 933	1 043 441

Figures in Rand	31 March 2025	31 March 2024 *Restated*
Gas bottle refill	111 595	301 938
HR-related costs	16 866 707	15 984 507
Insurance	4 772 871	3 206 057
Loss of revenue	-	-
Licences and registrations	2 323 427	2 884 674
Legal fees	7 903 138	9 173 649
Motor expenses - fuel and oil	4 247 353	3 658 642
Municipal - electricity	12 653 183	9 667 871
Municipal - rates and taxes	1 028 133	2 055 315
Operating lease rentals	2 961 093	2 619 565
Pastel Evolution and VIP systems	358 857	232 473
Printing and stationery	815 343	1 056 721
Programme costs	42 752 587	38 058 171
Provision for bad debts	-	328 987
Expenditure on behalf of partnerships (DST; Environmental Monitors; and Cathsseta) and Ring-fenced	6 714 420	17 388 165
Security	17 787 359	16 409 583
Small tools	7 473	14 000
Subscriptions and membership fees	6 494 224	5 123 592
Telephone costs	780 644	583 005
Travel - accommodation	1 291 147	1 480 626
Consulting and professional fees	3 818 327	6 817 068
Billing charges	72 389	9 274
	149 717 068	**152 070 308**

26. REPAIRS AND MAINTENANCE

Building	70 985	33 053
Offices	17 126	157 377
Computers	201 783	170 306
Equipment	79 606	26 539
Garden & pest control	70 022	4 155
Infrastructure	2 253 463	2 666 044
Motor expenses	2 317 764	2 679 407
	5 010 749	**5 736 881**

27. IMPAIRMENT OF ASSETS

Property, plant and equipment	-	1 444 024

Figures in Rand	31 March 2025	31 March 2024 *Restated*

28. CASH (USED IN) GENERATED FROM OPERATIONS

Surplus/(Deficit) per the Statement of Financial Performance	(10 007 240)	24 160 278
ADJUSTMENTS FOR:		
Depreciation and amortisation	36 530 381	31 268 957
Loss on sale of heritage assets	-	7 716 442
Loss on disposal of assets	40 933	1 043 441
Provision for short term service awards	131 851	(568 188)
Donation - Service concession assets	-	(708 085)
Assets received in kind	(51 090 523)	-
PPE (non cash)	(7 847 908)	(2 393 053)
Unreconcile amount from PPE	1 122 312	1 624 122
Impairment loss - Building	-	1 444 024
Stock adjustment	(225 160)	(260 319)
Provision for bad debts	(442 101)	328 987
Provision for long term service awards	2 986 523	706 783
Leave provision	291 447	138 939
CHANGES IN WORKING CAPITAL:		
Inventories	1 042 163	(1 143 589)
Receivables from exchange transactions	2 649 014	(2 019 452)
Other receivables from non-exchange transactions	(398 828)	(3 248 808)
Payables from exchange transactions	22 812 644	6 795 676
	(2 404 492)	**64 886 155**

29. CONTRIBUTION FROM OWNERS

Closing balances from Mpumalanga Tourism Authority and Mpumalanga Parks Board	70 015 412	70 015 412

30. TRANSFER OF FUNCTIONS BETWEEN ENTITIES UNDER COMMON CONTROL

TRANSFER OF FUNCTIONS BETWEEN ENTITIES UNDER COMMON CONTROL OCCURRING DURING THE CURRENT REPORTING PERIOD

During the current reporting period, the following operational functions were transferred from Zithabiseni Resort and Conference Centre (Pty) Ltd (the transferor) to the Mpumalanga Tourism and Parks Agency (MTPA) (the acquirer). The transfer formed part of a Provincial Government restructuring initiative aimed at enhancing service delivery, improving operational efficiency and aligning the management of tourism-related functions and state-owned assets under a single coordinating Entity.

Zithabiseni Resort and Conference Centre (Pty) Ltd operates as a Provincial Tourism facility and offers a range of business and leisure services, including conferencing, hospitality and nature-based activities.

Figures in Rand	31 March 2025	31 March 2024 *Restated*

ENTITIES INVOLVED

- Transferor: Zithabiseni Resort and Conference Centre (Pty) Ltd
- Acquirer: Mpumalanga Tourism and Parks Agency (MTPA)

NATURE OF THE FUNCTIONS TRANSFERRED

The functions transferred primarily relate to the management and operation of the Zithabiseni Resort and Conference Centre (Pty) Ltd, that is property maintenance, finance and human resources management, hospitality, leisure, marketing and business management. The business management function offers the following amenities: Conference facilities, Braai lapa, Swimming pools, Picnic area, fully licensed Restaurant and Bar.

Other tourism-related activities are game viewing and hiking trails, previously overseen by Zithabiseni. The intention was to consolidate tourism assets and services under a single Provincial Tourism authority to promote strategic alignment and efficiency.

NATURE OF THE FUNCTIONS TRANSFERRED

The functions transferred relate to the complete operational management of the Zithabiseni Resort and Conference Centre (Pty) Ltd. These include:

- Property and infrastructure maintenance
- Financial administration
- Human resources management
- Tourism and leisure marketing
- Hospitality and business services, including:
  - Conference facilities
  - Braai lapa
  - Swimming pools
  - Picnic areas
  - Licensed Restaurant and Bar

Tourism-related activities such as game viewing and hiking trails were also transferred. These functions were previously managed by Zithabiseni Resort and Conference Centre (Pty) Ltd and are now operated and overseen by MTPA to promote strategic integration across Provincial Tourism assets.

REASON FOR THE TRANSFER

The transfer formed part of a broader government strategy to consolidate the management of state-owned assets under one management authority for effective management and to ensure integrated planning, development and marketing in the domestic and international market.

ASSETS AND LIABILITIES TRANSFERRED

Catagory	Amount (Rands)
Property, Plant & Equipment	31 007 697
Net Assets Transferred	**31 007 697**

Figures in Rand	31 March 2025	31 March 2024 *Restated*

ACCOUNTING POLICY APPLIED

The transfer of functions between entities under common control was accounted for in accordance with GRAP 105, using the carrying amounts of the assets and liabilities at the date of transfer. No goodwill or gain from bargain purchase was recognised.

The transfer was finalised on Monday, 01 April 2024.

31. STATEMENT OF CONTINGENT LIABILITIES FOR THE PERIOD ENDING 31 MARCH 2025

31 MARCH 2025

	Opening balance 01 April 2024	Withdrawal	The estimated financial exposure	Estimated settlement amount paid	Closing balance as at 31 March 2025
Others	1 082 330 740	-	395 821 260	-	1 478 152 000
Banele G Lubisi	7 000 000	-	-	-	7 000 000
June Mica Ngoza	5 000 000	-	-	-	5 000 000
Alleged cases	2 267 658	-	-	-	2 267 658
Maria E Mathebula	-	-	200 000	-	200 000
Small Claims Court	-	-	87 400	-	87 400
	1 096 598 398	**-**	**396 108 660**	**-**	**1 492 707 058**

It was impracticable to determine a best estimate for the contingent liabilities as disclosed in the Annual Financial Statements and, as such, management has disclosed the amounts per the summons.

31 MARCH 2024

	Opening balance 01 April 2023	Withdrawal	The estimated financial exposure	Estimated settlement amount paid	Closing balance as at 31 March 2024
Others	740 000 000	-	342 330 740	-	1 082 330 740
Banele G Lubisi	7 000 000	-	-	-	7 000 000
June Mica Ngoza	-	-	5 000 000	-	5 000 000
Alleged cases	1 199 344	-	1 068 314	-	2 267 658
	748 199 344	**-**	**348 399 054**	**-**	**1 096 598 398**

In the period under review, a total of 28 legal court cases form part of the MTPA's updated Legal Case Register. About 20 of those legal court cases are active, with 8 not active.

The total legal fees incurred amount to about **R2 137 198**.

Fred Daniel Case A: Case No. 34502/2010 in the Gauteng Division, High Court in Pretoria:

This court case, which is fully cited as **Grand Valley Estates and 11 others versus Mpumalanga Tourism and Parks Agency & 24 others: Case No. 34502/2010**, has been instituted by one businessman, namely Mr Frederick Coenraad Daniel & 11 others, against various governmental bodies in the North Gauteng High Court in Pretoria in 2010.

Figures in Rand	31 March 2025	31 March 2024 *Restated*

The case is being defended through the Office of the State Attorney in Pretoria. This court case involves 12 plaintiffs (parties instituting the action), which are mostly companies associated with Mr Daniel and a few of his individual fellow business associates. It has 25 defendants, which include various National and Provincial Government departments, state entities, state officials and individuals. The National department cited in the matter is Environmental Affairs; the provincial department cited is Agriculture and Land Affairs; and state entities cited include MTPA, Regional Land Claims Commissioner: Mpumalanga Province and the National Commissioner of the South African Police. Most state officials and individuals are sued herein in vicarious liability as at all times they were acting within the course and scope of their duties in relation to the allegations made against them.

The cause of action set out in the plaintiffs' recently amended particulars of claim in the summons is broadly alleged to be the claim of damages for alleged wrongful, unlawful, intentional conduct of the defendants and the breach of the duty of care by the defendants towards the plaintiffs.This is alleged to have resulted in the loss of opportunity to develop and commercialise Nkomazi Wilderness and Travelport in Badplaas, a project that was set to be a big five eco-tourism game reserve attracting upmarket tourists and international investors. As a result of the defendants' alleged wrongful and unlawful conduct as well as their breach of duty of care towards the plaintiffs, the plaintiffs allege that they have suffered loss of profit valued to the sum of R812 million as well as loss in respect of vacant project land valued to the sum of R665 million as of 28 February 2025.

The total amount sued for, as contained in the issued summons as amended, is **R1 478 152 000.00**, which is jointly and severally payable by all the defendants to the plaintiffs.

Until after 05 December 2024, following the last amendment to their particulars of claim, the plaintiffs initially claimed the sum of **R1 082 330 740.00** as damages, jointly and severally payable by all the defendants to the plaintiffs. Out of that amount, the portion computed to be payable by the MTPA was **R1 080 550 000**. Whereas, originally, when the summons were first issued out for the first time, the sum of **R740 million** was the amount computed to be payable by the MTPA.

Only once the court decides on the matter shall it be certain as to how much the MTPA is liable for. Similarly, only after the finalisation of the court case shall it be known what legal costs, if any, will be payable by the MTPA and other defendants.

The trial on this court case has started afresh since 20 January 2025. It is set down for trial until 20 June 2025. The trial continues. Thus far, the plaintiffs have called 8 witnesses to give evidence on their behalf. The plaintiffs still intend to call about 4 more witnesses before closing their case. On 28 March 2025 the trial was adjourned until 05 May 2025 for the court recess.

The legal fees incurred and paid in this matter thus far are more than **R14.7 million.** The current outstanding legal fees are **R15.5 million.** The MTPA has made a payment arrangement with the Department of Justice (DoJ) of reasonable monthly instalments towards settling these owing legal fees. The future payable fees are not known but would be substantial given the complex nature of this matter and the likely period it may take to finalise this court case. The legal fees incurred in this case are not affordable for the MTPA.

Banele Gcina Lubisi versus the MTPA: Case No. 1233/23, High Court, Mpumalanga Division, Mbombela Main Seat – On 22 March 2023, the MTPA received the issued summons from the Sheriff of the Court for this court action against the MTPA. The action is for the alleged assault on the plaintiff by the MTPA's officials based at Tonga in August 2022 in an incident relating to illegal trade in fish on the streets and illegal fishing.

The MTPA is sued for **R7 million** in vicarious liability for the actions of its officials done when they were carrying out their official duties.

Figures in Rand	31 March 2025	31 March 2024 *Restated*

Based on its initial assessment of the matter, the MTPA has elected to defend the action. In this regard, the MTPA has appointed its legal representatives to enter an Appearance to Defend. Further, the MTPA has approved that the appointed legal representatives may enlist the services of counsel if necessary.

After the lawyer consulted with the employees concerned, it was established that the plaintiff traded illegally in fish on the streets in Tonga on the day in question. When the peace officers from the MTPA (our concerned or involved officials) effected his arrest in respect of such illegal trading, he resisted arrest, which led to the necessary use of force that resulted in him suffering some bodily injuries.

The MTPA has since filed its plea. The discovery process will soon commence. The MTPA legal team believes that the arrest was lawful, and the use of force was necessary. However, the jury is out whether or not such use of force was excessive in the circumstances, as to constitute illegality warrant an award of damages as claimed or otherwise. The community in the area was also involved on the day in question and was siding with the plaintiff. So, the prospectus of success are balanced. The matter will continue to be defended.

The MTPA's legal representatives have informed the MTPA that this case is set down for the 1st Case Management on the court roll of 18 September 2025 at 09:00 or soon thereafter.

Incurred legal fees to date are the sum of **R12 220.76**. The future legal fees and legal costs are unknown.

June Mica Ngoza v MTPA: High Court, Mpumalanga Division, Mbombela: Case No. 850/2024

On 14 March 2024, the MTPA received new summons that the plaintiff issued at the High Court in Mbombela suing the MTPA for damages in the sum of **R5 million** following an attack by a stray leopard at his homestead in Matsalu, Ehlanzeni District, Mpumalanga. As a result, he claims that he has suffered personal physical injuries and emotional shock. In addition, he claims that his earning capacity has diminished because of injuries sustained in the attack. The MTPA is defending the matter.

An exception application was successfully moved, resulting in a court order requiring the plaintiff to amend his particulars of claim (POC) as they previously did not disclose a cause of action to which the MTPA could plead. The plaintiff became compelled to amend his POC and the MTPA prepared and filed its plea to the amended POC.

Maria Esnat Mathebula v Mpumalanga Tourism and Parks Agency & Another: Case No. 1748/2024, The Magistrate's Court for the District of Mbombela, held in Mbombela

On 28 August 2024, the MTPA received summons related to an alleged unlawful arrest and detention claim for damages in the sum of **R200 000.**

Apparently, on 8 March 2024, at Maggugu Road in Mbombela, Mr R. L. Mdluli, an employee of the MTPA, while on duty, found one Ms Maria Esnat Mathebula (plaintiff), on the street in possession of fish that were suspected to have been obtained through illegal fishing in contravention and violation of the Mpumalanga Nature Conservation Act 10 of 1998 (MNCA). On a few previous occasions, the MTPA officials had warned her about her illegal practice of selling fish that had not been obtained in keeping with the permit she possessed, which is for angling, not catching fish in a net. Mr Mdluli effected the arrest of the plaintiff in line with the MNCA. She was detained at Nelspruit Police Station and criminal charges were preferred against her. However, later the criminal case was withdrawn against her by the NPA and she was released from detention.

Ms Mathebula has since filed summons against the MTPA and SAPS suing for damages for unlawful arrest and unlawful detention.

The MTPA is sued in vicarious liability for the actions of its official done when he was carrying out his official duties when he effected the arrest.

Figures in Rand	31 March 2025	31 March 2024 *Restated*

Plaintiff is claiming R200 000 for damages for unlawful detention, unlawful arrest, infringement of human dignity and deprivation of liberty.

Based on the assessment of the matter, the MTPA has elected to defend this action. In this regard, the MTPA has, therefore enlisted the services of its attorneys to handle the matter. The attorneys consulted with the concerned employees and have since prepared and filed the Plea to the issued summons. Further, they have provided a legal opinion on the merits of the matter. The opinion indicates that the MTPA has good prospectus of success in defending the matter.

The exchange of pleadings continues, after which the trial date will be allocated.

Small Claims Court claims against the MTPA at Elukwatini Magistrate's Court, Mpumalanga

The MTPA has been served with several letters of demand/summons (J933) in relation to claims filed by the farmers whose crops have been damaged by elephants which are believed to have come from the Songimvelo Nature Reserve (SNR/the Nature Reserve). These matters have been instituted at the Small Claims Court in Elukwatini Magistrate's Court.

The court hearing was initially scheduled for the 29 November 2024 but has been postponed to 17 January 2025. Unfortunately, we are informed that legal representation is not allowed in Small Claims Court. Therefore, one senior manager or reserve manager from Biodiversity, with the guidance of the Legal Services team, will have to attend the hearing on the new date, 17 January 2025. Below is a list of the plaintiffs involved in these matters:

- Ntombefuthi Florah Mkhonza // Mpumalanga Tourism and Parks Agency **(claimed amount R9 200)**
- Jaulane Sam Mdawe // Mpumalanga Tourism and Parks Agency **(claimed amount R9 200)**
- Phineas Nhlabathi // Mpumalanga Tourism and Parks Agency **(claimed amount R9 200)**
- Isaiah Vusi Nkosi // Mpumalanga Tourism and Parks Agency **(claimed amount R9 200)**
- Obed Bafana Mathebula // Mpumalanga Tourism and Parks Agency **(claimed amount R9 200)**
- Velly Khoza // Mpumalanga Tourism and Parks Agency **(claimed amount R4 600)**
- Folly Jaybee Msibi // Mpumalanga Tourism and Parks Agency **(claimed amount R13 800)**
- Vina Nomasonto Mavuso // Mpumalanga Tourism and Parks Agency **(claimed amount R9 200)**
- Mfan'uzile July Matsebula // Mpumalanga Tourism and Parks Agency **(claimed amount R13 800)**

The preliminary view, that we hold regarding these matters is that the *res nullius* rule is applicable in these matter, meaning that the Agency arguably bears no direct liability for the actions of the elephants. Such will be advanced as the defence of the MTPA when the matter commences, together with the contributory negligence factor on the part of the farmers, as they have no proper fence even themselves and have placed their fields close to the boundary of the reserve, thus endangering their produce or crops.

The case was initially placed on the roll for hearings on 14 March 2025 and 28 March 2025. On 28 March 2025, the court has encouraged both parties to attempt settling the matter out of court before the next hearing. The matter has been postponed to 30 April 2025 to allow engagements between the MTPA and the MEC of the Department of Economic Development and Tourism aimed at possible settlement or compensation to the claimants.

Labour/employment-related court cases

An employee (Jan Muller) is claiming **R2 267 657.93** against the MTPA, allegedly for breach of his employment contract occasioned by incorrect calculation and/or payment of the disability benefit. If the employee is successful, the service provider would have to ultimately pay whatever is found to have been incorrectly paid. This court case is ongoing. The trial date is awaited. The legal fees incurred thus far are in the sum of **R699 784.51**. The future legal fees and legal costs are unknown.

Figures in Rand	31 March 2025	31 March 2024 *Restated*

A retired employee of the MTPA (B Shoba) has approached the Labour Court, Johannesburg, for an order directing the MTPA to compensate him for alleged constructive dismissal. The MTPA is opposing this court case as the employee took an early retirement on his own volition and refused to reconsider his decision when engaged to do so. His application is therefore without merit. The date of hearing is awaited.

Different plaintiffs instituted several court cases at the Labour Court of South Africa against the MTPA following alleged unfair dismissals and unfair labour practices. However, those cases have not been pursued for a long time. There has been no activity in respect of those cases during the period under review.

With regard to the two court cases instituted by the South African Tourism Board against the MTPA for payment for services rendered, the MTPA settled the capital amounts for services rendered. The legal costs are not yet settled and amount to R8 688.63. There are no legal fees incurred. Tourism has to requisition the payment of these costs. May Finance assist Tourism to have this amount of R8 688.63 paid at once so that we can remove these cases as contingencies.

32. RELATED PARTIES

The MTPA was established by the Mpumalanga Provincial Government to promote Mpumalanga as a tourism destination in the local and international markets, as well as for biodiversity conservation. The MTPA reports directly to the Department of Economic Development and Tourism (DEDT). Nelspruit Development Trust is a controlled Entity as the majority of the trustees are former MTPA board members. There are no related party transactions.

The following entities are also considered related parties due to being under the same MEC portfolio:

- MEGA
- Mpumalanga Economic Regulator
- Special Economic Zone

Executive Management and Board Members (refer to note 30) are also considered related parties to the MTPA. The Executive Management Committee consists of:

Chief Executive Officer	Mr. Vilakazi MH*
Acting Chief Executive Officer	Mr. Mohlala MJ (Acting from 02 August 2024 to date)
Acting Chief Financial Officer	Ms. Ngobeni F (Seconded from 01 May 2023 to 31 December 2024)
Acting Chief Financial Officer	Ms. Mabuza Z (Seconded from 01 January 2025 to date)
Executive Manager: Corporate Services	Mr. Zwane JA*
Acting Executive Manager: Corporate Services	Mr. Shungube S (Acting)
Executive Manager: Biodiversity Conservation	Ms. Kunene N*
Acting Executive Manager: Biodiversity Conservation	Mr. Malaza B (Acting)
Executive Manager: Commercialisation	Ms. Qutywa P
Executive Manager: Tourism	Mr. Mtungwa NK
Company Secretarial	Mr. Zitha L
Related private company	Zithabiseni Resort and Conference Centre (Pty) Ltd

*Suspended pending the outcome of an ongoing investigation

Figures in Rand	31 March 2025	31 March 2024 *Restated*

EXECUTIVE MANAGEMENT COMMITTEE REMUNERATION

31 MARCH 2025	Acting Allowance	Salary	Total
Chief Executive Officer	-	2 860 654	2 860 654
Acting Chief Executive Officer*	229 870	-	229 870
Acting Chief Financial Officer**	1 331 103	-	1 331 103
Acting Chief Financial Officer***	163 773	-	163 773
Executive Manager: Corporate Services	-	2 324 080	2 324 080
Executive Manager: Biodiversity Conservation	-	2 324 824	2 324 824
Executive Manager:Tourism	-	2 453 813	2 453 813
Executive Manager: Commercialisation	-	2 453 761	2 453 761
Company Secretary	-	1 776 058	1 776 058
Acting Executive Manager: Corporate Services	5 137	-	5 137
Acting Executive Manager: Biodiversity Conservation	5 137	-	5 137
	1 735 020	**14 193 190**	**15 928 210**

*Acting in the CEO's absence
** Seconded from DARDLEA
*** Seconded from DEDT

31 MARCH 2024	Acting Allowance	Salary	Other benefits***	Total
Acting Chief Executive Officer*	41 101	1 753 808	16 000	1 810 909
Chief Financial Officer*	-	636 374	8 000	644 374
Executive Manager: Corporate Services@@	-	40 267	-	40 267
Executive Manager: Biodiversity Conservation@@	-	44 276	-	44 276
Executive Manager: Tourism	-	1 846 652	18 000	1 864 652
Executive Manager: Commercialisation	-	1 867 717	16 000	1 883 717
Acting Chief Financial Officer**	1 439 420	-	-	1 439 420
Company Secretary	-	1 406 960	4 000	1 410 960
Acting Executive Manager: Tourism&	23 084	-	-	23 084
Executive Manager: Corporate Services@	95 289	1 044 569	6 000	1 145 858
Executive Manager: Biodiversity Conservation#	95 289	1 040 802	8 000	1 144 091
	1 694 183	**9 681 425**	**76 000**	**11 451 608**

* The Chief Executive Officer was appointed on the 1st August 2023
**Secondment of the Acting Chief Financial Officer effective from 01 May 2023
@Executive Manager: Corporate Services was appointed effective from 01 September 2023
@@ Contract ended
& Ms K Nkambule was acting during the period while the Executive Manager was on special leave.
#Executive Manager: Conservation was appointed effective from 01 September 2023

Figures in Rand	31 March 2025	31 March 2024 *Restated*
RELATED PARTY TRANSACTIONS		
Department of Economic Development and Tourism (DEDT) - Grant received	417 502 000	443 314 000
Department of Economic Development and Tourism (DEDT) - (Conditional grant) EPWP*	2 438 000	2 708 000
Department of Economic Development and Tourism (DEDT) - Special Allocation	92 000 000	83 984 000
Zithabiseni Resort and Conference Centre (Pty) Ltd - Transfers	-	12 519 709
	511 940 000	**542 525 709**

* Expanded Public Works Programme (EPWP)

33. BOARD MEMBERS AND EXECUTIVE MANAGEMENT EMOLUMENTS

BOARD MEMBERS

31 MARCH 2025	Cellphone Allowance	Fees	Travel and subsistence	Total
Mr. Mashego V (Chairperson)	12 000	700 308	37 051	749 359
Ms. Sithole S (Deputy chairperson)	12 000	480 690	7 383	500 073
Dr. Khumalo ME	12 000	388 485	8 427	408 912
Ms. Dludla GL	12 000	333 519	1 102	346 621
Ms. Diputla LE	12 000	424 530	30 075	466 605
Mr. Sibanyoni B	12 000	499 125	33 474	544 599
Mr. Lubisi SW	12 000	474 375	12 514	498 889
Ms. Nkosi TJ	11 000	401 756	16 021	428 777
	95 000	**3 702 788**	**146 047**	**3 943 835**

31 MARCH 2024	Cellphone Allowance	Fees	Travel and subsistence	Total
Mr. Mashego V (Chairperson)	12 000	625 771	47 280	685 051
Ms. Sithole S (Deputy chairperson)	12 000	437 951	21 853	471 804
Dr. Khumalo ME	12 000	323 845	16 045	351 890
Ms. Dludla GL	12 000	282 610	3 660	298 270
Ms. Diputla LE	12 000	353 245	24 011	389 256
Mr. Sibanyoni B	12 000	393 316	45 130	450 446
Mr. Lubisi SW	12 000	386 730	20 890	419 620
Ms. Nkosi TJ	12 000	372 670	24 102	408 772
	96 000	**3 176 138**	**202 971**	**3 475 109**

Figures in Rand	31 March 2025	31 March 2024 *Restated*

AUDIT COMMITTEE

31 MARCH 2025	Cellphone Allowance	Fees	Travel and subsistence	Total
Ms. Tonjeni MS (Chairperson)	12 000	268 125	5 311	285 436
Ms. Mbatha TH	12 000	172 215	-	184 215
Ms. Oyiya NZ	11 000	433 540	20 919	465 459
Mr. Masipha RB	12 000	453 750	16 026	481 776
Mr. Carrim W	12 000	176 220	-	188 220
Mr. Nkanyane HH (Chairperson of Risk Committee)	12 000	216 730	-	228 730
Mr. Ndaba SL (Chairperson of ICT Committee)	12 000	232 290	-	244 290
	83 000	**1 952 870**	**42 256**	**2 078 126**

31 MARCH 2024	Cellphone Allowance	Fees	Travel and subsistence	Total
Ms. Tonjeni MS (Chairperson)	11 000	152 395	-	163 395
Ms. Mbatha TH	11 000	78 055	-	89 055
Ms. Oyiya NZ	12 000	362 400	30 427	404 827
Mr. Masipha RB	12 000	388 341	24 065	424 406
Mr. Carrim W	11 000	95 230	-	106 230
Mr. Nkanyane HH (Chairperson of Risk Committee)	12 000	121 026	10 701	143 727
Mr. Ndaba SL (Chairperson of ICT Committee)	7 000	75 085	-	82 085
	76 000	**1 272 532**	**65 193**	**1 413 725**

TOTAL BOARD EMOLUMENTS

	31 MARCH 2025	31 MARCH 2024
Total board emoluments	3 943 835	3 475 109
Total audit committee remuneration	2 078 126	1 413 725
Travel and accommodation	840 797	854 941
	6 862 758	**5 743 775**

Figures in Rand	31 March 2025	31 March 2024 *Restated*

EXECUTIVE MANAGEMENT COMMITTEE REMUNERATION

31 MARCH 2025	Acting Allowance	Salary	Travel and Subsistence	Total
Chief Executive Officer	-	2 860 654	57 066	2 917 720
Acting Chief Executive Officer*	229 870	-	-	229 870
Acting Chief Financial Officer**	1 331 103	-	-	1 331 103
Acting Chief Financial Officer***	163 773	-	-	163 773
Executive Manager:Corporate Services	-	2 324 080	22 577	2 346 657
Acting Executive Manager:Corporate Services	5 137	-	-	5 137
Executive Manager:Tourism	-	2 453 813	51 526	2 505 339
Executive Manager: Biodiversity Conservation	-	2 324 824	102 749	2 427 573
Acting Executive Manager: Biodiversity Conservation	5 137	-	-	5 137
Executive Manager: Commercialisation	-	2 453 761	52 393	2 506 154
Company Secretary	-	1 776 058	-	1 776 058
	1 735 020	**14 193 190**	**286 311**	**16 214 521**

*Acting in the CEO's absence
** Seconded from DARDLEA
***Seconded from DEDT

31 MARCH 2025	Acting Allowance	Salary	Travel and subsistence	Other benefits***	Total
Chief Executive Officer*	41 101	1 753 808	128 346	16 000	1 939 255
Chief Financial Officer	-	636 374	17 109	8 000	661 483
Acting Financial Officer**	1 439 420	-	-	-	1 439 420
Executive Manager:Corporate Services@	95 289	1 044 569	30 281	6 000	1 176 139
Executive Manager: Corporate Services@@	-	40 267	-	-	40 267
Executive Manager:Tourism	-	1 846 652	23 708	18 000	1 888 360
Acting Executive Manager:Tourism & Executive Manager: Biodiversity Conservation#	23 084 95 289	- 1 040 802	- 96 914	- 8 000	23 084 1 241 005
Executive Manager: Biodiversity Conservation@@	-	44 276	-	-	44 276
Executive Manager: Commercialisation	-	1 867 717	90 634	16 000	1 974 351
Company Secretary	-	1 406 960	13 926	4 000	1 424 886
	1 694 183	**9 681 425**	**400 918**	**76 000**	**11 852 526**

* The Chief Executive Officer was appointed on the 1st August 2023
**Secondment of the Acting Chief Financial Officer effective from 01 May 2023
@Executive Manager: Corporate Services was appointed effective from 01 September 2023
@@ Contract ended
& Ms K Nkambule was acting during the period while the Executive Manager was on special leave.
#Executive Manager: Conservation was appointed effective from 01 September 2023

Figures in Rand	31 March 2025	31 March 2024 *Restated*

34. RISK MANAGEMENT

FINANCIAL RISK MANAGEMENT

The MTPA's activities expose it to a variety of financial risks: market risk (including interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The MTPA has an approved risk management framework and has implemented a risk management register to mitigate identified risks.

