



CapeNature

Conserve. Explore. Experience.



ANNUAL REPORT

2025/26





ANNUAL REPORT

2025/26

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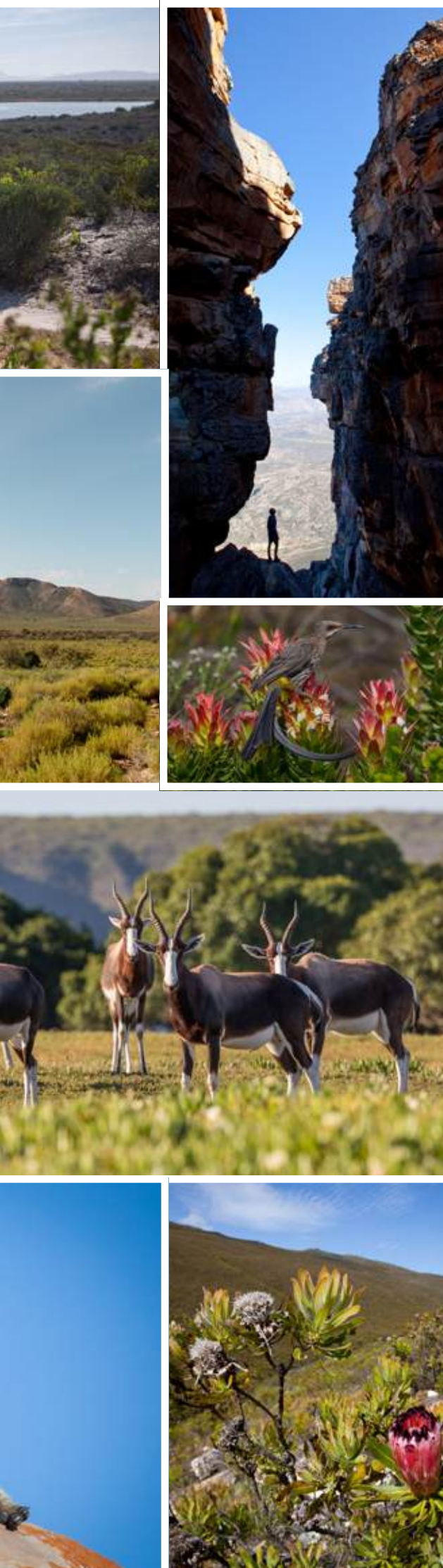
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A

GENERAL
INFORMATION

1. PUBLIC ENTITY'S GENERAL INFORMATION

REGISTERED NAME:	Western Cape Nature Conservation Board
REGISTRATION NUMBER:	Not applicable
PHYSICAL ADDRESS:	PGWC Shared Services Centre Cnr Bosduif and Volstruis Streets Bridgetown 7764
POSTAL ADDRESS:	Private Bag X29 Gatesville 7766
TELEPHONE NUMBER/S:	+27 87 087 9262
EMAIL ADDRESS:	info@capenature.co.za
WEBSITE ADDRESS:	www.capenature.co.za
EXTERNAL AUDITORS:	Auditor-General of South Africa
BANKERS:	Nedbank, Mutual Park, 91 Jan Smuts Drive, Pinelands, 7405
COMPANY / BOARD SECRETARY:	Not applicable



De Hoop Nature Reserve

LIST OF ABBREVIATIONS/ ACRONYMS

AFC	Audit and Finance Committee
AGSA	Auditor-General of South Africa
APP	Annual Performance Plan
B-BBEE	Broad-Based Black Economic Empowerment
CAPEX	Capital Expenditure
CEO	Chief Executive Officer
CFRPA WHS	Cape Floral Region Protected Areas World Heritage Site
CITES	Convention on International Trade in Endangered Species of Wild Fauna and Flora
DEA&DP	Department of Environmental Affairs and Development Planning
DFFE	Department of Forestry, Fisheries and the Environment
EPWP	Expanded Public Works Programme
GCFR	Greater Cape Floristic Region
HR	Human Resources
ICT	Information and Communication Technology
ICU	Internal Control Unit
IOD	Injury on Duty
IMF	Integrated Management Framework
METT-SA	Management Effectiveness Tracking Tool-SA
MPA	Marine Protected Area
NPA	National Prosecuting Authority
NPC	Non-Profit Company
OHS	Occupational Health and Safety
PBSAP	Provincial Biodiversity Strategy and Action Plan
PFMA	Public Finance Management Act
PPP	Public Private Partnership
SAEON	South African Environmental Observation Network
SAIAB	South African Institute for Aquatic Biodiversity
SANCCOB	Southern African Foundation for the Conservation of Coastal Birds
SAPS	South African Police Service
SCM	Supply Chain Management
SDG	Sustainable Development Goals
SOP	Standard Operating Procedures
SOPA	State of Protected Area
SMME	Small, Medium and Micro Enterprise
TNC	The Nature Conservancy
WCG	Western Cape Government
WC PAES	Western Cape Protected Area Expansion Strategy
WIL	Work Integrated Learner
WWF-SA	World-Wide Fund for Nature South Africa



FOREWORD BY THE CHAIRPERSON

MS REYHANA GANI
CHAIRPERSON

CapeNature entered the year under review at an important point in its evolution, transitioning into a new strategic cycle while continuing to build on the strong governance, partnerships and conservation outcomes achieved in previous years.

We acknowledge the valuable strategic oversight and contribution of outgoing Board members, whose stewardship helped position the Entity for this next phase.

The period under review marked a new chapter as CapeNature commenced implementation of its 2025-2030 Strategic Plan.

Together, the Board has embraced its responsibility to provide oversight and strategic direction during the early years of the plan, helping to chart the Entity's course towards a more resilient, sustainable and inclusive future.

As a Board, we recognise that strong governance is fundamental to delivering on CapeNature's mandate. The Entity continues to build on its strong foundation of sound financial management, accountability and institutional maturity. CapeNature has achieved clean audits for several years and again achieved an unqualified audit outcome, demonstrating commitment to robust governance systems, effective internal controls and responsible stewardship of public resources.

While governance remains essential, it is equally important that CapeNature continues to evolve in response to the needs of the citizens of the Western Cape. The year under review saw a deliberate strengthening of programmes that advance access to nature, sustainable livelihoods and broader societal benefits derived from conservation. The 2025/26 financial year marked an important evolution in the Entity's performance framework, with seven new Annual Performance Plan (APP) targets introduced and baseline measures established to support future reporting and accountability. These APP targets are supported by initiatives in environmental awareness, capacity building, employment creation, small business development and broader participation in the biodiversity economy. During the reporting period, CapeNature created over 2 600 work opportunities through more than 70 Small, Medium and Micro Enterprises (SMMEs), facilitated 543 Expanded Public Works Programme employment opportunities, and continued to invest in community engagement and environmental education programmes across the Province.

The Entity acknowledges the continued support of Provincial Minister Anton Bredell and the Department of Environmental Affairs and Development Planning and the Western Cape Government. Incremental budget increases over recent years have strengthened CapeNature's ability to undertake forward planning work in fire preparedness and response, invasive alien plant management and ecological infrastructure restoration. These interventions are not only conservation priorities; they directly contribute to water security, climate resilience and economic sustainability across the Province. The importance of investing in healthy mountain catchments, rivers, wetlands, and estuaries cannot be overstated, as these ecosystems provide essential services that underpin both rural and urban livelihoods.

CapeNature continues to take a long-term view of biodiversity conservation and ecosystem health. The conservation decisions we make today will shape the resilience of the Western Cape for decades, if not centuries, to come. This perspective is increasingly relevant in a world where environmental risks are becoming more pronounced. Risks to the environment remain among the most significant global threats, according to the World Economic Forum's 2026 Global Risks Report. While their perceived urgency has shifted in the short term as emerging crises compete for attention, environmental challenges have not diminished.

Instead, they continue to drive impacts across multiple time horizons, creating both immediate disruptions and long-term systemic pressures that require coordinated action today and into the future. The World Economic Forum continues to identify climate-related hazards, biodiversity loss and ecosystem decline among the most significant global risks facing societies and economies over the medium and long term. Against this backdrop, protecting ecological infrastructure remains one of the most cost-effective and sustainable ways to reduce vulnerability and strengthen resilience.

The year under review illustrates the growing complexity of environmental management in a changing climate. CapeNature's long-term monitoring indicates that wildfire frequency and severity continue to increase, with 107 fires recorded during the reporting period and significant increases in the area burnt. The Entity is also operating in an environment where traditional seasonal patterns are becoming less predictable. Distinctions between winter flooding and summer fire seasons are increasingly blurred, requiring more dynamic planning, adaptive management and resilient infrastructure. These changing conditions affect every aspect of operations, from ecosystem management and biodiversity protection to tourism infrastructure, maintenance and disaster preparedness.

Despite these challenges, CapeNature continues to demonstrate resilience and innovation. The Entity is committed to strengthening operational sustainability, including investments in renewable energy (solar) solutions at various facilities, helping to improve resilience during service disruptions while reducing long-term environmental impacts.

On behalf of the Board, I extend my sincere appreciation to Chief Executive Officer Dr Ashley Naidoo, the Executive Management, and all CapeNature employees for their professionalism, dedication and commitment throughout the year. I also thank our partners, stakeholders, communities, volunteers and supporters whose collaboration contributes significantly to the success of the Entity.

As we continue implementing the 2025-2030 Strategic Plan, the Board will ensure CapeNature delivers on its mandate to the biodiversity and people of the Western Cape. Through sound governance, strategic partnerships and a long-term commitment to sustainability, we will continue to build a future in which both nature and communities can thrive.



Ms Reyhana Gani

Chairperson of the CapeNature Board

CapeNature

August 2026

CHIEF EXECUTIVE OFFICER'S OVERVIEW

DR ASHLEY NAIDOO
CHIEF EXECUTIVE OFFICER

Nature is constantly adapting. Ecosystems are responding to changing climate conditions, species evolving to survive new pressures, and landscapes recovering from disturbance. Yet adaptation is not only about responding to change for survival but finding new ways to thrive.

The same principle increasingly applies to conservation agencies. Around the world, biodiversity loss, climate change, resource constraints and growing societal expectations are reshaping how environmental and conservation institutions operate. The challenge is no longer only to conserve biodiversity, but to do so in ways that create social value, economic development and build resilience for future generations.

The year under review marked the first full year of implementation of CapeNature's 2025-2030 Strategic Plan. While the Entity's core mandate remains unchanged, the new strategic cycle introduced expanded performance indicators and broader expectations regarding the role conservation can play in supporting ecological sustainability, climate resilience and inclusive growth. This required CapeNature to examine how it delivers on its mandate and to continually seek opportunities to improve efficiency, strengthen partnerships and maximise impact.

Importantly, these expanded responsibilities have been undertaken within a constrained fiscal environment. Like many public entities, CapeNature must balance increasing demands against finite financial resources. The 2025/26 financial year, therefore, challenged us to think differently about how we deploy staff, prioritise activities and deliver services across a vast and diverse geographical footprint. Through innovation, careful planning and the commitment of our employees, the Entity continued to deliver meaningful outcomes while adapting to new operational realities.

I am pleased to report that CapeNature achieved all its Annual Performance Plan targets during the reporting period while successfully establishing baselines for seven new indicators introduced under the current strategic cycle. This achievement is testament to an entity that remains focused on delivery while embracing change and preparing for future challenges.

At the heart of these efforts remains biodiversity conservation. The Western Cape is recognised internationally for its extraordinary environment, containing unique ecosystems and species found nowhere else on Earth. Protecting this biodiversity requires a long-term commitment to science-based management, ecosystem restoration, protected area expansion and collaborative conservation.



The year under review saw continued progress in expanding the provincial conservation estate through biodiversity stewardship and protected area expansion initiatives. More than 44 000 hectares were added to the conservation estate, exceeding annual targets and strengthening the ecological resilience of the Province. Sixteen new biodiversity stewardship agreements were concluded, demonstrating the willingness of private landowners and partners to contribute towards conservation outcomes. Equally encouraging was the continued effectiveness of CapeNature's protected area management. Moderated assessments found that 99.7% of the protected area estate under management is effectively managed, reflecting the hard work and expertise of staff. The infographic below sets out the regulatory compliance and protected area management and expansion achievements during the reporting period.

REGULATORY FRAMEWORK AND PROTECTED AREA MANAGEMENT AND EXPANSION



44 231.4549

HECTARES UNDER THE CONSERVATION ESTATE

784.63%

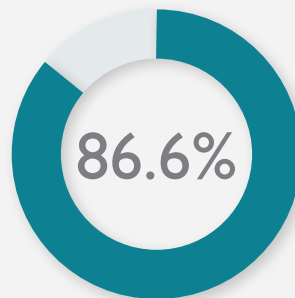
⤴ Above Target

Target: 5 000 Actual: 44 231.4549

CONSERVATION TOOLS AND ACTIONS

Number of permits issued

4 136



Within Legislated Timeframe

REGULATORY FRAMEWORK AND PROTECTED AREA MANAGEMENT AND EXPANSION

Western Cape
Nature Conservation
Board Act

Repealed by



Western Cape
Biodiversity Act



Management Effectiveness Tracking Tool (METT) Performance

88%

Target

99.7%

Actual

13.3%

⤴ Above Target

Conservation, however, extends beyond nature reserve boundaries. CapeNature's footprint stretches across the Province, from the Knersvlakte and Cederberg in the west to the mountain catchments of the Swartberg and Outeniqua complexes in the south and east, including the more central areas encompassing Hottentots Holland. Through this extensive presence, the Entity continues to serve as an important platform for engagement between communities, landowners, municipalities, researchers, conservation agencies, government departments and the private sector.

This converging role is becoming increasingly important as environmental challenges grow more complex. Whether addressing biodiversity loss, managing invasive alien species, strengthening water security, responding to wildfire risk or creating sustainable livelihood opportunities, measurable progress depends on collective action. CapeNature's ability to bring stakeholders together around shared environmental objectives remains one of the Entity's greatest strengths.

The reporting period also highlighted the growing pressures facing both biodiversity and the institutions responsible for protecting it. An intense fire season tested ecosystems, operational teams and partners across the Province. CapeNature responded to more than 100 wildfire incidents, including significant fires within the Cederberg Wilderness Area and the mountain landscapes of the Cape Winelands. In total, more than 76 500 hectares of CapeNature-managed land were affected by wildfire.

While wildfire forms a natural part of many fynbos ecosystems, the increasing scale, frequency, intensity and duration of fire seasons present significant management challenges. The year under review demonstrated the professionalism and courage of CapeNature's firefighting teams, as well as the importance of strong partnerships with municipalities, Fire Protection Associations, neighbouring landowners, contractors and other emergency response agencies. Together, these partnerships help safeguard both biodiversity and communities.

Beyond fire management, the Entity continued to address a range of conservation priorities. Targeted interventions supported the management of invasive alien plant species, marine protected areas, estuaries and threatened species. Particular attention remained focused on African Penguin conservation, biodiversity crime prevention and strengthening ecological monitoring programmes that inform evidence-based decision-making. Collaborative conservation initiatives with research institutions, non-governmental organisations and government partners continued to enhance the effectiveness of these efforts.

Eco-tourism remains an important mechanism through which people connect with the landscapes and biodiversity that CapeNature is entrusted to conserve. Tourism not only generates revenue that supports conservation activities but also creates opportunities for visitors to develop a deeper appreciation of the natural world.

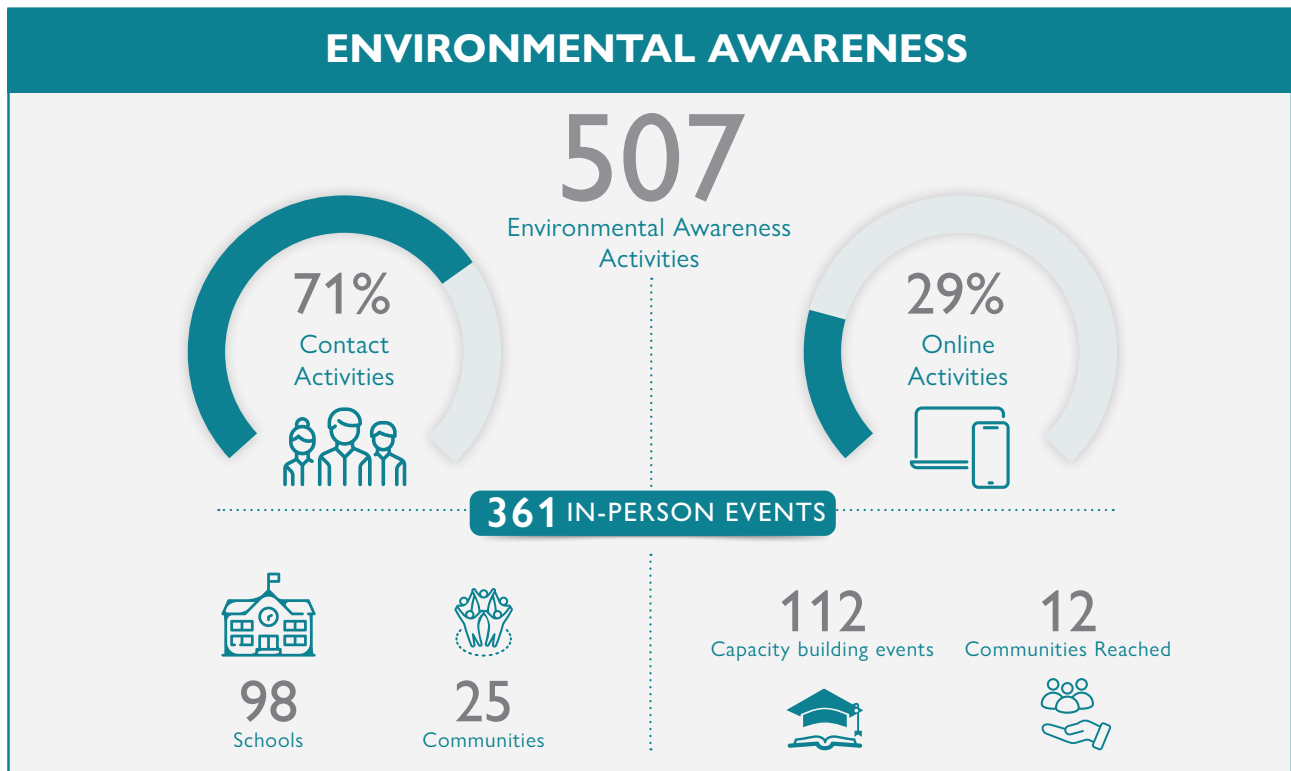
During the reporting period, CapeNature generated more than R82 million in revenue from eco-tourism activities confirming strong demand for nature-based experiences. Visitor interest in hiking, outdoor recreation and eco-tourism products remained robust, reinforcing the growing value that people place on authentic experiences in nature. Effective marketing initiatives strengthened digital engagement, and ongoing improvements to tourism products contributed to this positive performance.

Increased activity across social media platforms and digital communication channels has enabled CapeNature to share conservation stories, promote environmental awareness and connect with broader audiences throughout the Province and beyond.

CapeNature's contribution to society extends beyond conservation and tourism. Through environmental education programmes, stakeholder engagement initiatives and employment creation opportunities, the Entity continues to support broader provincial development objectives.

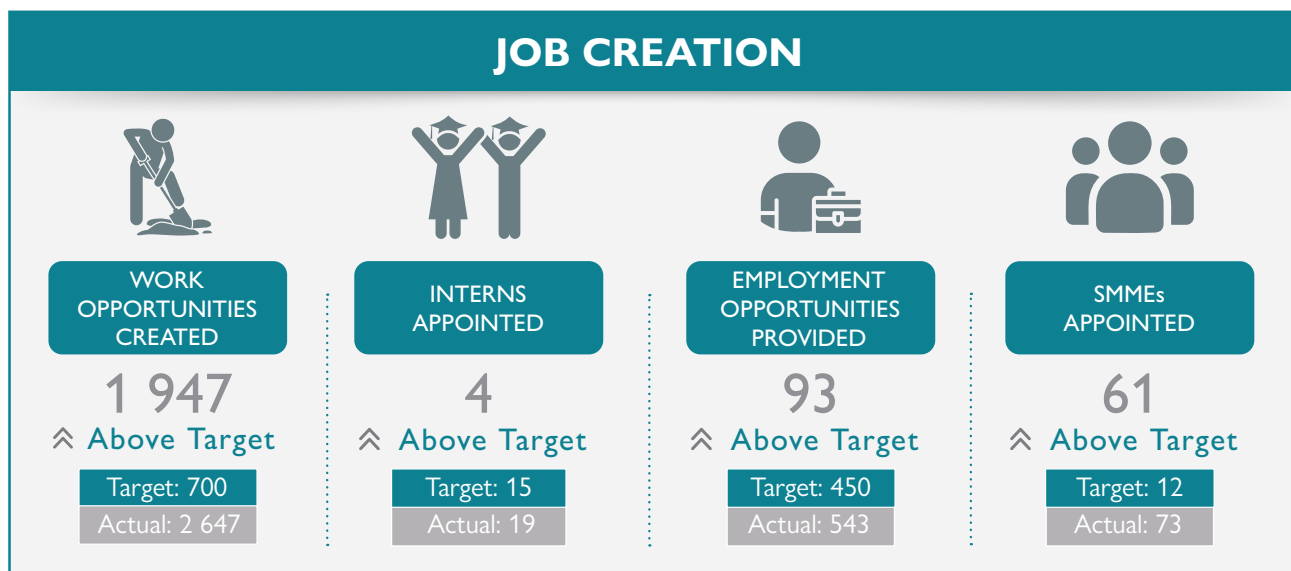
The reporting period saw significant community engagement and environmental awareness activities undertaken across the Province. These programmes reached diverse audiences, creating a greater understanding of biodiversity conservation under a variety of campaigns and themes including Catchment to Coast (marine and water), LoveNature (connectivity to nature and natural heritage), Biodiversity (biodiversity crime, invasive species and general biodiversity), Climate Change, DontBeTrashy (waste), Fire and contributing to the Plant One Million Trees program (greening) to act as a catalyst for environmental responsibility.

During the year under review, CapeNature over-achieved on its targets for environmental awareness activities (Target: 350) and capacity building activities (Target: 80). The infographic below sets out the achievements for these two indicators during the reporting period.



Access Week 2025 further enabled public access to our reserves through free entry, attracting 9 543 visitors. These initiatives help remove barriers to experiencing nature in the Western Cape and develop a stronger connection between people and the environment, particularly among young people who will become future custodians for biodiversity.

Job creation and skills development remain a key focus area. Through the Expanded Public Works Programme, CapeNature created 543 employment opportunities benefiting communities neighbouring protected areas across the Western Cape. In addition, the Entity appointed 19 Work Integrated Learners and graduate interns, while 2 647 work opportunities were created through the procurement of services from 73 small, micro and medium enterprises. These opportunities provide more than temporary employment; they contribute to skills development, economic participation and long-term community resilience. The infographic below sets out the job creation and contractor development achievements during the reporting period.



GENERAL FINANCIAL REVIEW OF THE PUBLIC ENTITY

CapeNature's total revenue generated amounted to R445 million for the period under review. In this regard, R332 million was received from the Department of Environmental Affairs and Development Planning and the remaining funds were generated from other funders and own revenue streams.

Revenue generated from eco-tourism activities continued to see a significant year-on-year growth with the Entity generating approximately R82 million, which is higher than the previous fiscal year despite the impact of closures, large fires and severe weather events.

SPENDING TRENDS OF THE PUBLIC ENTITY

The Entity managed to spend 94% of its total budget on the accrual basis and 90% on the cash basis excluding capital commitments. When capital commitments are included, the spending increases to 99% on the accrual basis and 95% on the cash basis. The impact of natural disasters stretched the Entity's limited capacity which resulted in procurement processes for major capital infrastructure being delayed as staff had to reprioritise their time to focus on responding to the natural disasters as well as implementing the disaster relief projects implemented in the province. The Entity worked closely with the Department of Infrastructure (Dol) as the implementing department. The funding for these projects is allocated via the Dol.

CAPACITY CONSTRAINTS AND CHALLENGES FACING THE PUBLIC ENTITY

Despite the weak economic conditions, the Entity continued to be effective and efficient in the utilisation of its resources, ensuring that service delivery was not compromised. However, with the increased risk of natural disasters and severe weather events attributed to climate change, coupled with limited growth in government funding for the environment sector and conservation broadly, the Entity remains constrained. The continued need to manage the Entity's total compensation of employment within the government's cost containment thresholds and the limitations on the filling of vacancies places a strain on existing staff. This is of a concern via the Entity.

DISCONTINUED ACTIVITIES/ ACTIVITIES TO BE DISCONTINUED

None of CapeNature's programmes were discontinued during the period under review as they remained relevant, interrelated, and aligned to both national and provincial priorities. Furthermore, in recognition of the importance of support functions responsible for ensuring governance, compliance and sustainability of revenue streams, no units were discontinued.

NEW OR PROPOSED ACTIVITIES

The 2025/26 reporting period was the first year of the 2025-2030 strategic planning cycle. The Entity introduced seven additional output indicators in the APP. These include (1) number of mainstreaming initiatives conducted (2) number of hectares of invasive alien plant species cleared on CapeNature-managed protected areas (3) number of firebreaks maintained on CapeNature-managed protected areas (4) number of access opportunities granted to CapeNature protected areas (5) number of SMME workshops facilitated (6) number of community liaison structures engaged regarding protected area management and (7) number of Biodiversity Economy initiatives implemented. These outputs add to the Entity's response to access, benefit sharing, job creation and improving water security and fire management in the Province.

REQUESTS FOR ROLL OVER OF FUNDS

Not applicable.

SUPPLY CHAIN MANAGEMENT

All concluded unsolicited bid proposals for the year under review

No unsolicited bids were received for the year under review.

Whether Supply Chain Management (SCM) processes and systems are in place

The Entity maintained effective Supply Chain Management systems.

Challenges experienced and how they will be resolved

Compliance with the various laws and regulations within the SCM environment remains complex. The Entity is in constant communication with the Provincial Treasury's Supply Chain Management Unit and is working with internal and external auditors to ensure that controls are implemented and monitored to ensure compliance.

Audit report matters in the previous year and how they would be addressed

There were no audit report matters in the previous year.

Outlook/ Plans for the future to address financial challenges

To ensure sound fiscal management practices, CapeNature will continue to implement austerity measures and control mechanisms, which include conducting regular financial reviews to monitor financial performance.

Considering a resource constrained environment, the Entity endeavoured to improve the efficiencies across its operations, specific motivations to the Provincial Treasury and material partnerships. Adherence to cost containment measures, reprioritisation and identifying trade-offs are additional on-going considerations.

Events after the reporting date

There were no significant events after the reporting date. Extreme rainfall in the first quarter of 2026/27 has resulted in significant damage to infrastructure including road on and adjacent to reserves. This will impact ongoing and planned infrastructure projects and well as revenue generation.

ECONOMIC VIABILITY

CapeNature contends with resource constraints and although it is affected by pressures on the fiscus, several measures were implemented to mitigate the impact.

The Entity continued to implement austerity measures, while remaining committed to contributing to sustainable growth and job creation in the Province.

The Entity endeavours to continue and strengthen the practice of acceptable financial and administrative principles that are in line with all the relevant legislative prescripts and best practice.

ACKNOWLEDGEMENT/S OR APPRECIATION

I would like to extend a special acknowledgement and welcome to the EPWP participants who entered into their contracts with the Entity. Their contribution to reserve management, conservation operations, visitor services and infrastructure maintenance continues to be significant. CapeNature has long been proud of the programme's ability to create pathways into future employment and skills development.

The achievements outlined in this report would not have been possible without the support of our many partners. Across biodiversity stewardship, invasive alien species management, marine conservation, wildfire response, research, environmental education and tourism development, collaboration remains fundamental to our success. Partnerships enable us to extend our reach, increase our impact and deliver outcomes that would not be possible through individual effort alone.

My sincere thanks go to Provincial Minister Anton Bredell, the Board of CapeNature and the Department of Environmental Affairs and Development Planning, and our Executive Management team for their continued support and guidance.

Most importantly, I would like to acknowledge the staff of CapeNature. The year under review required flexibility, resilience and a willingness to embrace new ways of working. Despite increasing demands and ongoing resource constraints, staff across the Entity continued to demonstrate professionalism, passion and an unwavering commitment to CapeNature and the work that we do. Their dedication underpins every achievement reflected in this Annual Report.



Dr Ashley Naidoo

CHIEF EXECUTIVE OFFICER

CapeNature

August 2026

Kogelberg Nature Reserve

5. STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT

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

- All information and amounts disclosed in the Annual Report is consistent with the Annual Financial Statements audited by the Auditor-General.
- The Annual Report is complete, accurate and is free from any omissions.
- The Annual Report has been prepared in accordance with the guidelines on the Annual Report as issued by National Treasury.
- The Annual Financial Statements (Part F) have been prepared in accordance with the Generally Recognised Accounting Practice 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 control that has been designed to provide reasonable assurance as to the integrity and reliability of the performance information, the human resources information and the Annual Financial Statements.
- The external auditors are engaged to express an independent opinion on the Annual Financial Statements.

In our opinion, the Annual Report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the public entity for the financial year ended 31 March 2026.

Yours faithfully



Dr Ashley Naidoo

CHIEF EXECUTIVE OFFICER

August 2026



Ms Reyhana Gani

CHAIRPERSON OF THE CAPENATURE BOARD

August 2026

6. STRATEGIC OVERVIEW



VISION

Create a sustainable future in which biodiversity flourishes and communities thrive.



MISSION

To protect and enhance the natural environment of the Western Cape, while fostering a deep connection between people and nature.



VALUES

Our **NATURE** values guide our actions, inspire our efforts, and define our purpose –

NURTURE

We nurture the natural world and the communities that depend on it, fostering a symbiotic relationship that promotes wellbeing, dignity, and care. We treat our colleagues, stakeholders, and the environment with compassion and respect, celebrating the interconnectedness of people and nature.