The MTPA's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the MTPA's financial performance. Risk management is carried out under policies approved by the Accounting Authority. The Accounting Authority provides principles for overall risk management and policies covering specific areas such as foreign exchange risk, interest rate risk, credit risk and investment.

LIQUIDITY RISK

The MTPA is exposed to liquidity risk as a result of the funds available to cover future commitments. The MTPA manages liquidity risk through an ongoing review of future commitments. The MTPA manages its funds conservatively by maintaining a comfortable level of cash and cash equivalents in order to meet continuous operational needs. Cash flow forecasts are prepared and monitored.

The table below analyses the MTPA's financial liabilities into relevant maturity groups based on the remaining period at the date of the Statement of Financial Position to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

AT 31 MARCH 2025	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Payables from exchange transactions and payables from non exchange transactions	48 741 117	-	-	-
	48 741 117	**-**	**-**	**-**

AT 31 MARCH 2024	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Payables from exchange transactions and payables from non exchange transactions	33 091 823	-	-	-
	33 091 823	**-**	**-**	**-**

CREDIT RISK

The company is exposed to credit risk on financial assets, mainly attributable to cash deposits, cash equivalents and trade debtors.

The financial assets carried at cost expose the Entity to credit risk. The values of the maximum exposure to credit risk are as follows for each class of financial asset at cost.

Figures in Rand	31 March 2025	31 March 2024 *Restated*
FINANCIAL ASSETS EXPOSED TO CREDIT RISK FOR THE YEAR ENDED WERE AS FOLLOWS:		
Financial instrument		
Receivables from exchange transactions	8 671 475	11 709 650
Cash and cash equivalents	16 981 018	54 903 554

Account	Balance as at 31 March 2025 Rand	Impairment	Balance as at 31 March 2024 Rand
0 - 30 days	6 102 156	-	8 069 268
30 - 60 days	199 337	-	331 192
60 - 90 days	9 826	-	6 419
90 - 120 days	8 706	-	127 735
> 120 days	2 351 449	2 351 449	3 175 036
	8 671 475	**2 351 449**	**11 709 650**

MARKET RISK

Market risk is the risk that changes in certain market prices, such as interest rates, will affect the MTPA's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

INTEREST RATE RISK

As the MTPA has no significant variable interest-bearing assets, the MTPA's income and operating cash flows are substantially independent of changes in market interest rates.

CONCENTRATION RISK

The MTPA is exposed to concentration risk primarily through its dependence on a limited number of funding sources. A significant portion of its revenue, R511 940 000, which is 82% of total revenue, is received from the Department of Economic Development and Tourism (DEDT). This amount includes:

- A special allocation of R92 000 000, and
- An EPWP allocation of R2 438 000.

In addition to this, the MTPA also receives funding from CATHSSETA amounting to R9 100 521. This grant is specifically provided to support learnerships, training programmes and employee bursaries.

The concentration of funding from a limited number of external parties exposes the Entity to a risk of significant impact on its operations should any of these funding sources be reduced or discontinued.

Figures in Rand	31 March 2025	31 March 2024 *Restated*

35. IRREGULAR EXPENDITURE AND WASTEFUL AND FRUITLESS EXPENDITURE

Wasteful and Fruitless Expenditure	44 809	50 501
Irregular expenditure - Current	7 652 338	3 741 292
Irregular expenditure - Overspending	50 549 159	-
Closing balance	**58 246 306**	**3 791 793**

The irregular expenditure incurred in the 2023/24 reporting period has been investigated. Where applicable, criminal or disciplinary steps where applicable, are taken as a result of losses, irregular, fruitless and wasteful expenditure. The detailed breakdown of the irregular expenditure incurred in the period is disclosed in Part E of the Annual Report.

36. COMMITMENTS UNDER OPERATING LEASES

The MTPA rents administrative buildings from Primkop Airport Management and Dullstroom Heritage Society, as well as photocopier machines from Databox Technologies.

Minimum lease payments under operating leases recognised as an expense during the year	2 377 542	1 781 691
	2 377 542	**1 781 691**

OPERATING LEASES OFFICE RENTAL AND EQUIPMENT

- payables within 1 year	354 040	1 777 298
- payables between 2 and 5 years	2 258 364	6 000
	2 612 404	**1 783 298**

A contract was entered into with Databox Technologies for a period of 36 months ending on 31 May 2025.

A contract was entered into with Primkop Airport for a period of two years ending on 31 December 2025.

A contract entered into with Dullstroom Heritage Society, the contract is for a period of 30 months ending on 31 August 2025.

None of the trade and other receivables have been pledged as security for liabilities or contingent liabilities.

Figures in Rand	31 March 2025	31 March 2024 *Restated*

37. COMMITMENTS

CAPITAL EXPENDITURE

Already contracted for but not provided for		
Approved and contracted	46 451 406	31 941 219

OPERATIONAL EXPENDITURE

Approved and contracted	44 516 898	14 674 905

CAPITAL COMMITMENT PER CATEGORY

Infrastructure	24 207 173	24 837 504
Buildings	22 244 233	7 103 715
	46 451 406	**31 941 219**

Commitments represent contractual obligations for goods and services as at 31 March 2025. These amounts are not recognised in the Statement of Financial Position as a liability or as expenditure in the Statement of Financial Performance. These are merely disclosed in this note.

The total cost of the project under consultants/engineering services is determined using the ECSA Guide 2021 (Gazetted). It consists of the total cost of the projects, unforeseeable additional services (specialised services), including disbursement costs.

38. RETIREMENT BENEFIT OBLIGATIONS

DEFINED CONTRIBUTION PLAN

The MTPA is a participating employer in the Government Employees Pension Fund (GEPF). The MTPA became a participating employer in 2006 with the inception of the MTPA, as a result of employees that were transferred from Government departments, i.e. DALA and Limpopo Province, to the MTPA. The employer's contribution paid is 13%, as this was the percentage employer contribution that was paid by these Government departments upon transfer of these employees to the MTPA.

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

Payments made to industry-managed (or state plans) retirement benefit schemes are dealt with as defined contribution plans, where the MTPA's obligation under the schemes is equivalent to those arising in a defined contribution retirement benefit plan.

The Entity accounts for this defined benefit state plan as a defined contribution plan, as there is no consistent and reliable basis for allocating the obligation, plan assets, and costs to the individual employers for actuarial risks associated with the current and former employees of other employers participating in the plan.

MTPA GEPF Fund	6 209 688	6 211 835

Figures in Rand		31 March 2025	31 March 2024 *Restated*

39. PRIOR PERIOD ERRORS (RESTATEMENT NOTE)

The correction of the error(s) results in adjustments as follows:

Statement of Financial Performance	Notes		
Decrease in Revenue from non-exchange transactions	18	-	(214 107)
Increase in Depreciation - F & F	6	-	(2 455)
Increase in Operating expenses	25	-	(871 513)
Increase in Compensation of Employees	23	-	(5 967 508)
Decrease in Repair and Maintenance	26	-	380 038
Increase in Concession	3	-	553 467
Decrease/ (increase) in profit		**-**	**(6 122 078)**

Statement of Changes in Net Assets	Notes		
Decrease in accumulated profit		-	(13 809 876)
(Decrease)/Increase in accumulated surplus/ retained earnings		**-**	**(13 809 876)**

Statement of Financial Position	Notes		
Decrease in cash and cash equivalent	5	-	214 107
Decrease in Property, plant and equipment	6	-	6 556 238
Decrease in Payables from exchange transactions	10	-	(88 274)
Increase in Payables from non-exchange transactions	11	-	16 210 755
Decrease in Project liability	4	-	(6 527)
Decrease in Service concession liabilities	15	-	(708 083)
Increase in Receivables from exchange transactions	3	-	(2 246 261)
(Decrease/(Increase) in accumulated surplus/ retained earnings		**-**	**19 931 955**

PROPERTY, PLANT AND EQUIPMENT

- It was noted that items of Capital assets were incorrectly recognised as expenses in the 2023/24 financial period. This error resulted in the understatement of property, plant and equipment, and operating expenses were overstated. Depreciation and accumulated depreciation were also restated as part of the correction.
- It was noted that an item of Capital assets (fencing at Mthethomusha) **(R898 961.72)** had a retention fee of **R226 727.09** which was not supposed to be added, as it was for Phase 1 Mthethomusha fence which was completed in the 2023/24 financial year. The correct amount with retention is **R672 234.63,** and the net effect is **R226 727.09.**
- It was noted that an item of Capital assets (professional fees for God's Window water reticulation) (R380 038.74) was incorrectly recognised as an expense instead of work in progress in the 2023/24 financial year. The corrected amount recognised is **R380 038.74**, increase in work in progress **R380 038.74.**
- It was noted that professional fees for the Barberton VIC and Training Centre were incorrectly recognised in work in progress in the 2023/24 financial period. This error resulted in the overstatement of property, plant and equipment, and operating expenses were understated.

Figures in Rand	31 March 2025	31 March 2024 *Restated*

REVENUE AND RECEIVABLES FROM EXCHANGE TRANSACTIONS

- During the current year, Wildlife Up Close submitted draft Annual Financial Statements for periods dating back to 2019. This enabled the calculation of the variable top-up concession fee, resulting in the retrospective adjustment of concession fee income and related receivables. Both Revenue and Receivables were previously understated.
- Due to operational changes at the Blyde Canyon Adventure Centre, it became necessary to revise the original principal agreement to incorporate payment for cooperation agreements with Blyde Canyon Safaris. After the subcontracting mentioned earlier, the concessionaire introduced a second boat to the concession area. In 2019, Blyde Canyon Safaris began negotiations to initiate payment of the MTPA concession fee. Following the finalisation of the revised agreement, MTPA received payments covering the period from 2018. Both Revenue and Receivables were understated.
- The agreement between MTPA and the concessionaire, Pinnacle Turnkey Developments, was terminated during the 2023 financial year. Following the closure of the agreement, all outstanding concession fees were written down and absorbed by the original commercial rights fee received at the start of the concession term. Revenue and receivables were both restated.

REVENUE AND RECEIVABLES FROM NON-EXCHANGE TRANSACTIONS

- Accommodation for delegates attending the introduction, planning, and implementation for the NSF project during 12-13 March 2024. The original expense was recorded within the Tourism Programme cost instead of the NSF Project account, resulting in the overstatement of Operating expenditure and the understatement of receivables from non-exchange.

OPERATING EXPENSES, COMPENSATION OF EMPLOYEES AND PAYABLES TRANSACTIONS

- Accommodation for CEO attending Project for the Presidential Investment Summit between 24-27 March 2024. The accrual was not recognised prior to the submission of the Annual Financial Statements, resulting in the understatement of Expenses and Payables for the affected period.
- Payment of shared services at Steve Tshwete Middelburg office for the period February and March 2024. The accrual was not recognised prior to the submission of the Annual Financial Statements, resulting in the understatement of Expenses and Payables for the affected period.
- Legal payment for opposition to trademark application 2021/26964-6 Nooitgedacht Dam Nature Reserve. An invoice was submitted that included expenses relating to two different financial periods, which was identified subsequently during the current year. The portion relating to the prior financial year was not accrued, resulting in an understatement of Expenses and Payables for that period.
- Accommodation for delegates attending the Commemoration of King Mjekejeke during 1-3 March 2024. The accrual was not recognised prior to the submission of the Annual Financial Statements, resulting in the understatement of Expenses and Payables for the affected period.
- Accommodation for delegates attending HR review workshop at Witbank during 19-20 March 2024. The accrual was not recognised prior to the submission of the Annual Financial Statements, resulting in the understatement of Expenses and Payables for the affected period.
- Accommodation for 7 officials attending the Barberton Makhonjwa Mountain Marathon 29-30 September 2023. The accrual was not recognised prior to the submission of the Annual Financial Statements, resulting in the understatement of Expenses and Payables for the affected period.

Figures in Rand	31 March 2025	31 March 2024 *Restated*

- Sponsorship towards SAFCOL Golf Day at Mbombela Golf Club on 15 March 2024. The accrual was not recognised prior to the submission of the Annual Financial Statements, resulting in the understatement of Expenses and Payables for the affected period.
- Accommodation for Board member attending urgent meeting between Board and NEHAWU during 21-22 March 2024. The accrual was not recognised prior to the submission of the Annual Financial Statements, resulting in the understatement of Expenses and Payables for the affected period.
- Accommodation and flight for N. Kunene attending workshop on Biodiversity Mid-cycle Review in Cape Town during 26-1 March 2024. The accrual was not recognised prior to the submission of the Annual Financial Statements, resulting in the understatement of Expenses and Payables for the affected period.
- It was noted that professional fees for the Barberton VIC and Training Centre were incorrectly recognised in work in progress in the 2023/24 financial period. This error resulted in the overstatement of property, plant and equipment, and Operating expenses were understated.
- During the current year, management identified that partnership salaries previously disclosed under operating expenses did not align with the GRAP definition of compensation-related expenditure. This error resulted in the overstatement of Operating expenses, and Compensation of Employees was understated.
- During the current financial year, management identified that expenditure relating to long service awards was incorrectly classified in the prior year's financial statements under programme costs within operating expenses. In terms of the requirements of GRAP 25 Employee Benefits, they should have been included under Compensation of Employees, as they represent employee benefits. This error resulted in the overstatement of Operating expenses, and Compensation of Employees was understated.

PAYABLES FROM NON-EXCHANGE TRANSACTIONS

- The balance relates to surplus funds from the 2023/24 financial year which were required to be surrendered to the Provincial Revenue Fund in accordance with Section 53(3) of the PFMA. The amount was not disclosed as a payable, resulting in an understatement of Liabilities and overstatement of Accumulated surplus (net assets/equity).

REPAIR AND MAINTENANCE

- During the 2023/24 financial year, the Entity engaged a new consultant in relation to the God's Window Water Reticulation Supply Project. The first contractual invoice from this supplier was erroneously recorded under Repairs and Maintenance, rather than being capitalised as part of the project-related assets. As a result, Repairs and Maintenance expenditure was overstated, and Property, Plant and Equipment were understated in the prior period.

CASH AND CASH EQUIVALENTS

- Correction of bank account (SANBI) which was initially closed in October 2023, and the remaining balance was transferred to the MTPA operational account. Both Revenue from non-exchange transactions and Cash and Cash Equivalents were overstated.

RETAINED EARNINGS AND LIABILITIES

- In accordance with GRAP 32, it was identified that the concession liability recognition journal was overstated in the 2019/20 financial year. As a result, the Entity is correcting this by eliminating the overstated portion of the liability in the current period as a prior period adjustment.

Figures in Rand	31 March 2025	31 March 2024 *Restated*

- The balance relates to surplus funds from the 2023/24 financial year which were required to be surrendered to the Provincial Revenue Fund in accordance with Section 53(3) of the PFMA. The amount was not disclosed as a payable, resulting in an understatement of Liabilities and overstatement of Accumulated surplus (net assets/equity).

40. GOING CONCERN

The Annual Financial Statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that the Entity will continue to receive funding, generate revenue, and discharge its obligations in the normal course of business for the foreseeable future.

For the financial year ended 31 March 2025, the Entity recorded a deficit of R10 million and liabilities amounting to R54.3 million, which were outstanding at the end of the financial year. Furthermore, the Entity's current liabilities exceed its current assets by R66 million **(2024: R534 thousand),** indicating a liquidity constraint. Despite this, the Entity's total assets continue to exceed its total liabilities, with a net asset value of R484.8 million **(2024: R463.4 million)**, supporting its longer-term solvency position.

The MTPA has been allocated a grant of R426 million for the 2025/26 financial year **(2024/25: R420 million)**. In addition to this baseline grant, the Entity receives special allocations to support the implementation of tourism programmes and the upgrading of tourism infrastructure, aimed at enhancing its own revenue-generation capacity. Management acknowledges that the transfer of the Zithabiseni Resort and Conference Centre (Pty) Ltd has had an impact on the baseline funding requirements of the Entity. This matter is being addressed through formal requests for additional funding and a review of revenue-generation strategies to sustain operations and fund planned activities.

It is the view of management that the future operations of the MTPA are critically dependent on the approval and funding of the Entity's financial recovery plan (budget rescue plan), which includes:

- A baseline budget adjustment,
- Additional operational funding from the Department of Economic Development and Tourism (DEDT),
- Support for contractual obligations and infrastructure upgrades.

The Board of Directors, based on management input, has reviewed the cash flow forecast and financial position of the Entity. In the absence of confirmation of the requested additional funding, there exists a material uncertainty that may cast significant doubt on the Entity's ability to continue as a going concern. The Board has formally engaged with the Shareholder regarding this matter, and the Shareholder has expressed a commitment to supporting the Entity, contingent upon a sound business plan being in place. The Board confirms that such a plan has been prepared and submitted, and there is currently no indication that the request for funding will be declined.

The Entity is also involved in a long-standing legal court case at the High Court, Pretoria, which has resulted in ongoing legal fees related to hearings and representation. While the matter has not yet reached a resolution and no provision has been made, it continues to have a financial impact on the Entity due to legal expenses. Management will continue to monitor the matter and assess its financial implications. Further details are disclosed in Note [30]: Statement of contingent liabilities.

Accordingly, the Annual Financial Statements have been prepared on a going-concern basis. However, the above conditions represent an uncertainty that may impact the Entity's ability to continue as a going concern. Management and the Board remain confident that with the expected support from the Shareholder, the Entity will continue to operate in the foreseeable future.

Figures in Rand	31 March 2025	31 March 2024 *Restated*

41. EVENTS AFTER THE REPORTING DATE

The Chief Executive Officer of the MTPA was placed on precautionary suspension by the Board on 04 August 2024, within the current reporting period (i.e. prior to 31 March 2025). The suspension was effected to allow for an independent investigation into allegations of corruption and/or maladministration involving the MTPA.

The forensic investigation was completed on 19 May 2025, after which the Board considered and adopted the findings of the investigation report. Following this, the Board resolved to continue the CEO's suspension pending the conclusion of formal disciplinary proceedings. The disciplinary hearing was initially scheduled for 30 June 2025, but was postponed to 15 August 2025 due to delays in the procurement of service providers necessary for the hearing process.

42. SEGMENT INFORMATION

GENERAL INFORMATION

IDENTIFICATION OF SEGMENTS

The Entity operates in 4 (four) primary business segments: Biodiversity Conservation, Tourism, Commercial Operations and Head Office Support Services. Included in the Head Office segment is the aggregation of the Executive Office, the Office of the CFO and Corporate Services.

The segment information provided above reflects the internal reporting structure used by the Entity for evaluating performance and allocating resources.

Segment revenue represents sales to external customers. Segment operating profit is derived from operating profit, including non-cash transactions and interest expense.

The measurement basis used by the Entity for segment reporting is consistent with that used in the Statement of Financial Performance. Segment reporting enables users of the financial statements to better understand the Entity's performance and the risks associated with different parts of its operations.

MTPA's main business segments are currently not generating profits, necessitating the Entity to rely on Government grants to fund operational expenses.

TYPES OF GOODS AND/OR SERVICES BY SEGMENT

These reportable segments as well as the goods and/or services for each segment are set out below:

Reportable segment	Goods and/or services
Head Office	Administrative services
Biodiversity	Management and conservation of biodiversity and ecosystems within the province
Tourism	Foster, promote and sustainably develop and market tourism
Commercial Operations*	To sustainably improve revenue generation and collection to secure the future existence of the MTPA

Figures in Rand	31 March 2025	31 March 2024 *Restated*

SEGMENT SURPLUS OR DEFICIT

31 MARCH 2025	Head office	Biodiversity	Tourism	Commercial operations*	Total
REVENUE					
Sales of goods	-	6 058 338	-	132 338	6 190 676
Rendering of services	-	61 304 402	-	813 046	62 117 448
Concession fees	-	9 665 263	-	-	9 665 263
Other operating income	2 662 428	6 523 490	168 751	35 529	9 390 198
Interest received	1 404 586	-	-	7 876	1 412 462
Total revenue from non-exchange transactions	518 602 521	51 090 523	-	2 438 000	572 131 044
Total segment revenue	**522 669 535**	**134 642 016**	**168 751**	**3 426 789**	**660 907 091**
Entity's revenue					**660 907 091**
EXPENDITURE					
Salaries and wages	105 003 739	285 926 078	32 140 620	56 541 752	479 612 189
Depreciation and amortisation	36 287 430	-	-	242 950	36 530 380
Operating expenses	72 004 042	32 546 122	31 587 401	13 579 501	149 717 066
Repairs and maintenance	1 120 547	1 619 226	-	2 270 977	5 010 750
Interest expense	43 844	-	-	102	43 946
Total segment expenditure	**214 459 602**	**320 091 426**	**63 728 021**	**72 635 282**	**670 914 331**
Total segmental surplus/(deficit)					**(10 007 240)**

* Zithabiseni Resort and Conference Centre (Pty) Ltd was unwind, the employees, assets and operational activities has been absorbed under Commercial Operation programme.

31 MARCH 2024	Head office	Biodiversity	Tourism	Commercial operations*	Total
REVENUE					
Sales of goods	-	5 709 662	-	-	5 709 662
Rendering of services	-	54 821 242	-	-	54 821 242
Concession fees	-	8 976 677	-	-	8 976 677
Other operating income	2 571 270	6 109 595	233 658	708 685	9 623 208
Interest received	3 161 811	6 737	-	-	3 168 548
Total revenue from non-exchange transactions	528 683 740	917	-	2 708 000	531 392 657
Total segment revenue	**534 416 821**	**75 624 830**	**233 658**	**3 416 685**	**613 691 994**
Entity's revenue					**613 691 994**

Figures in Rand	31 March 2025	31 March 2024 *Restated*

31 MARCH 2024	Head office	Biodiversity	Tourism	Commercial operations*	Total
EXPENDITURE					
Salaries and wages	77 979 883	257 177 261	28 504 550	27 612 420	391 274 114
Depreciation and amortisation	31 268 957	-	-	-	31 268 957
Impairment loss	1 444 024	-	-	-	1 444 024
Loss on sale of heritage assets	-	7 716 442	-	-	7 716 442
Operating expenses	71 287 596	26 121 104	28 590 587	26 071 020	152 070 307
Repairs and maintenance	950 350	2 116 881	-	2 669 649	5 736 880
Interest expense	20 992	-	-	-	20 992
Total segment expenditure	**182 951 802**	**293 131 688**	**57 095 137**	**56 353 089**	**589 531 716**
Total segmental surplus/(deficit)					**24 160 278**

43. PUBLIC PRIVATE PARTNERSHIP PROGRAMME – PPP FEE INCOME

LODGE CONCESSION PPP FEES

The MTPA Act of 2005 provides for the sustainable development and improvement of the tourism industry and the conservation management of Mpumalanga's natural resources.

The MTPA has the legal authority granted to it in terms of the National Environmental Management: Protected Areas Act, 2003 (Act No. 57 of 2003) ("NEMPAA"), as amended by the National Environmental Management: Protected Areas Amendment Act (Act No. 31 of 2004). In addition, Section 4(4) of the MTPA Act (Act No. 5 of 2005) allows the Entity to enter into public-private partnerships.

The MTPA is involved in Public Private Partnerships (PPPs). The Mpumalanga Provincial Government has repeatedly articulated the need for MTPA to prepare for eventual weaning from state funding and urged the Entity to reconsider new models of leveraging its resources and to establish new sustainable revenue generation options to achieve future financial self-reliance.

The MTPA identified facilities to be commercialised as concessions and as Public Private Partnerships, and they were registered with the National Treasury as PPP projects.

A PPP, as defined in Treasury Regulation 16 to the PFMA, is essentially a contractual arrangement whereby a private party performs an institution's functions and/or makes use of state property for its commercial purposes. The private party assumes substantial financial, technical, and operational risks associated with those functions or the use of state property. In return, the private party receives a benefit according to pre-defined performance criteria. This benefit may be entirely from a service tariff or other user charges, from an institution's budget, or from a combination of the two.

The private party's responsibilities include the financing, design, development, operation, and management of the facility for the agreed period of operation. Where substantial capital investments are made by the private party under such arrangements, the PPP agreements tend to be of long duration. A distinct characteristic of a PPP is that it is for a fixed period, during which time ownership of the immovable assets typically vests with the state, and control over these assets reverts to the state at the termination of the PPP agreement.

Figures in Rand	31 March 2025	31 March 2024 *Restated*

The minimum concession fee or variable concession fee payable in terms of the concession transaction, with effect from the Occupation Date and for the duration of this Agreement the MTPA, shall be the higher of the fixed monthly fee as defined by the concession agreement, which will be escalated on an annual basis on actual gross revenue expressed as a percentage of gross income.