ADVOCATE

We advocate for conservation and sustainable practices, empowering communities and staff to be champions of environmental stewardship. Through innovation and knowledge-sharing, we inspire sustainable practices that protect biodiversity and give a voice to vulnerable communities and the environment, thereby ensuring meaningful representation and collective action.

TRUST

We build trust through transparency, accountability, and integrity, ensuring ethical and reliable actions that inspire confidence in all we do. Our actions reflect words as we take responsibility for achieving our goals with honesty, creativity and consistency. We foster an ethical culture and deliver service excellence, demonstrating reliability and a commitment to ethical decision-making.

UNIFY

We unite people and nature, working collaboratively to build harmonious relationships where both can thrive. Collaboration with communities, stakeholders, and staff is central to achieving our shared goals. By building strong connections and acting with urgency and care, we ensure balance and mutual benefit between people and the environment.

RESPECT

We respect the diversity of life and cultures, recognising the interconnectedness of all living things and promoting equity and inclusion. We honour the unique contributions of all individuals and species, ensuring our actions embrace inclusivity and eradicate discrimination. Respect for nature and people drives our commitment to sustainability, heritage, and conservation.

EMPOWER

We empower our team and communities to take meaningful action, providing tools, knowledge, and opportunities to create lasting impact. By building skills, confidence, and capacity, we enable individuals to contribute meaningfully to conservation and sustainable development. Through creativity and forward-thinking solutions, we tackle environmental challenges and inspire lasting change.

7. LEGISLATIVE AND OTHER MANDATES

7.1 CONSTITUTIONAL MANDATES

CapeNature is a Schedule 3C public entity responsible for the conservation of biodiversity in the Western Cape. It discharges this mandate in terms of Schedule 4 of the Constitution of the Republic of South Africa, 1996 which sets out functional areas of concurrent national and provincial legislative competence.

7.2 LEGISLATIVE MANDATES

CapeNature is the executive arm of the Governing Board of CapeNature, established in terms of the Western Cape Biodiversity Act, 2021 (Act 6 of 2021).

During the 2015-20 strategic planning cycle, CapeNature, together with the Department of Environmental Affairs and Development Planning, commenced a process to review the existing legal frameworks for conservation and biodiversity in the province. This process resulted in the assenting of the Western Cape Biodiversity Act, 2021 (Act 6 of 2021) in December 2021. The objectives of the Act are to:

- a.) Give effect to the obligation of the state in terms of national legislation to act as trustee in relation to the environment;
- b.) Give effect to section 81(m) of the Western Cape Constitution to protect and conserve the environment in the Province, including its unique biodiversity, for the benefit of present and future generations;
- c.) Ensure the long-term ecological sustainability and resilience of biodiversity, ecosystems, ecosystem services and ecological infrastructure through implementation of the principles of ecological sustainability contemplated in section 6 and the protection of priority biodiversity and ecological infrastructure;
- d.) Ensure human well-being and the long-term resilience of society and the economy through the conservation of protected areas, biodiversity, ecosystems, ecosystem services and ecological infrastructure;
- e.) Enable reasonable and sustainable access to benefits and opportunities emanating from the conservation of protected areas, biodiversity, ecosystems, ecosystem services and ecological infrastructure;
- f.) Establish institutional structures and organisational capacity for the effective discharging of the conservation and management of biodiversity and nature in the Province;
- g.) Promote consultation, cooperation, integrated planning, decision-making and management in support of the conservation and sustainable use of biodiversity and ecosystem services in the Province;
- h.) Promote systematic biodiversity planning and the attainment of the biodiversity targets for conservation set in the Biodiversity Spatial Plan and the Provincial Protected Areas Expansion Strategy;
- i.) Regulate certain activities to be undertaken in a manner that enhances and protects the integrity and health of the environment;
- j.) Subject to section 231 of the Constitution, implement and give effect to international agreements and best practices pertaining to the environment and conservation of biodiversity;
- k.) Enable the financial and economic sustainability of the relevant institutions responsible for the conservation and management of biodiversity and nature in the Province; and
- l.) Enable and develop an equitable and sustainable biodiversity economy in the Province, including the promotion and development of eco-tourism in areas under the control of CapeNature.

The proclamation to give effect to certain sections of the Western Cape Biodiversity Act has been published and took effect on 15 November 2022. The implementation of the Act will be undertaken in a phased approach, with the sections of the Act giving effect to governance and administrative requirements taking precedent. The proclamation has repealed the Western Cape Nature Conservation Board Act.

CapeNature is subject to several international conventions, plans and national and provincial legislation and frameworks. **Figure 1** sets out the governance universe that CapeNature is subject to.



Figure 1: Governance Universe related to CapeNature's mandate

The purpose of the Western Cape Biodiversity Act is to provide a framework for nature conservation and the protection, management and sustainable use of biodiversity and ecosystems in the Province. The focus on sustainability has become more critical than ever. Sustainability is ability to maintain or support a process over time. It is defined as meeting the needs of the present without compromising the ability of future generations to meet their own needs (United Nations Brundtland Commission Report, 1987). This is broadly what sustainable development aims to achieve. Adding to the complexity of sustainable development is the current context of the increasing threat of climate change and the impact on the environment, economies and the social fibre. These concerns led to the formulation of the United Nations Sustainable Development Goals (SDGs), universal call to action to end poverty, protect the planet, and ensure that by 2030 all people enjoy peace and prosperity. The SDGs are depicted below.



Figure 2: United Nations Sustainable Development Goals (Source: United Nations Sustainable Development Goals)

CapeNature responds directly or indirectly to the SDGs of No Poverty (SDG 1), Good Health and Well-being (SDG 3), Gender Equality (SDG 5), Clean Water and Sanitation (SDG 6), Decent Work and Economic Growth (SDG 8), Industry, Innovation and Infrastructure (SDG 9), Sustainable Cities and Communities (SDG 11), Responsible Consumption and Production (SDG 12), Climate Change (SDG 13), Life Below Water (SDG 14), Life On Land (SDG 15) and Peace, Justice and Strong Institutions (SDG 16).

International Conventions, Protocols and Policies:

The following are the key international conventions, and national and provincial statutes relevant to the implementation of the mandate of nature conservation and include all amendments to these acts and ordinances and any regulations promulgated thereunder. Note that the list below excludes all other relevant regulatory legislation which public entities as employers, implementers of government mandates, and managers of public finance are subject to. Notably included within the context of international agreements CapeNature strives to work within its operations to deliver areas of impact in meeting the Sustainable Developments Goals.

- Agreement on the Conservation of African-Eurasian Migratory Waterbirds (AEWA)
- Convention on Biological Diversity (CBD)
- Convention concerning the Protection of the World Cultural and Natural Heritage (WHC)
- Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES)
- Convention on the Conservation of Migratory Species of Wild Animals (CMS)
- Convention on Wetlands of International Importance especially as Waterfowl Habitat (Ramsar Convention)
- Nagoya Protocol on Access and Benefit Sharing
- Nairobi Convention and the implementation of the Strategic Action Programme for the protection of the Western Indian Ocean from land-based sources and activities (WIOSAP)
- The Convention for Cooperation in the Protection, Management and Development of the Marine and Coastal Environment of the Atlantic Coast of the West, Central and Southern Africa Region (Abidjan Convention)
- United Nations Educational, Scientific and Cultural Organisation (UNESCO) Man and Biosphere (MAB) Programme
- United Nations Framework Convention on Climate Change (UNFCCC) and the Kyoto Protocol
- United Nations Paris Agreement on Climate Change



Kogelberg Nature Reserve

National Legislation:

- Carbon Tax Act, 2019 (Act 15 of 2019)
- Civil Aviation Act, 2009 (Act 13 of 2009)
- Compensation for Occupational Injuries and Diseases Act, 1993 (No 130 of 1993)
- Conservation of Agricultural Resources Act, 1983 (Act 43 of 1983)
- Constitution of the Republic of South Africa, 1996 (Act 108 of 1996)
- Construction Industry Development Board Act, 2000 (Act 38 of 2000)
- Criminal Procedure Act, 1977 (Act 51 of 1977)
- Disaster Management Act, 2002 (Act 57 of 2002)
- Environmental Conservation Act, 1989 (Act 73 of 1989)
- Forest Act, 1984 (Act 122 of 1984)
- Marine Living Resources Act, 1998 (Act 18 of 1998)
- Marine Spatial Planning Act, 2018 (Act 16 of 2018)
- Mineral and Petroleum Resources Development Act, 2002 (Act 28 of 2002)
- Mountain Catchment Areas Act, 1970 (Act 63 of 1970)
- National Environmental Management Act, 1998 (Act 107 of 1998)
- National Environmental Management: Biodiversity Act, 2004 (Act 10 of 2004)
- National Environmental Management: Integrated Coastal Management Act, 2008 (Act 24 of 2008)
- National Environmental Management: Protected Areas Act, 2003 (Act 57 of 2003)
- National Environmental Management: Waste Act, 2008 (Act 59 of 2008)
- National Forests Act, 1998 (Act 84 of 1998)
- National Heritage Resources Act, 1999 (Act 25 of 1999)
- National Prosecuting Authority Act (Act 32 of 1998)
- National Veld and Forest Fire Act, 1998 (Act 101 of 1998)
- National Water Act, 1998 (Act 36 of 1998)
- Occupational Health and Safety Act, 1993 (Act 85 of 1993)
- Promotion of Access to Information Act, 2000 (Act 2 of 2000)
- Promotion of Administrative Justice Act, 2000 (Act 3 of 2000)
- Protection of Personal Information, 2013 (Act 4 of 2013)
- Sea Birds and Seals Protection Act, 1973 (Act 46 of 1973)
- Seashore Act, 1935 (Act 21 of 1935)
- Spatial Planning and Land Use Management Act, 2013 (Act 16 of 2013)
- World Heritage Convention Act, 1999 (Act 49 of 1999)

Provincial Legislation:

- Constitution of the Western Cape, 1998 (Act 1 of 1998)
- Nature Conservation Ordinance, 1974 (Ordinance 19 of 1974)
- Western Cape Biodiversity Act, 2021 (Act 6 of 2021)
- Western Cape Land Administration Act, 1998 (Act 6 of 1998)
- Western Cape Land Use Planning Act, 2014 (Act 3 of 2014)
- Western Cape Planning and Development Act, 1999 (Act 7 of 1999)

New legislation and potential impacts:

The following legislation is either new or pending and it is envisaged that it will impact on CapeNature:

- Climate Change Act, 2024 (Act 22 of 2024)
- National Environmental Management: Biodiversity Bill
- National Environmental Management Laws Amendment Bill
- Preservation and Development of Agricultural Land Act, 2024 (Act 39 of 2024)
- Public Procurement Act, 2024 (Act 28 of 2024)

Policy mandates

The following are key national and provincial environmental and biodiversity strategic policy frameworks that guide CapeNature's strategic response during the current strategic plan cycle. These lists are not an exhaustive list and exclude frameworks or policies or legislation currently in draft format:

National strategic frameworks:

- Medium Term Development Plan, 2025-2029
- National Development Plan, 2030
- National Biodiversity Economy Strategy, 2015
- National Biodiversity Strategy and Action Plan, 2015-2025
- National Biodiversity Framework, 2019-2024
- National Climate Change Policy, 2011
- National Framework Strategy for Sustainable Development, 2009
- National Protected Areas Expansion Strategy, 2018
- National Strategy for Sustainable Development and Action Plan, 2011
- Strategic Framework and Overarching Implementation Plan for Ecosystem-Based Adaptation (EbA) in South Africa 2016-2021

Provincial strategic frameworks:

- OneCape 2040
- Provincial Biodiversity Strategy and Action Plan, 2025-30
- Provincial Coastal Management Programme, 2022-2027
- Western Cape Climate Change Response Strategy, 2023
- Western Cape Ecological Infrastructure Investment Framework, 2021
- Western Cape Government: Provincial Strategic Plan, 2025-2030
- Western Cape Green Economy Strategic Framework, 2013
- Western Cape Growth for Jobs Strategy, 2035
- Western Cape Protected Areas Expansion Strategy, 2025
- Western Cape Provincial Spatial Development Framework, 2014
- Western Cape Infrastructure Framework 2050
- Western Cape Water Resilience Strategy, 2025-2035

Institutional policies and strategies over the five-year planning period

CapeNature's strategic planning is aligned to the Integration and Transversal, and the portfolios that they cover, as contained in Western Cape Government (WCG) Provincial Strategic Plan 2025-2030 and is informed by its legislative mandates and assigned functions. As the mandated biodiversity conservation agency for the province, CapeNature's strategic planning is integrated with the Provincial Biodiversity Strategy and Action Plan (PBSAP) 2025-2030, and incorporates responses to the Growth for Jobs Strategy, the Western Cape Climate Change Response Strategy and the Western Cape Water Resilience Strategy.

The PBSAP integrates CapeNature's mandate to develop, implement and mainstream the Western Cape Biodiversity Spatial Plan, the Western Cape Protected Area Expansion Strategy (WC PAES), the Western Cape State of Biodiversity Report, Protected Area Management, Estuary Management, regulations for compliance and enforcement, and to unlock socio-economic opportunities. A process to review and update the 2017 Western Cape Biodiversity Spatial Plan produced the 2023 Western Cape Biodiversity Spatial Plan during the 2024/25 reporting period.

Further, the 2021 WC PAES was revised, taking into consideration of the Priority Biodiversity Area categories as outlined in the newly adopted Western Cape Biodiversity Spatial Plan, where both the conservation value of biodiversity and the urgency for protection were considered. The 2025 WC PAES was adopted on 27 June 2025.

CapeNature supports integrated spatial planning for social, economic, energy, ecological and technological infrastructure to ensure long-term ecological sustainability and resilience of biodiversity, ecosystems, and ecosystem services. Healthy ecosystems enable an equitable and sustainable biodiversity economy in the Province.

The WCG has recognised investment into ecological infrastructure as a mechanism to grow the economy and create work opportunities through associated value chains while simultaneously addressing key climate and water risks and future-proofing critical ecosystem services for the Province. Ecological infrastructure refers to features in the environment such as healthy mountain catchments, rivers, wetlands, estuaries, coastal dunes, and corridors of natural habitat, which together form a network of interconnected features in the landscape that give rise to ecosystem goods and services. Examples of these ecosystem services include a stable and sustained supply of clean, potable water; providing pollination services; nutrient cycling; climate regulation; and reducing the risk of disasters like floods, droughts, and uncontrolled fires. These ecosystem services directly and indirectly support the health of humans and animals (FAO et al., 2022). Investing in the ecological infrastructure supporting these ecosystem goods and services that continue to provide economic development and job creation, is one of the focus areas of the Western Cape Growth for Jobs Strategy 2035 (WCG, 2023).

Ecological infrastructure often provides services at higher quality and at no or lower cost than engineered or built infrastructure alternatives. Investing in ecological infrastructure can therefore often result in greater, more efficient returns for a desired good or service than built infrastructure. Ecosystem goods and services provided by ecosystems outside of urban areas do not just support people living in rural areas but are critical for the health and economic prosperity of urban populations as well. Ecosystem services enjoyed by all include cleaner air and water, breakdown of pollutants, reduced heat stress, production agricultural land and improved mental and physical well-being¹.