At the end of the concession period, the concessionaires shall hand over the concession area, the reserve, all concession assets, and its rights or interests in the developments to the MTPA free of charges, liens, claims, or encumbrances of any kind whatsoever, and free of any liabilities, in good condition, fair wear and tear excepted. The concessionaire shall not, other than as provided for in respect of the residual value, be entitled to payment of any compensation in connection in addition to that.

The calculated annual concession fee is based on the bid percentage of actual gross revenue for that concession year. The specific obligations per concession are detailed in the schedule below:

Concession Area Reserve	Concession Holder	Commencement Date	Termination Date
Manyeleti Nature Reserve	Honey Guide* (Khokha Moya)	05/10/2001	05/10/2016
Manyeleti Nature Reserve	Tintswalo	26/11/2001	26/11/2016
Manyeleti Nature Reserve	Buffelshoek and Ndzhaka	27/02/2019	01/03/2025
Manyeleti Nature Reserve	AM Luxury Lodge	31/03/2021	01/10/2037
Manyeleti Nature Reserve	AM Manyeleti Restaurant	01/04/ 2021	01/08/2026
Blyde Canyon Nature Reserve	Blyde Adventure Boat cruise	08/03/2017	08/09/2017
Blyde Canyon Nature Reserve	Belvedere at Blyde	31/03/2021	01/10/2037
Blyde Canyon Nature Reserve	Mapulana Canyon	31/07/2021	30/06/2046
Blyde Canyon Nature Reserve	Forever Resort	19/03/2019	28 /02/033
Wakkerstroom Nature Reserve	J H Klingenberg	01/03/2017	30/06/2022

All concession agreements in Manyeleti will be reviewed, as the MTPA and the landowners have signed the co-management agreement.

Blyde Adventure Boat Cruise: The Entity has finally signed the MoU with the Department of Water and Sanitation (DWS). The MTPA is in the process of appointing a long-term operator.

Public Private Partnership Programme: Retail and Restaurant Facility Rental Income

The lease agreements for retail and restaurant operations entail allowing private operators to operate the MTPA's existing facilities on the basis of a medium-term operating agreement.

Figures in Rand	31 March 2025	31 March 2024 *Restated*

The lease agreements cover the operation, management, and maintenance of the MTPA's restaurant or activities in the protected areas under the terms of the agreement, to achieve the deliverables of the agreement.

The agreements enable the operators to use a defined concession area over a predetermined term in return for payment of a rental fee. Funding of new or for the refurbishment of ageing infrastructure, is for the concessionaire's account. Against the right of occupation and commercial use of facilities, there are set obligations on the part of the concessionaire regarding financial terms, environmental management, social objectives, empowerment, and other factors. Infringement of these requirements carries specified penalties, including termination of the contract, with the assets reverting to the MTPA.

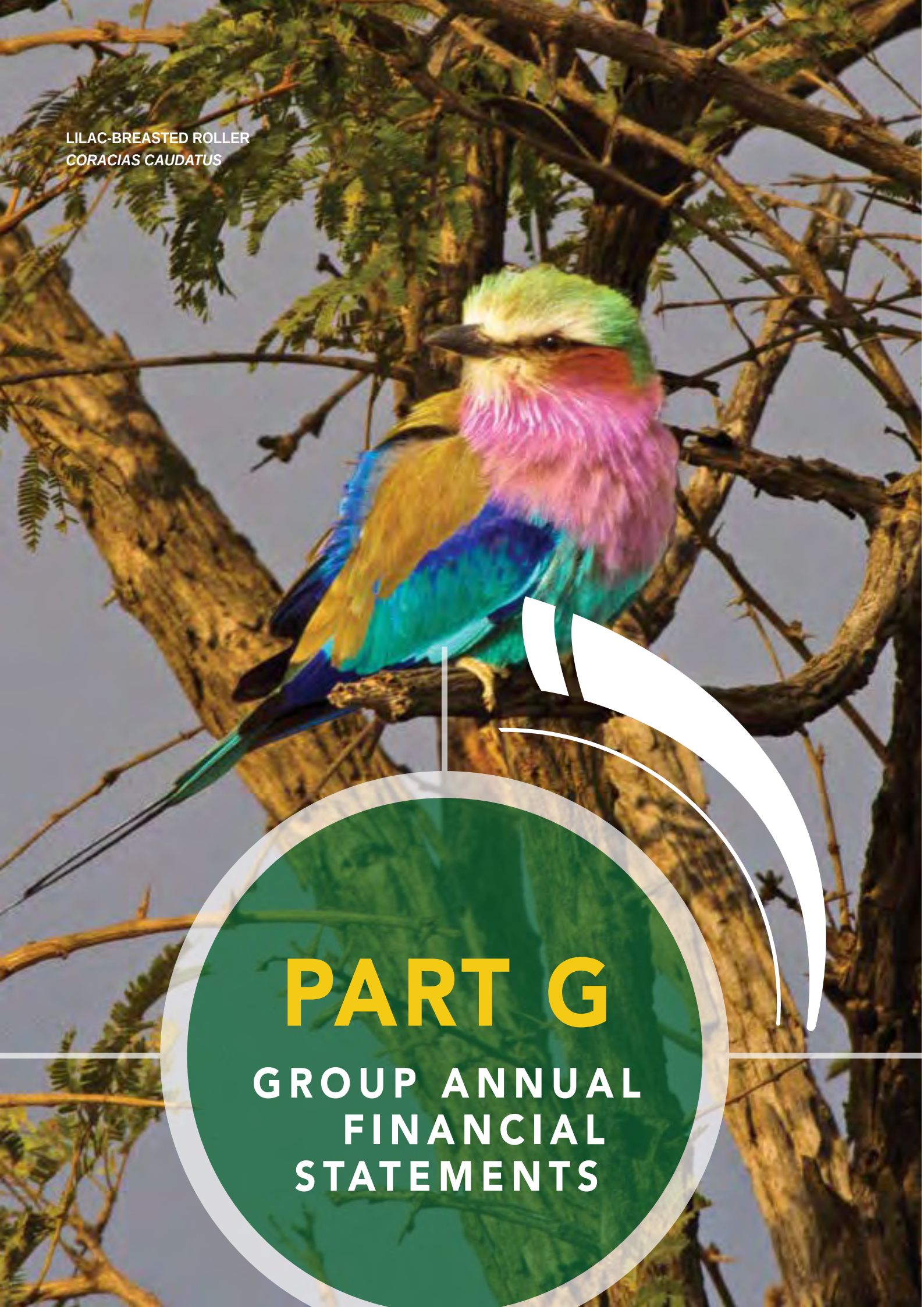
The monthly rental payable for the facilities by the private operator to the MTPA for any given month shall be the higher of the fixed monthly rental, as defined by the agreements and escalating on an annual basis, or the rental based on actual gross revenue realised, expressed as a percentage of gross revenue.

On or before the Occupation Date, the Concessionaire shall provide to the Concessor a bank guarantee as a Performance Guarantee, as agreed in the concession agreement, issued by a financial institution in a manner acceptable to the concessor.

The private operators have provided the MTPA with performance in the form of Performance Guarantees that secure the operator's performance under the operating agreement, on the basis set out in the concession agreement.

The following facilities are still under development. The schedule summarises the potential income receivable from the various operators for the various sites:

Facility	Contracting Party	Commissioning Date	Termination Date
Lodge	AML Luxury Lodge	01/10/2022	1/10/2037
Guest house Complex (Belvedere)	Wandisile and Senate Joint Venture	01/10/2022	1/10/2037
Paradise Camp	Mangwa Hospitality Service Management	01/04/2024	01/04/2039
Gods Window Skywalk	Mapulana Canyon	01/07/2021	01/07/2046



LILAC-BREASTED ROLLER
CORACIAS CAUDATUS

PART G

GROUP ANNUAL FINANCIAL STATEMENTS

GROUP GENERAL INFORMATION

FOR THE YEAR ENDING 31 MARCH 2025

COUNTRY OF INCORPORATION AND DOMICILE	South Africa
NATURE OF BUSINESS AND PRINCIPAL ACTIVITIES	To perform its duties in line with the Mpumalanga Tourism and Parks Agency Act 5 of 2005. Mpumalanga Tourism and Parks Agency's (hereinafter "MTPA") main shareholder is the Department of Economic Development and Tourism, formerly DEDET (hereinafter "DEDT"), from which it receives its funding..
BOARD MEMBERS IN THE OFFICE DURING THE REPORTING PERIOD	Mr. Mashego V (Chairperson) Ms. Sithole S (Deputy Chairperson) Mr. Lubisi SW Ms. Mlaba-Dludla GL Ms. Nkosi TJ Ms. Oyiya NZ Adv. Masipha RB Mr. Sibanyoni B Ms. Diputla LE Dr. Khumalo ME
EX OFFICIO BOARD MEMBERS	Mr. Mdluli JD (Shareholder representative) Mr. Vilakazi MH (Chief Executive Officer) -(Precautionary suspension) Mr. Mohlala MJ (Acting Chief Executive Officer)
REGISTERED OFFICE	Samora Machel Drive Hall's Gateway Mataffin Mbombela, 1200
BUSINESS ADDRESS	Samora Machel Drive Hall's Gateway Mataffin Mbombela, 1200
POSTAL ADDRESS	Private Bag X11338 Mbombela, 1200

GROUP GENERAL INFORMATION

FOR THE YEAR ENDING 31 MARCH 2025

BANKERS	Standard Bank and, First National Bank of South Africa Limited
AUDITORS	The Auditor General South Africa
COMPANY SECRETARY	Mr. Zitha L
AUDIT AND RISK COMMITTEE EXTERNAL INDEPENDENT MEMBERS FOR THE REPORTING PERIOD	Ms. Tonjeni MS (Chairperson) (Independent) Ms. Mbatha TH Mr. Carrim W Ms. Oyiya NZ Adv. Masipha RB

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THE REPORTS AND STATEMENTS SET OUT BELOW COMPRISE THE GROUP ANNUAL FINANCIAL STATEMENTS PROVINCIAL LEGISLATURE

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GROUP ACCOUNTING AUTHORITY'S RESPONSIBILITIES AND APPROVAL

FOR THE YEAR ENDED 31 MARCH 2025

The Board is aware of its responsibilities as stipulated in the PFMA. Those responsibilities include, but are not limited to, the following:

- Establishing and maintaining effective, efficient and transparent systems of financial and risk management, and internal controls;
- Managing, including the safeguarding of assets and the management of the revenue, expenditure and liabilities of the MTPA;
- Taking effective and appropriate steps to prevent irregular, fruitless and wasteful expenditure, losses resulting from criminal conduct, and expenditure not complying with the operational policies of the Group;
- Taking effective and appropriate disciplinary steps against any employee(s) of the Group who contravenes or fails to comply with a provision of the PFMA; or commits an act which undermines the financial management and internal control system of the Group; or makes or permits an irregular expenditure or a fruitless and wasteful expenditure to be incurred;
- Keeping full and proper records of the financial affairs of the Group; and
- Preparation of the Group Annual Financial Statements for each financial year, in accordance with GRAP.

The Board confirms that it has discharged all the above-stated responsibilities during the period ending 31 March 2025. To the best of the Board's knowledge and belief, the Board further confirms the following:

- All information and amounts disclosed in this Annual Performance Report are consistent with the Group Annual Financial Statements.
- The report is complete, accurate and free of omissions.
- The Annual Performance Report has been prepared in accordance with the guidelines as issued by National Treasury, and the Group Annual Financial Statements were prepared in accordance with the PFMA and Generally Recognised Accounting Practice (GRAP).
- The Going Concern basis has been adopted in preparing the Group Annual Financial Statements. The Board, after having reviewed management's assessment of the Group's ability to operate as a going concern, has a reasonable expectation that the organisation will have adequate resources to continue its operations as a going concern for the foreseeable future.
- Management and employees operated within a framework requiring compliance with all applicable laws and the maintenance of the highest integrity in the conduct of all aspects of the business, except where transgressions are indicated in the Annual Report.

In the Board's opinion, the Annual Performance Report and Group Annual Financial Statements fairly present, in all material respects, the state of affairs of the MTPA, its business, its financial results, and its performance against predetermined objectives for the period ending 31 March 2025, and its financial position as at 31 March 2025.

Mr. L. M. Mdluli
Chief Executive Officer (Acting)

Date 30 August 2025

Mr. V. Mashego
Chairperson of the Board

Date 30 August 2025

GROUP REPORT OF ACCOUNTING AUTHORITY

FOR THE YEAR ENDING 31 MARCH 2025

1. BACKGROUND

The Group is a juristic person established in terms of the Group Act (Act 5 of 2005) and is registered as a Schedule 3C Public Entity in terms of the PFMA (Act 1 of 1999). The Group's main shareholder is the Department of Economic Development and Tourism (hereinafter ''DEDT''), from which it receives its funding.

2. REVIEW OF ACTIVITIES

MAIN BUSINESS AND OPERATIONS

The operating results and state of affairs of the Group are fully set out in the attached Group Annual Financial Statements.

Financial Performance	31 March 2025 (R)	31 March 2024 (R)
Grant received	417 502 000	443 314 000
Conditional grant – Expanded Public Works Programme	2 438 000	2 708 000
Special allocation	92 000 000	83 984 000
(Deficit)/Surplus	**(10 008 078)**	**20 950 984**
Total assets	597 740 689	579 461 312
Total liabilities	112 480 081	84 538 792

3. GOING CONCERN

The Group is not liquid, as the current liabilities exceed current assets by R 65 232 059 **(31 March 2024: R 1 204 981)**. As a going concern, the Group's total assets exceed its total liabilities. The Group has a net asset value of R 485 260 608 **(31 March 2024: R 494 922 520)**.

The MTPA's ability to continue operating as a going concern is heavily dependent on grant income received from the Department of Economic Development and Tourism. The grant accounts for about 82% of the MTPA's revenue. Thus, continued support from the Department is therefore instrumental in the MTPA's ability to continue operations.

4. IRREGULAR EXPENDITURE

Irregular expenditure amounting to R 58 202 335 **(31 March 2024: R 3 741 292)** was identified during the year under review. The details of this are disclosed under Note 37.

5. FRUITLESS AND WASTEFUL EXPENDITURE

Fruitless and wasteful expenditure amounting to R 44 809 **(31 March 2024: R 50 501)** was identified during the year. The details of this are disclosed under Note 37.

6. ACCOUNTING AUTHORITY

Mr. Mashego V (Chairperson)
Ms. Sithole S (Deputy Chairperson)
Dr. Khumalo ME
Mr. Lubisi SW
Ms. Mlaba-Dludla GL

Ms. Nkosi TJ
Ms. Oyiya NZ
Adv. Masipha RB
Mr. Sibanyoni B
Ms. Diputla LE

EX OFFICIO BOARD MEMBERS

Mr. Mdluli JD (Shareholder representative)
Mr. Vilakazi MH (Chief Executive Officer) (Precautionary suspension)
Mr. Mohlala MJ (Acting Chief Executive Officer)

7. ZITHABISENI RESORT AND CONFERENCE CENTRE

In accordance with CIPC Publication No. 202404, Notice No. 25-A, it is noted that Zithabiseni Resort and Conference Centre (Pty) Ltd was deregistered on 30 April 2024.

8. SUSPENSION OF THE CHIEF EXECUTIVE OFFICER

The Chief Executive Officer of the Mpumalanga Tourism and Parks Agency (MTPA) was placed on precautionary suspension by the Board on 04 August 2024, following allegations of corruption and/or maladministration within the Entity. This action took place during the reporting period ended 31 March 2025. The suspension was intended to enable an independent forensic investigation into the allegations. As at the reporting date, the investigation process was still in progress, and the Chief Executive Officer remained on precautionary suspension pending its outcome.

9. ANNUAL FINANCIAL STATEMENT AND ANNUAL PERFORMANCE REPORT

The Group Annual Financial Statements and the Annual Performance Report are for the Group, Nelspruit Development Trust and Zithabiseni Resort and Conference Centre (Pty) Ltd, and cover the period ending 31 March 2025.

10. CONCLUSION

Other than the above, there is nothing that the Group Board wishes to draw attention to which has not already been highlighted elsewhere in the Annual Financial Statements.

Mr. L. M. Mdluli
Chief Executive Officer (Acting)

Date 30 August 2025

Mr. V. Mashego
Chairperson of the Board

Date 30 August 2025

GROUP STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2025

Figures in Rand	Note(s)	31 March 2025	31 March 2024 *Restated*
ASSETS			
CURRENT ASSETS			
Inventories	2	702 671	1 758 853
Receivables from exchange transactions	3	8 475 101	11 124 115
Receivables from non-exchange transactions	4	5 820 861	5 674 565
Cash and cash equivalents	5	17 384 426	55 307 800
		32 383 059	**73 865 333**
NON-CURRENT ASSETS			
Property, plant and equipment	6	556 939 952	497 177 758
Intangible assets	7	1 403	1 946
Heritage assets	8	8 416 275	8 416 275
		565 357 630	**505 595 979**
Total assets		**597 740 689**	**579 461 312**
LIABILITIES			
CURRENT LIABILITIES			
Payables from exchange transactions	10	66 769 636	43 956 992
Payables from non-exchange transactions	11	16 210 755	16 210 755
Long service awards – short-term portion	12	1 369 249	1 237 397
Provisions	13	1 822 114	1 530 667
Project liabilities	14	11 443 364	9 724 541
		97 615 118	**72 660 352**
NON-CURRENT LIABILITIES			
Long service awards	12	14 864 963	11 878 440
Total liabilities		**112 480 081**	**84 538 792**
Net assets		**597 740 689**	**579 461 312**
Contributions from owners	31	70 197 729	70 197 729
Revaluation reserve		27 078 417	58 194 999
Accumulated surplus		387 984 462	366 529 792
Net assets		485 260 608	494 922 520
Total liabilities		112 480 081	84 538 792
Total net assets and liabilities		**597 740 689**	**579 461 312**

GROUP STATEMENT OF FINANCIAL PERFORMANCE

FOR THE PERIOD ENDING 31 MARCH 2025

Figures in Rand	Note(s)	31 March 2025	31 March 2024 *Restated*
REVENUE			
REVENUE FROM EXCHANGE TRANSACTIONS			
Cost of sales	18	-	(205 140)
Sale of goods	16	6 190 676	5 847 976
Rendering of services	17	62 117 449	55 480 525
Concession fees	20	9 665 263	8 976 677
Other operating income	21	9 390 199	9 654 595
Interest received	22	1 412 462	3 190 919
Total revenue from exchange transactions		**88 776 049**	**82 945 552**
REVENUE FROM NON-EXCHANGE TRANSACTIONS			
Transfer revenue			
Government grants	23	417 502 000	430 794 291
Zithabiseni grants received	23	-	12 519 709
Conditional grant (EPWP and other)	23	103 538 521	88 078 657
Assets received in kind	24	51 090 523	-
Total revenue from non-exchange transactions		**572 131 044**	**531 392 657**
Total revenue		**660 907 093**	**614 338 209**
EXPENDITURE			
Compensation of employees	25	(479 612 190)	(400 546 085)
Depreciation and amortisation	6	(36 530 381)	(34 288 465)
Impairment loss	29	-	(1 444 024)
Interest expense	26	(43 945)	(25 780)
Loss on sale of heritage assets	8	-	(7 716 442)
Operating expenses	27	(149 717 906)	(143 454 787)
Repairs and maintenance	28	(5 010 749)	(5 911 641)
Total expenditure		**(670 915 171)**	**(593 387 224)**
(Deficit)/Surplus for the period ending 31 March 2025		**(10 008 078)**	**20 950 985**

GROUP STATEMENT OF CHANGES IN NET ASSETS

FOR THE PERIOD ENDING 31 MARCH 2025

Figures in Rand	Note(s)	Contribution from owners	Revaluation reserve	Accumulated surplus	Total net assets
Opening balances *Restated*		**70 197 729**	**58 194 999**	**345 578 807**	**473 971 535**
CHANGES IN NET ASSETS					
Audited surplus/(deficit) for the year 2024		-	-	27 073 061	27 073 061
Prior period adjustment	41	-	-	(6 122 078)	(6 122 078)
Balance as at 31 March 2024 *Restated*		**-**	**-**	**20 950 983**	**20 950 983**
CHANGES IN NET ASSETS					
Balance as at 1 April 2024		**70 197 729**	**58 194 999**	**366 529 790**	**494 922 518**
Changes in net assets					
Profit/(loss) of Zithabiseni take-on balances		-	(31 116 582)	31 462 748	346 166
Surplus/(deficit) for the year		-	-	(10 008 078)	(10 008 078)
Total changes		-	(31 116 582)	21 454 670	(9 661 912)
Closing balance as at 31 March 2025		**70 197 729**	**27 078 417**	**387 984 460**	**485 260 606**
Note(s)		31			

GROUP CASH FLOW STATEMENT

FOR THE PERIOD ENDING 31 MARCH 2025

Figures in Rand	Note(s)	31 March 2025	31 March 2024 *Restated*
CASH FLOWS FROM OPERATING ACTIVITIES			
RECEIPTS			
Cash receipts from exchange transactions		89 779 765	74 345 688
Cash receipts from non-exchange transactions		520 641 693	528 947 163
Interest received		1 412 462	3 190 919
		611 833 920	606 483 770
PAYMENTS			
Employee costs		(475 309 954)	(390 581 241)
Suppliers		(138 906 590)	(151 235 037)
Interest expense		(22 706)	(25 780)
		(614 239 250)	(541 842 058)
Net cash flows from operating activities	30	**(2 405 330)**	**64 641 712**
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment	6	(37 236 867)	(43 020 227)
Proceeds from sale of heritage assets	8	-	19 150 491
Net cash flows from investing activities		**(37 236 867)**	**(23 869 736)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Movement in project liability	13	276 061	(1 465 907)
Movement in other liability 2		1 442 762	756 769
Net cash flows from financing activities		**1 718 823**	**(709 138)**
Net increase/(decrease) in cash and cash equivalents		**(37 923 374)**	**40 062 838**
Cash and cash equivalents at the beginning of the period		55 307 800	15 244 962
Cash and cash equivalents at the end of the period	5	**17 384 426**	**55 307 800**

GROUP STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

FOR THE PERIOD ENDING 31 MARCH 2025

STATEMENT OF FINANCIAL PERFORMANCE

Revenue / Expenditure	Approved budget	Adjust-ments	Final budget	YTD Actuals	(Over)/Under collection - Over/(Under) Expenditure
Sale of goods	5 663 160	-	5 663 160	6 190 676	(527 516)
Rendering of services	59 970 467	-	59 970 467	62 117 448	(2 146 981)
Concession fees	6 542 540	-	6 542 540	9 665 263	(3 122 723)
Rental income	181 960	-	181 960	466 885	(284 925)
Recoveries	125 400	-	125 400	118 619	6 781
Hunting wildlife sales	1 945 693	-	1 945 693	3 465 524	(1 519 831)
Sundry income	4 250 780	-	4 250 780	3 905 007	345 773
Interest received	1 320 000	-	1 320 000	1 412 462	(92 462)
Total revenue	**80 000 000**	**-**	**80 000 000**	**87 341 884**	**(7 341 884)**
TRANSFERS					
Grant allocation	417 502 000	-	417 502 000	417 502 000	-
EPWP	2 438 000	-	2 438 000	2 438 000	-
Special allocation	92 000 000	-	92 000 000	92 000 000	-
Total revenue non-exchange	**511 940 000**	**-**	**511 940 000**	**511 940 000**	**-**
All revenue	**591 940 000**	**-**	**591 940 000**	**599 281 884**	**(7 341 884)**
EXPENDITURE	-				
Compensation of employees	(401 589 000)	-	(401 589 000)	(466 193 751)	64 604 751
Board and board committee	(5 000 000)	-	(5 000 000)	(6 021 961)	1 021 961
EPWP compensation	(2 438 000)	-	(2 438 000)	(2 345 224)	(92 776)
Programme costs	(63 540 000)	-	(63 540 000)	(57 816 547)	(5 723 453)
Payment of capital assets	(45 750 000)	-	(45 750 000)	(45 084 775)	(665 225)
Goods and services	(92 774 000)	-	(92 774 000)	(84 178 739)	(8 595 261)
Total expenditure	**(611 091 000)**	**-**	**(611 091 000)**	**(661 640 997)**	**50 549 997**
	(19 151 000)	-	(19 151 000)	(62 359 113)	43 208 113
External project funds - income	-	-	-	9 867 423	(9 867 423)
External project funds - expenses	-	-	-	(5 145 318)	5 145 318
External project funds - salaries	-	-	-	(6 770 978)	6 770 978
Ring-fenced - expenses	-	-	-	(1 569 102)	1 569 102
	-	-	-	(3 617 975)	3 617 975
OPERATING (DEFICIT)/SURPLUS	**-**	**-**	**-**	**(65 977 088)**	**46 826 088**

STATEMENT OF FINANCIAL PERFORMANCE (CONTINUED)

Revenue / Expenditure	Approved budget	Adjust-ments	Final budget	YTD Actuals	(Over)/Under collection - Over/(Under) Expenditure
RECONCILIATION					
Stock adjustments				225 160	
Loss on sale of assets				(40 933)	
Provision for bad debts				442 101	
Provision for long service awards				(3 118 374)	
Provision for leave accrual				(291 447)	
Provision for bonus				(892 415)	
Donation				51 090 523	
Depreciation				(36 530 380)	
Non-income statement - Capex				45 084 775	
OPERATING SURPLUS/(DEFICIT)	**-**	**-**	**-**	**(10 008 078)**	

The approved budget for the financial year 2024/2025 was R611 090 million, including own revenue estimated at R80 million. This allocation included a special allocation of R92 million for the 2024/2025 financial year for Tourism Marketing (R36 million), Provincial Nature Reserve Maintenance (R34 million), and Mdala Reserve (R22 million). The estimated target for own revenue is R80 million. The shortfall is due to a reduction in the operational grant allocation received from DEDT for the 2024/2025 financial year. To help cover this budget shortfall in 2024/2025, the Group used the R19.150 million received from the Land Commission for land expropriation in the 2023/2024 financial year.

The Group determined that a material variance can vary depending on the specific circumstances. Generally, a variance is considered material if it is large enough to influence the decisions of users of the financial statements. The Group established a 2% variance threshold as adequate for the purpose of giving explanation on the budget versus actual variance. This percentage is in line with Treasury budget reporting standards.