Relevant court rulings

All judgements relevant to the operations of CapeNature as handed down by the Constitutional Court, the Supreme Court of Appeal, the High Court, and the Labour Court are perused and implemented where appropriate and applicable.

Planned legislative and policy initiatives

The following policies and charters were reviewed during the 2025/26 financial year:

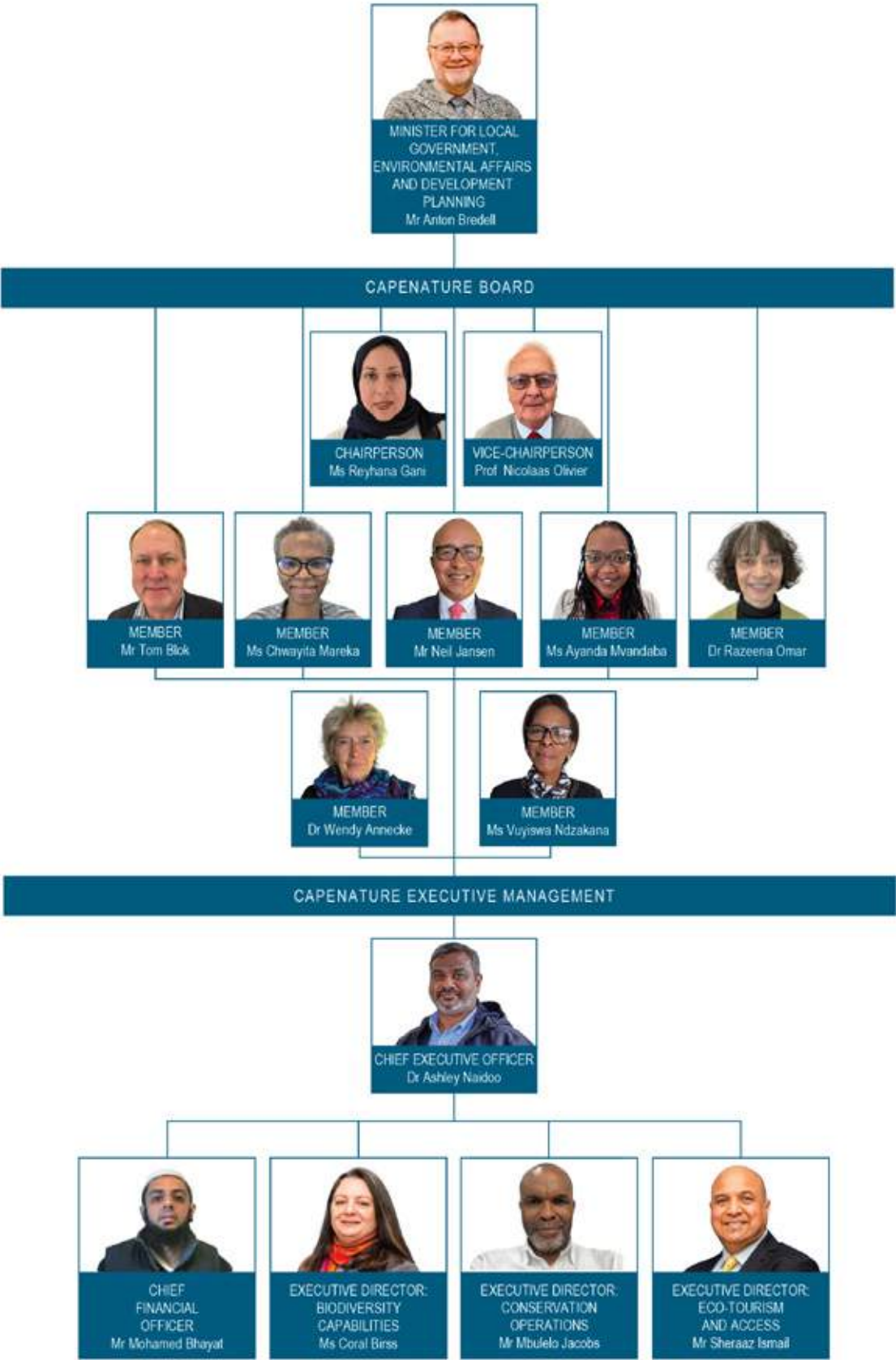
- Board Charter
- Board Audit and Finance Committee Charter
- Board Conservation Committee Charter
- Board Eco-tourism and Access Committee Charter
- Board Human Resources (HR) and Remuneration Committee Charter
- Board Risk and ICT Committee Charter
- Consumptive Use of Wild Flora Policy
- Ethics and Integrity Policy
- Occupational Health and Safety Policy
- Transport and utilisation of indigenous freshwater fishes in the Western Cape Province Policy

¹ Provincial Biodiversity Strategy and Action Plan (PBSAP) 2025-2030



Goukamma Nature Reserve

8. ORGANISATIONAL STRUCTURE



* The Organisational Structure is as at 31 July 2026. There has been recent changes on the CapeNature Board.



B

PERFORMANCE
INFORMATION

1. AUDITOR'S REPORT: PREDETERMINED OBJECTIVES

The Auditor-General of South Africa (AGSA) currently performs audit procedures on the performance information. The level of assurance provided may be reasonable (an opinion), or limited (a conclusion) or none (findings) as predetermined by the AGSA. Assurance in the form of an audit opinion or conclusion on the usefulness and reliability of the reported performance information is currently included in the management report. Material findings are reported in the auditor's report.

Refer to page 105 of the Annual Report, which sets out the Report of the Auditor-General, published as Part F: Financial Information.

2. OVERVIEW OF PERFORMANCE

2.1 SERVICE DELIVERY ENVIRONMENT

CapeNature's Strategic Plan 2025-2030 aspires to enhance efforts for conservation, biodiversity resilience and sustainability in the Western Cape. The following outcome statements were developed in support of these aspirations:

- Sustainable biodiversity conservation towards improved climate change resilience
- Sustainable and equitable biodiversity economy, enabling inclusive economic growth opportunities

The 2025/26 financial year marked the first year of the 2025-2030 strategic planning cycle. During the year under review, CapeNature achieved all the performance targets set in the 2025/26 Annual Performance Plan (APP).

Conserving Nature for Resilience and Sustainability

The Western Cape has outstanding natural beauty, and the unique plants, animals and ecosystems found here are characterised by high levels of diversity and endemism, that is, they are found nowhere else on the planet; a characteristic of global importance in the landscape known as the Greater Cape Floristic Region (GCFR). The GCFR is globally recognised as one of the six¹ floral kingdoms of the world and the most diverse, yet it is the smallest and the only one occurring in one country. The GCFR is also characterised by a rich cultural heritage which reflects the dawn of modern humans and the development of rich cultures of hunter-gatherers and pastoralists who populated this ancient landscape. Extensive ancient cultural and rock-art sites throughout the Cape Fold Mountains and the associated coastal zone attest to this rich history.

¹ Prof Ronald Good identified six floristic kingdoms (Holarctic, Neotropical, Paleotropical, South Africa, Australian, and Antarctic), the largest natural units determined for flowering plants.

This rich endowment of cultural and natural history brings great responsibility to the current generation to safeguard and conserve it for future generations. CapeNature, as the custodian of biodiversity, takes responsibility for this with a vision of conserving nature for resilience and sustainability with an outward-looking, landscape conservation² approach.

1.

PROGRAMME 1: ADMINISTRATION AND GOVERNANCE

This Entity demonstrated a strong focus and commitment to good governance principles through implementing systems of financial and risk management and internal control. These systems supported performance reporting and compliance with laws, regulations as well as documented policies and procedures. This is exemplified in the Entity achieving an unqualified audit opinion for the year under review. The Entity achieved an unqualified audit opinion for 2025/26. An unqualified audit opinion further demonstrates that the Entity has implemented rigorous processes and procedures for annual planning, performance management and reporting. These afore-mentioned are areas which are audited as part of the regulatory audit by the Auditor-General.

ICT Governance remained in focus during the reporting period. A critical output was the approval of the ICT Strategy. The Strategy enables the Entity's business and operational needs through key technological and innovation priorities for the ensuing five-year strategic planning period.

A critical service touchpoint between ICT and the broader Entity is the ICT Service Desk, which supports end-users with technical challenges, system access, and service requests. Service Desk maintained consistent performance and improved response times over the reporting period, compared to previous years. The trend indicates enhanced process efficiencies, faster resolution times, and optimised resource allocation. Site connectivity and network availability across CapeNature's operational locations were maintained at relatively high levels. Reliable connectivity remains essential to ensuring uninterrupted access to business systems, cloud services, and communication platforms, particularly for remote sites. Ongoing governance and compliance efforts include the implementation of several policies, with the associated standards and supporting Standard Operating Procedures (SOPs).



2 Adapted from Curtin & Tabor: Large landscape conservation is the paradigm that aims to scale-up action to address the realities of a dramatically changing world. From habitat fragmentation to climate change, large-scale approaches that transcend ecological and social boundaries are essential for addressing complex, challenges. Healthy, connected natural landscapes are essential—for clean water, healthy ecosystems, cultural heritage, vibrant communities and economies, climate resilience, climate mitigation, flood and fire control, outdoor recreation, and local sense of place.

2.

PROGRAMME 2: BIODIVERSITY CAPABILITIES

Protected Area Expansion and Stewardship

The effective management and conservation of lands, inland waters, coastal areas, and oceans, with emphasis on areas of importance for biodiversity and ecosystem functioning and services, through the establishment of protected areas, and other effective area-based conservation measures, remains the cornerstone of biodiversity conservation³.

The 2025 WC PAES was adopted on the 27th of June 2025 by the Provincial Minister of Local Government, Environmental Affairs and Development Planning. This Strategy is a requirement of the Western Cape Biodiversity Act (Act 6 of 2021). CapeNature and the Department of Environmental Affairs and Development Planning (DEA&DP) followed an extensive engagement process in the preparation of the Draft 2024 WC PAES. The 2025 WC PAES outlines the strategic approach for expanding protected areas in the Western Cape Province to secure Biodiversity Priority Areas, enhance biodiversity conservation, ensure ecological integrity, and promote sustainable utilisation of natural resources in a manner that results in an appropriate representation of biodiversity and ecosystems. The strategy focuses on private and public land investments, regularisation of nature reserves, collaborative partnerships, and effective management frameworks to achieve its goals. The 2025 WC PAES guides the attainment of ecosystem targets and is driven by criteria or biodiversity values listed below, to ensure that protected area expansion achieves multiple biodiversity outcomes to:

- Protect threatened ecosystems;
- Protect under-protected ecosystems and strategic landscapes;
- Ensure the protection of essential habitat for priority species;
- Ensure protection of freshwater ecosystems;
- Secure strategic water source areas; and
- Establish climate change mitigation and biodiversity connectivity corridors.

The strategy outlines how targets for ecosystem protection will be achieved, supporting long-term ecological resilience in the province. It also guides partnerships and mechanisms to enhance the protection and management of public and private protected areas.

CapeNature contributes to the South Africa's national protected area and conservation estate targets and pursues the expansion of the Western Cape conservation estate through the declaration of additional protected areas in compliance with the National Environmental Protected Areas Act (Act 10 of 2003) and the establishment Biodiversity Stewardship Conservation Areas.

³ Target 3 of the Kunming-Montreal Global Biodiversity Framework, adopted at the 15th Conference of Parties to the UN Convention on Biological Diversity, November 2022: Ensure and enable that by 2030 at least 30 per cent of terrestrial, inland water, and of coastal and marine areas, especially areas of particular importance for biodiversity and ecosystem functions and services, are effectively conserved and managed through ecologically representative, well-connected and equitably governed systems of protected areas and other effective area-based conservation measures, recognizing indigenous and traditional territories, where applicable, and integrated into wider landscapes, seascapes and the ocean, while ensuring that any sustainable use, where appropriate in such areas, is fully consistent with conservation outcomes, recognizing and respecting the rights of indigenous peoples and local communities including over their traditional territories.

CapeNature added 44 231.4549 hectares to the conservation estate, exceeding the target of 5 000 hectares by 39 231.4549 hectares. The properties that contributed to this achievement are listed in Table 1:

TABLE 1: PROPERTIES WHICH WERE ADDED TO THE PROTECTED AREAS ESTATE

PROPERTIES	HECTARES
Knersvlakte Nature Reserve Extension	34 084.3925
Zebraskop Nature Reserve	3 952.2036
Anysberg Nature Reserve Extension	3 945.217
Waterkloof Nature Reserve	2 062.9245
Bojaansklip Private Nature Reserve	186.7173
Total	44 231.4549

Sixteen biodiversity stewardship site agreements were signed by the Entity in 2025/26, including:

- Welbedach Biodiversity Agreement
- Lekker Rus Biodiversity Agreement
- Diamant Nature Reserve Protected Area Management Agreement
- Steynskraal Nature Reserve Protected Area Management Agreement
- Platbos Biodiversity Agreement
- Rietkraal Nature Reserve Extension Protected Area Management Agreement
- Rouxpos Nature Reserve Protected Area Management Agreement
- Melkhoutfontein Biodiversity Agreement
- Haumanskloof Nature Reserve Protected Area Management Agreement
- Klein Kogelfontein Nature Reserve Protected Area Management Agreement
- Middelburg Biodiversity Agreement
- Touwsberg Nature Reserve Protected Area Management Agreement
- Honeycomb Nature Reserve Protected Area Management Agreement
- Kuthumba Nature Reserve Protected Area Management Agreement
- Gypsy's Rest Nature Reserve Protected Area Management Agreement
- Muller Conservation Area Biodiversity Agreement

The Western Cape Biodiversity Spatial Plan

The 2023 Western Cape Biodiversity Spatial Plan (WC BSP) informs the Provincial Protected Areas Expansion Strategy; the Provincial Biodiversity Strategy and Action Plan (PBSAP) and the implementation of policies and guidelines related to the implementation of environmental legislation.

CapeNature uses the WC BSP to respond to request for expert biodiversity comments on land-use change applications in the Environmental Impact Assessment process. During the 2025/26 reporting period, CapeNature commented on 583 applications made in terms of the National Environmental Management Act: Environmental Impact Assessment Regulations (NEMA EIA), and 161 applications made in terms of the Western Cape Land Use Planning Act (LUPA: Act 3 of 2014).

The State of Biodiversity in the Western Cape

CapeNature released the annual State of Conservation Report in June 2025. This report provides an annual snapshot on of the conservation status of species and ecosystems, highlighting outcomes in response to the global biodiversity concerns in the context of its mandate.

Administration and Enforcement of Biodiversity and Nature Conservation Legislation

CapeNature as the regulatory authority for nature conservation in the Western Cape, processes permit applications to enable compliance with legislative requirements. CapeNature measures the percentage of complete applications for biodiversity permits and authorisations finalised within legislated timeframes. The Entity achieved 86.6%, exceeding the target of 80%. A total of 4 136 permit applications were processed during the reporting period (3 647 Ordinance Permits and 489 CITES Permits) of which 86.6% were processed within established timeframes.

CapeNature processed 52 permit types related to activities involving wild animals, fish and plants. Most permit applications relate to activities such as transport, import and the use of prohibited hunting methods involving wild animals, which account for 57% of all permit applications processed during the reporting period. Activities involving plants, such as the transport, selling, registration as a seller or grower, account for 28% of permit applications processed during the reporting period.

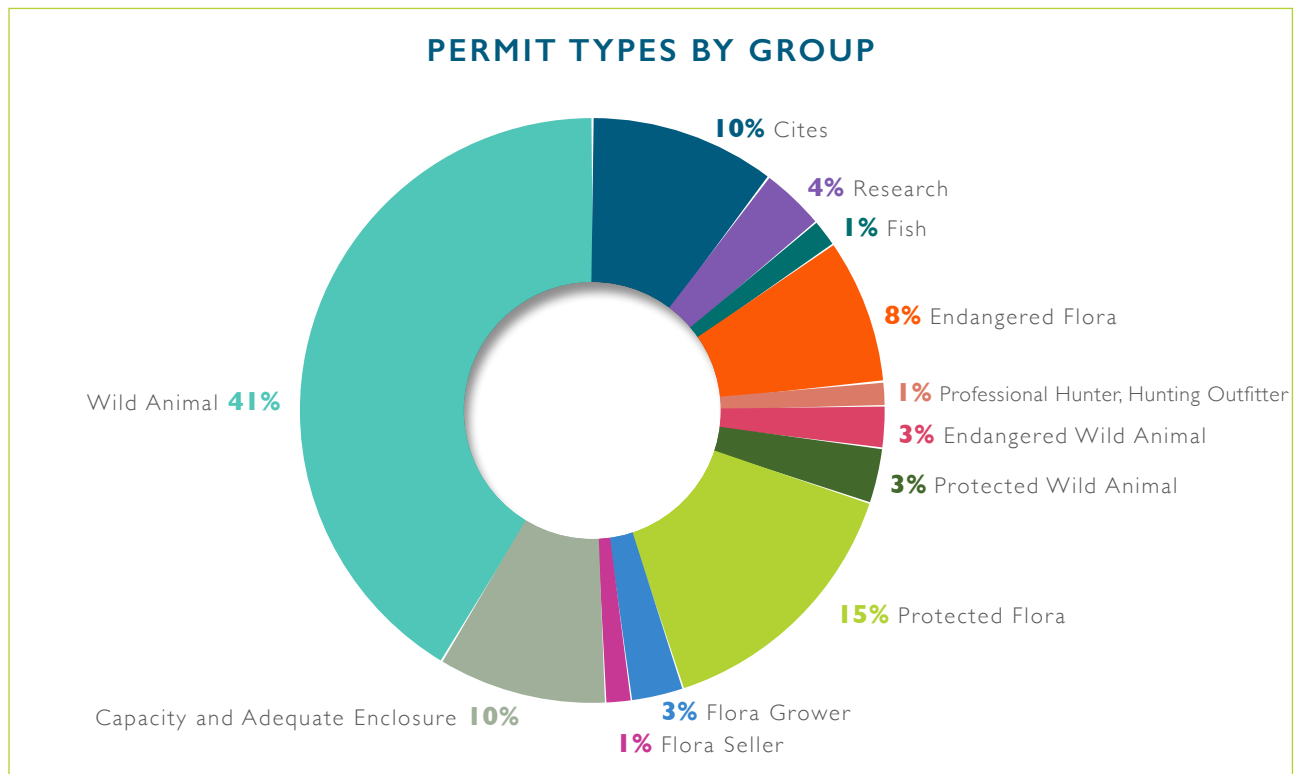


Figure 3: Permit Types by Group

CapeNature generated R539 195 from the collective issuing of 5 479 hunting and angling licences during the reporting period. The amount of angling licences issued during the reporting period amounted to 3 591, generating R161 595 and 1 888 hunting licences were issued, generating R377 600. The administration fee for all permits issued during the reporting period generated an amount of just over R1m.

Integrated Catchments

CapeNature conducted ecological survey in the Sonderend- Du Toit's Kloof- and Eland's rivers to assess recovery from prior flooding. The Sonderend River demonstrated stable, good ecological condition, while the Du Toits and Elands Rivers showed gradual recovery but remained impacted by habitat changes and water quality inputs.

CapeNature conducted standardised South African Scoring System water quality assessments in 16 rivers throughout the Western Cape, i.e., the Hartebeest-, Paardensberg-, Assegaibos-, Eeste-, Oudebos-, Palmiet-, Witte-, Krom-, Drakenstein-, Olifants-, Du Toits-, Elands-, Kammanassie-, Rondegat-, Matjies-, and Kliphuis rivers. Notable findings included a new distribution record for Slender redbfin in the upper Doring River with no invasive fish present, and a Kogelberg survey confirming healthy, breeding indigenous fish populations in Good to Very Good ecological condition.

CapeNature continued with long-term frog monitoring as indicators for impact of fires and alien invasive plant species on biodiversity, which revealed concerning trends: Recovery of the Critically Endangered Northern Moss Frog at one site was slow after a 2024 fire, and the Landdros Moss Frog remained below detectable limits. However, Rough Moss Frogs showed positive recovery post-prescribed burn, though invasive pines remain a threat. An important observation was the discovery of over 50 tadpoles of an undescribed *Capensibufo* species.

CapeNature's long-term (45-year data set) trend analysis shows that the number of fires remains on a significant upward trajectory, surpassing the 100-fire mark for the first time since the 2018/19 fire season. In the reporting year, there were 108 fires. An analysis of fire size reveals an increase over the past six years, with the average area burned per fire more than doubling over the last 20 years.



Anyberg Nature Reserve

3.

PROGRAMME 3: CONSERVATION OPERATIONS

The purpose of Programme 3 is to conserve, protect and restore our natural environment for resilience and sustainability in alignment with the CapeNature vision and mission.

Protected Area Management

The Integrated Management Framework (IMF) for the Cape Floral Region Protected Areas World Heritage Site (CFRPA WHS) was approved by the National Minister during the reporting period. The IMF serves as the strategic management framework to the CFRPA WHS Joint Management Committee (JMC), comprised of the Department of Forestry, Fisheries and the Environment (DFFE), Eastern Cape Parks and Tourism Agency (ECPTA) and CapeNature (CN).

CapeNature manages a total of 31 protected area complexes. The total area under management equates to 872 384 ha, comprising 105 terrestrial reserves (829 599 ha), and six marine protected areas (42 785 ha). Except for Anysberg Complex, all other protected area complexes have management plans that were developed using the Conservation Standards. During the reporting period the Greater De Hoop Complex management plan was approved.

As of 2024, CapeNature has also focused on the development of State of Protected Area (SOPA) reporting to track the implementation status of individual protected area complexes. These reports are site specific, allowing for effective assessment of the goals of the complex, and where needed, making adaptive management recommendations to maintain conservation momentum. The Anysberg and Cederberg Complex SOPAs were approved during the reporting period.

Effective protected area management is grounded on the principles of good governance, sound design and planning, and good management that result in positive conservation outcomes. To assess the effectiveness of protected area management, CapeNature conducts biennial METT-SA assessments. CapeNature adopts an integrated management approach and thus the assessment was completed for both terrestrial and marine protected areas. The overall findings indicate strong management performance across CapeNature's protected area network. The average METT-SA score for the 2024-2026 period is 73%, with 99.7% of the total protected area estate (872 384 ha) classified as effectively managed (scoring above 67%). Furthermore, 95% of protected area complexes achieved a "Sound Management" rating, while the remaining 5% were rated as "Basic Management". No protected areas fell into the "Inadequate Management" category over the past decade, reflecting sustained organisational performance.

Work Opportunities

During the reporting period, a total of 2 647 work opportunities were created by procuring the services of 73 SMMEs. These SMMEs provided key services to the Entity, which included accommodation facility cleaning and laundry services, gate guard services, shuttle services, invasive alien plant clearing, the making and maintenance of important fire breaks, as well as hiking trail maintenance and reserve road maintenance.

Compliance and Enforcement

CapeNature regulates activities through the issuing of authorisations (permits), under the Nature Conservation Ordinance No. 19 of 1974 and its Regulations, permits are issued to facilities to, among other, keep wild animals in captivity for display, educational, show and rehabilitation purposes, grow and or sell protected plants, or keep wild animals within adequate enclosure. Subject to the conditions of their permits, regular compliance inspections are conducted by CapeNature, and upon expiry of any permit, inspections are required for permit renewals. Compliance inspections are conducted both proactively and in response to complaints, as well as for permit renewals. During the reporting period, a total of 279 compliance inspections of facilities were undertaken.

Biodiversity crime, particularly the illegal collection of succulent plants and reptiles in the Succulent Karoo within the West Landscape, remains a significant and growing threat. Alleged contraventions of the Nature Conservation Ordinance No. 19 of 1974, the Western Cape Biodiversity Act No. 6 of 2021, and, where applicable, the Marine Living Resources Act No. 18 of 1998, are investigated by CapeNature, with case dockets compiled and submitted to the South African Police Service (SAPS) and the National Prosecuting Authority (NPA) for prosecution. During the reporting period, 44 completed criminal investigations were referred to the NPA, including eight cases involving succulent flora species, *Clivia mirabilis* (2 cases), and other protected flora such as *Protea repens*, *Brunia* spp. and *Dioscorea elephantipes*. Eight convictions were secured, with fines totalling R273 450 imposed by the courts.

CapeNature continued to strengthen collaborative enforcement efforts with key partners, including SAPS (Stock Theft and Endangered Species Unit), the NPA, SANParks, DFFE, and provincial counterparts. Targeted joint operations included Operation Green War 2, during which 22 patrols and three roadblocks were conducted, 96 vehicles were inspected, and 1 717 illegally collected plants were recovered. CapeNature also participated in INTERPOL's Operation Thunder 2025, focusing on compliance monitoring at Cape Town International Airport to disrupt the illegal trafficking of wildlife and plant species.

Ongoing participation in Operation Phakisa has enhanced integrated, intelligence-driven enforcement across the Western Cape coasts, contributing to arrests, confiscations and improved visibility. Significant seizures of protected flora were made across multiple regions during the year.

Illegal hunting, including organised night hunting of antelope species and Dog hunting remains a concern in rural areas and constitutes contraventions of the Nature Conservation Ordinance No. 19 of 1974 and associated regulations. Targeted surveillance operations, supported by informant networks and licence plate recognition technology, have strengthened intelligence gathering and enabled the identification of suspects. Additional enforcement actions addressed permit violations, including fraudulent wildlife transport activities.

Emerging risks include unlawful access to protected areas often associated with fire hazards and environmental impacts, as well as early signs of land encroachment along reserve boundaries. These challenges are being managed through increased patrols, coordinated enforcement in terms of applicable legislation, and stakeholder engagement.

CapeNature also prioritised preventative and awareness initiatives, including stakeholder workshops promoting sustainable resource use and voluntary compliance with the Nature Conservation Ordinance No. 19 of 1974 and the Western Cape Biodiversity Act No. 6 of 2021. Continued monitoring of identified hotspots supports early detection and rapid response to noncompliance, reinforcing CapeNature's commitment to biodiversity protection and regulatory enforcement.

Invasive Alien Species Management

CapeNature's success in combating invasive alien plant species relies heavily on strategic partnerships. During the reporting period, CapeNature maintained active collaborations with The Nature Conservancy of South Africa (TNC), the World-Wide Fund for Nature South Africa (WWF-SA) and The Helihack Initiative Non-Profit Company (NPC).

Both TNC and WWF-SA are integral members of the Greater Cape Town Water Fund (GCTWF), a collaborative initiative aimed at enhancing water security for the greater Cape Town region. TNC implemented large-scale clearing operations, treating approximately 9 440 hectares at a total cost of R31.1 million. These activities generated an estimated 33 452 person-days of employment. A significant proportion of this work was undertaken in intermediate to steep terrain, requiring specialised teams, skills, and equipment.

Through a co-funding partnership with The Helihack Initiative NPC, CapeNature supported clearing operations in remote and inaccessible areas using helicopter-based slinging techniques implemented by volunteers. During the reporting period, Helihack cleared 4 037 hectares and removed 54 695 isolated pine trees. CapeNature's financial contribution to these operations amounted to R926 000.

The Integrated Catchment Management (ICM) programme remained a key contributor to invasive alien plant clearing efforts, with approximately 25 695 hectares treated at a cost of R3.88 million. The programme also created around 10 712 person-days of employment.

The Woodcutter Project at De Hoop Nature Reserve continued to facilitate both biomass removal and resource utilisation. Over 198 hectares, approximately 6.9 million pieces of Rooikrans braai wood were harvested, equating to an estimated 3 450 tonnes of biomass, based on an average unit weight of 500 grams/Rooikrans piece.

Fire Management

The year saw an unprecedented fire season. Following a busy October and November of 35 fires, in December the Cederberg Wilderness Area experienced its largest fire since 1997, burning approximately 29 750 hectares of the Protected Area. With the large fire that burned in March 2025, this brings the percentage of hectares less than two years old to 62% of the total Cederberg Wilderness area. Strategic firebreaks successfully protected most of the Critically Endangered Clanwilliam Cedar trees, with very few mature trees lost. Two large fires in January burned a further 33 719 hectares in the Paarl/Franschhoek/Jonkershoek areas, tragically destroying the National Monument Chamonix Hotel. In total, 67 908 hectares burned across the quarter four period alone. CapeNature responded to 107 wildfire incidents, which collectively burned 215 936 hectares (Figure 4). Of this, 78 505.30 hectares were located on land managed by CapeNature. Pre-fire season training was conducted for 233 staff.

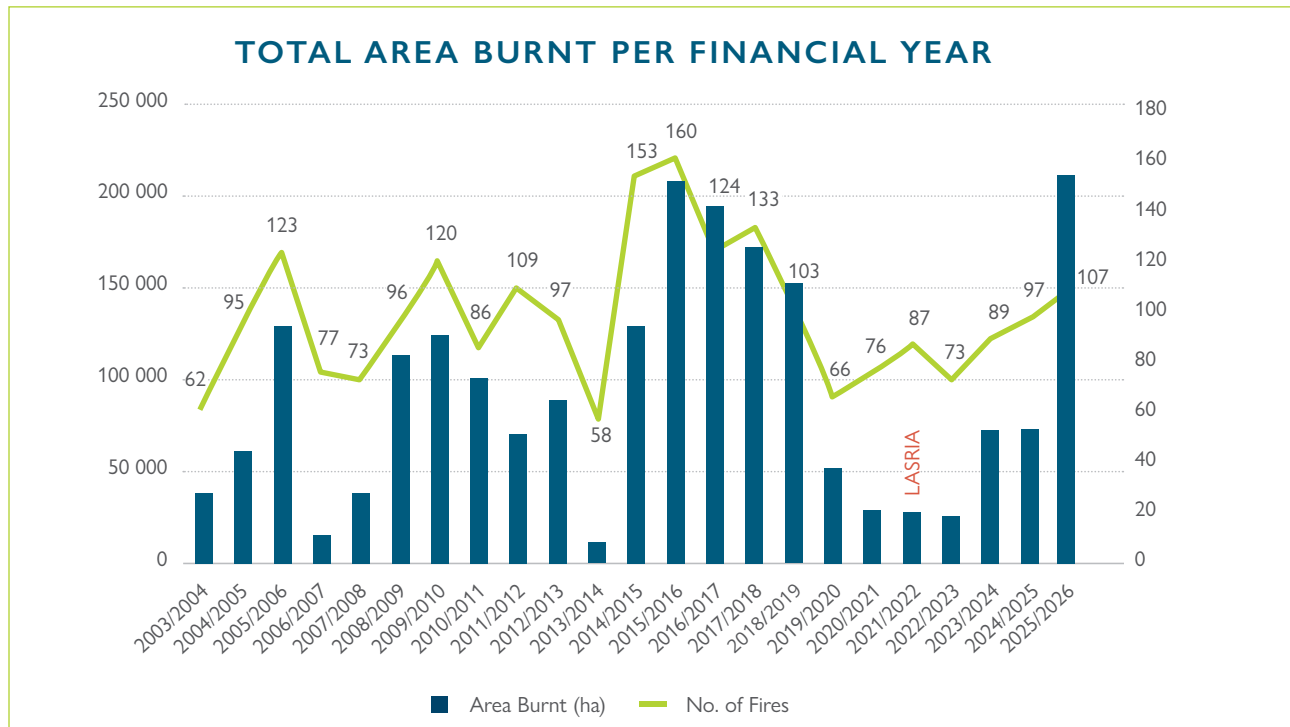


Figure 4: Total area burned and number of fires per financial year

Despite Large Scale Rapid Initial Attack (LASRIA) efforts, there was an increase in both the number of fires and total area burned compared to the 2024/25 fire season, during which 97 fires were recorded, resulting in 75 174 hectares burned.