BUDGET VERSUS ACTUALS VARIANCE ANALYSIS

REVENUE

No	Item	(Over)/ Under spending R	% collected	Variance commentaries
1	Sale of goods	(527 516)	109%	Actual revenue from wildlife permits exceeded the budgeted projections, which were based on the previous year's actuals. The positive variance is primarily attributable to increased demand across multiple permit categories. This growth was driven by a higher volume of applications received compared to prior year. Income from trail usage exceeded budgeted expectations, with the budget based on prior year actuals. The positive variance is primarily demanddriven, as a significant portion of trail usage is generated by external service providers operating game viewing vehicles in the Manyeleti area. Contributing factors to the increase include favourable weather conditions during peak periods and enhanced marketing efforts by these service providers, which boosted visitor numbers and trail activity.
2	Rendering of services	(2 146 981)	104%	Slight improvement in Accomodation bookings but occupancy not yet sufficient for ROI. Union unrest during January and March created a significant reduction in Entrance fees, causing a negative impact on cash flow reserves.
3	Concession fees	(3 122 723)	148%	Revenue from the Wildlife Close-Up concessionaire exceeded budget expectations, mainly due to the inclusion of an additional fixed fee introduced under the new Service Level Agreement (SLA), which had not been accounted for in the original budget. This fixed fee was fully recognised during the reporting period. However, the variable portion of the concession fee, calculated based on the concessionaire's annual financial statements could not be verified, as the required financial statements had not been submitted by year-end. The Honeyguide and Tinswalo concessionaires generated higher-than-budgeted revenue during the period, driven by increases in the variable fee component linked to their reported sales figures. Since MTPA is unable to independently estimate these sales, it relies on the concessionaires' submissions for revenue recognition. This reliance resulted in an over-collection of revenue relative to the original budget for the year.
4	Rental income	(284 925)	257%	Yearly upfront rental agreement processed for the Witbad Wagendrift property that is leased for Game farming activities
5	Recoveries	6 781	95%	Staff recoveries fell below budgeted levels, mainly due to employee terminations arising from retirements and deaths during the period. However, the variance is not material in terms of value impact
6	Hunting wildlife sales	(1 519 831)	178%	Fees from the 2024/25 hunting tender were received as expected. The ad hoc sale of hippos boosted expected outcome for the year
7	Sundry income	345 773	92%	Skywalk payments are deferred as negotiations continue, with losses persisting.
8	Interest received	(92 462)	107%	Variations in interest income are directly linked to the bank balances held at month-end

EXPENDITURES

BOARD AND BOARD COMMITTEE COMPENSATION

- During the financial period the Board had many commitments which were either contact meetings or events, causing an increase in spending iro Board fees.

COMPENSATION OF EMPLOYEES

- Budgetary pressures on the COE arose from the resolution of salary disparities in Quarter 1 and the unbudgeted incorporation of Zithabiseni Resort and Conference Centre (Pty) Ltd personnel.

- Expenditure on public holiday and Sunday work for personnel stationed at Nature Reserves continues to rise, driven by high vacancy levels and constrained budget allocations.

GOODS AND SERVICES

Underspending relates to the movement of the below net transactions:

- The underspending on security fees is primarily due to conservative budgeting assumptions made at the start of the financial year, which anticipated higher security requirements and associated costs than were ultimately incurred.

- The savings noted under consultant fees are due to the reclassification of certain expenditures. While these costs were originally budgeted under goods and services, in accordance with GRAP, amounts meeting the criteria for capital assets have been recorded as capital expenditure.

- Due to cash flow constraints, the renewal of the Microsoft licence was successfully deferred, with the agreement extended to the beginning of the 2025/2026 financial year.

- The variance in uniform expenditure is attributed to underspending, resulting from reduced operational requirements compared to initial projections, to accommodate cost-curtailment measures.

- The full settlement of the 2024/2025 insurance premium in advance has resulted in the recognition of savings for the entire financial year.

- At the time of reporting, the Workmen's Compensation billing had not been finalised by the Department of Labour. The necessary adjustments will be made once the billing is received, and the liability will be accurately reflected in the final Annual Financial Statements. In the interim the MTPA raised an accrual based on the prior year invoice.

Overspending relates to the movement of the below net transactions:

- Utility fees continue to surpass expectations due to rate increases being above inflation year on year.

- Cleaning and consumable usage continues to exceed budget expectations, necessitating the implementation of stricter internal controls to prevent excessive overspending.

- Vehicle maintenance costs exceeded the budget despite the implementation of cost-containment measures. This variance is primarily due to the ageing fleet, which incurs higher maintenance expenses to remain roadworthy and compliant with regulatory requirements.

- The integration of Zithabiseni Resort and Conference Centre (Pty) Ltd operations led to unbudgeted increases in operational costs, including higher subscription fees, rental expenses, and other related overheads.

PROGRAMME COSTS

- A site survey was conducted in Q2, with procurement and testing planned for Q4 to implement a radio communication solution in the reserves. The estimated costs exceed the available budget, and a tender process may be required once maintenance costs are included. The project was deferred until extra funding has been secured.

- The Disaster Recovery initiative progressed with benchmarking completed in Q1 and stakeholder consultations conducted in Q2. While implementation was initially planned for Q4, it has been deferred due to cash flow constraints. Key components affected by the delay include the system integration landscape, the SITA Permit System, offsite document warehouse storage, and the full implementation of the Sage300 HR module.

- Internal audit: Internal reviews were carried out with the support of the internal audit team during the first nine months. A revised audit plan was submitted and approved by the Audit Committee, with execution started in Q4. A significant portion of the remaining budget has been allocated for the annual AFS review.

- The Game Census project was concluded in Q2 with a lower-than-budgeted expenditure. However, the savings realised were offset by overspending in other operational areas.

- IMPS finalisation: Delays in finalising the IMPS are due to a change in scope affecting Barberton Makhonjwa Mountain, resulting from a community dispute. Progress continues in Songimvelo, however, another one-year extension was issued during Q3 to accommodate further delays.

- The actual expenditure on long service awards was lower than budgeted. This was primarily due to the inclusion of newly appointed Zithabiseni employees in the initial budget projections; however, the request to include them in the long service awards payments was not approved. Further fluctuations are expected as the provision includes rate adjustments and assumptions for retirements.

- The recorded savings in the Tourism Special Allocation resulted from a well-defined activity plan designed to ensure that the allocated budget was fully utilised and that the targets set were met.

- Inadequate budget provision for litigation fees continues to pose a challenge. The matter has been raised with the Department of Economic Development and Tourism (DEDT) as a critical area of budgetary concern.

PAYMENT OF CAPITAL ASSETS

The following capital activities were funded:

- Water reticulation project at God's Window and water treatment project at Songimvelo Nature Reserve concluded.
- Installation of fences for Mthethomusha, Andover and Ohrigstad.
- Construction of the Swadini Gate Dam Entrance Gate at the Blyde River Canyon.
- Upgrade and refurbishment of 3x GEO sites at Barberton Makhonjwa Heritage Site.
- Supply and delivery of office furniture for Mdala Nature Reserve, and furniture for various accommodation facilities.
- ITC successfully managed to purchase 41 laptops and 4 projectors to date.
- Delivery of 3x Hilux Single Cab 2.4 GD 4X4 SR, 6 Speed Manual Transmission vehicles.
- Conversion of 3 staff houses into 9 family chalets at Bourke's Luck Potholes Tourist Attraction Centre.
- Seven buildings in Manyeleti Nature Reserve free of asbestos materials.
- Progress made on the Mthethomusha water project initiated.
- Upgrade and construction at Sterkspruit Guest House.

GROUP ACCOUNTING POLICIES

FOR THE PERIOD ENDING 31 MARCH 2025

1. BASIS OF PREPARATION

The Group 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 in accordance with Section 91(1) of the Public Finance Management Act, (Act No 1 of 1999)

In the absence of an issued and effective Standard of GRAP, accounting policies for material transactions, events or conditions were developed in accordance with paragraphs 8, 10 and 11 of GRAP 3 as read with Directive 5.

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

The principal accounting policies, applied in the preparation of these Group Annual Financial Statements, are set out below, which are consistent with those adopted in the prior financial year:

These Group Annual Financial Statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise. They are presented in South African Rand. The figures are rounded off to the nearest Rand.

1.1 SIGNIFICANT JUDGEMENTS AND SOURCES OF ESTIMATION UNCERTAINTY

- These Group Annual Financial Statements have been prepared based on the expectation that the Entity will continue to operate as a going concern for at least the next 12 months.
- The Group Annual Financial Statements have been prepared on accrual basis.
- 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.
- Transactions are accounted for and presented in accordance with their substance and economic reality and not merely their legal form. The substance of transactions or other events is not always consistent with that which is apparent from their legal or contrived form.
- Presentation and disclosure takes into consideration the materiality of the transaction, which can either be material qualitatively or quantitatively or both.
- In preparing the Group Annual Financial Statements, Management is required to make estimates and assumptions that affect the amounts represented in the Group Annual Financial Statements and related disclosures. Use of available information and the application of judgements are inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the Annual Financial Statements. Accounting estimates are utilised in determining fair value, total useful lives and remaining useful lives of property, plant and equipment.

1.2 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are tangible items that:

- are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes; and
- are expected to be used during more than one reporting period

An item of property, plant and equipment that qualifies for recognition as an asset shall be measured at its cost.

- any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management; and

1.2 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

- the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an Entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

The MTPA chose to use the cost model as its accounting policy and applies this policy to the entire class of property, plant and equipment.

After initial recognition as an asset, an item of property, plant and equipment shall be carried at its cost less any accumulated depreciation and any accumulated impairment losses.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits or service potential over the total life of the asset in excess of the most recently assessed standard of performance of the existing asset will flow to the Entity.

Where an asset is acquired through a non- exchange transition, its cost is its fair value at the date of acquisition. All other repairs and maintenance are charged to surplus or deficit for the year in which they are incurred Depreciation amount and depreciation period

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

The residual value and the useful life of each asset are reviewed at the end of each reporting date to assess whether there is any indication that the expectations of the asset have changed since the preceding reporting date. If any such indication exists, the MTPA shall revise the expected useful life and/or residual value accordingly. The change(s) shall be accounted for as a change in an accounting estimate in accordance with the Standard of GRAP on Accounting Policies, Changes in Accounting Estimates and Errors.

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.

Recognition

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

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

Measurement at recognition

An item of property, plant and equipment that qualifies for recognition as an asset shall be measured at its cost.

Where an asset is acquired at no cost, or for a nominal cost, its cost shall be measured at its fair value as at the date of acquisition.

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

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

1.2 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

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.

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

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

The depreciation rates are in accordance with the MTPA's asset management policy. Assets are written off over their expected useful lives up to their residual values.

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

Item	Average useful life
Land	Indefinite
Buildings	10 - 50 years
Machinery and mechanical equipment	5 - 25 years
Furniture and fixtures	5 - 25 years
Motor vehicles	5 - 30 years
Computer equipment	3 - 15 years
Infrastructure	10 - 80 years
Minor assets	2 years

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

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

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

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

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

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

1.2 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

The MTPA separately discloses expenditure to repair and maintain property, plant and equipment in the notes to the Annual Financial Statements (see note 26).

Work in progress

Work in progress relates to assets under construction. The cost of a work in progress asset is determined using the same principles as for an acquired asset outlined above. Work in progress assets are not depreciated. Depreciation only commences when the asset constructed becomes available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Large and small equipment and technical furniture and equipment have been grouped together for disclosure purposes. The depreciable amount of an asset is allocated on a systematic basis over its useful life.

1.3 SERVICE CONCESSION ARRANGEMENTS: ENTITY AS GRANTOR

Recognition of the performance obligation and the right to receive a significant interest in a service concession asset

Service concession arrangements arise from the service concession agreements that the Entity (the grantor) has with different operators. These arrangements give the operator the right to provide a mandated function of the Entity over the period of the service concession agreement. The operator is given the right to either build and/or operate an infrastructure asset within the Entity's parks.

These transactions give rise to assets (infrastructure and other movable assets), liabilities and revenues that are accounted for in the manner outlined below:

Assets

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

Recognition

The grantor shall recognise an asset provided by the operator and an upgrade to an existing asset of the grantor as a service concession asset if:

- the grantor controls or regulates what services the operator must provide with the asset, to whom it must provide them and at what price.
- the grantor controls—through ownership, beneficial entitlement or otherwise—any significant residual interest in the asset at the end of the term of the arrangement.

Initial measurement

The grantor shall initially measure a new service concession asset that meets the concession asset recognition criteria at its fair value.

Where an existing asset meets the conditions of a concession asset, the grantor shall reclassify the asset as a concession asset. The reclassified service concession asset shall be initially measured and accounted for in accordance with the Standards of GRAP on Investment Property (GRAP 16), Property, Plant and Equipment (GRAP 17), Intangible Assets (GRAP 31), or Heritage Assets (GRAP 103), as appropriate.

1.3 SERVICE CONCESSION ARRANGEMENTS: ENTITY AS GRANTOR (CONTINUED)

Subsequent measurement

After initial recognition or reclassification, service concession assets shall be measured and accounted for in accordance with the Standards of GRAP on Investment Property (GRAP 16), Property, Plant and Equipment (GRAP 17), Intangible Assets (GRAP 31), or Heritage Assets (GRAP 103), as appropriate.

Liability recognition

Where the grantor recognises a service concession asset, the grantor shall also recognise a liability. The grantor shall not recognise a liability where an existing asset of the grantor is reclassified as a service concession asset, except in circumstances where additional consideration is provided by the operator.

Initial measurement

Where the grantor has an unconditional obligation to pay cash or another financial asset to the operator for the construction, development, acquisition or upgrade of a service concession asset, the grantor shall account for the liability recognised as a financial liability.

The liability arising from concession asset recognition shall be initially measured at the same amount as the service concession asset, adjusted by the amount of any other consideration (e.g. cash) from the grantor to the operator, or from the operator to the grantor.

Subsequent measurement – The Financial Liability Model

Subsequent to initial measurement, the Standard of GRAP on Financial Instruments (GRAP 104) applies to the financial liability recognised above. The grantor shall allocate the payments to the operator and account for them according to their substance as a reduction in the liability recognised, a finance charge, and charges for services provided by the operator. The finance charges and charges for services provided by the operator in a service concession arrangement shall be accounted for as expenses.

Where the asset and service components of a service concession arrangement are separately identifiable, the service components of payments from the grantor to the operator shall be allocated by reference to the relative fair values of the service concession asset and the services. Where the asset and service components are not separately identifiable, the service component of payments from the grantor to the operator is determined using estimation techniques.

Grant of a right to the operator model

Where the grantor does not have an unconditional obligation to pay cash or another financial asset to the operator for the construction, development, acquisition or upgrade of a service concession asset, and grants the operator the right to earn revenue from third-party users or another revenue-generating asset, the grantor shall account for the liability as the unearned portion of the revenue arising from the exchange of assets between the grantor and the operator. The grantor shall recognise revenue and reduce the liability recognised according to the substance of the service concession arrangement.

Other liabilities

The grantor shall account for other liabilities, contingent liabilities and contingent assets arising from a service concession arrangement in accordance with the Standard of GRAP on Provisions, Contingent Assets (GRAP 19) and Financial Instruments (GRAP 104).

1.3 SERVICE CONCESSION ARRANGEMENTS: ENTITY AS GRANTOR (CONTINUED)

Other revenues

The grantor shall account for revenues from a service concession arrangement, other than those specified under Grant of a right to the operator model, in accordance with the Standard of GRAP on Revenue from Exchange Transactions (GRAP 9).

Derecognition

Service concession arrangements are derecognised on disposal or when the investment property is permanently withdrawn from use and no future economic benefits or service potential are expected from its disposal.

Gains or losses arising from the retirement or disposal of service concession arrangements are the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in surplus or deficit in the period of retirement or disposal.

Compensation from third parties for service concession arrangements that were impaired, lost or given up is recognised in surplus or deficit when the compensation becomes receivable.

1.4 ACCOUNTING BY PRINCIPALS AND AGENTS – IDENTIFICATION

An agent is an Entity that has been directed by another Entity (a principal), through a binding arrangement, to undertake transactions with third parties on behalf of the principal and for the benefit of the principal.

A principal is an Entity that directs another Entity (an agent), through a binding arrangement, to undertake transactions with third parties on its behalf and for its own benefit.

A principal-agent arrangement results from a binding arrangement in which one Entity (an agent) undertakes transactions with third parties on behalf of, and for the benefit of, another Entity (the principal).

Identifying whether an Entity is a principal or an agent

When the Entity is party to a principal-agent arrangement, it assesses whether it is the principal or the agent in accounting for revenue, expenses, assets and/or liabilities that result from transactions with third parties undertaken in terms of the arrangement.

The assessment of whether an Entity is a principal or an agent requires the Entity to assess whether the transactions it undertakes with third parties are for the benefit of another Entity or for its own benefit.

Binding arrangement

The Entity assesses whether it is an agent or a principal by assessing the rights and obligations of the various parties established in the binding arrangement.

Where the terms of a binding arrangement are modified, the parties to the arrangement re-assess whether they act as a principal or an agent.

Assessing which Entity benefits from the transactions with third parties

When the Entity in a principal-agent arrangement concludes that it undertakes transactions with third parties for the benefit of another Entity, then it is the agent. If the Entity concludes that it is not the agent, then it is the principal in the transactions.

1.4 ACCOUNTING BY PRINCIPALS AND AGENTS – IDENTIFICATION (CONTINUED)

The Entity is an agent when, in relation to transactions with third parties, all three of the following criteria are present:

- It does not have the power to determine the significant terms and conditions of the transaction.
- It does not have the ability to use all, or substantially all, of the resources that result from the transaction for its own benefit.
- It is not exposed to variability in the results of the transaction.

Where the Entity has been granted specific powers in terms of legislation to direct the terms and conditions of particular transactions, it is not required to consider the criterion of whether it does not have the power to determine the significant terms and conditions of the transaction to conclude that it is an agent. The Entity applies judgement in determining whether such powers exist and whether they are relevant in assessing whether the Entity is an agent.

Recognition

The Entity, as a principal, recognises revenue and expenses that arise from transactions with third parties in a principal-agent arrangement in accordance with the requirements of the relevant Standards of GRAP.

The Entity, as an agent, recognises only that portion of the revenue and expenses it receives or incurs in executing the transactions on behalf of the principal in accordance with the requirements of the relevant Standards of GRAP.

The Entity recognises assets and liabilities arising from principal-agent arrangements in accordance with the requirements of the relevant Standards of GRAP.

1.5 INTANGIBLE ASSETS

An intangible asset is an identifiable, non-monetary asset without physical substance. Intangible assets are identifiable resources controlled by the Entity from which the Entity expects to derive future economic benefits.

An intangible asset is identifiable if it either is separable, i.e. is capable of being separated or divided from the Entity and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, identifiable asset or liability, regardless of whether the Entity intends to do so, or arises from contractual or other legal rights, regardless of whether those rights are transferable or separable from the Entity or from other rights and obligations.

An intangible asset is recognised if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Entity and the cost of the asset can be measured reliably.

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

Intangible assets that are acquired and have finite useful lives are initially recognised at cost with subsequent measurement at cost less any accumulated amortisation and any impairment losses.

Intangible assets are derecognised upon disposal or when no future economic benefits are expected from their use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss in the year the asset is derecognised.

An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows. Amortisation is not

provided for these intangible assets. For all other intangible assets, amortisation is recognised in the profit or loss and is provided on the straight-line basis which, it is estimated, will reduce the carrying amount of the assets to their residual values at the end of their useful lives.

Intangible assets are amortised at the following rates:

Computer software	3 - 15 years

1.6 HERITAGE ASSETS

After recognition as an asset, a class of heritage assets is carried at its cost less any accumulated impairment losses.

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

Classes of heritage assets include conservation areas such as reserves. This land is reflected as a heritage asset of the Group.

Characteristics often displayed by heritage assets include the following:

- their value in cultural, environmental, educational and historical terms is unlikely to be fully reflected in monetary terms;
- ethical, legal and/or statutory obligations may impose prohibitions or severe stipulations on disposal by sale;
- they are often irreplaceable;
- their value may increase over time even if their physical condition deteriorates;
- they have an indefinite life and their value appreciates over time due to their cultural, environmental, educational, natural scientific, technological, artistic or historical significance;
- and they are protected, kept unencumbered, cared for and preserved.

Recognition

A heritage asset shall be recognised as an asset if, and only if:

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

The Group holds heritage assets through conservation areas in the reserves that are regarded as heritage assets. The Group does not recognise heritage assets, which on initial recognition, do not meet the recognition criteria of a heritage asset because they cannot be reliably measured. Relevant and useful information about them has been disclosed in the notes to the Annual Financial Statements.

Initial measurement

A heritage asset that qualifies for recognition as an asset, shall be measured at its cost. When it is acquired through a non- exchange transaction, it will be measured at its fair value/deemed cost as at the date of acquisition.

Subsequent measurement

After recognition as an asset, a class of heritage assets is carried at its cost less any accumulated impairment losses.

1.6 HERITAGE ASSETS (CONTINUED)

Impairment

The MTPA assesses at each reporting date whether there is an indication that it may be impaired. If any such indication exists, the MTPA estimates the recoverable amount or the recoverable service amount of the heritage asset.

Transfers

Transfers from heritage assets are only made when the particular asset no longer meets the definition of a heritage asset. Transfers to heritage assets are only made when the asset meets the definition of a heritage asset. The transfer will be made at the carrying value of the heritage asset.

Derecognition

The MTPA derecognises heritage assets on disposal, or when no future economic benefits or service potential are expected from its use or disposal. The gain or loss arising from derecognition of a heritage asset is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the heritage asset. Such difference is recognised in surplus or deficit when the heritage asset is derecognised.

1.7 BIOLOGICAL ASSETS THAT FORM PART OF AN AGRICULTURAL ACTIVITY

The MTPA's main mandate is to provide for the sustainable management and promotion of tourism and nature conservation in the Mpumalanga Province and to ensure the sustainable utilisation of natural resources. As part of this mandate, the MTPA is responsible for biodiversity conservation in defined protected areas, and the biological assets consist of a large variety of species.

The MTPA does not intervene in ecosystems. The Nature Reserves are home to different species of animals where all inhabitants of an ecosystem co-exist without human interference.

Biological assets consist of wild animals managed for conservation purposes. This management is, however, not an agricultural activity as the main objective is not to harvest (or produce additional biological assets for harvest) but to manage and maintain a specific environment as a whole. Hence such assets cannot be accounted for using the principles of GRAP 27.

The Group has therefore accounted for these assets in accordance with the principles and interpretations of GRAP 17.

Based on the Framework for the Preparation and Presentation of Financial Statements and GRAP 17, these assets meet the definition of an asset but do not meet the recognition criteria relating to reliable measurement. The MTPA cannot reliably measure the values of biological assets as they are not of a nature that can be easily counted with a level of certainty. Valuations are not easily available as the assets are kept for conservation purposes, and the parks cannot keep up with births, deaths and migrations of wildlife. As the biological assets cannot be counted, it is impossible to calculate gains and losses in biological assets during the year.

The MTPA does not recognise its biodiversity assets as they do not meet the recognition criteria, but only discloses statistical results as additional disclosure for the benefit of users of the Annual Financial Statements.

1.7 BIOLOGICAL ASSETS THAT FORM PART OF AN AGRICULTURAL ACTIVITY (CONTINUED)

GRAP 110

Living resources

A living resource shall be recognised as an asset if, and only if:

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

Assessing if a living resource is an asset

16. The definition of an asset is met if the living resource is controlled by the Entity as a result of past events, and from which future economic benefits or service potential is expected to flow to the Entity.

Control of a living resource may be evidenced:

- by legislation or similar means, where the Entity is granted control of an asset to meet its service delivery objectives;
- through an acquisition;
- due to a non-exchange transaction, for example through a donation or reproduction which results in offspring.

To demonstrate control, the Entity needs to control the right or access to future economic benefits or service potential of the resource. To assess whether the Entity controls the living resource, the following indicators can be applied individually, or in combination, to conclude that control exists:

• the intervention by an Entity in the management of the physical condition of the living resource;

• the ability to restrict the movement of the living resource;

• the ability to direct the use of the living resource.

In light of the above, the MTPA has no control over its living and non-living assets, hence cannot record living and non-living resources as assets.

1.8 FINANCIAL INSTRUMENTS INITIAL RECOGNITION

The MTPA classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement.

Financial assets and financial liabilities are recognised on the MTPA's Statement of Financial Position when the MTPA becomes party to the contractual provisions of the instrument.

Receivables from exchange and non-exchange transactions

Trade and other receivables are classified as receivables from exchange transactions and receivables from non-exchange transactions.

Trade receivables are measured at initial recognition at fair value less provision made for impairment of these receivables.

Short-term receivables and payables are not discounted where the initial credit period granted or received is consistent with terms used in the public sector either through established practices or legislation.

1.8 FINANCIAL INSTRUMENTS INITIAL RECOGNITION (CONTINUED)

The MTPA provides for receivables which are older than 120 days. Appropriate allowances for estimated irrecoverable amounts are recognised in deficit or surplus when there is objective evidence that the asset is impaired. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial re-organisation, and default or delinquency in payments are considered indicators that the trade receivable is impaired.

The carrying value of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the income statement within operating expenses. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited as other income in the Statement of Financial Performance.

Payables from exchange transactions and payables from non-exchange transactions

Payables from exchange transactions are carried at the fair value of the consideration to be paid in future for goods or services that have been received or supplied and invoiced or formally agreed with the supplier.

Trade payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

Cash and cash equivalents

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

Other loans and receivables

Other financial assets classified as loans and receivables are initially recognised at fair value plus transaction costs, and are subsequently carried at amortised cost less any accumulated impairment losses.

These financial assets are not quoted in an active market and have fixed or determinable payments.

Financial Instrument

Projects arise as and when a new project is planned per the MTPA's implementation plan. These projects are funded by external stakeholders and the projects funds are managed by the MTPA.

Included in this liability are the community benefit sharing projects. The community benefit-sharing projects arise upon the existence of a co-management agreement between the MTPA and the respective communities adjacent to the protected area.

- Its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided, in the case of a non-financial variable, that the variable is not specific to a party to the contract (sometimes called the 'underlying').
- It requires no initial net investment, or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors.
- It is settled at a future date.
- cash;
- a residual interest of another Entity; or

- a contractual right to:
  - receive cash or another financial asset from another Entity; or
  - exchange financial assets or financial liabilities with another Entity under conditions that are potentially favourable to the Entity.
- deliver cash or another financial asset to another Entity; or
- exchange financial assets or financial liabilities under conditions that are potentially unfavourable to the Entity.
- equity instruments or similar forms of unitised capital;
- a formal designation of a transfer of resources (or a class of such transfers) by the parties to the transaction as forming part of an Entity's net assets, either before the contribution occurs or at the time of the contribution; or
- a formal agreement, in relation to the contribution, establishing or increasing an existing financial interest in the net assets of an Entity.
- the Entity designates at fair value at initial recognition; or
- are held for trading.
- derivatives;
- combined instruments that are designated at fair value;
- instruments held for trading. A financial instrument is held for trading if:
  - it is acquired or incurred principally for the purpose of selling or repurchasing it in the near term; or
  - on initial recognition it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking;
  - non-derivative financial assets or financial liabilities with fixed or determinable payments that are designated at fair value at initial recognition; and
  - financial instruments that do not meet the definition of financial instruments at amortised cost or financial instruments at cost.

1.9 TAX

Current tax assets and liabilities

The MTPA is registered as a taxpayer in terms of S10(1) of the Income Tax Act, 1962. The institution qualifies as an exempt institution and is accordingly exempt from South African normal tax in terms of S10(1) of the Income Tax Act, 1962.

1.10 LEASES

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. All other leases are classified as operating leases.

Operating leases

Leases for assets under which 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, after taking into account any fixed escalation clauses.

Contingent rents are charged as an expense in the periods in which they are incurred.

1.11 INVENTORIES

The Group's inventories include consumables, cleaning materials, stationery and fuel.

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

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

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

Current replacement cost is the cost the Entity incurs to acquire the asset on the reporting date.

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

The cost of inventories is assigned using the weighted average method, and inventory is managed using the perpetual inventory system.

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

When inventories are sold, the carrying amounts of those inventories are recognised as an expense in the period in which the related revenue is recognised. If there is no related revenue, the expenses are recognised when the goods are distributed or related services are rendered.