This rise is likely attributable to the hotter and drier conditions experienced during the 2024/25 fire season. The 2025/26 season started earlier (as early as September) and extended beyond the normal period. Fire incidents in early months were significantly above historical averages. Human-induced ignitions continue to be the primary cause of wildfires during this reporting cycle.

Marine and Coastal Management

During the reporting period, CapeNature continued the management of seven Marine Protected Areas (MPAs), namely Robberg, Goukamma, Still Bay, De Hoop, Walker Bay Whale Sanctuary, Betty's Bay and Rocherpan. In partnership with the South African Institute for Aquatic Biodiversity (SAIAB) and the South African Environmental Observation Network (SAEON), Stereo Baited Remote Underwater Video system (BRUV) surveys were completed in the Goukamma and Still Bay MPAs, as well as in the ocean adjacent to Dassen and Dyer Islands. These datasets contribute to critical baseline and long-term monitoring required for effective MPA management.

CapeNature also remained responsible for the management of Dyer, Dassen and Bird (Lambert's Bay) Islands, which are globally significant for the conservation of threatened seabirds, including the African Penguin, Cape Gannet, and Bank and Cape Cormorants. The Memorandum of Agreement (MoA) with the DFFE, supporting MPA and island management, was confirmed, with all outstanding payments received during the reporting period.

African Penguin conservation remained a key priority. CapeNature managed colonies support just over half of the global population. Monitoring indicates varying trends across colonies, with increases at Dassen Island, relative stability at Stony Point and Dyer Island, and continued declines at most other sites. At Bird Island, Cape gannet productivity was exceptionally strong, with a record 11 663 fledglings recorded in 2025.

Key conservation interventions included island closures declared by the Minister to protect African Penguins and other threatened seabirds, ongoing monitoring of breeding success, predator management, and collaboration with the Southern African Foundation for the Conservation of Coastal Birds (SANCCOB) and BirdLife South Africa. Efforts to strengthen colony resilience include expansion of the Stony Point colony and re-establishment of the De Hoop breeding colony. At De Hoop, breeding success remained modest, with two pairs raising four chicks, while 88 penguins were successfully translocated. Post release monitoring indicates encouraging dispersal patterns, and since 2022, 38 hand-reared penguins released at De Hoop have returned at least once.

CapeNature responded to environmental incidents during the year, including two oil spill events along the Cape South Coast during the third quarter. Coordinated response actions resulted in minimal ecological impact. Site specific oil spill contingency plans were developed for key seabird colonies (Dassen Island, Stony Point and Dyer Island) and all managed MPAs. Officials received training through the Ocean Readiness Programme to strengthen spill response capacity.

CapeNature also supported interagency responses to disease outbreaks affecting marine species. This included collaboration with DFFE, State Veterinary Services, SANCCOB and other partners in managing rabies in Cape fur seals and monitoring avian influenza in seabird populations. Standard Operating Procedures were developed and implemented to guide response actions, supported by increased surveillance and public awareness initiatives.

The Entity continued its role as Responsible Management Authority for 13 estuaries, ensuring implementation of approved Estuary Management Plans. Annual reports were submitted to the Department of Environmental Affairs and Development Planning (DEA&DP) and will form part of the provincial submission to DFFE. Targeted management interventions included the development of breaching reports for Bot, Klein and Goukamma Estuaries, guided by approved Mouth Maintenance Management Plans.

CapeNature is also the Responsible Management Authority for eight Ramsar sites, including Verlorenvlei Estuary, Dassen Island, Berg Estuary, Bot Estuary, Dyer Island, De Mond (Heuningnes Estuary) and De Hoop Vlei. Updates to Ramsar Information Sheets are underway to ensure accurate and current data is available for international reporting.

Strategic partnerships continued to play a key role in marine and coastal management. CapeNature maintained collaborative agreements with institutions including SAIAB, SAEON, UWC, CPUT, SANCCOB, BirdLife South Africa and others, while exploring new partnerships to further strengthen research, monitoring and conservation outcomes.



Grootvadersbosch Nature Reserve

4.

PROGRAMME 4: ECO-TOURISM AND ACCESS

CapeNature achieved a 6% year-on-year growth for the 2025/26 financial year, generating R82 037 827. A key driver of this achievement was the sustained demand for nature-based experiences amongst visitors, reflecting a growing preference for authentic outdoor travel, wellness, and eco-tourism offerings. This demand, coupled with effective marketing initiatives and strategic partnerships, contributed significantly to increased visitor interest across CapeNature's reserves and tourism products. Continued efforts to enhance destination visibility and strengthen stakeholder collaborations further supported revenue growth and reinforced CapeNature's position as a leading nature-based tourism destination in the Western Cape.

A comparison of the 2024/25 and 2025/26 tourism income performance highlights that Entrance Fees and Hiking experienced the strongest growth in monetary value, increasing by 13.8% year on year from R40.4 million to R45.9 million, reflecting the sustained demand for nature-based experiences amongst visitors. Wildcard Sales also grew positively by 12.8%, while Concession Fees recorded significant growth of 32.6%. Rocklands Permit Sales increased by 15.5%.

The Entity recorded strong growth across its social media and digital platforms during the reporting period. Facebook followers increased by 14.5% to more than 60 500, TikTok followers increased by 77% to more than 11 000, and Instagram followers increased by 44% to exceed 36 500. In addition, subscriptions to the Entity's monthly e-newsletter remained strong at 41 790, representing performance 26% above the baseline target. A notable feature of the year under review was the high level of engagement achieved across all social media platforms. This performance may be attributed to several key factors, including the following:

- the development and publication of intentional, distinctive content aligned to the Entity's brand and mandate;
- increased investment in boosted posts;
- an increased volume of social media postings;
- collaboration with influential partners and content contributors;
- the implementation of targeted campaigns; and
- a deliberate focus on video-led content.

Website performance metrics further indicate that the Entity's website has strengthened its position as a key information platform for visitors and stakeholders. The number of unique visitors increased by 9% year on year. This was accompanied by a 21% year-on-year increase in engaged sessions, underscoring the website's effectiveness as an important communication channel for both tourism and conservation-related content.

The Entity continued to include both contact and non-contact activities with external stakeholders such as schools, municipalities, community groups, and an array of other stakeholders. A total of 112 capacity building activities were undertaken, surpassing the target of 80 by 40%. Similarly, a total of 507 awareness activities were embarked upon surpassing the target of 350 by 45%. The over-achievement for both targets was largely based on unsolicited, opportunistic, additional planned and unplanned activities.

For the 2025/26 reporting period, 71% of activities resumed in the form of contact events. In maintaining the hybrid model to complement contact events, the remainder of the activities were split as follows: 5% broadcast media, 6% print media, 18% online events.

To appraise the effectiveness of CapeNature's environmental education programmes, impact assessments continued in 2025/26, with four campaign programmes being evaluated in the year under review. Collectively for all topics, children showed a 32% increase in knowledge, with adults showing a 38% increase in knowledge after having participated in the programme with CapeNature.



Anysberg Nature Reserve

2.2 ORGANISATIONAL ENVIRONMENT

The Human Resources component of CapeNature strives to deliver an efficient and effective service through providing seamless recruitment and selection, quality training and development, fair and transparent employee relations and consistent performance management. Whilst the period under review proved to be quite a challenging one for the Entity in relation to the constrained fiscal resources it performed under, the staff remained positive, committed and dedicated. The cost containment measures that were implemented throughout the year had resulted in rigorous discussions to take place and difficult decisions had to be made around filling of critical vacant posts. In balancing the operational and compensation of employment costs, the Entity aims to maintain a 40:60 split for operational versus employment costs. This translates to maintaining a 25-30% vacancy rate.

The Entity continued to promote the services of its Employee Wellness Programme to assist employees with mechanisms to cope with the pressures of work and/or matters impacting their personal lives. The assistance continues to be well received with a total of 109 staff, inclusive of their families, benefiting from its service offerings. Amidst the increasing workloads, staff members continue to be capacitated through various training interventions offered inhouse, by an external service provider or by way of bursaries for studies undertaken through accredited institutions.

A total of 11 staff members embarked on studies funded by the Entity and to date, one has successfully completed their course. Of the total of 11, the majority of bursary holders are female employees. The Entity has endeavoured to promote internal development via the Bursary processes. This demonstrates the Entity's commitment to giving effect to its Gender Mainstreaming Policy. These combined achievements are reported to the relevant Board Committees and the quarterly oversight engagements with the Department of Environmental Affairs and Development Planning.

Job Creation and Empowerment

Through the Expanded Public Works Programme, the Entity created 543 employment opportunities, benefitting 70 neighbouring communities in and around its protected areas. For many families these opportunities present a lifeline to sustain households and actively participate in the local economy. In terms of the vulnerability targets required for the EPWP, the Entity achieved 56% for women (target 60%), 78% for youth (target 55%) and 3% for persons with disability (target 2%).

Figure 5 depicts the number of communities deriving socio-economic benefits in the Province and **Table 2** provides a detailed breakdown of these communities.

Furthermore, 19 Work Integrated Learners (WILs) and graduate interns were appointed during the reporting period, exceeding the target of 15.

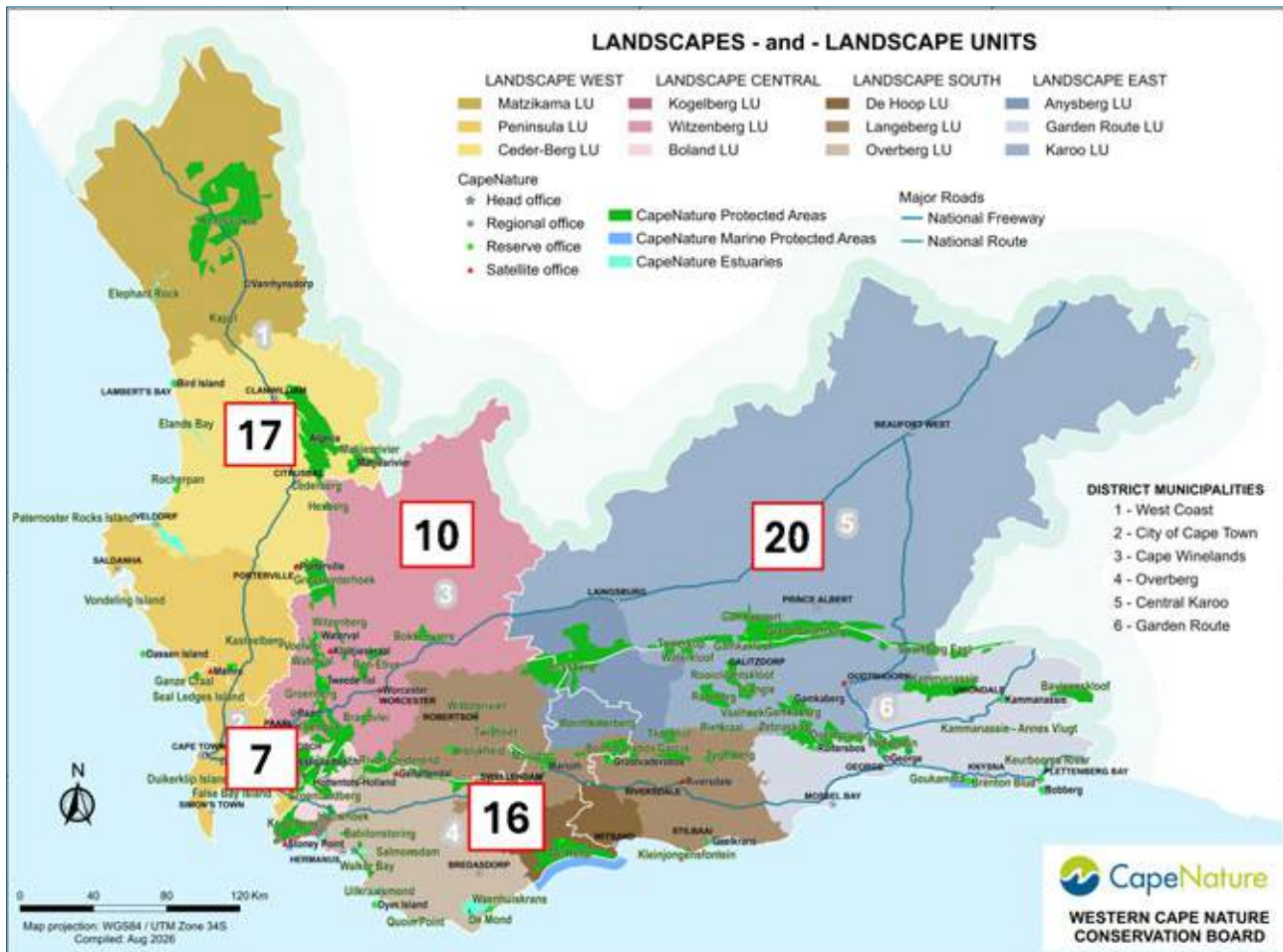


Figure 5: Number of communities deriving socio-economic benefits per landscape/ district municipality

TABLE 2: BREAKDOWN OF COMMUNITIES PER LANDSCAPE/ DISTRICT MUNICIPALITY

NUMBER OF COMMUNITIES DERIVING SOCIO-ECONOMIC BENEFITS		
CAPENATURE LANDSCAPE/ DISTRICT MUNICIPALITY	NUMBER OF COMMUNITIES BENEFITTED	COMMUNITIES BENEFITTED
Cape Town Office/ City of Cape Town	7	Crossroads; Cape Town (Bo-Kaap); Delft; Brackenfell; Kraaifontein; Belgravia Estate; Lotus River
West Landscape/ West Coast	17	Malmesbury Prison; Atlantis; Mamre; Lamberts Bay; Chatsworth 1; Chatsworth 2; Clanwilliam; Kliprand; Wuppertal; Klaver; Vanrhynsdorp; Arendsdale; Velddrif; Pella; Wupperthal; Porterville; Monte Bertha
Central Landscape/ Cape Winelands	10	Witzenville; Wolseley; Bettys Bay; Elgin; Grabouw; Kleinmond; Gouda; Mbekweni; Paarl; Wellington (Polla Park)
East Landscape/ Garden Route and Central Karoo	20	Lyonville; Uniondale; Mossel Bay; Da Gama; Glentana; George (Lavalia); Langverwag; Brenton On Sea; Knysna; Sedgfield; Calitzdorp; Plettenberg Bay; Coleridge; Oudtshoorn; Dysseisdorp; De Rust; Touws River; Laingsburg; Blomnek; Volmoed
South Landscape/ Overberg	16	Riversdale; Melkhoutfontein; Napier; Stilbaai; Heidelberg; Eden; McGregor; Hermanus; Stanford; Bredasdorp; Railton; Blompark; Robertson; Genadendal; Riviersonderend; Witfontein

2.3 KEY POLICY DEVELOPMENTS AND LEGISLATIVE CHANGES

None



Keurbooms Nature Reserve

2.4 PROGRESS TOWARDS ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES

TABLE 3: PROGRESS MADE TOWARDS THE ACHIEVEMENT OF THE IMPACT STATEMENT OF ENHANCED BIODIVERSITY CONSERVATION, ECOLOGICAL SUSTAINABILITY AND CLIMATE RESILIENCE

OUTCOME		OUTCOME INDICATOR	MEASURE	5-YEAR TARGET	ACHIEVEMENT
SUSTAINABLE BIODIVERSITY CONSERVATION TOWARDS IMPROVED CLIMATE CHANGE RESILIENCE	1.1	Percentage of area of state managed protected areas effectively managed ⁴	Percentage of area of state managed protected areas assessed with a Management Effectiveness Tracking Tool (METT) score above 67%	88%	99.7% in 2025/26
	1.2	Number of tools and actions to improve the conservation of species, ecosystems ⁵ , ecological processes and ecological infrastructure; promote disaster risk reduction and mitigate climate change impacts	Number of State of Conservation Reports completed	Updated State of Biodiversity Report	1 in 2025/26
			Number of permits issued within legislated timeframes		3 582 in 2025/26
			Percentage of complete biodiversity management permits issued within legislated timeframes		86.6% in 2025/26
			Number of compliance inspections conducted		279 in 2025/26
			Number of completed criminal investigations handed to the NPA for prosecution		44 in 2025/26
			Number of hectares of invasive alien plant species cleared on CapeNature-managed protected areas		A baseline of 23 309.1 hectares cleared has been established in 2025/26
			Number of firebreaks maintained on CapeNature-managed protected areas		A baseline of 205 firebreaks maintained has been established in 2025/26
	1.3	Number of stakeholder interventions to enhance ecological sustainability	Number of environmental awareness activities conducted	2 150 interventions	507 in 2025/26
			Number of environmental capacity building activities conducted		112 in 2025/26
			Number of community liaison structures engaged regarding protected area management		A baseline of 68 community liaison structures engaged has been established in 2025/26
			Number of access opportunities granted to CapeNature protected areas		A baseline of 5 access opportunities granted has been established in 2025/26

⁴ Management Effectiveness Tracking Tool Version 3

⁵ As measured against the SOB 2023 recommendations

OUTCOME		OUTCOME INDICATOR	MEASURE	5-YEAR TARGET	ACHIEVEMENT
SUSTAINABLE AND EQUITABLE BIODIVERSITY ECONOMY, ENABLING INCLUSIVE ECONOMIC GROWTH OPPORTUNITIES	1.4	Number of hectares under conservation	Number of hectares under the conservation estate	(1 104 999.45) + 5000 ha per year for the five-year strategic planning period	44 231.4549 ha in 2025/26
			Number of additional biodiversity stewardship sites established		16 in 2025/26
	1.5	Percentage increase in eco-tourism revenue	Percentage increase in tourism income generated	7% (year-on-year)	For 2025/26, the Entity increased tourism income by 27% against a target of 7%.
			Number of new and/or upgrades on existing tourism products		17 in 2025/26
			Number of tourism destination marketing initiatives and campaigns conducted		6 in 2025/26
	1.6	Number of individuals benefitting from job creation initiatives	Number of employment opportunities provided through EPWP programmes	8 075	543 in 2025/26
			Number of interns appointed		19 in 2025/26
			Number of work opportunities created through environment sector public employment programmes		2 647 in 2025/26
			Number of SMME workshops facilitated		A baseline of 7 SMME workshops facilitated has been established in 2025/26
			Number of Biodiversity Economy initiatives implemented		A baseline of 77 Biodiversity Economy initiatives implemented has been established in 2025/26
	1.7	Number of mainstreaming initiatives	Number of mainstreaming initiatives conducted	20	A baseline of 4 mainstreaming initiatives conducted has been established in 2025/26
	1.8	Audit opinion obtained in respect of previous financial statements	Audit opinion from Auditor-General of South Africa	Unqualified Auditor-General opinion	2025/26 being Year 1 of 1, 1 out of 5 unqualified audit opinions have been obtained.

The above table sets out the outcomes and outcome indicators documented in the 5-year strategic plan, the associated output indicators and the achievement for each indicator over the 5-year strategic cycle. Being the first year of the 2025-2030 strategic planning cycle, the table presents the achievements of year one of five and its contribution to the achievement of the 5-year targets.

The expansion of the conservation estate is fundamental in conserving biodiversity and in this regard the Entity has exceeded its target of 5 000 hectares by 885% (rounded), which equates to 44 231.4549 hectares. The expansion of the conservation estate is largely facilitated through the signing of stewardship agreements for priority areas of conservation value and the proclamation/ declaration of protected areas. For the reporting period, 16 agreements were concluded.

In support of critical conservation efforts, the Entity published the annual State of Conservation Report. This Report informs the five-yearly State of Biodiversity Report. The State of Conservation Report highlights CapeNature's achievements across priority focal areas from species management and habitat protection to responsive policy and planning. The reports demonstrate CapeNature's commitment to aligning its reporting with the South African State of Environment Outlook Report (SoEOR) and towards the Kunming-Montreal Global Biodiversity Framework targets (adopted at COP15 in 2022), an obligation that CapeNature actively embraces through practical, on-the-ground initiatives.

Effective protected area management is grounded on the principles of good governance, sound design and planning, and good management that result in positive conservation outcomes. To assess the effectiveness of protected area management, CapeNature conducts biennial METT-SA assessments. The outcome of the assessment concluded that 99.7% of the area (in hectares) managed by the Entity falls within the "Sound Management" threshold of 67%. This reflects a significant achievement in protected area management.

Income generation remains fundamental in the sustainability of the Entity with a significant percentage of income diverted to support conservation operations. For the reporting period the Entity generated tourism income of R82 037 827.

Job creation and provision of socio-economic opportunities are at the forefront of the Entity's mandate and focus. These objectives are achieved through a number of indicators that provide employment opportunities through the provision of EPWP and non-EPWP related job opportunities and internships. These opportunities are afforded to individuals and contractors from communities located in and around its protected areas.

Stakeholder engagement and environmental awareness are critical mechanisms in the Entity's efforts to effect behavioural change with respect to understanding the environment and nature. Through the number of environmental awareness and capacity building activities conducted, the Entity strives to work towards achieving the vision of creating a sustainable future in which biodiversity flourishes and communities thrive.

Sound governance principles and systems together with the implementation of laws and regulations and documented policies and procedures underpin good audit outcomes and sound governance. The Entity endeavoured to achieve these principles through obtaining an unqualified audit opinion for the year under review.



3. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

3.1 PROGRAMME 1: ADMINISTRATION AND GOVERNANCE

Purpose: To provide efficient corporate governance through effective leadership, finance and human resource management.

The programme consists of the following sub-programmes:

Sub-Programme 1.1: Office of the CEO

Purpose: To ensure effective governance, compliance with legislative requirements, governance frameworks, staff well-being and overall administrative functioning, strategic planning and risk management.

Sub-Programme 1.2: Finance and Information and Communication Technology (ICT)

Purpose: To manage the financial resources and assets of CapeNature and ensure the effective management and administration of ICT and Shared Services.

Sub-Programme 1.3: Strategy, Governance and Risk

Purpose: To ensure the effective management of organisational risk, internal control, corporate legal services, strategic planning and human resources.

Outcomes, Outputs, Output Indicators, Targets and Actual Achievement Table

During the period under review, CapeNature achieved a clean audit outcome for the 2024/25 financial period. This confirms the Auditor-General's opinion that the Annual Financial Statements contained no material misstatements, it was compliant with legislation and that there were no material findings on predetermined objectives. A total of 543 EPWP participants were employed against a target of 450. Similarly, 19 Work Integrated Learners and graduate interns were appointed, exceeding the target by four. A new indicator measuring the number of mainstreaming initiatives conducted was introduced during the reporting period. This indicator focused on increased efforts to promote awareness, sensitivity, tolerance and positive dialogue around issues relating to employee well-being and the well-being of communities in and around its protected areas. A baseline was established during the 2025/26 reporting period.

The Entity facilitates the employment and empowerment of vulnerable groups through funding received from the EPWP. This Programme makes provision for women, youth and people with disabilities. Through its internship programme, the Entity provides experiential learning and job market readiness for youth specifically.

The Entity submitted in-year changes to the Annual Performance Plan for the period under review. The in-year changes did not relate to indicators under Programme 1.

TABLE 4: OUTPUT INDICATORS

Programme 1 – Administration and Governance								
Outcome	Output	Output Indicator	Audited Actual Performance 2023/2024	Audited Actual Performance 2024/2025	Planned Annual Target 2025/2026	Actual Achievement 2025/2026	Deviation from planned target to Actual Achievement 2025/2026	Reasons for deviations
Sustainable and equitable biodiversity economy, enabling inclusive economic growth opportunities	Unqualified audit report	Audit opinion from Auditor General of South Africa	An unqualified audit opinion	An unqualified audit opinion	An unqualified audit opinion	An unqualified audit opinion	None	None
	Employment opportunities provided through EPWP programmes	Number of employment opportunities provided through EPWP programmes	589	644	450	543	+93	High turnover rate of EPWP staff resulted in more opportunities for employment being created.
	Learning opportunities provided in the sector	Number of interns appointed	20	21	15	19	+4	Austerity measures resulted in a greater demand for learners and partnerships with tertiary institutions aided recruitment.
	Mainstreaming initiatives conducted	Number of mainstreaming initiatives conducted	Indicator was not included in 2023/24 Annual Performance Plan	Indicator was not included in 2024/25 Annual Performance Plan	Establish a baseline	A baseline of 4 mainstreaming initiatives conducted has been established	Not applicable	None, a baseline was established for 2025/26.

Strategy to overcome areas of under-performance

N/A

Linking performance with budgets

Please refer to note 35 of the Annual Financial Statement which explains the variance.

TABLE 5: ADMINISTRATION AND GOVERNANCE

Programme/ sub-programme	2025/26			2024/25		
	Budget	Expenditure	(Over)/ Under Expenditure	Budget	Expenditure	(Over)/ Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Office of the CEO	3 878	3 726	152	4 838	4 838	-
Finance and Information and Communication Technology (ICT)	66 184	61 386	4 798	66 602	71 864	(5 262)
Strategy, Governance and Risk	20 979	19 436	1 543	17 743	18 038	(294)
Total	91 041	84 548	6 493	89 183	94 739	(5 556)

Note: The budget is on the cash basis and includes capital expenditure and excludes non-cash items such as depreciation and Standards of Generally Recognised Accounting Practices (GRAP) adjustments. The actual expenditure excludes capital expenditure but includes non-cash items such as depreciation and GRAP adjustments. For a more comparative analysis of budget vs actual please refer to the annual financial statements on pages 112 to 159.

3.2 PROGRAMME 2: BIODIVERSITY CAPABILITIES

Purpose: To develop and deploy capability centers to support, inform, enable, and advance the practice of conservation and enhance biodiversity resilience.

Outcomes, Outputs, Output Indicators, Targets and Actual Achievement Table

The conclusion of stewardship agreements during the reporting period resulted in adding 44 231.4549 hectares to the protected estate, exceeding the target by 39 231.4549 hectares and adding 16 stewardship sites to the conservation estate. CapeNature as the regulatory authority for nature conservation in the Western Cape, processes permit applications in terms of relevant legislation, to enable compliance with legislative requirements. CapeNature measures the percentage of complete applications for biodiversity permits and authorisations finalised within legislated timeframes. The Entity achieved 86.6%, exceeding the target of 80%.

The nature of the output indicators for Programme 2 does not enable the Entity to respond to the prioritisation of women, youth and persons with disabilities. The Entity, broadly, facilitates the employment and empowerment of women, youth and people with disabilities through the EPWP funding received. The Entity responded to the needs of vulnerable groups through its ongoing focus on access to biodiversity economy opportunities inside protected areas, local economic development initiatives, contractor development and the provision of work opportunities. These efforts contribute to sustainable livelihoods in communities in and around its protected areas while supporting conservation outcomes.

The Entity submitted in-year changes to the Annual Performance Plan for the period under review.

TABLE 6: OUTPUT INDICATORS

Programme 2: Biodiversity Capabilities								
Outcome	Output	Output Indicator	Audited Actual Performance 2023/2024	Audited Actual Performance 2024/2025	Planned Annual Target 2025/2026	Actual Achievement 2025/2026	Deviation from planned target to Actual Achievement 2025/2026	Reasons for deviations
Sustainable biodiversity conservation towards improved climate change resilience	Updated land- and seascape targets for protected area expansion	Number of hectares under the conservation estate	1 099 999.45 ha	1 113 116.86 ha	Previous Year +5 000 ha	1 157 348.31 ha	+39 231.45 ha	One property contributed a significant number of hectares (34 084), significantly boosting the number of hectares added. In addition, variability in negotiation and declaration timeframes meant that several sites initiated in previous years were formally declared within the reporting period, further contributing to the over-achievement.
	Updated Western Cape State of Biodiversity Report	Number of State of Conservation Reports completed	Not applicable	1	1	1	None	Not applicable
	Updated Western Cape State of Biodiversity Report	Number of Western Cape State of Biodiversity Reports completed	1	-	Not applicable	Not applicable	None	Not applicable

Programme 2: Biodiversity Capabilities								
Outcome	Output	Output Indicator	Audited Actual Performance 2023/2024	Audited Actual Performance 2024/2025	Planned Annual Target 2025/2026	Actual Achievement 2025/2026	Deviation from planned target to Actual Achievement 2025/2026	Reasons for deviations
	Expansion of the conservation estate	Number of additional biodiversity stewardship sites established	11	7	1	16	+15	Higher than anticipated landowner uptake, driven by strengthened partnerships, proactive engagement, and streamlined stewardship processes that enabled more sites to be established during the reporting period.
	Permit applications processed within legislated timeframes	Percentage of complete biodiversity management permits issued within legislated timeframes	85%	87%	80%	86.6%	+6.6%	The issuance of permits is based on the demand of the public to obtain authorisation in respect of regulated activities. The ongoing implementation of mechanisms to reduce unnecessary red tape and facilitate law reform, i.e. the issuance of Section 80 exemptions, and extension of permit validity periods has led to improved efficiency and streamlined the processing of permits that are issued.