The amount of any write-down of inventories to net realisable value or current replacement cost, and all losses of inventories, are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of a write-down of inventories, arising from an increase in net realisable value or current replacement cost, is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

1.12 IMPAIRMENT OF NON-CASH-GENERATING ASSETS

Non-cash-generating assets are those assets held by the MTPA without an intention of generating a commercial return from such asset, such as assets used for general administrative and governance purposes and assets used purely for service delivery. This identification is based on the materiality of cash flows generated from these assets.

The MTPA assesses at each reporting date whether any indications exist that an asset may be impaired. When such an indication exists, the MTPA estimates the recoverable service amount of the asset. The recoverable service amount is the higher of a non-cash-generating asset's fair value less costs to sell and its value in use. The value in use is determined by using either the depreciated replacement cost, restoration cost or service unit approach, depending on the availability of data and the nature of the impairment.

If the carrying amount of a non-cash-generating asset exceeds its recoverable service amount, it is impaired. An impairment loss is recognised immediately in surplus or deficit.

The MTPA assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for a non-cash-generating asset may no longer exist or may have decreased. If any such indication exists, the MTPA estimates the recoverable service amount of that asset and accounts for the reversal of impairment loss if necessary. The increase in carrying amount of an asset due to the reversal of impairment loss should not exceed what the asset's original carrying value would have been if no impairment loss were recognised.

1.13 CONTRIBUTION FROM OWNERS

An equity instrument is any contract that evidences a residual interest in the assets of an Entity after deducting all of its liabilities.

1.14 CONTINGENT ASSETS

Contingent assets are possible assets whose existence will be confirmed by the occurrence or non-occurrence of uncertain future events that are not wholly within the control of the Entity. Contingent assets are not recognised, but they are disclosed when it is more likely than not that an inflow of benefits will occur. However, when the inflow of benefits is virtually certain an asset is recognised in the Statement of Financial Position, because that asset is no longer considered to be contingent.

1.15 EMPLOYEE BENEFITS

Short-term employee benefits

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

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

The expected cost of surplus sharing and bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

Defined contribution plans

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

Payments made to industry-managed (or state plans) retirement benefit schemes are dealt with as defined contribution plans where the Entity's obligation under the schemes is equivalent to those arising in a defined contribution retirement benefit plan.

Defined benefit plans

Other long-term employee benefits

Other long-term employee benefits may include, for example:

- long-term compensated absences such as long service or sabbatical leave;
- other long service benefits;
- long-term disability benefits;
- bonus, incentive and performance related payments payable twelve months or more after the end of the reporting period in which the employees render the related service;
- deferred compensation paid twelve months or more after the end of the reporting period in which it is earned.

Long service awards

Long service awards are provided to employees who achieve certain pre-determined milestones of service within the MTPA. The MTPA's obligation under these plans is valued periodically and the corresponding liability is raised. Payments are set-off against the liability, including notional interest, resulting from the valuation by Management and are charged against the Statement of Financial Performance as employee benefits upon valuation.

1.15 EMPLOYEE BENEFITS (CONTINUED)

Gains and losses arising from the experience adjustments and changes in assumptions, is charged or credited to the Statement of Financial Performance in the period that it occurs. These obligations are valued periodically by management.

1.16 PROVISIONS AND CONTINGENCIES

A provision is a liability of uncertain timing or amount.

Provisions are recognised when:

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

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

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

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

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

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

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

A provision is used only for expenditures for which the provision was originally recognised. Provisions are not recognised for future operating deficits.

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

A constructive obligation to restructure arises only when an Entity:

- has a detailed formal plan for the restructuring, identifying at least:
- the activity/operating unit or part of a activity/operating unit concerned;
- the principal locations affected; - the location, function, and approximate number of employees who will be compensated for services being terminated;
- the expenditures that will be undertaken; and

1.16 PROVISIONS AND CONTINGENCIES (CONTINUED)

- when the plan will be implemented; and
- has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

A restructuring provision includes only the direct expenditures arising from the restructuring, which are those that are both:

- necessarily entailed by the restructuring; and
- not associated with the ongoing activities of the MTPA.

No obligation arises as a consequence of the sale or transfer of an operation until the MTPA is committed to the sale or transfer, that is, there is a binding arrangement.

After their initial recognition, contingent liabilities recognised in Entity combinations that are recognised separately are subsequently measured at the higher of:

- the amount that would be recognised as a provision; and
- the amount initially recognised less cumulative amortisation.

Contingent Liabilities

A contingent liability is:

A possible obligation that arises from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Entity; or

A present obligation that arises from past events, but is not recognised because:

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

Contingent liabilities are not recognised in the statement of financial position but are disclosed in the notes to the financial statements, unless the possibility of an outflow of resources is remote.

The Entity assesses all known contingent liabilities at reporting date and discloses them, where material, in the notes to the financial statements. The disclosure includes:

- an estimate of the potential financial effect.
- an indication of the uncertainties relating to the amount or timing of any outflow; and
- the possibility of any reimbursement.

This policy is applied in accordance with GRAP 19, and any updates or new information after reporting date that may affect the assessment of contingent liabilities is considered up to the date of approval of the financial statements.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 28.

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

1.16 PROVISIONS AND CONTINGENCIES (CONTINUED)

Loan commitment is a firm commitment to provide credit under pre-specified terms and conditions.

The Group recognizes a provision for financial guarantees and loan commitments when it is probable that an outflow of resources embodying economic benefits and service potential will be required to settle the obligation and a reliable estimate of the obligation can be made.

Determining whether an outflow of resources is probable in relation to financial guarantees requires judgement. Indications that an outflow of resources may be probable are:

- financial difficulty of the debtor;
- defaults or delinquencies in interest and capital repayments by the debtor;
- breaches of the terms of the debt instrument that result in it being payable earlier than the agreed term, and the ability of the debtor to settle its obligation on the amended terms; and
- a decline in prevailing economic circumstances (e.g. high interest rates, inflation and unemployment) that impact on the ability of entities to repay their obligations.

Where a fee is received by the MTPA for issuing a financial guarantee and/or where a fee is charged on loan commitments, it is considered in determining the best estimate of the amount required to settle the obligation at reporting date.

Where a fee is charged and the MTPA considers that an outflow of economic resources is probable, the MTPA recognises the obligation at the higher of:

- the amount determined using the Standard of GRAP on Provisions, Contingent Liabilities and Contingent Assets; and
- the amount of the fee initially recognised less, where appropriate, cumulative amortisation recognised in accordance with the Standard of GRAP on Revenue from Exchange Transactions.

A contingent asset is a possible asset that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the MTPA.

The MTPA does not recognise contingent assets. Rather, contingent assets are disclosed where an inflow of economic benefits or service potential is probable.

Contingent assets usually arise from unplanned or other unexpected events that are not wholly within the control of the MTPA and give rise to the possibility of an inflow of economic benefits or service potential to the MTPA. An example is a claim that the MTPA is pursuing through legal processes, where the outcome is uncertain.

Contingent assets are not recognised in financial statements since this may result in the recognition of revenue that may never be realised. However, when the realisation of revenue is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate.

Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognised in the financial statements of the period in which the change occurs. If an inflow of economic benefits or service potential has become probable, an Entity discloses the contingent asset.

1.17 REVENUE FROM NON-EXCHANGE TRANSACTIONS

Governement Grants

Revenue from special projects grants shall be measured at the amount of the increase in net assets, which in this case will be the net proceeds received from the funders. If conditions are attached to the grant, a liability will be recognised and shall be the best estimate of the amount required to settle the present obligation at the reporting date. When a liability is subsequently reduced because a condition is satisfied, the amount of the reduction in the liability will be recognised as revenue.

Assets in-kind

Assets in-kind are property, plant and equipment transferred to an Entity in a non-exchange transaction, without charge, but may be subject to stipulations. Assets in-kind are recognised as revenue and property, plant and equipment:

- when it is probable that the future economic benefits or service potential will flow to the MTPA and the fair value of the assets can be measured reliably.
- when the assets are received, or there is a binding arrangement to receive the goods. If assets in-kind are received without conditions attached, revenue is recognised immediately. If conditions are attached, a liability is recognised, which is reduced and revenue recognised as the conditions are satisfied.

On initial recognition, assets in-kind are measured at their fair value as at the date of acquisition, which may be ascertained by reference to an active market, or by appraisal.

1.18 REVENUE FROM EXCHANGE TRANSACTIONS

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

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

Sale of goods

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

- the MTPA has transferred to the purchaser the significant risks and rewards of ownership of the goods;
- the MTPA retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the Entity; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

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

- the amount of revenue can be measured reliably;

1.18 REVENUE FROM EXCHANGE TRANSACTIONS (CONTINUED)

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

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

This category includes accommodation and revenue generated from entrance fees.

Other exchange transactions

These includes concession fees, rental income, wildlife income and sundry income, where:

- concession income is income from concessionaires granted right to operators infrastructure facilities within the reserves. Such income is recognised as it accrues over the period of the agreement;
- Implementation fees are fees that are receivable for managing special projects on behalf of other state entities. This income is recognised on a monthly basis, based on the services performed; and
- Rent income is accrued on a daily basis in accordance with the substance of the relevant agreements

Interest Income

Interest is recognised using the effective interest rate method on a time proportion basis. Revenue arising from the use by others of the MTPA assets yielding interest is recognised when:

- it is probable that the economic benefits or service potential associated with the transaction will flow to the Entity; and
- the amount of revenue can be measured reliably.

1.19 COMMITMENTS UNDER SERVICE LEVEL AGREEMENTS

Commitments under service level agreements are disclosed in respect of contracted amounts for which delivery by the contractor is outstanding at the accounting date, and for amounts which the Boards' approval has been obtained but not yet contracted for.

Commitments are not recognised in the Statement of Financial Position as a liability or as an expenditure in the Statement of Financial Performance but are included in the disclosure notes 36.

1.20 PROJECT LIABILITIES

Projects arise as and when a new project is planned per the MTPA's implementation plan. These projects are funded by external stakeholders and the projects funds are managed by the MTPA.

Included in this liability are the community benefit sharing projects. The community benefit-sharing projects arise upon the existence of a co-management agreement between the MTPA and the respective communities adjacent to the protected area.

Project liabilities are recognized in the Statement of Financial Position as a liability. Funds held on behalf of the projects are recognized in the Statement of Financial Position as cash and Cash equivalents.

1.21 BORROWING COSTS

Interest expense

All interest expenses are recognised in profit or loss in the period in which they are incurred.

1.22 FRUITLESS AND WASTEFUL EXPENDITURE

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

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

1.23 IRREGULAR EXPENDITURE

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

- this Act; or
- the State Tender Board Act, 1968 (Act No. 86 of 1968), or any regulations made in terms of the Act; or
- any provincial legislation providing for procurement procedures in that Provincial Government.

Irregular expenditure that was incurred and identified during the current financial year is disclosed under note 32.

Irregular expenditure is recorded in the notes to the Annual Financial Statements when confirmed. The amount recorded is equal to the value of the irregular expenditure incurred, unless it is impractical to determine, in which case reasons therefore must be provided in the notes.

Irregular expenditure receivables are measured at the amount that is expected to be recovered and are de-recognised when settled or written-off as irrecoverable.

Irregular expenditure must be removed from the balance of the irregular expenditure notes when it is either:

- condoned by the relevant authority if no official was found to be liable in law;
- recovered from an official liable in law;
- written-off if it's irrecoverable from an official liable in law; or
- written-off if it's not condoned and not recoverable.

1.24 TRANSFER OF FUNCTIONS BETWEEN ENTITIES UNDER COMMON CONTROL

Definitions

An acquirer is the Entity that obtains control of the acquiree or transferor.

Carrying amount of an asset or liability is the amount at which an asset or liability is recognised in the statement of financial position.

Control is the power to govern the financial and operating policies of another Entity so as to benefit from its activities.

A function is an integrated set of activities that is capable of being conducted and managed for purposes of achieving an Entity's objectives, either by providing economic benefits or service potential.

1.24 TRANSFER OF FUNCTIONS BETWEEN ENTITIES UNDER COMMON CONTROL (CONTINUED)

A merger is the establishment of a new combined Entity in which none of the former entities obtains control over any other and no acquirer can be identified.

Transfer date is the date on which the acquirer obtains control of the function and the transferor loses control of that function.

A transfer of functions is the reorganisation and/or the re-allocation of functions between entities by transferring functions between entities or into another Entity.

A transferor is the Entity that relinquishes control of a function.

Common control – For a transaction or event to occur between entities under common control, the transaction or event needs to be undertaken between entities within the same sphere of government or between entities that are part of the same economic Entity. Entities that are ultimately controlled by the same Entity before and after the transfer of functions are within the same economic Entity.

A function is an integrated set of activities that is capable of being conducted and managed for purposes of achieving an Entity's objectives, either by providing economic benefits or service potential. A function consists of inputs and processes applied to those inputs that have the ability to create outputs. A function can either be a part or a portion of an Entity or can consist of the whole Entity. Although functions may have outputs, outputs are not required to qualify as a function.

The three elements of a function are defined as follows:

Input: Any resource that creates, or has the ability to create, outputs when one or more processes are applied to it.

Process: Any system, standard, protocol, convention or rule that, when applied to an input or inputs, creates or has the ability to create outputs.

Output: The result of inputs and processes applied to achieve and improve efficiency. This may be in the form of achieving service delivery objectives, or the delivery of goods and/or services.

Determining the transfer date

The acquirer and the transferor identify the transfer date, which is the date on which the acquirer obtains control and the transferor loses control of that function.

All relevant facts and circumstances are considered in identifying the transfer date.

Accounting by the Entity as acquirer – Initial recognition and measurement

As of the transfer date, the Entity recognises the purchase consideration paid to the transferor and all the assets acquired and liabilities assumed in a transfer of functions. The assets acquired and liabilities assumed are measured at their carrying amounts.

If, prior to the transfer of functions, the transferor was not applying the accrual basis of accounting, the transferor changes its basis of accounting to the accrual basis of accounting prior to the transfer.

The consideration paid by the Entity can be in the form of cash, cash equivalents or other assets. If the consideration paid is in the form of other assets, the Entity derecognises such assets on the transfer date at their carrying amounts.

1.24 TRANSFER OF FUNCTIONS BETWEEN ENTITIES UNDER COMMON CONTROL (CONTINUED)

The difference between the carrying amounts of the assets acquired, the liabilities assumed and the consideration paid to the transferor is recognised in accumulated surplus or deficit.

Accounting by the Entity as transferor – Derecognition of assets transferred and liabilities relinquished

As of the transfer date, the Entity derecognises from its group Annual Financial Statements all the assets transferred and liabilities relinquished in a transfer of functions at their carrying amounts.

Until the transfer date, the Entity continues to measure these assets and liabilities in accordance with applicable Standards of GRAP.

The consideration received from the acquirer can be in the form of cash, cash equivalents or other assets. If the consideration received is in the form of other assets, the Entity measures such assets at their fair value on the transfer date in accordance with the applicable Standard of GRAP. The difference between the carrying amounts of the assets transferred, the liabilities relinquished and the consideration received from the acquirer is recognised in accumulated surplus or deficit.

1.25 BUDGET INFORMATION

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

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

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

The approved budget covers the fiscal period from 01 Apr 2024 to 31 Mar 2025.

1.26 RELATED PARTIES

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

Management are those persons responsible for planning, directing and controlling the activities of the MTPA, including those charged with the governance of the MTPA in accordance with legislation, in instances where they are required to perform such functions. This includes close family members who are considered to be those family members who may be expected to influence, or be influenced by, management in their dealings with the MTPA.

1.27 SEGMENT INFORMATION

A segment is an activity of an Entity:

- that generates economic benefits or service potential (including economic benefits or service potential relating to transactions between activities of the same Entity);
- whose results are regularly reviewed by management to make decisions about resources to be allocated to that activity and in assessing its performance; and
- for which separate financial information is available.

1.27 SEGMENT INFORMATION (CONTINUED)

Reportable segments are the actual segments which are reported on in the segment report. They are the segments identified above, or alternatively an aggregation of two or more of those segments where the aggregation criteria are met.

1.28 CHANGE IN ACCOUNTING POLICIES, ESTIMATES AND ERRORS

Change in estimate

A change in accounting estimate is an adjustment of the carrying amount of an asset or a liability, or the amount of a period consumption of an asset, that results from the assessment of the present status of, and expected future benefits and obligations associated with, assets and liabilities. Changes in accounting estimates result from new information and new developments and are not corrections of errors.

The effect of a change in an accounting estimate shall be recognised prospectively by including it in surplus or deficit in:

- the period of the change, if the change affects that period only; or
- the period of the change and future periods, if the change affects both.

To the extent that a change in an accounting estimate gives rise to changes in assets and liabilities, or relates to an item of net assets, it shall be recognised by adjusting the carrying amount of the related asset, liability or item of net assets in the period of the change.

Prior period errors

Prior period errors are omissions from, and misstatements in, the Entity's financial statements for one or more prior periods, arising from a failure to use, or misuse of, reliable information that:

- was available when the Annual Financial Statements for those periods were authorised for issue; and
- could reasonably be expected to have been obtained and taken into account in the preparation and presentation of those financial statements.

A prior period error shall be corrected by retrospective restatement in the first set of financial statements authorised for issue after their discovery by:

- restating the comparative amounts for the prior period(s) presented in which the error occurred; or
- if the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and net assets for the earliest prior period presented.

A prior period error shall be corrected by retrospective restatement except to the extent that it is impracticable to determine either the period-specific effects or the cumulative effect of the error.

Prior period error adjustments have been disclosed in note 36.

When it is impracticable to determine the period-specific effects of the error on comparative information for one or more prior periods presented, the Entity shall restate the opening balances of the assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable (which may be the current period).

When it is impracticable to determine the cumulative effect, at the beginning of the current period, the Entity shall restate the comparative information to correct the error prospectively from the earliest date practicable.

1.28 CHANGE IN ACCOUNTING POLICIES, ESTIMATES AND ERRORS (CONTINUED)

Change in Accounting Policies

Accounting policies are the specific principles, bases, conventions, rules and practices applied by an Entity in preparing and presenting financial statements.

An Entity shall change an accounting policy only if the change:

- is required by a Standard of GRAP; or
- results in the Annual Financial Statements providing reliable and more relevant information about the effects of the transactions, other events or conditions on the MTPA's financial position, financial performance or cash flows.

A change in accounting policy shall be applied retrospectively, except to the extent that it is impracticable to determine either the period-specific effects or the cumulative effect of the change.

When it is impracticable to determine the period-specific effects of changing an accounting policy on comparative information of one or more prior periods presented, the Entity shall apply the new accounting policy to the carrying amounts of the assets and liabilities as at the beginning of the earliest period for which retrospective application is practicable, which may be the current period, and shall make a corresponding adjustment to the opening balance of each affected component of net assets for that period.

When it is impracticable to determine the cumulative effect, at the beginning of the current period, of applying a new accounting policy to all prior periods, the Entity shall adjust the comparative information to apply the new accounting policy prospectively from the earliest date practicable.

1.29 EVENTS AFTER REPORTING DATE

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

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

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

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

1.30 RECENT STANDARDS AND INTERPRETATIONS

Standards and interpretations effective and adopted by Group

GRAP 109: Accounting by Principals and Agents –

This standard will have an impact on the MTPA as the MTPA does act as both a principal and agent, in binding principal- agent arrangements.

1.30 RECENT STANDARDS AND INTERPRETATIONS (CONTINUED)

Service concessions agreements give rise to transactions where the Group is a principal. The business plans and memorandum of agreement between the Group and the different organs of the state from which the MTPA receives funding to implement projects on their behalf, gives rise to the Group being an agent.

The impact of the standard when it becomes adopted that the MTPA will have to recognize all revenues, expenses, assets and liabilities arising from transactions where the MTPA is a principal. The material effect of this standard would be the recognition of the concession asset. The liabilities and expenses affecting service concession agreements are already recognized in the Statement of Financial Performance by virtue of other standards of GRAP.

Additionally, the MTPA will have to recognize all assets, liabilities and expenses arising from transactions where the MTPA is an agent. The material effect of this standard would be the de-recognition of the assets and liabilities that arise from the MTPA acting as an agent. The revenues arising from principal-agent are already recognized in the Statement of Financial Performance by virtue of other standards of GRAP.

GRAP 110: Living and non-living resources –

This standard will have an impact on the MTPA as the MTPA does have living and non-living resources.

Non-living resources includes land, and water, minerals, oils and gas and other non-regenerative resources which have not been extracted. And living resources are those resources that undergo biological transformation, such as plants and animals.

The impact of the standard when it becomes effective is that the MTPA will have to recognize living and non-living resources, subject to the resource meeting the criteria of control.

Carrying amount is the amount at which an asset is recognised in the statement of financial position.

Figures in Rand	31 March 2025	31 March 2024 *Restated*

2. INVENTORIES

Consumable stores	237 654	833 792
Fuel (Diesel, Petrol)	465 017	925 061
Total	**702 671**	**1 758 853**

3. RECEIVABLES FROM EXCHANGE TRANSACTIONS

Receivables from exchange transactions	8 671 475	11 709 650
Provision for impairment of trade receivables	(2 351 449)	(3 175 036)
Prepaid expenses	2 155 075	2 589 501
Total	**8 475 101**	**11 124 115**

TRADE AND OTHER RECEIVABLES - ADDITIONAL DISCLOSURE

The average credit period on trade receivables is 30 days. No interest is charged on outstanding balances of trade receivable accounts.

The majority of the Group's accounts receivable originate from sales of goods and rendering of services. The inherent credit risk is mitigated by a credit verification process performed before awarding future accounts.

The following receivables had balances outstanding that represented more than 5% of the total balance of outstanding receivables from exchange transactions:

Account	31 March 2025 Rand	Percentage of total (%)	31 March 2024 Rand	Percentage of total (%)
Tintswalo Safari Lodge	3 124 263	35	4 496 549	48
Mpumalanga Film	567 000	6	567 000	6
Department of Labour (WCA)	-	-	460 097	5
Wildlife Up Close (Pty) Ltd	1 274 502	14	-	-
Honeyguide Tented Safari Camps	3 132 605	35	2 668 630	28
Total	**8 098 369**		**8 192 276**	

AGEING OF DEBTORS IS AS FOLLOWS:

Account	31 March 2025 Rand	31 March 2024 *Restated* Rand
0 – 30 days	6 102 156	8 069 268
30 – 60 days	199 337	331 192
60 – 90 days	9 826	6 419
90 – 120 days	8 706	127 735
> 120 days	2 351 449	3 175 036
Total	**8 671 475**	**11 709 650**

Figures in Rand	31 March 2025	31 March 2024 *Restated*

RECONCILIATION OF PROVISION FOR IMPAIRMENT OF TRADE AND OTHER RECEIVABLES

Opening balance	(3 175 036)	(4 682 348)
Provision for impairment	823 587	1 507 312
	(2 351 449)	**(3 175 036)**

In determining the recoverability of a trade receivable, the Entity considers any change in the credit quality of the trade receivable from the date the credit was initially granted up to the reporting date. The receivable balances that constitute the prior year allowance for impairment losses have not been partially collected in the current year, since these receivables are still in the process of being collected.

4. RECEIVABLES FROM NON-EXCHANGE TRANSACTIONS

Other receivables*	5 256 590	5 192 161
Deposits	291 725	291 725
SARS – PAYE	19 053	19 053
Staff receivables	253 493	171 626
	5 820 861	**5 674 565**

The Group has conditional grants from different public sector funders for special projects. The terms of reference differ per project. During the execution of such projects, the Group sometimes uses its own funds to cover project costs. The above amounts indicate instances where the Group has used its own funds to cover project costs. This amount is recoverable from the funders. The Group ensures that it does not exceed the project value as per the project's Memorandum of Agreement.

5. CASH AND CASH EQUIVALENTS

CASH AND CASH EQUIVALENTS CONSIST OF:

Bank balances	17 384 427	55 307 800

BANK BALANCES

Group's operating accounts**	4 963 644	26 191 187
Group's salaries accounts	144 510	16 220 699
Funds held on behalf of the projects*	11 872 864	12 491 668
Consolidated bank account – Trust	214 959	215 797
Zithabiseni bank account	-	188 449
Total	**17 195 977**	**55 307 800**

*Funds held on behalf of projects in several bank accounts.

**Included in the cash and bank balance is an amount of R313,199.89 as at 31 March 2025, which remains in the bank account of Zithabiseni Resort and Conference Centre (Pty) Ltd. The funds have not yet been transferred to the Mpumalanga Tourism and Parks Agency (MTPA) due to administrative delays, specifically the absence of authorised signatories required to close the account. In accordance with GRAP 105, the cash is recognised by MTPA from the effective date of transfer, being 1 April 2024, as control of the funds was obtained on that date.

Figures in Rand	31 March 2025	31 March 2024 *Restated*

6. PROPERTY, PLANT AND EQUIPMENT

	31 March 2025			31 March 2024 *Restated		
Description	**Cost/ Valuation**	**Accumulated depreciation**	**Carrying value**	**Cost/ Valuation**	**Accumulated depreciation**	**Carrying value**
Land	4 487 213	-	4 487 213	4 487 213	-	4 487 213
Buildings	427 038 163	(134 872 898)	292 165 265	452 325 972	(146 165 163)	306 160 809
Furniture and fixtures	13 452 637	(7 258 606)	6 194 031	11 901 616	(7 070 255)	4 831 361
Motor vehicles	32 874 286	(23 560 580)	9 313 706	31 937 734	(22 415 691)	9 522 043
Office equipment	-	-	-	2 411	(2 407)	4
Computer equipment	-	-	-	325 514	(232 717)	92 797
Computer equipment	14 077 997	(8 153 908)	5 924 089	12 789 654	(7 030 296)	5 759 358
Infrastructure	363 828 846	(189 475 256)	174 353 590	297 092 043	(175 220 074)	121 871 969
Machinery and mechanical equipment	21 703 682	(16 307 635)	5 396 047	21 014 587	(15 366 957)	5 647 630
Concession – infrastructures*	735 433	(438 616)	296 817	735 433	(401 992)	333 441
Concession – building*	3 513 075	(1 856 094)	1 656 981	3 513 075	(1 649 767)	1 863 308
Minor assets	212 737	(183 941)	28 796	175 060	(158 614)	16 446
Work in progress	57 123 417	-	57 123 417	36 591 379	-	36 591 379
Total	**939 047 486**	**(382 107 534)**	**556 939 952**	**872 891 691**	**(375 713 933)**	**497 177 758**

RECONCILIATION OF PROPERTY, PLANT AND EQUIPMENT - 31 MARCH 2025

	Opening Balance	Additions	Disposal	Transfers from Zithahiseni	Transfers from WIP	Assets in Kind	Transfer to MTPA	Depre-ciation	Closing Balance
Zithabiseni									
Land	4 487 213	-	-	-	-	-	-	-	4 487 213
Buildings	306 160 809	73 156	-	26 424 000	6 410 036	-	(30 412 894)	(16 489 842)	292 165 265
Furniture and fixtures	4 831 361	1 619 038	(11 684)	1 117 580	-	-	(269 150)	(1 093 114)	6 194 031
Motor vehicles	9 522 043	1 680 583	-	93 000	-	-	(5)	(1 981 915)	9 313 706
Office equipment	4	-	-	-	-	-	(4)	-	-
IT equipment	92 797	-	-	-	-	-	(92 797)	-	-
Computer equipment	5 759 358	1 155 113	-	133 229	-	-	-	(1 123 611)	5 924 089
Infrastructure	121 871 969	-	-	3 119 903	12 526 377	51 090 523	-	(14 255 182)	174 353 590
Machinery and mechanical equipment	5 647 630	1 050 758	(29 248)	119 985	-	-	(75 181)	(1 317 897)	5 396 047
Minor assets	16 446	37 677	-	-	-	-	-	(25 327)	28 796
Work in progress	36 591 379	39 468 450	-	-	(18 936 413)	-	-	-	57 123 416
Concession - building*	1 863 308	-	-	-	-	-	-	(206 327)	1 656 981
Concession - infrastructures*	333 441	-	-	-	-	-	-	(36 624)	296 817
	497 177 758	**45 084 775**	**(40 932)**	**31 007 697**	**-**	**51 090 523**	**(30 850 031)**	**(36 529 839)**	**556 939 951**

Figures in Rand	31 March 2025	31 March 2024 *Restated*

ASSETS IN KIND

The Group required the installation of perimeter fencing at the Mdala Nature Reserve to enhance the management and protection of the area. To support this initiative, the Department of Agriculture, Rural Development, and Environmental Affairs undertook the project on behalf of the Group.

The Department managed and executed all aspects of the project, including supply chain processes, installation, and construction. Once completed, the asset was formally handed over to the Group.

The total cost of the project, amounting to R51,090,523 was borne by the Department. The transfer of the completed asset was effected in accordance with Section 42 of the Public Finance Management Act, 1999 (Act No. 1 of 1999, as amended), and the asset was duly recognised in the records of the Group.

***Zithabiseni assets not included in the take on, due to dilapidated state**

Movable assets identified by the Professional Valuer with an associated replacement value of R162 206.00 has been excluded from the asset register. Management acknowledges the obsolete assets; however, in accordance with the provisions of GRAP 17, they do not meet the criteria for recognition as assets. As a result, management has resolved not to include these obsoletemovable assets in the asset register or recognize them in the MTPA's financial records.

A total of 223 chalet units have been destroyed, and the associated replacement value of R181,600,000 has been excluded from this valuation. Management acknowledges the deteriorated condition of these assets; however, in accordance with the provisions of GRAP 17, they do not meet the criteria for recognition as assets. As a result, management has resolved not to include these 223 chalet units in the asset register or recognize them in the MTPA's financial records.

The following existing assets are classified as service concession assets Tintswalo, Khoku Moya, and Mantobeni

Detail	Opening Balance	Additions	Depreciation	Closing Balance
Tintswalo Buildings	34 494 560	-	(1 245 366)	33 249 194
Mantobeni Buildings	6 894 724	-	(285 064)	6 609 660
Khokhu Moya Buildings	7 966 567	-	(327 216)	7 639 351
Total	**49 355 852**	**-**	**(1 857 646)**	**47 498 206**

***Concession**

- The concession period shall commence on the Commencement Date and shall continue thereafter for a period of 15 (fifteen) years ("the Initial Concession Period").
- The Concessionaire has a right to the following:
  a. Finance, design, construct and operate the facilities.
  b. General, charge and collect revenue from the operation and management of the Facility during the Concession Period; and
  c. Use the Concession Area for the purpose of the project, refer to contract.
- The Concessor requires the Concessionaire to promote its mandate to uplift tourism and create employment.
- The Concessionaire shall ensure that the standards, quality and nature of the access roads and control points in place at the Commencement Date will remain substantially the same during the Concession Period.
- On the expiry or termination of the agreement and/or the Concession Period, for whatever reason and without prejudice to any of the Parties hereto (subject as herein provided):

Figures in Rand	31 March 2025	31 March 2024 *Restated*

- The Concession Agreement shall cease to have effect, subject to all rights and obligations of the Parties existing prior to such termination.
  a. Such rights as the Concessionaire may have over the Concession Area, the Camp and facilities shall terminate.
  b. The Concessionaire shall, without payment of any compensation by the Concessor, transfer all of its rights, title and interests in the Concession Area and facilities to the Concessor in good condition and in accordance with a standard and quality reasonably acceptable to the Concessor.

Work in progress

The Group has identified several projects experiencing significant delays, in accordance with GRAP 17.87. These projects are currently under construction or development, with a cumulative expenditure of **R7,536,220** recognised in their carrying value.

Delays in the construction of the Dixie Kitchen Picket, removal of asbestos at Songimvelo, Mabusa, Blyde and Nooitgedacht Dam, as well as procurement of materials for drainage/sewer works at Andover Nature Reserve, are attributed to disputes with CPAs and sub-contractors.

Meanwhile, delays in the flood gate installation at Nooitgedacht Dam, fencing at Songimvelo and the installation of log cabins at Mahushe Shongwe are due to budgetary constraints. Despite these interruptions, no indicators of impairment have been identified for the affected projects. Management has reviewed the carrying value of property, plant and equipment facing prolonged completion times and found none to be recognised.

Project Description	Reasons for Halted	Carrying Value
Construction of Dixie Kitchen Picket, removal of asbestos at Songimvelo, Mabusa, Blyde and Nooitgedacht Dam. Material for the construction of drainage/sewer at Andover Nature Reserve	Due to disagreement with CPAs and sub-contractors	3 766 529
Flood gate at Nooitgedacht Dam, Songimvelo fence, installation of log cabins at Mahushe Shongwe, bulk water supply at Blyde NR	Budget constraints	3 769 691
Total	**-**	**7 536 220**

Figures in Rand	31 March 2025	31 March 2024 *Restated*

RECONCILIATION OF PROPERTY, PLANT AND EQUIPMENT - 31 MARCH 2024

	Opening balance	Additions	Disposals	Transfers	Depreciation	Impairment loss	Closing Balance
Land	4 487 213	-	-	-	-	-	4 487 213
Buildings	319 457 886	194 542	(907 102)	5 484 297	(16 729 275)	(1 339 539)	306 160 809
Furniture and fixtures	4 993 492	446 468	(2 066)	-	(606 533)	-	4 831 361
Motor vehicles	10 032 064	1 562 681	(12 162)	-	(2 060 540)	-	9 522 043
Office equipment	4	-	-	-	-	-	4
IT equipment	17 267	107 903	-	-	(32 373)	-	92 797
Computer equipment	5 459 483	1 472 168	(103 656)	-	(1 068 637)	-	5 759 358
Infrastructure	123 449 441	1 768 675	-	8 836 002	(12 077 664)	(104 485)	121 871 969
Machinery and mechanical equipment	5 846 305	1 044 936	(18 456)	136 774	(1 361 929)	-	5 647 630
Minor assets	18 077	24 339	-	-	(25 970)	-	16 446
Work in progress	12 256 884	38 791 568	-	(14 457 073)	-	-	36 591 379
Concession – building*	2 118 367	-	-	-	(255 059)	-	1 863 308
Concession – infrastructures*	400 590	-	-	-	(67 149)	-	333 441
	488 537 073	**45 413 280**	**(1 043 442)**	**-**	**(34 285 129)**	**(1 444 024)**	**497 177 758**

The following existing assets are classified as service concession assets Tintswalo, Khoku Moya, Mantobeni and Humala Lodge

Detail	Opening Balance	Additions	Depreciation	Closing Balance
Tintswalo Buildings	35 932 762	-	(1 438 201)	34 494 561
Mantobeni Buildings	7 194 968	-	(300 244)	6 894 724
Khokhu Moya Buildings	8 339 909	-	(373 342)	7 966 567
Total	**51 467 639**	**-**	**(2 111 787)**	**49 355 852**

Description of land

Place	ERF	Rands
Head Office	Portion 14 of the Farm Riverside 308 JT	3 505 433
Elukwatini	ERF 27 Elukwatini B Ext 1	981 780
Total		**4 487 213**

7. INTANGIBLE ASSETS

	31 March 2025			31 March 2024 *Restated		
	Cost/ Valuation	Accumulated amoritisation	Carrying value	Cost/ Valuation	Accumulated amortisation	Carrying value
Computer software	542 875	(541 472)	1 403	542 875	(540 929)	1 946

Figures in Rand	31 March 2025	31 March 2024 *Restated*

RECONCILIATION OF INTANGIBLE ASSETS - 31 MARCH 2025

	Opening balance	Amortisation	Total
Computer software	1 946	(543)	1 403

RECONCILIATION OF INTANGIBLE ASSETS - 31 MARCH 2024

	Opening balance	Amortisation	Total
Computer software	5 281	(3 335)	1 946

The Group assesses at each reporting date whether there is any indication that the computer software may be impaired, or that the useful life is still appropriate. No such indication existed at the end of the current financial reporting period.

8. HERITAGE ASSETS

In 2017, the Group reviewed its accounting policy for land and a decision was taken to change the accounting policy for conservation land from Property, Plant and Equipment (GRAP 17) to account for it as Heritage Assets under GRAP 103. Hence, the below items which met the definition of Heritage Assets were transferred from Property, Plant and Equipment (GRAP 17) to Heritage Assets (GRAP 103):

	31 March 2025			31 March 2024 *Restated		
	Cost/ Valuation	Accumulated Impairment losses	Carrying value	Cost/ Valuation	Accumulated depreciation	Carrying value
Conservation areas	8 416 275	-	8 416 275	8 416 275	-	8 416 275

RECONCILIATION OF HERITAGE ASSETS -31 MARCH 2025

	Opening balance	Total
Conservation areas	8 416 275	8 416 275

Name of the reserve	Hectares	Historical cost
Paardeplaats Nature Reserve	2 426	8 416 275
Totals		**8 416 275**

RECONCILIATION OF HERITAGE ASSETS - 31 MARCH 2024

	Opening balance	Disposals	Transfers	Total
Conservation areas	35 283 207	(19 150 490)	(7 716 442)	8 416 275

Name of the reserve	Hectares	Historical cost
Loskop Dam Nature Reserve	22 891	26 866 932
Paardeplaats Nature Reserve	2 426	8 416 275
Totals		**35 283 207**

Figures in Rand	31 March 2025	31 March 2024 *Restated*

A significant value of the Group Heritage assets were obtained through non-exchange transactions from various state-owned organisations. For Heritage assets obtained from non-exchange transactions, the Group attempted to establish the value thereof using guidance from Directive 7 issued by the Accounting Standards Board. Due to the nature of the Group's activities, the Group could not establish a fair value/deemed cost nor a replacement cost for its Heritage assets acquired from non-exchange transactions. For that reason, the Group Heritage assets acquired from non-exchange transactions could not be recognised in the Group Annual Financial Statements. However, information pertaining to such assets has been disclosed below.

The Group assesses at each reporting date whether there is any indication that the Heritage assets may be impaired. No such indication existed at the end of the current financial reporting period.

The restitution of the above properties was successfully restored. The claimants opted for land restoration, although the property shall remain a Nature Reserve under the management of the Group of the remaining extent of Portion 3 of the farm Rietfontein 70 JS, owned by the seller.

Name of the Nature Reserve	31 March 2025 Square meters	31 March 2024 Square meters
Cynthia Letty Nature Reserve	7	7
Ida Doyer Nature Reserve	32	32
Tinie Louw Nature Reserve	10	10
Thorncroft Nature Reserve	17	17
Swadini Nature Resort	100	100
Vertroosting Nature Reserve	162	162
Mangwazi Nature Reserve	419	419
Sterkspruit 2 Nature Reserve	478	478
Witbad Nature Reserve	565	565
Mahushe Shongwe Nature Reserve	1 140	1 140
Sterkspruit 1 Nature Reserve	1 133	1 133
Little Joker - Formosa Nature Reserve	1 273	1 273
SS Skosana Nature Reserve	1 816	1 816
Ohrigstad Dam Nature Reserve	2 525	2 525
Barberton Phase 1 Nature Reserve	2 569	2 569
Nooitgedacht Dam Nature Reserve	2 986	2 986
Barberton Phase 2 Nature Reserve	5 415	5 415
Verloren Vallei Nature Reserve	5 989	5 989
Andover Nature Reserve	6 816	6 816
Bushbuck Ridge Nature Reserve	7 094	7 094
Mthethomusha Nature Reserve	7 979	7 979
Mdala Nature Reserve	8 165	8 165
Mabusa Nature Reserve	10 006	10 006
Mkhombo Nature Reserve	11 224	11 224
Barberton Phase 3 Nature Reserve	19 558	19 558
Manyeleti Nature Reserve	22 563	22 563
Loskop Dam Nature Reserve	23 610	23 610
Blyde River Canyon Nature Reserve	27 290	27 290
Songimvelo Nature Reserve	46 320	46 320
Total	**217 261**	**217 261**

Figures in Rand	31 March 2025	31 March 2024 *Restated*

9. BIOLOGICAL ASSETS

NON - FINANCIAL INFORMATION: QUANTITIES

The Group performs a scientific calculation or game census every three years on animals that can easily be counted from the air and for specific section of the Nature Reserves depending on the allocated budget and funding available. The Group does not perform counts on small animals, insects, birds and freshwater biodiversity.

The last census done on biological assets was carried out in the 2019 calendar year. Thereafter, scientific calculations were done in order to compute approximate numbers of biological assets on hand for each financial year. The latest scientific calculation was done in March of 2025 in order to compute the approximate numbers of biological assets on hand for the 2025 reporting period. Movements in biological assets are clearly visible in the tabulated disclosure below:

The following methodology is applied during the count. Projected game totals are calculated by multiplying the known projected totals of species with the acceptable population parameters, specifically the population growth.

Species	Estimated head count 2025	Estimated head count 2024
Giraffe	119	140
Kudu	638	606
Eland	245	221
Nyala	153	106
Bushbuck	144	142
Duiker	133	112
Steenbok	21	14
Klipspringer	79	57
White Rhino	41	38
Elephant	174	133
Hippo	46	51
Buffalo	335	319
Zebra	1178	1345
Ostrich	32	30
Warthog	89	105
Bushpig	46	53
Waterbuck	195	189
Sable	72	72
Tsessebe	15	15
Red hartebeest	258	258
Mountain reedbuck	334	324
Common reedbuck	29	36
Oribi	44	45
Gray rhebuck	190	157
Blue wildebeest	975	975
Impala	877	877
Black wildebeest	489	481
Sprinbok	135	127
Blesbok	2176	2148

Figures in Rand	31 March 2025	31 March 2024 *Restated*

The Group's main mandate is to provide for the sustainable management and promotion of tourism and nature conservation in the Mpumalanga Province and to ensure the sustainable utilisation of natural resources. As part of this mandate, the Group is responsible for biodiversity conservation in defined protected areas and the biological assets consist of a large variety of species.

The Group does not intervene in ecosystems. The Nature Reserves are home to different species of animals where all inhabitants of an ecosystem coexist without human interference.

Biological assets consist of wild animals managed for conservation purposes. This management is, however, not an agricultural activity as the main objective is not to harvest (or produce additional biological assets for harvest) but to manage and maintain a specific environment as a whole. Hence, such assets cannot be accounted for using the principles of GRAP 27. Hence, the Group has accounted for these assets in accordance with the principles and interpretations of GRAP 17.

Based on the Framework for the Preparation and Presentation of the Group Annual Financial Statements and GRAP 17, these assets meet the definition of an asset but do not meet the recognition criteria relating to reliable measurement. The Group cannot reliably measure the values of biological assets as they are not of a nature that can be easily counted with a level of certainty. Valuations are not easily available as the assets are kept for conservation purposes, and the parks cannot keep up with births, deaths and migrations of wildlife. As the biological assets cannot be counted, it is impossible to calculate gains and losses in biological assets during the year.

The Group does not recognise its biodiversity assets as it does not meet the recognition criteria, but only discloses the game census results as additional disclosure for the benefit of users to the Group Annual Financial Statements.

10. PAYABLES FROM EXCHANGE TRANSACTIONS

Trade payables from exchange transactions	41 847 201	31 001 971
Contractual retention	1 558 183	126 157
Salary control accounts	11 555 677	5 284 743
Other payables - accruals*	11 608 530	7 344 077
Deposits received	200 044	200 044
	66 769 636	**43 956 992**

*Included in other payables is an amount of R 6.5m **(March 2024: R5.6m)** of bonus provision.

11. PAYABLE FROM NON-EXCHANGE TRANSACTIONS

Surplus payable to Provincial Revenue Funds	16 210 755	16 210 755

The balance relates to surplus funds from the 2023/24 financial year which were required to be surrendered to the Provincial Revenue Fund in accordance with Section 53(3) of the PFMA

12. LONG-SERVICE AWARDS

Opening balance as previously reported	13 115 838	12 977 241
Movements	3 118 374	138 597
Closing balance	**16 234 212**	**13 115 838**
Short term portion	1 369 249	1 237 397
Long term portion	14 864 963	11 878 440

Figures in Rand	31 March 2025	31 March 2024 *Restated*
Closing balance	**16 234 212**	**13 115 838**

The provision relates to a long-term portion of amounts due to employees over a period between 10–40 years of service. The obligation will be settled upon completion of each five-year period of employment. The Group assumes a staff loss percentage based on the previous year's results. The average future rate increase is 2.70% **(2024: 5.30%).**

In September 2023, the Group integrated the employees of Zithabiseni into the Group as new employees. No prior year adjustments were necessary, as the first monetary obligation arises only after 10 years of continuous service.

13. PROVISIONS

Opening balance	1 530 668	1 391 728
Raised/(utilised)	291 446	138 940
	1 822 114	**1 530 668**

The annual leave pay accrual consists of the valued leave as at reporting date, which accrues in terms of the Basic Conditions of Employment Act. The Entity allows its employees to accumulate annual leave to a maximum of one year's allocation of 30 days annual leave per employee. The Entity remains liable to pay out an amount equal to the leave balance at the current rate of remuneration.

Prior year capped leave accrual was either taken or forfeited by staff.

14. PROJECT LIABILITIES

Community Benefit Sharing (CPA)@	48 722	48 722
Mzinti Conservation Fund@	197 328	181 249
LG SETA Project	7 099	-
Tourism Monitors**	174 341	172 256
Land User Incentive (LUI) project t	9 873 175	9 322 314
National Skills Fund	1 142 699	-
	11 443 364	**9 724 541**

@Relates to co-management with claimant communities where settlement and co-management agreements have been concluded.

**Funds from National Department of Tourism for tourism monitors learnerships project.

15. SERVICE CONCESSION REALISATION OF CONCESSION LIABILITIES

Concession service - liabilities	-	708 083
Service concessions - short-term	-	(708 083)
Service concessions - long-term	**-**	**-**

16. SALE OF GOODS

Nursery	139 974	7 880
Permit sales	2 247 512	2 069 508
Hiking Trails	3 803 190	3 632 274

Figures in Rand	31 March 2025	31 March 2024 *Restated*
	6 190 676	**5 847 976**

17. RENDERING OF SERVICES

Accommodation	3 200 618	2 188 567
Entrance fees	58 916 831	52 632 675
	62 117 449	**55 480 525**

18. COST OF SALES

Sale of goods		
Cost of goods sold	-	195 370
Rendering of services		
Cost of services	-	9 770
	-	**205 140**

19 GROUP ENTITIES

Name of company	Interest 2025	Interest 2024
The Nelspruit Development Trust	100.00 %	100.00 %
The Nelspruit Financing Trust	- %	- %

Although the Entity does not hold any ownership interests in the above-named trusts, it receives substantially all of the benefits related to their operations and net assets based on the terms of agreements under which these entities were established. The Group also controls these entities. Consequently, the Entity consolidates these entities.

In the current year, Zithabiseni Resort and Conference Centre (Pty) Ltd was also consolidated.

20. CONCESSION FEES

Operating grants		
Concessions	9 665 263	8 976 677

Concessionaires are private operators who render tourism services within the Group's Nature Reserves. The Group has a standard framework that governs the handling of private operators. As per the framework, the concessionaire is expected to pay the higher of: i) the minimum concession fee and ii) the variable concession fee for the period.

The variable fee percentage varies per concession and is dictated by the concession contract. Concessionaires pay the MTPA a monthly fee as per the contract. At the end of the financial year, using the concessionaire's audited Annual Financial Statements, the final fee payable is calculated using the formula disclosed above. Where audited Annual Financial Statements were not received, estimates were used.

Where the monthly fee resulted in the concessionaire having exceeded the calculated amount, the Group will reimburse the concessionaire. Where the monthly fee resulted in the concessionaire having paid less money during the year, the concessionaire will be billed the difference top-up fee. In both cases, the gross revenue receivable is adjusted accordingly in the Statement of Financial Performance.

Figures in Rand	31 March 2025	31 March 2024 *Restated*

21. OTHER OPERATING INCOME

Rental income	466 885	518 475
Recoveries	118 619	129 009
Wildlife income	3 465 524	2 174 030
Sundry income	5 339 171	6 833 080
	9 390 199	**9 654 594**

SUNDRY INCOME

Department of Science and Technology (DST) funds	700 000	700 000
SANBI Groen Sebenza	66 902	1 060 967
African Global	-	105 000
Realisation of concession revenue	-	708 085
Other income**	4 572 269	4 259 029
	5 339 171	**6 833 081**

**Included in other income is the income from Grouplife of R 1.3k.

22. INTEREST RECEIVED

Interest revenue		
Interest received	1 412 462	3 190 919

23. REVENUE FROM NON-EXCHANGE TRANSACTIONS

Grant received	417 502 000	430 794 291
Revenue from non exchange transactions		
Zithabiseni grant received	-	12 519 709

CONDITIONAL GRANT AND OTHER

Conditional grant - Expanded Public Works Programme (EPWP)	2 438 000	2 708 000
Special allocation	92 000 000	83 984 000
SANBI	-	917
CATHSETA	9 100 521	1 385 740
	103 538 521	**88 078 657**

24. REVENUE FROM NON-EXCHANGE TRANSACTIONS

Assets received in kind	51 090 523	-

The Group required the installation of perimeter fencing at the Mdala Nature Reserve to enhance the management and protection of the area. To support this initiative, the Department of Agriculture, Rural Development and Environmental Affairs undertook the project on behalf of the Group.

Figures in Rand	31 March 2025	31 March 2024 *Restated*

The Department managed and executed all aspects of the project, including supply chain processes, installation and construction. Once completed, the asset was formally handed over to the Group.

The total cost of the project, amounting to R51,090,522.65, was borne by the Department. The transfer of the completed asset was effected in accordance with Section 42 of the Public Finance Management Act, 1999 (Act No. 1 of 1999, as amended), and the asset was duly recognised in the records of the Group.

25. COMPENSATION OF EMPLOYEES

Basic	324 069 781	268 258 484
Bonus	13 902 388	12 132 731
Bonds	11 392 937	9 753 726
Acting allowance	5 246 111	3 595 988
Standby Allowance	4 951 264	3 635 070
Danger allowance	687 647	420 696
Overtime payments	13 507 098	14 201 796
UIF	1 367 354	1 301 576
Skills development levy	3 739 664	3 136 795
Gratuity	-	749 352
Provident fund	32 083 992	26 530 065
Pension fund (GEPF)	6 209 688	6 211 835
Group life	24 017 831	21 975 967
Medical aid - company contributions	23 353 367	20 872 551
Long-service awards	4 433 047	2 096 769
Leave paid and accrual	1 533 819	1 663 347
Partnership Basic	8 916 912	3 699 127
Partnership Overtime payments	13 530	-
Partnership UIF	93 249	44 082
Partnership Skills Development Levy	92 511	266 128
	479 612 190	**400 546 085**

26. INTEREST EXPENSE

Interest expense	43 945	25 780

27. OPERATING EXPENSES

Animal feed	162 500	150 000
Auditor's remuneration – external audit fees	6 564 399	4 701 060
Auditor's remuneration – internal audit fees	596 423	1 575 822
Bank charges	40 201	198 398
Board emoluments and travelling allowance	6 021 961	4 888 832
Catering expenses	207 778	128 929
Cleaning and consumables	2 323 041	2 139 893

Figures in Rand	31 March 2025	31 March 2024 *Restated*
Consulting and professional fees	3 818 327	6 817 068
Courier and delivery expenses	400	-
Conference and venue	-	190 837
Loss on disposal of assets	40 933	1 043 441
Gas bottle refill	111 595	301 938
HR related costs	16 866 707	15 984 507
Insurance	4 772 871	3 206 057
Loss of revenue	-	-
Licence and registrations	2 323 427	2 884 674
Legal fees	7 903 138	9 173 649
Motor expenses – fuel and oil	4 247 353	3 658 642
Municipal – electricity	12 653 183	9 667 871
Municipal – rates and taxes	1 028 133	2 055 315
Operating lease rentals	2 961 093	2 619 565
Pastel Evolution and VIP systems	358 857	232 473
Printing and stationery	815 343	1 056 721
Programme costs	42 752 587	38 058 171
Provision for bad debts	-	328 987
Zithabiseni operating expenses	-	3 903 401
Expenditure on behalf of partnerships (DST, Environmental Monitors, and CATHSSETA) Ring-fenced	6 714 420	4 868 456
Security	17 787 359	16 409 583
Small tools	79 862	23 274
Subscriptions and membership fees	6 494 224	5 123 592
Telephone costs	780 644	583 005
Travel – accommodation	1 291 147	1 480 626
Total	**149 717 906**	**143 454 787**

28. REPAIRS AND MAINTENANCE

Building	70 985	33 053
Offices	17 126	157 377
Computers	201 783	170 306
Equipment	79 606	26 539
Garden & pest control	70 022	4 155
Infrastructure	2 253 463	2 666 044
Maiintenance - Zithabiseni	-	174 760
Motor expenses	2 317 764	2 679 407

Figures in Rand	31 March 2025	31 March 2024 *Restated*
	5 010 749	**5 911 641**

29. IMPAIRMENT OF ASSETS

Property, plant and equipment	-	1 444 024

30. CASH (USED IN) GENERATED FROM OPERATIONS

Surplus/(Deficit) per the Statement of Financial Performance	(10 008 078)	20 950 984
ADJUSTMENTS FOR:		
Depreciation and amortisation	36 530 381	34 288 465
Loss on sale of heritage assets	-	7 716 442
Loss on disposal of assets	40 933	1 043 441
Provision for short term service awards	131 851	(568 188)
Provision for bad debts	(442 101)	328 987
Donation - Service concession assets	-	(708 085)
Donation	(51 090 523)	-
PPE (non cash)	(7 847 908)	(2 393 053)
Impairment loss - Building	-	1 444 024
Stock adjustment	(225 160)	(260 319)
Unreconcile amount from PPE	1 122 312	1 624 122
Provision for long term service awards	2 986 523	706 783
Leave provision	291 447	138 939
CHANGES IN WORKING CAPITAL:		
Inventories	1 042 163	(1 125 812)
Receivables from exchange transactions	2 649 014	(2 045 120)
Other receivables from non-exchange transactions	(398 828)	(3 248 808)
Payables from exchange transactions	22 812 644	6 748 910
	(2 405 330)	**64 641 712**

31. CONTRIBUTION FROM OWNERS

Closing balances from Mpumalanga Tourism Authority and Mpumalanga Parks Board	70 197 729	70 197 729

32. TRANSFER OF FUNCTIONS BETWEEN ENTITIES UNDER COMMON CONTROL

TRANSFER OF FUNCTIONS BETWEEN ENTITIES UNDER COMMON CONTROL OCCURRING DURING THE CURRENT REPORTING PERIOD

During the current reporting period, the following operational functions were transferred from Zithabiseni Resort and Conference Centre (Pty) Ltd (the transferor) to the Mpumalanga Tourism and Parks Agency (MTPA) (the acquirer). The transfer formed part of a Provincial Government restructuring initiative aimed at enhancing service delivery, improving operational efficiency and aligning the management of tourism-related functions and state-owned assets under a single

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coordinating Entity. Zithabiseni Resort and Conference Centre (Pty) Ltd operates as a Provincial Tourism facility and offers a range of business and leisure services, including conferencing, hospitality and nature-based activities.

ENTITIES INVOLVED

- Transferor: Zithabiseni Resort and Conference (Pty) Ltd
- Acquirer: Mpumalanga Tourism and Parks Agency (MTPA)

NATURE OF THE FUNCTIONS TRANSFERRED

The functions transferred primarily relate to the management and operation of the Zithabiseni Resort and Conference Centre (Pty) Ltd, that is property maintenance, finance and human resources management, hospitality, leisure, marketing and business management. The business management function offers the following amenities: Conference facilities, Braai Lapa, Swimming pools, Picnic area, fully licensed Restaurant and Bar.

Other tourism-related activities are game viewing and hiking trails, previously overseen by Zithabiseni. The intention was to consolidate tourism assets and services under a single Provincial Tourism authority to promote strategic alignment and efficiency.

NATURE OF THE FUNCTIONS TRANSFERRED

The functions transferred relate to the complete operational management of the Zithabiseni Resort and Conference Centre (Pty) Ltd. These include:

- Property and infrastructure maintenance
- Financial administration
- Human resources management
- Tourism and leisure marketing
- Hospitality and business services, including:
  - Conference facilities
  - Braai Lapa
  - Swimming pools
  - Picnic areas
  - Licensed Restaurant and Bar

Tourism-related activities such as game viewing and hiking trails were also transferred. These functions were previously managed by Zithabiseni Resort and Conference Centre (Pty) Ltd and are now operated and overseen by MTPA to promote strategic integration across Provincial Tourism assets.

REASON FOR THE TRANSFER

The transfer formed part of a broader government strategy to consolidate the management of state-owned assets under one management authority for effective management and ensuring integrated planning, development and marketing in the

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domestic and international market.

Catagory	Amount (Rands)
Property, Plant and Equipment	31 007 697
Trade and other receivables	19 053
Cash and cash equivalents	188 449
Trade and other payables	18 820
Net assets transferred	**31 234 019**

ACCOUNTING POLICY APPLIED

The transfer of functions between entities under common control was accounted for in accordance with GRAP 105, using the carrying amounts of the assets and liabilities at the date of transfer. No goodwill or gain from bargain purchase was recognised.

The transfer was finalised on Monday, 01 April 2024.

33. STATEMENT OF CONTINGENT LIABILITIES FOR THE PERIOD ENDING 31 MARCH 2025

31 MARCH 2025

	Opening balance 01 April 2024	Withdrawal	The estimated financial exposure	Estimated settlement amount paid	Closing balance as at 31 March 2025
Others	1 082 330 740	-	395 821 260	-	1 478 152 000
Banele G Lubisi	7 000 000	-	-	-	7 000 000
June Mica Ngoza	5 000 000	-	-	-	5 000 000
Alleged cases	2 267 658	-	-	-	2 267 658
Maria E Mathebula	-	-	200 000	-	200 000
Small Claims Court	-	-	87 400	-	87 400
	1 096 598 398	**-**	**396 108 660**	**-**	**1 492 707 058**

It was impracticable to determine a best estimate for the contingent liabilities as disclosed in the Group Annual Financial Statements, and as such, management has disclosed the amounts per the summons.

31 MARCH 2024

	Opening balance 01 April 2023	Withdrawal	The estimated financial exposure	Estimated settlement amount paid	Closing balance as at 31 March 2024
Others	740 000 000	-	342 330 740	-	1 082 330 740
Banele G Lubisi	7 000 000	-	-	-	7 000 000
June Mica Ngoza	-	-	5 000 000	-	5 000 000
Alleged cases	1 199 344	-	1 068 314	-	2 267 658

Figures in Rand					31 March 2025		31 March 2024 *Restated*
	748 199 344	**-**	**348 399 054**	**-**			**1 096 598 398**

In the period under review, a total of 28 legal court cases form part of the Group's updated Legal Case Register. About 20 of those legal court cases are active, with 8 not active.

The total legal fees incurred are about **R2 137 198.**

Fred Daniel Case A: Case No. 34502/2010 in the Gauteng Division, High Court in Pretoria

This court case which is fully cited as **Grand Valley Estates and 11 others versus Mpumalanga Tourism and Parks Agency & 24 others: Case No: 34502/2010** has been instituted by one businessman, namely Mr Frederick Coenraad Daniel & 11 others, against various governmental bodies in the North Gauteng High Court in Pretoria in 2010.

The case is being defended through the Office of the State Attorney in Pretoria. This court case involves 12 Plaintiffs (parties instituting the action) which are mostly companies associated with Mr Daniels and a few of his individual fellow business associates. It has 25 Defendants, which include various National, and Provincial government departments, state entities, state officials and individuals. The National department cited in the matter is Environmental Affairs; Provincial department cited is Agriculture and Land Affairs; and state entities cited include MTPA, Regional Land Claims

Commissioner: Mpumalanga Province and national Commissioner of South African Police. Most state officials and individuals are sued herein in vicarious liability as at all times they were acting within the course and scope of their duties in relation to the allegations made against them.

The cause of action set out in the plaintiffs' recently amended particulars of claim in the summons is broadly alleged to be the claim of damages for alleged wrongful, unlawful, intentional conduct of defendants and the breach of the duty of care by defendants towards the plaintiffs which all this is alleged to have resulted in the loss of opportunity to develop and commercialise Nkomazi Wildness and Travelport in Badplaas, a project that was set to be a big five eco-tourism game reserve attracting upmarket tourists and international investors. As a result of the defendants' alleged wrongful and unlawful conduct as well as their breach of duty of care towards the plaintiffs, plaintiffs allege that they have suffered loss of profit valued in the sum of R812 million as well as loss in respect of vacant project land valued in sum of R665 million as of 28 February 2025.

The total amount sued for as contained in the issued summons as amended is in the sum of **R1 478 152 000.00** which is jointly and severally payable by all the Defendants to the Plaintiffs.

Until after 05 December 2024 following the last amendment to their particulars of claim, the plaintiffs initially claimed the sum of **R1 082 330 740.00** as damages jointly and severally payable by all the Defendants to the Plaintiffs. Out of that amount, the amount computed to be payable by the MTPA was the sum of **R1 080 550 000.** Whereas originally when the summons were issued out for the first time, the sum of R740 million was the amount computed to be payable by the MTPA.

Only once the court decides on the matter shall it be certain as to how much the MTPA is liable for. Similarly, only after the finalization of the court case shall it be known for sure the legal costs, if any, that will be payable by the MTPA and other Defendants.

The trial on this court case has started afresh since 20 January 2025. It is set down for trial until 20 June 2025. The trial continues. Thus far, the plaintiffs have called 8 witnesses to give evidence on their behalf. Plaintiffs still intend to call about 4 more witnesses before closing their case. On 28 March 20225 the trial has been adjourned until 05 May 2025 for the court recess.

The legal fees incurred and paid in this matter thus far are more than R14.7 million. The current outstanding legal fees are

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R15.5 million. The MTPA has made a payment arrangement with the Department of Justice (DoJ) of reasonable monthly instalments towards settling these owing legal fees. The future payable fees are not known but would be substantial given the complex nature of this matter and the likely period it may take to finalize this court case. The legal fees incurred in this case are not affordable for the MTPA.

Banele Gcina Lubisi Versus The MTPA: CASE NO. 1233/23: High Court, Mpumalanga Division, Mbombela Main Seat

On 22 March 2023, the MTPA received the issued Summons from the Sheriff of the Court for this court action against the MTPA. The action is for the alleged assault on the plaintiff by the MTPA's officials based at Tonga in August 2022 in an incident relating to illegal trade in fish on the streets and illegal fishing.

The MTPA is sued for **R7million** in a vicarious liability for the actions of its officials done when they were carrying out their official duties.

Based on its initial assessment of the matter, the MTPA has elected to defend the action. In this regard, the MTPA has appointed its legal representatives to enter an Appearance to Defend. Further, the MTPA has approved that the appointed legal representatives may enlist the services of counsel if necessary.

After our lawyer consulted with the employees concerned, it has been established that the plaintiff traded illegally on fish on the streets in Tonga on the day in question. When the peace officers from the MTPA (our concerned or involved officials) effected his arrest in respect of such illegal trading, he resisted arrest which led to the necessary use of force that resulted in him suffering some bodily injuries.

The MTPA has since filed its plea. The discovery process will soon commence. The MTPA legal team believes that the arrest was lawful, and the use of force was necessary. However, the jury is out whether or not such use of force was excessive in the circumstances as to constitute illegality warrant an award of damages as claimed or otherwise. The community in the area was also involved on the day in question and was siding with the plaintiff. So, the prospectus of success are balanced. The matter will continue to be defended.

The MTPA's legal representatives have informed the MTPA that this case is Set Down for the 1st Case Management on the court roll of 18 September 2025 at 09:00 or soon thereafter.

Incurred legal fees to date are the sum of **R 12 220.76**. The future legal fees and legal costs are unknown.

June Mica Ngoza v MTPA: High Court, Mpumalanga Division, Mbombela: Case No: 850/2024

On 14 March 2024 the MTPA received new summons that the plaintiff issued out at the High Court in Mbombela suing the MTPA for damages in the sum of **R 5 million** following an attack by a stray leopard at his homestead in Matsalu Ehlanzeni District, Mpumalanga. As a result, he claims that he has suffered personal physical injuries and emotional shock. In addition, he claims that his earning capacity has also diminished because of injuries sustained in the attack. The MTPA is defending the matter. An exception application was successfully moved resulting in a court order requiring plaintiff to amend its particulars of claim (POC) as they previously did not disclose a cause of action to which the MTPA could plead to. The plaintiff became compelled to amend its POC and the MTPA prepared and filed its plea to the amended POC.

Maria Esnat Mathebula // Mpumalanga Tourism and Parks Agency & Another: Case No. 1748/2024: The Magistrate's Court for the District of Mbombela, Held in Mbombela

On 28 August 2024 the MTPA received summons related to an alleged unlawful arrest and detention claim for damages in the sum of **R200 000.** Apparently, on 8 March 2024 at Maggugu road in Mbombela, Mr RL Mdluli, an employee of the MTPA, while on duty, found one Ms. Maria Esnat Mathebula, plaintiff, on the street in possession of fish that were suspected to have been obtained through illegal fishing in contravention, and violation of the Mpumalanga Nature Conservation Act 10 of 1998

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(MNCA). On a few previous occasions, the MTPA officials had warned her about her illegal practice of selling fish that has not been obtained in keeping with the permit she possessed which is for angling not catching fish in a net. Mr Mdluli effected the arrest of the plaintiff in line with the MNCA. She was detained at Nelspruit Police Station and criminal charges were preferred against her. However, later the criminal case was withdrawn against her by the NPA and she was released from detention.

Ms. Mathebula has since thereafter filed summons against the MTPA and SAPS suing for damages for unlawful arrest and unlawful detention.

The MTPA is sued in a vicarious liability for the actions of its official done when he was carrying out his official duties when he effected the arrest.

Plaintiff is claiming R200 000 for damages for unlawful detention, unlawful arrest, infringement of human dignity and deprivation of liberty.

Based on the assessment of the matter, the MTPA has elected to defend this action. In this regard, the MTPA has therefore enlisted the services of its attorneys to handle the matter. The attorneys consulted with the concerned employees and have since prepared and filed the Plea to the issued summons. Further, they have provided a legal opinion on the merits of the matter. The opinion indicates that the MTPA has good prospectus of success in defending the matter.

The exchange of pleadings continues after which the trial date will be allocated.

Small Claims Court claims against the MTPA at Elukwatini Magistrate's Court, Mpumalanga

The MTPA has been served with several letters of demand/summons (J933) in relation to claims filed by the farmers whose crops were damaged by elephants which are believed to have come from the Songimvelo Nature Reserve (SNR/the Nature Reserve). These matters have been instituted at the Small Claims Court in Elukwatini Magistrate's Court.

The court hearing was initially scheduled for 29 November 2024 but has been postponed to 17 January 2025. Unfortunately, legal representation is not allowed in Small Claims Court. Therefore, one senior manager or reserve manager from Biodiversity, with the guidance of the Legal Services team, will have to attend the hearing on the new date, 17 January 2025.

Below is a list of the plaintiffs involved in these matters:

- Ntombefuthi Florah Mkhonza // Mpumalanga Tourism and Parks Agency **(claimed amount R9 200)**
- Jaulane Sam Mdawe // Mpumalanga Tourism and Parks Agency **(claimed amount R9 200)**
- Phineas Nhlabathi // Mpumalanga Tourism and Parks Agency **(claimed amount R9 200)**
- Isaiah Vusi Nkosi // Mpumalanga Tourism and Parks Agency **(claimed amount R9 200)**
- Obed Bafana Mathebula // Mpumalanga Tourism and Parks Agency **(claimed amount R9 200)**
- Velly Khoza // Mpumalanga Tourism and Parks Agency **(claimed amount R4 600)**
- Folly Jaybee Msibi // Mpumalanga Tourism and Parks Agency **(claimed amount R13 800)**
- Vina Nomasonto Mavuso // Mpumalanga Tourism and Parks Agency **(claimed amount R9 200)**
- Mfan'uzile July Matsebula // Mpumalanga Tourism and Parks Agency **(claimed amount R13 800)**

The preliminary view that we hold regarding these matters is that the res nullius rule is applicable in these matters, meaning that the Agency arguably bears no direct liability for the actions of the elephants. Such will be advanced as the defence of the MTPA when the matter commences together with the contributory negligence factor on the part of the farmers as they have no proper fence even themselves and their fields closer to the boundary of the reserve thus endangering their produce

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or crops. The case was initially placed on the roll for hearings on 14 March 2025 and 28 March 2025.

On the 28th of March 2025, the court has encouraged both parties to attempt settling the matter out of court before the next hearing. The matter has been postponed to 30 April 2025 to allow engagements between the MTPA and the MEC of the Department of Economic Development and Tourism aimed at possible settlement or compensation to the claimants.

Labour/employment-related court cases

- An employee (Jan Muller) is claiming a sum of **R 2 267 657.93** against the MTPA allegedly for breach of his employment contract occasioned by incorrect calculation and/or payment of the disability benefit. If the employee is successful, the service provider would have to ultimately pay whatever it is found to incorrectly paid. This court case is ongoing. The trial date is awaited. The legal fees incurred thus far are in the sum of **R 699 784.51**. The future legal fees and legal costs are unkown.
- A retired employee of the MTPA (B Shoba) has approached the Labour Court, Jhb for an order directing the MTPA to compensate him for alleged constructive dismissal. The MTPA is opposing this court case as the employee took an early retirement on his own volition and refused to reconsider his decision when engaged to do so. His application is therefore without merit. The date of hearing is awaited.
- Different plaintiffs instituted several court cases at the labour court of South Africa against the MTPA following alleged unfair dismissals and unfair labour practices. However, those cases have not been pursued for a long time. There has been no activity in respect of those cases during the period under review.
- With regard to the two court cases instituted by South African Tourism Board against the MTPA for payment for services rendered, the MTPA settled the capital amounts for services rendered. The legal costs are not yet settled and amount to **R8 688.63.** There are no legal fees incurred. Tourism has to requisition the payment these costs. May Finance assist Tourism to have this amount of R8 688.63 paid at once so that we can remove these cases as contingencies.

34. RELATED PARTIES

The Group was established by the Mpumalanga Provincial Government to promote Mpumalanga as a tourism destination in the local and international markets, as well as for biodiversity conservation. The Group reports directly to the Department of Economic Development and Tourism (DEDT). The Nelspruit Development Trust is a controlled Entity as the majority of the trustees are former Group board members. There are no related party transactions.

The following entities are also considered related parties as they fall under the same MEC portfolio:

- MEGA
- Mpumalanga Economic Regulator
- Special Economic Zone

Executive Management and Board Members (refer to note 33) are also considered to be related parties to the Group. The Executive Management Committee consists of:

Chief Executive Officer	Mr. Vilakazi MH*
Acting Chief Executive Officer	Mr. Mohlala MJ (Acting from 02 August 2024 to date)
Acting Chief Financial Officer	Ms. Ngobeni F. (Seconded from 01 May 2023 to 31 December 2024))
Acting Chief Financial Officer	Ms. Mabuza Z (Seconded from 01 January 2025 to date)
Executive Manager: Corporate Services	Mr. Zwane JA*
Acting Executive Manager: Corporate Services	Mr. Shungube S (Acting)

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Executive Manager: Biodiversity Conservation	Ms. Kunene N*
Acting Executive Manager: Biodiversity Conservation	Mr. Malaza B (Acting)
Executive Manager: Commercialisation	Ms. Qutywa P
Executive Manager: Tourism	Mr. Mtungwa NK
Company Secretarial	Mr. Zitha L

*Suspended pending the outcome of an ongoing investigation

EXECUTIVE MANAGEMENT COMMITTEE REMUNERATION

31 MARCH 2025	Acting Allowance	Salary	Total
Chief Executive Officer	-	2 860 654	2 860 654
Acting Chief Executive Officer*	229 870	-	229 870
Acting Chief Financial Officer**	1 331 103	-	1 331 103
Acting Chief Financial Officer***	163 773	-	163 773
Executive Manager: Corporate Services	-	2 324 080	2 324 080
Executive Manager: Biodiversity Conservation	-	2 324 824	2 324 824
Executive Manager:Tourism	-	2 453 813	2 453 813
Executive Manager: Commercialisation	-	2 453 761	2 453 761
Company Secretary	-	1 776 058	1 776 058
Acting Executive Manager: Corporate Services	5 137	-	5 137
Acting Executive Manager: Biodiversity Conservation#	5 137	-	5 137
	1 735 020	**14 193 190**	**15 928 210**

*Acting in the CEO's absence
** Seconded from DARDLEA
*** Seconded from DEDT

31 MARCH 2024	Acting Allowance	Salary	Other benefits***	Total
Acting Chief Executive Officer*	41 101	1 753 808	16 000	1 810 909
Chief Financial Officer*	-	636 374	8 000	644 374
Executive Manager: Corporate Services@@	-	40 267	-	40 267
Executive Manager: Biodiversity Conservation@@	-	44 276	-	44 276
Executive Manager: Tourism	-	1 846 652	18 000	1 864 652
Executive Manager: Commercialisation	-	1 867 717	16 000	1 883 717
Acting Chief Financial Officer**	1 439 420	-	-	1 439 420
Company Secretary	-	1 406 960	4 000	1 410 960
Acting Executive Manager: Tourism&	23 084	-	-	23 084
Executive Manager: Corporate Services@	95 289	1 044 569	6 000	1 145 858
Executive Manager: Biodiversity Conservation#	95 289	1 040 802	8 000	1 144 091
	1 694 183	**9 681 425**	**76 000**	**11 451 608**

* The Chief Executive Officer was appointed on the 1st August 2023
**Secondment of the Acting Chief Financial Officer effective from 01 May 2023
@Executive Manager: Corporate Services was appointed effective from 01 September 2023
@@ Contract ended

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& Ms K Nkambule was acting during the period while the Executive Manager was on special leave.
#Executive Manager: Conservation was appointed effective from 01 September 2023

RELATED PARTY TRANSACTIONS

Department of Economic Development and Tourism (DEDT) - Grant received	417 502 000	430 794 291
Department of Economic Development and Tourism (DEDT) - (Conditional grant) EPWP*	2 438 000	2 708 000
Department of Economic Development and Tourism (DEDT) - Special Allocation	92 000 000	83 984 000
Zithabiseni Resort and Conference Centre (Pty) Ltd - Transfers	-	12 519 709
	511 940 000	**530 006 000**

* Expanded Public Works Programme (EPWP)

35. BOARD MEMBERS AND EXECUTIVE MANAGEMENT EMOLUMENTS

BOARD MEMBERS

31 MARCH 2025	Cellphone Allowance	Fees	Travel and subsistence	Total
Mr. Mashego V (Chairperson)	12 000	700 308	37 051	749 359
Ms. Sithole S (Deputy chairperson)	12 000	480 690	7 383	500 073
Dr. Khumalo ME	12 000	388 485	8 427	408 912
Ms. Dludla GL	12 000	333 519	1 102	346 621
Ms. Diputla LE	12 000	424 530	30 075	466 605
Mr. Sibanyoni B	12 000	499 125	33 474	544 599
Mr. Lubisi SW	12 000	474 375	12 514	498 889
Ms. Nkosi TJ	11 000	401 756	16 021	428 777
	95 000	**3 702 788**	**146 047**	**3 943 835**

31 MARCH 2024	Cellphone Allowance	Fees	Travel and subsistence	Total
Mr. Mashego V (Chairperson)	12 000	625 771	47 280	685 051
Ms. Sithole S (Deputy chairperson)	12 000	437 951	21 853	471 804
Dr. Khumalo ME	12 000	323 845	16 045	351 890
Ms. Dludla GL	12 000	282 610	3 660	298 270
Ms. Diputla LE	12 000	353 245	24 011	389 256
Mr. Sibanyoni B	12 000	393 316	45 130	450 446
Mr. Lubisi SW	12 000	386 730	20 890	419 620
Ms. Nkosi TJ	12 000	372 670	24 102	408 772

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	96 000	**3 176 138**	**202 971**	**3 475 109**

AUDIT COMMITTEE

31 MARCH 2025	Cellphone Allowance	Fees	Travel and subsistence	Total
Ms. Tonjeni MS (Chairpesron)	12 000	268 125	5 311	285 436
Ms. Mbatha TH	12 000	172 215	-	184 215
Ms. Oyiya NZ	11 000	433 540	20 919	465 459
Mr. Masipha RB	12 000	453 750	16 026	481 776
Mr. Carrim W	12 000	176 220	-	188 220
Mr. Nkanyane HH (Chairperson of Risk Committee)	12 000	216 730	-	228 730
Mr. Ndaba SL (Chairperson of ICT Committee)	12 000	232 290	-	244 290
	83 000	**1 952 870**	**42 256**	**2 078 126**

31 MARCH 2024	Cellphone Allowance	Fees	Travel and subsistence	Total
Ms. Tonjeni MS (Chairperson)	11 000	152 395	-	163 395
Ms. Mbatha TH	11 000	78 055	-	89 055
Ms. Oyiya NZ	12 000	362 400	30 427	404 827
Mr. Masipha RB	12 000	388 341	24 065	424 406
Mr. Carrim W	11 000	95 230	-	106 230
Mr. Nkanyane HH (Chairperson of Risk Committee)	12 000	121 026	10 701	143 727
Mr. Ndaba SL (Chairperson of ICT Committee)	7 000	75 085	-	82 085
	76 000	**1 272 532**	**65 193**	**1 413 725**

TOTAL BOARD EMOLUMENTS	31 MARCH 2025	31 MARCH 2024
Total board emoluments	3 943 835	3 475 109
Total audit committee remuneration	2 078 126	1 413 725
Travel and accommodation	840 797	854 941
	6 862 758	**5 743 775**

Figures in Rand	31 March 2025	31 March 2024 *Restated*

EXECUTIVE MANAGEMENT COMMITTEE REMUNERATION

31 MARCH 2025	Acting Allowance	Salary	Travel and Subsistence	Total
Chief Executive Officer	-	2 860 654	57 066	2 917 720
Acting Chief Executive Officer*	229 870	-	-	229 870
Acting Chief Financial Officer**	1 331 103	-	-	1 331 103
Acting Chief Financial Officer***	163 773	-	-	163 773
Executive Manager:Corporate Services	-	2 324 080	22 577	2 346 657
Acting Executive Manager:Corporate Services	5 137	-	-	5 137
Executive Manager:Tourism	-	2 453 813	51 526	2 505 339
Executive Manager: Biodiversity Conservation	-	2 324 824	102 749	2 427 573
Acting Executive Manager: Biodiversity Conservation	5 137	-	-	5 137
Executive Manager: Commercialisation	-	2 453 761	52 393	2 506 154
Company Secretary	-	1 776 058	-	1 776 058
	1 735 020	**14 193 190**	**286 311**	**16 214 521**

*Acting in the CEO's absence
** Seconded from DARDLEA
***Seconded from DEDT

31 MARCH 2024	Acting Allowance	Salary	Travel and subsistence	Other benefits***	Total
Chief Executive Officer*	41 101	1 753 808	128 346	16 000	1 939 255
Chief Financial Officer	-	636 374	17 109	8 000	661 483
Acting Financial Officer**	1 439 420	-	-	-	1 439 420
Executive Manager:Corporate Services@	95 289	1 044 569	30 281	6 000	1 176 139
Executive Manager: Corporate Services@@	-	40 267	-	-	40 267
Executive Manager:Tourism	-	1 846 652	23 708	18 000	1 888 360
Acting Executive Manager:Tourism & Executive Manager: Biodiversity Conservation#	23 084 95 289	- 1 040 802	- 96 914	- 8 000	23 084 1 241 005
Executive Manager: Biodiversity Conservation@@	-	44 276	-	-	44 276
Executive Manager: Commercialisation	-	1 867 717	90 634	16 000	1 974 351
Company Secretary	-	1 406 960	13 926	4 000	1 424 886
	1 694 183	**9 681 425**	**400 918**	**76 000**	**11 852 526**

* The Chief Executive Officer was appointed on the 1st August 2023
**Secondment of the Acting Chief Financial Officer effective from 01 May 2023
@Executive Manager: Corporate Services was appointed effective from 01 September 2023
@@ Contract ended
& Ms K Nkambule was acting during the period while the Executive Manager was on special leave.
#Executive Manager: Conservation was appointed effective from 01 September 2023

Figures in Rand	31 March 2025	31 March 2024 *Restated*

36. RISK MANAGEMENT

FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: market risk (including interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Group has an approved risk management framework and has implemented a risk management register to mitigate identified risks.

The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. Risk management is carried out under policies approved by the Accounting Authority. The Accounting Authority provides principles for overall risk management and policies covering specific areas such as foreign exchange risk, interest rate risk, credit risk and investment.

LIQUIDITY RISK

The Group is exposed to liquidity risk as a result of the funds available to cover future commitments. The Group manages liquidity risk through an ongoing review of future commitments. The Group manages its funds conservatively by maintaining a comfortable level of cash and cash equivalents in order to meet continuous operational needs. Cash flow forecasts are prepared and monitored.

The table below analyses the Group's financial liabilities into relevant maturity groups based on the remaining period at the date of the Statement of Financial Position to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

AT 31 MARCH 2025	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Payables from exchange transactions and payables from non exchange transactions	48 759 938	-	-	-
Service concession liabilities	-	-	-	-
	48 759 938	**-**	**-**	**-**

AT 31 MARCH 2024	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Payables from exchange transactions and payables from non exchange transactions	33 110 644	-	-	-
	33 110 644	**-**	**-**	**-**

CREDIT RISK

The Group is exposed to credit risk on financial assets, mainly attributable to cash deposits, cash equivalents and trade debtors.

The financial assets carried at cost exposes the Entity to credit risk. The values of the maximum exposure to credit risk are as follows for each class of financial asset at cost.

Figures in Rand	31 March 2025	31 March 2024 *Restated*

FINANCIAL ASSETS EXPOSED TO CREDIT RISK FOR THE YEAR ENDED WERE AS FOLLOWS:

Financial instrument	31 March 2025	31 March 2024
Receivables from exchange transactions	8 671 475	11 709 650
Cash and cash equivalents	17 384 426	55 307 800

Account	Balance as at 31 March 2025 Rand	Impairment	Balance as at 31 March 2024 Rand
0 - 30 days	6 102 156	-	8 069 268
30 - 60 days	199 337	-	331 192
60 - 90 days	9 826	-	6 419
90 - 120 days	8 706	-	127 735
> 120 days	2 351 449	2 351 449	3 175 036
	8 671 475	**2 351 449**	**11 709 650**

MARKET RISK

Market risk is the risk that changes in certain market prices, such as interest rates, will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimising the return on risk.

INTEREST RATE RISK

As the Group has no significant variable interest-bearing assets, the Group's income and operating cash flows are substantially independent of changes in market interest rates.

CONCENTRATION RISK

The Group is exposed to concentration risk primarily through its dependence on a limited number of funding sources. A significant portion of its revenue, R511 940 000 (82% of total revenue), is received from the Department of Economic Development and Tourism (DEDT). This amount includes:

- A special allocation of R92 000 000, and
- An EPWP allocation of R2 438 000.

In addition, the Group also receives funding from CATHSSETA amounting to R9 100 521. This grant is specifically provided to support learnerships, training programmes and employee bursaries.

The concentration of funding from a limited number of external parties exposes the Entity to the risk of significant impact on its operations should any of these funding sources be reduced or discontinued.

Figures in Rand	31 March 2025	31 March 2024 *Restated*

37. IRREGULAR EXPENDITURE AND WASTEFUL AND FRUITLESS EXPENDITURE

Wasteful and Fruitless Expenditure	44 809	50 501
Irregular expenditure - Current	7 652 338	3 741 292
Irregular expenditure - Overspending	50 549 997	-
Closing balance	**58 247 144**	**3 791 793**

The irregular expenditure incurred in 2023/24 reporting period has been investigated, where applicable the criminal or disciplinary steps where applicable are taken as a result of losses, irregular and fruitless and wasteful expenditure. The detail breakdown of the irregular expenditure incurred in the period is disclosed in Part E of the Annual Report.

38. COMMITMENTS UNDER OPERATING LEASES

The Group rents administrative buildings from Primkop Airport Management and Dullstroom Heritage Society and as well rents photocopier machines from Databox Technologies.

Minimum lease payments under operating leases recognised as an expense during the year	2 377 542	1 781 691
	2 377 542	**1 781 691**

OPERATING LEASES OFFICE RENTAL AND EQUIPMENT

- payables within 1 year	354 040	1 777 298
- payables between 2 and 5 years	2 258 364	6 000
	2 612 404	**1 783 298**

A contract was entered into with Databox Technologies for a period of 36 months ending on 31 May 2025.

A contract was entered into with Primkop Airport for a period of two years ending on 31 December 2025.

A contract entered into with Dullstroom Heritage Society, the contract is for a period of 30 months ending on 31 August 2025.

None of the trade and other receivables have been pledged as security for liabilities or contingent liabilities.

Figures in Rand	31 March 2025	31 March 2024 *Restated*

39. COMMITMENTS

CAPITAL EXPENDITURE

Already contracted for but not provided for		
Approved and contracted	46 451 406	31 941 219

OPERATIONAL EXPENDITURE

Approved and contracted	44 516 898	14 674 905

CAPITAL COMMITMENT PER CATEGORY

Infrastructure	24 207 173	24 837 504
Buildings	22 244 233	7 103 715
	46 451 406	**31 941 219**

Commitments represent contractual obligations for goods and services as at 31 March 2025. These amounts are not recognised in the Statement of Financial Position as a liability or as expenditure in the Statement of Financial Performance. They are disclosed in this note.

The total cost of the project under consultants/engineering services is determined using the ECSA Guide 2021 (Gazetted). This consists of the total cost of the projects, unforeseeable additional services (specialised services), and disbursement costs.

40. RETIREMENT BENEFIT OBLIGATIONS

DEFINED CONTRIBUTION PLAN

The Group is a participating employer in the Government Employees Pension Fund (GEPF). The Group became a participating employer in 2006 with its inception, as a result of employees being transferred from government departments, i.e. DALA and Limpopo Province, to the Group.

The employer's contribution paid is 13%, as this was the percentage employer contribution that was paid by these government departments upon transfer of the employees to the Group.

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

Payments made to industry-managed (or state plan) retirement benefit schemes are dealt with as defined contribution plans, where the Group's obligation under the schemes is equivalent to those arising in a defined contribution retirement benefit plan.

The Entity accounts for this defined benefit state plan as a defined contribution plan, as there is no consistent and reliable basis for allocating the obligation, plan assets and costs to the individual employers for actuarial risks associated with the current and former employees of other employers participating in the plan.

MTPA GEPF Fund	6 209 688	6 211 835

Figures in Rand		31 March 2025	31 March 2024 *Restated*

41. PRIOR PERIOD ERRORS (RESTATEMENT NOTE)

The correction of the error(s) results in adjustments as follows:

Statement of Financial Performance	Notes		
Decrease in sundry income	21	-	(214 107)
Increase in depreciation – F & F	6	-	(2 455)
Increase in operating expenses	27	-	(871 513)
Increase in compensation of employees	25	-	(5 967 508)
Decrease in repair and maintenance	28	-	380 038
Increase in concession	20	-	553 467
Decrease / (increase) in profit		**-**	**(6 122 078)**

Statement of Changes in Net Assets	Notes		
Decrease in accumulated profit		-	(13 809 876)
(Decrease)/Increase in accumulated surplus/ retained earnings		**-**	**(13 809 876)**

Statement of Financial Position	Notes		
Decrease in cash and cash equivalents	5	-	214 107
Decrease in property, plant and equipment	6	-	6 556 238
Decrease in payables from exchange transactions	10	-	(88 274)
Increase in payables from non-exchange transactions	11	-	16 210 755
Decrease in project liability	14	-	(6 527)
Decrease in service concession liabilities	15	-	(708 083)
Increase in receivables from exchange transactions	3	-	(2 246 261)
Decrease / (increase) in accumulated surplus / retained earnings		**-**	**19 931 955**

PROPERTY, PLANT AND EQUIPMENT

- It was noted that items of Capital assets were incorrectly recognised as expenses in the 2023/24 financial period. This error resulted in the understatement of property, plant and equipment, while operating expenses were overstated. Depreciation and accumulated depreciation were also restated as part of the correction.
- It was noted that an item of Capital assets (fencing at Mthethomusha) **(R898 961.72)** had a retention fee of **R226 727.09** which was not supposed to be added, as it related to Phase 1 of the Mthethomusha fence which was completed in the 2023/24 financial year. The correct amount with retention is **R672 234.63** and the net effect is **R226 727.09.**
- It was noted that an item of Capital assets (professional fees for God's Window water reticulation) **(R380 038.74)** was incorrectly recognised as an expense instead of work in progress in the 2023/24 financial year. The corrected amount recognised is **R380 038.74**, with an increase in work in progress of **R380 038.74.**
- It was noted that professional fees for the Barberton VIC and Training Centre were incorrectly recognised in work in progress in the 2023/24 financial period. This error resulted in the overstatement of property, plant and equipment, while operating expenses were understated.

Figures in Rand	31 March 2025	31 March 2024 *Restated*

REVENUE AND RECEIVABLES FROM EXCHANGE TRANSACTIONS

- During the current year, Wildlife Up Close submitted draft Annual Financial Statements for periods dating back to 2019. This enabled the calculation of the variable top-up concession fee, resulting in the retrospective adjustment of concession fee income and related receivables. Both Revenue and Receivables were previously understated.
- Due to operational changes at the Blyde Canyon Adventure Centre, it became necessary to revise the original principal agreement to incorporate payment for cooperation agreements with Blyde Canyon Safaris. After the subcontracting mentioned earlier, the concessionaire introduced a second boat to the concession area. In 2019, Blyde Canyon Safaris began negotiations to initiate payment of the MTPA concession fee. Following the finalisation of the revised agreement, MTPA received payments covering the period from 2018. Both Revenue and Receivables were understated.
- The agreement between MTPA and the concessionaire, Pinnacle Turnkey Developments, was terminated during the 2023 financial year. Following the closure of the agreement, all outstanding concession fees were written down and absorbed by the original commercial rights fee received at the start of the concession term. Revenue and Receivables were both restated.

REVENUE AND RECEIVABLES FROM NON-EXCHANGE TRANSACTIONS

- Accommodation for delegates attending the introduction, planning and implementation of the NSF project during 12–13 March 2024. The original expense was recorded within the Tourism Programme cost instead of the NSF Project account, resulting in the overstatement of Operating expenditure and the understatement of Receivables from non-exchange transactions.

OPERATING EXPENSES, COMPENSATION OF EMPLOYEES AND PAYABLES TRANSACTIONS

- Accommodation for the CEO attending the Presidential Investment Summit project between 24–27 March 2024. The accrual was not recognised prior to the submission of the Annual Financial Statements, resulting in the understatement of Expenses and Payables for the affected period.
- Payment of shared services at the Steve Tshwete Middelburg office for February and March 2024. The accrual was not recognised prior to the submission of the Annual Financial Statements, resulting in the understatement of Expenses and Payables for the affected period.
- Legal payment for opposition to trademark application 2021/26964-6, Nooitgedacht Dam Nature Reserve. An invoice was submitted that included expenses relating to two different financial periods, which was identified subsequently during the current year. The portion relating to the prior financial year was not accrued, resulting in an understatement of Expenses and Payables for that period.
- Accommodation for delegates attending the Commemoration of King Mjekejeke during 1–3 March 2024. The accrual was not recognised prior to the submission of the Annual Financial Statements, resulting in the understatement of Expenses and Payables for the affected period.
- Accommodation for delegates attending the HR review workshop at Witbank during 19–20 March 2024. The accrual was not recognised prior to the submission of the Annual Financial Statements, resulting in the understatement of Expenses and Payables for the affected period.
- Accommodation for seven officials attending the Barberton Makhonjwa Mountain Marathon on 29–30 September 2023. The accrual was not recognised prior to the submission of the Annual Financial Statements, resulting in the understatement of Expenses and Payables for the affected period.
- Sponsorship towards SAFCOL Golf Day at Mbombela Golf Club on 15 March 2024. The accrual was not recognised prior

Figures in Rand	31 March 2025	31 March 2024 *Restated*

to the submission of the Annual Financial Statements, resulting in the understatement of Expenses and Payables for the affected period.

- Accommodation for a board member attending an urgent meeting between the Board and NEHAWU during 21–22 March 2024. The accrual was not recognised prior to the submission of the Annual Financial Statements, resulting in the understatement of Expenses and Payables for the affected period.
- Accommodation and flight for N. Kunene attending the workshop on Biodiversity Mid-cycle Review in Cape Town during 26–31 March 2024. The accrual was not recognised prior to the submission of the Annual Financial Statements, resulting in the understatement of Expenses and Payables for the affected period.
- It was noted that professional fees for the Barberton VIC and Training Centre were incorrectly recognised in work in progress in the 2023/24 financial period. This error resulted in the overstatement of property, plant and equipment, while operating expenses were understated.
- During the current year, management identified that partnership salaries previously disclosed under operating expenses did not align with the GRAP definition of compensation-related expenditure. This error resulted in the overstatement of operating expenses, while compensation of employees was understated.
- During the current financial year, management identified that expenditure relating to long-service awards was incorrectly classified in the prior year's financial statements under programme costs within operating expenses. In terms of the requirements of GRAP 25 Employee Benefits, they should have been included under compensation of employees, as they represent employee benefits. This error resulted in the overstatement of operating expenses, while compensation of employees was understated.

PAYABLES FROM NON-EXCHANGE TRANSACTIONS

- The balance relates to surplus funds from the 2023/24 financial year which were required to be surrendered to the Provincial Revenue Fund in accordance with Section 53(3) of the PFMA. The amount was not disclosed as a payable, resulting in an understatement of liabilities and an overstatement of accumulated surplus (net assets / equity).

REPAIR AND MAINTENANCE

- During the 2023/24 financial year, the Entity engaged a new consultant in relation to the God's Window Water Reticulation Supply Project. The first contractual invoice from this supplier was erroneously recorded under repairs and maintenance rather than being capitalised as part of the project-related assets. As a result, repairs and maintenance expenditure was overstated, while property, plant and equipment were understated in the prior period.

CASH AND CASH EQUIVALENTS

- Correction of a bank account (SANBI) which was initially closed in October 2023, and the remaining balance was transferred to the MTPA operational account. Both sundry income and cash and cash equivalents were overstated.

RETAINED EARNINGS AND LIABILITIES

- In accordance with GRAP 32, it was identified that the concession liability recognition journal was overstated in the 2019/20 financial year. As a result, the entity is correcting this by eliminating the overstated portion of the liability in the current period as a prior period adjustment.
- The balance relates to surplus funds from the 2023/24 financial year which were required to be surrendered to the Provincial Revenue Fund in accordance with Section 53(3) of the PFMA. The amount was not disclosed as a payable, resulting in an understatement of liabilities and overstatemen of accumulated surplus (net assets / equity).

Figures in Rand	31 March 2025	31 March 2024 *Restated*

42. GOING CONCERN

The Annual Financial Statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that the Entity will continue to receive funding, generate revenue and discharge its obligations in the normal course of business for the foreseeable future.

For the financial year ended 31 March 2025, the Entity recorded a deficit of R10 million and liabilities amounting to R54.3 million, which were outstanding at the end of the financial year. Furthermore, the Entity's current liabilities exceed its current assets by R65 million **(2024: R1.2 million)**, indicating a liquidity constraint. Despite this, the Entity's total assets continue to exceed its total liabilities, with a net asset value of R485 million **(2024: R495 million),** supporting its longer-term solvency position.

The MTPA has been allocated a grant of R426 million for the 2025/26 financial year **(2024/25: R420 million)**. In addition to this baseline grant, the Entity receives special allocations to support the implementation of tourism programmes and the upgrading of tourism infrastructure, aimed at enhancing its own revenue-generation capacity.

Management acknowledges that the transfer of the Zithabiseni Resort and Conference Centre (Pty) Ltd has had an impact on the baseline funding requirements of the Entity. This matter is being addressed through formal requests for additional funding and a review of revenue-generation strategies to sustain operations and fund planned activities.

It is the view of management that the future operations of the MTPA are critically dependent on the approval and funding of the Entity's financial recovery plan (budget rescue plan), which includes:

- A baseline budget adjustment
- Additional operational funding from the Department of Economic Development and Tourism (DEDT)
- Support for contractual obligations and infrastructure upgrades

The Board of Directors, based on management input, has reviewed the cash flow forecast and financial position of the Entity. In the absence of confirmation of the requested additional funding, there exists a material uncertainty that may cast significant doubt on the Entity's ability to continue as a going concern. The Board has formally engaged with the Shareholder regarding this matter, and the Shareholder has expressed a commitment to supporting the Entity, contingent upon a sound business plan being in place. The Board confirms that such a plan has been prepared and submitted, and there is currently no indication that the request for funding will be declined.

The Entity is also involved in a long-standing legal court case at the High Court, Pretoria, which has resulted in ongoing legal fees related to hearings and representation. While the matter has not yet reached a resolution and no provision has been made, it continues to have a financial impact on the Entity due to legal expenses. Management will continue to monitor the matter and assess its financial implications. Further details are disclosed in Note [30]: Statement of contingent liabilities.

Accordingly, the Annual Financial Statements have been prepared on a going-concern basis. However, the above conditions represent an uncertainty that may impact the Entity's ability to continue as a going concern. Management and the Board remain confident that, with the expected support from the Shareholder, the Entity will continue to operate in the foreseeable future.

Figures in Rand	31 March 2025	31 March 2024 *Restated*

43. EVENTS AFTER THE REPORTING DATE

The Chief Executive Officer of the Group was placed on precautionary suspension by the Board on 04 August 2024, within the current reporting period (i.e. prior to 31 March 2025). The suspension was effected to allow for an independent investigation into allegations of corruption and/or maladministration involving the Group.

The forensic investigation was completed on 19 May 2025, after which the Board considered and adopted the findings of the investigation report. Following this, the Board resolved to continue the CEO's suspension pending the conclusion of formal disciplinary proceedings. The disciplinary hearing was initially scheduled for 30 June 2025, but was postponed to 15 August 2025 due to delays in the procurement of service providers necessary for the hearing process

44. SEGMENT INFORMATION

GENERAL INFORMATION

IDENTIFICATION OF SEGMENTS

The Group operates in 5 (five) primary business segments: Biodiversity Conservation, Tourism, Commercial operations and Head office support services. Included in the Head office segment is the aggregation of the Executive office, The Office of the CFO and Corporate Services, Zithabiseni and NDT..

The segment information provided above reflects the internal reporting structure used by the Entity for evaluating per formance and allocating resources. Segment revenue represents sales to external customers. Segment operating profit is derived from operating profit included non cash transactions and interest expense

The measurement basis used by the Entity for segment reporting is consistent with that used in the Statement of Financial Performance.

Segment reporting enables users of the financial statements to better understand the Group's performance and risks associated with different parts of its operations.

The Group's main business segments are currently not generating profits, necessitating the Entity to rely on Government grants to fund operational expense.

Figures in Rand	31 March 2025	31 March 2024 *Restated*

TYPES OF GOODS AND/OR SERVICES BY SEGMENT

These reportable segments as well as the goods and/or services for each segment are set out below:

Reportable segment	Goods and/or services
Head Office	Administrative services
Biodiversity	Management and conservation of biodiversity and ecosystems within the province
Tourism	Foster, promote and sustainably develop and market tourism
Commercial Operations*	To sustainably improve revenue generation and collection to secure the future existence of the MTPA
Zithabiseni	Hospitality
Nelspruit Development Trust	Trust - Dormant

SEGMENT SURPLUS OR DEFICIT

31 MARCH 2025	Head office	Biodiversity	Tourism	Zithabiseni and NDT	Commercial operations*	Total
REVENUE						
Sales of goods	-	6 058 338	-	132 338	-	6 190 676
Rendering of services	-	61 304 403	-	813 046	-	62 117 449
Concession fees	-	9 665 263	-	-	-	9 665 263
Other operating income	2 662 428	6 523 490	168 751	35 529	-	9 390 198
Interest received	1 404 586	-	-	7 876	-	1 412 462
Total Revenue from non exchange transactions	518 602 521	51 090 523	-	2 438 000	-	572 131 044
Total segment revenue	**522 669 535**	**134 642 017**	**168 751**	**3 426 789**	**-**	**660 907 092**
Entity's revenue						**660 907 092**
EXPENDITURE						
Salaries and wages	105 003 739	285 926 078	32 140 620	56 541 752	-	479 612 189
Depreciation and amortisation	36 287 430	-	-	242 951	-	36 530 381
Operating expenses	72 004 042	32 546 122	31 587 401	13 579 501	838	149 717 904
Repairs and maintenance	1 120 547	1 619 226	-	2 270 977	-	5 010 750
Interest expense	43 844	-	-	102	-	43 946
Total segment expenditure	**214 459 602**	**320 091 426**	**63 728 021**	**72 635 283**	**838**	**670 915 170**
Total segmental surplus/(deficit)						**(10 008 078)**

* Zithabiseni Resort and Conference Centre was unwind, the employees, assests and operational activities has been absorbed under Commercial Operation programme.

Figures in Rand	31 March 2025	31 March 2024 *Restated*

31 MARCH 2024	Head office	Biodiversity	Tourism	Commercial operations*	Zithabiseni	Total
REVENUE						
Sales of goods	-	5 709 663	-	-	138 313	5 847 976
Rendering of services	-	54 821 242	-	-	659 283	55 480 525
Concession fees	-	8 976 677	-	-	-	8 976 677
Other operating income	2 571 270	6 109 596	233 658	708 685	31 386	9 654 595
Interest received	3 161 811	6 737	-	-	22 371	3 190 919
Total Revenue from non exchange transactions	528 683 740	917	-	2 708 000	12 519 709	543 912 366
Total segment revenue	**534 416 821**	**75 624 832**	**233 658**	**3 416 685**	**13 371 062**	**627 063 058**
Entity's revenue						**627 063 058**

31 MARCH 2024	Head office	Biodiversity	Tourism	Commercial operations*	Zithabiseni	Total
EXPENDITURE						
Salaries and wages	77 979 883	257 177 261	28 504 550	27 612 420	9 271 972	400 546 086
Depreciation and amortisation	31 268 957	-	-	-	3 019 508	34 288 465
Impairment loss	1 444 024	-	-	-	-	1 444 024
Loss on sale of heritage assets	-	7 716 442	-	-	-	7 716 442
Operating expenses	71 287 596	26 121 104	28 590 587	26 071 020	4 078 685	156 148 992
Repairs and maintenance	950 350	2 116 881	-	2 669 649	205 404	5 942 284
Interest expense	20 992	-	-	-	4 788	25 780
Total segment expenditure	**182 951 802**	**293 131 688**	**57 095 137**	**56 353 089**	**16 580 357**	**606 112 073**
Total segmental surplus/(deficit)						**20 950 985**

Figures in Rand	31 March 2025	31 March 2024 *Restated*

43. PUBLIC PRIVATE PARTNERSHIP PROGRAMME – PPP FEE INCOME

LODGE CONCESSION PPP FEES

The Group Act of 2005 provides for the sustainable development and improvement of the tourism industry and the conservation management of Mpumalanga's natural resources.

The MTPA has the legal authority granted to it in terms of the National Environmental Management: Protected Areas Act, 2003 (Act No. 57 of 2003) ("NEMPAA"), as amended by the National Environmental Management: Protected Areas Amendment Act (Act No. 31 of 2004). In addition, Section 4(4) of the MTPA Act (Act No. 5 of 2005) allows the Entity to enter into public-private partnerships.

The Group is involved in Public Private Partnerships (PPPs). The Mpumalanga Provincial Government has repeatedly articulated the need for the MTPA to prepare for eventual weaning from state funding and has urged the Entity to reconsider new models of leveraging its resources and establishing new sustainable revenue-generation options to achieve future financial self-reliance.

The Group identified facilities to be commercialised as concessions and as Public Private Partnerships, and these were registered with the National Treasury as PPP projects.

A PPP, as defined in Treasury Regulation 16 to the PFMA, is essentially a contractual arrangement whereby a private party performs an institution's functions and/or makes use of state property for its commercial purposes. The private party assumes substantial financial, technical and operational risks associated with those functions or the use of state property. In return, the private party receives a benefit according to pre-defined performance criteria. This benefit may be derived entirely from a service tariff or other user charges, an institution's budget, or a combination of the two.

The private party's responsibilities include the financing, design, development, operation and management of the facility for the agreed period of operation. Where substantial capital investments are made by the private party under such arrangements, the PPP agreements tend to be of long duration. A distinct characteristic of a PPP is that it is for a fixed period, during which time ownership of the immovable assets typically vests with the state, and control over these assets reverts to the state at the termination of the PPP agreement.

The minimum concession fee or variable concession fee payable in terms of the concession transaction, with effect from the occupation date and for the duration of this agreement to the MTPA, shall be the higher of the fixed monthly fee as defined by the concession agreement, which will be escalated on an annual basis, on actual gross revenue expressed as a percentage of gross income..

At the end of the concession period, the concessionaire shall hand over the concession area, the reserve, all concession assets and its rights or interest in the developments to the Group free of charges, liens, claims or encumbrances of any kind whatsoever, and free of any liabilities, in good condition (fair wear and tear excepted). The concessionaire shall not, other than as provided for in respect of the residual value, be entitled to payment of any compensation in connection in addition to that.

The calculated annual concession fee is based on the bid percentage of actual gross revenue for that concession year. The specific obligations per concession are detailed in the schedule overleaf:

Figures in Rand	31 March 2025	31 March 2024 *Restated*

Concession Area Reserve	Concession Holder	Commencement Date	Termination Date
Manyeleti Nature Reserve	Honey Guide* (Khokha Moya)	05/10/2001	05/10/2016
Manyeleti Nature Reserve	Tintswalo	26/11/2001	26/11/2016
Manyeleti Nature Reserve	Buffelshoek and Ndzhaka	27/02/2019	01/03/2025
Manyeleti Nature Reserve	AM Luxury Lodge	31/03/2021	01/10/2037
Manyeleti Nature Reserve	AM Manyeleti Restaurant	01/04/ 2021	01/08/2026
Blyde Canyon Nature Reserve	Blyde Adventure Boat cruise	08/03/2017	08/09/2017
Blyde Canyon Nature Reserve	Belvedere at Blyde	31/03/2021	01/10/2037
Blyde Canyon Nature Reserve	Mapulana Canyon	31/07/2021	30/06/2046
Blyde Canyon Nature Reserve	Forever Resort	19/03/2019	28 /02/033
Wakkerstroom Nature Reserve	J H Klingenberg	01/03/2017	30/06/2022

All concession agreement in Manyeleti will be reviewed as the Group and the land owners have signed the co-management agreement. Blyde Adventure Boat Cruise. The Entity has finally signed the MoU with the Department of Water and Sanitation (DWS). The Group is in the process of appointing a long-term operator.

PUBLIC PRIVATE PARTNERSHIP PROGRAMME: RETAIL AND RESTAURANT FACILITY RENTAL INCOME

The lease agreements for retail and restaurant operations entail allowing private operators to operate the MTPA' existing facilities on the basis of a medium-term operating agreement.

The lease agreements is the Operation, Management and Maintenance of the Group's Restaurant or activities in the protected areas under the terms of this agreement, to achieve the agreement's deliverables.

The agreements enable the operators to use a defined concession area over a predetermined term in return for payment of rental fee. Funding of new or for the refurbishment of ageing infrastructure is for the concessionaire's account. Against the right of occupation and commercial use of facilities, there are set obligations on the part of the concessionaire regarding financial terms, environmental management, social objectives, empowerment and other factors. Infringement of these requirements carries specified penalties, including termination of the contract with the assets reverting to the MTPA.

The monthly rental payable for the facilities by the private operator to the MTPA for any given month shall be the higher of the fixed monthly rental as defined by the agreements, escalating on an annual basis; or the rental based on actual gross revenue realised, expressed as a percentage of gross revenue.

On or before the Occupation Date, the Concessionaire shall provide to the Concessor a bank guarantee as a Performance Guaranteed as agreed in the concession agreement issued by a financial institution in a manner acceptable to the Concessor.

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The private operators have provided the MTPA with Performance in the form of Performance Guarantees that secure the operator's performance under the Operating Agreement on the basis set out in the concession agreement.

The following facilities are still under development. The schedule summarises the potential income receivable from the various operators for the various sites:

Facility	Contracting Party	Commissioning Date	Termination Date
Lodge	AML Luxury Lodge	01/10/2022	1/10/2037
Guest house Complex (Belvedere)	Wandisile and Senate Joint Venture	01/10/2022	1/10/2037
Paradise Camp	Mangwa Hospitality Service Management	01/04/2024	01/04/2039
Gods Window Skywalk	Mapulana Canyon	01/07/2021	01/07/2046

NOTES

Mpumalanga
TOURISM AND PARKS AGENCY

An Entity of the Department of Economic Development and Tourism

MPUMALANGA
THE PLACE OF THE RISING SUN