Strategy to overcome areas of under-performance

N/A

Changes to planned targets

N/A

Linking performance with budgets

Please refer to note 35 of the Annual Financial Statement which explains the variance.

TABLE 7: Biodiversity Capabilities

Programme/ sub-programme	2025/26			2024/25		
	Budget	Expenditure	(Over)/ Under Expenditure	Budget	Expenditure	(Over)/ Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Biodiversity Capabilities	47 648	47 983	(335)	30 176	30 189	(12)
Total	47 648	47 983	(335)	30 176	30 189	(12)

Note: The budget is on the cash basis and includes capital expenditure and excludes non-cash items such as depreciation and Standards of Generally Recognised Accounting Practices (GRAP) adjustments. The actual expenditure excludes capital expenditure but includes non-cash items such as depreciation and GRAP adjustments. For a more comparative analysis of budget vs actual please refer to the annual financial statements on pages 112 to 159.



3.3 PROGRAMME 3: CONSERVATION OPERATIONS

Purpose: To conserve, enhance and restore biodiversity resilience in Western Cape landscapes.

Outcomes, Outputs, Output Indicators, Targets and Actual Achievement Table

Overall, performance exceeded targets across all key indicators, reflecting strong delivery against compliance, conservation management, and socio-economic objectives.

CapeNature completed the biennial METT-SA protected area management effectiveness assessment for the 2024-2026 cycle. Results indicate that 99.7% of the area (in hectares) managed by the Entity falls within the “Sound Management” threshold (above 67%), significantly exceeding the annual target of 88% and reflecting a consistently high standard of protected area management.

A total of 44 completed criminal investigations were handed to the National Prosecuting Authority (NPA) for prosecution, exceeding the target of 30. This increase is largely linked to intensified enforcement actions addressing the continued illegal harvesting of succulent plants and other protected flora, particularly within identified high-risk areas.

During the reporting period, CapeNature introduced two new indicators under Programme 3 in the Annual Performance Plan, namely the number of hectares of invasive alien plant species cleared on CapeNature-managed protected areas and the number of firebreaks maintained on CapeNature-managed protected areas. Baselines for these indicators were established in 2025/26 and informed the targets set for 2026/27.

The Entity, broadly, facilitates the employment and empowerment of women, youth and people with disabilities through the EPWP funding received. The Entity responded to the needs of vulnerable groups through its ongoing focus on access to biodiversity economy opportunities inside protected areas, local economic development initiatives, contractor development and the provision of work opportunities. These efforts contribute to sustainable livelihoods in communities in and around its protected areas while supporting conservation outcomes.

The Entity submitted in-year changes to the Annual Performance Plan for the period under review.

TABLE 8: OUTPUT INDICATORS

Programme 3: Conservation Operations								
Outcome	Output	Output Indicator	Audited Actual Performance 2023/2024	Audited Actual Performance 2024/2025	Planned Annual Target 2025/2026	Actual Achievement 2025/2026	Deviation from planned target to Actual Achievement 2025/2026	Reasons for deviations
Sustainable biodiversity conservation towards improved climate change resilience	Management effectiveness of CapeNature managed protected areas assessed	Percentage of area of state managed protected areas assessed with a METT score above 67%	99%	Not applicable	88%	99.7%	+11.7%	Improved management effectiveness across sites, proactive preparation for METT assessments, and strengthened implementation of corrective actions identified in previous assessment cycles.
Sustainable and equitable biodiversity economy, enabling inclusive economic growth opportunities								

Programme 3: Conservation Operations								
Outcome	Output	Output Indicator	Audited Actual Performance 2023/2024	Audited Actual Performance 2024/2025	Planned Annual Target 2025/2026	Actual Achievement 2025/2026	Deviation from planned target to Actual Achievement 2025/2026	Reasons for deviations
	Work opportunities created through the biodiversity sector economy	Number of work opportunities created through environment sector public employment programmes	1 580	1 808	700	2 647	+1 947	Additional funding was allocated for contract work related to fire suppression, fire prevention, firebreaks and alien invasive plants, which enabled the creation of more work opportunities than initially planned.
	Compliance inspections conducted	Number of compliance inspections conducted	195	321	200	279	+79	The number of compliance inspections conducted is based on the demand of the public to obtain authorisations and comply with its conditions. The number of compliance inspections conducted is informed by an assessment of permits issued that are subject to inspection or permits renewed that are subject to inspection.
	Criminal investigations handed to the NPA	Number of completed criminal investigations handed to the NPA for prosecution	42	33	30	44	+12	The indicator is demand driven.

Programme 3: Conservation Operations								
Outcome	Output	Output Indicator	Audited Actual Performance 2023/2024	Audited Actual Performance 2024/2025	Planned Annual Target 2025/2026	Actual Achievement 2025/2026	Deviation from planned target to Actual Achievement 2025/2026	Reasons for deviations
	Hectares of invasive alien plant species cleared	* Number of hectares of invasive alien plant species cleared on CapeNature-managed protected areas	Indicator was not included in 2023/24 Annual Performance Plan	Indicator was not included in 2024/25 Annual Performance Plan	Establish a baseline	A baseline of 23 309.1 hectares cleared has been established	Not applicable	None, a baseline was established for 2025/26
	Firebreaks maintained	* Number of firebreaks maintained on CapeNature-managed protected areas	Indicator was not included in 2023/24 Annual Performance Plan	Indicator was not included in 2024/25 Annual Performance Plan	Establish a baseline	A baseline of 205 firebreaks maintained has been established	Not applicable	None, a baseline was established for 2025/26

* The above indicators were newly introduced in the 2025/26 reporting period, which coincides with the first year of the 2025-2030 strategic planning period. Being newly introduced indicators, a baseline had to be established to determine the level of performance. Performance in the first year was measured in the actual number of hectares cleared of alien invasive plants and the actual number of firebreaks maintained. The Entity has set future performance targets relative to the baseline performance reported for 2025/26.

Strategy to overcome areas of under-performance

N/A

Changes to planned targets

N/A

Linking performance with budgets

Please refer to note 35 of the Annual Financial Statement which explains the variance.

TABLE 9: CONSERVATION OPERATIONS

Programme/ sub-programme	2025/26			2024/25		
	Budget	Expenditure	(Over)/ Under Expenditure	Budget	Expenditure	(Over)/ Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Conservation Operations	208 083	194 635	13 448	182 518	181 750	768
Total	208 083	194 635	13 448	182 518	181 750	768

Note: The budget is on the cash basis and includes capital expenditure and excludes non-cash items such as depreciation and Standards of Generally Recognised Accounting Practices (GRAP) adjustments. The actual expenditure excludes capital expenditure but includes non-cash items such as depreciation and GRAP adjustments. For a more comparative analysis of budget vs actual please refer to the annual financial statements on pages 112 to 159.

3.4 PROGRAMME 4: ECO-TOURISM AND ACCESS

Purpose: To advocate for change that promotes and enhances sound conservation and environmental practice, develop a customer-centric approach to visitors, provide access to our natural resources for communities and facilitate economic and social opportunities in the biodiversity economy sector.

The programme consists of the following sub-programmes:

Sub-Programme 4.1: Eco-tourism & Access: Advocacy

Purpose: To develop and maintain unique tourism product offerings that contribute to the sustainability of biodiversity management and to establish a positive and credible CapeNature brand by ensuring effective and efficient communication support to both internal and external stakeholders.

Sub-Programme 4.2: Eco-tourism & Access: Tourism Development

Purpose: Develop and maintain a range of tourism products and income-generating initiatives that contributes to the Entity's financial sustainability.

Sub-Programme 4.3: Eco-tourism & Access: Stakeholder Engagement and Access

Purpose: To build and sustain support among communities in terms of natural resources management, education and cultural heritage activities through promoting biodiversity conservation and participation in the biodiversity economy sector.



Walker Bay Nature Reserve

Outcomes, Outputs, Output Indicators, Targets and Actual Achievement Table

The tourism revenue target of R68 905 479, which includes the targeted 7% increase, was exceeded by 20% for the year under review.

During the reporting period, CapeNature introduced four new indicators under Programme 4 in the Annual Performance Plan, namely, the number of access opportunities granted to CapeNature protected areas, the number of SMME workshops facilitated, the number of community liaison structures engaged regarding protected area management and the number of Biodiversity Economy initiatives implemented. Baselines for these indicators were established in 2025/26 and informed the targets set for 2026/27.

The Entity, broadly, facilitates the employment and empowerment of women, youth and people with disabilities through the EPWP funding received. The Entity responded to the needs of vulnerable groups through its ongoing focus on access to biodiversity economy opportunities inside protected areas, local economic development initiatives, contractor development and the provision of work opportunities through infrastructure development and maintenance, concessionaire agreements and Public Private Partnerships (PPPs). These efforts contribute to sustainable livelihoods in communities in and around its protected areas while supporting conservation outcomes.

The Entity, broadly, facilitates the employment and empowerment of women, youth, and people with disabilities through the EPWP funding received. With its ongoing focus on access to biodiversity economy opportunities inside protected areas, local economic development initiatives, contractor development and the provision of work opportunities through infrastructure development and maintenance and concessions and PPPs, and more significantly, by engaging surrounding communities in and around its protected areas and to surrounding communities, the Entity can respond to the needs of priority groups.

The Entity submitted in-year changes to the Annual Performance Plan for the period under review.

TABLE 10: OUTPUT INDICATORS

Programme 4: Eco-tourism and Access								
Outcome	Output	Output Indicator	Audited Actual Performance 2023/2024	Audited Actual Performance 2024/2025	Planned Annual Target 2025/2026	Actual Achievement 2025/2026	Deviation from planned target to Actual Achievement 2025/2026	Reasons for deviations
Sustainable and equitable biodiversity economy, enabling inclusive economic growth opportunities	Increased eco-tourism income	Percentage increase in tourism income generated	31%	43%	7%	27%	+20%	Effective marketing and partnership initiatives coupled with the sustained demand for nature-based experiences.

Programme 4: Eco-tourism and Access								
Outcome	Output	Output Indicator	Audited Actual Performance 2023/2024	Audited Actual Performance 2024/2025	Planned Annual Target 2025/2026	Actual Achievement 2025/2026	Deviation from planned target to Actual Achievement 2025/2026	Reasons for deviations
	Increased eco-tourism income	Number of new and/or upgrades on existing tourism products	18	17	10	17	+7	Rollover projects from the previous financial year and the deferral of a planned project resulting in the reallocation of funds, which was utilised to implement additional projects across various nature reserves.
	Marketing initiatives and campaigns to facilitate access	Number of tourism destination marketing initiatives and campaigns conducted	12	11	6	6	None	Not applicable
	SMME development opportunities facilitated	Number of SMME workshops facilitated	Indicator was not included in 2023/24 Annual Performance Plan	Indicator was not included in 2024/25 Annual Performance Plan	Establish a baseline	A baseline of 7 SMME workshops facilitated has been established	Not applicable	None, a baseline was established for 2025/26
	Biodiversity Economy initiatives implemented	Number of Biodiversity Economy initiatives implemented	Indicator was not included in 2023/24 Annual Performance Plan	Indicator was not included in 2024/25 Annual Performance Plan	Establish a baseline	A baseline of 77 Biodiversity Economy initiatives implemented has been established	Not applicable	None, a baseline was established for 2025/26

Programme 4: Eco-tourism and Access								
Outcome	Output	Output Indicator	Audited Actual Performance 2023/2024	Audited Actual Performance 2024/2025	Planned Annual Target 2025/2026	Actual Achievement 2025/2026	Deviation from planned target to Actual Achievement 2025/2026	Reasons for deviations
Sustainable biodiversity conservation towards improved climate change resilience	Environmental awareness and education conducted	Number of environmental awareness activities conducted	435	473	350	507	+157	Unsolicited and unplanned activities.
	Stakeholder capacity building activities conducted	Number of environmental capacity building activities conducted	123	138	80	112	+32	Opportunistic and unplanned activities.
	Access opportunities granted to CapeNature protected areas	Number of access opportunities granted to CapeNature protected areas	Indicator was not included in 2023/24 Annual Performance Plan	Indicator was not included in 2024/25 Annual Performance Plan	Establish a baseline	A baseline of 5 access opportunities granted has been established	Not applicable	None, a baseline was established for 2025/26
	Community liaison structures engaged regarding protected area management	Number of community liaison structures engaged regarding protected area management	Indicator was not included in 2023/24 Annual Performance Plan	Indicator was not included in 2024/25 Annual Performance Plan	Establish a baseline	A baseline of 68 engaged community liaison structures engaged has been established	Not applicable	None, a baseline was established for 2025/26

Strategy to overcome areas of under-performance

N/A

Changes to planned targets

N/A

Linking performance with budgets

Please refer to note 35 of the Annual Financial Statement which explains the variance.

TABLE 11: ECO-TOURISM AND ACCESS

Programme/ sub-programme	2025/26			2024/25		
	Budget	Expenditure	(Over)/ Under Expenditure	Budget	Expenditure	(Over)/ Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Eco-tourism & Access: Advocacy	23 687	21 549	2 138	20 966	19 640	1 326
Eco-tourism & Access: Tourism Development	71 935	43 976	27 959	62 453	41 217	21 236
Eco-tourism & Access: Stakeholder Engagement and Access	37 020	36 917	102	35 816	35 262	554
Total	132 642	102 443	30 199	119 235	96 119	23 116

Note: The budget is on the cash basis and includes capital expenditure and excludes non-cash items such as depreciation and Standards of Generally Recognised Accounting Practices (GRAP) adjustments. The actual expenditure excludes capital expenditure but includes non-cash items such as depreciation and GRAP adjustments. For a more comparative analysis of budget vs actual please refer to the annual financial statements on pages 112 to 159.

4. REVENUE COLLECTION

TABLE 12: REVENUE COLLECTION

Sources of revenue	2025/26			2024/25		
	Estimate	Actual	(Over)/ Under collection	Estimate	Actual	(Over)/ Under collection
		Amount collected			Amount collected	
	R'000	R'000	R'000	R'000	R'000	R'000
Government Grant, own revenue and special projects	479 414	444 627	34 787	421 113	414 696	6 417
Total	479 414	444 627	34 787	421 113	414 696	6 417

* Budget is on cash basis and revenue is on accrual basis.



5. CAPITAL INVESTMENT

For the 2025/26 reporting period, the following projects were completed:

- Cederberg Wilderness Area – Boshherberge – Upgrade of existing solar installation
- Cederberg Wilderness Area – Kliphuis – Upgrade of existing solar installation
- Robberg Nature Reserve – Installation of interpretation signage
- Vrolijkheid Nature Reserve – Upgrading of accommodation units and new visitor centre
- Robberg Nature Reserve – Upgrade to sewerage system and link to municipal network
- Grootvadersbosch Nature Reserve – Installation of solar at accommodation units and management infrastructure
- Kogelberg Nature Reserve – Upgrading and additions to solar system
- Vrolijkheid Nature Reserve – Removal of the existing swimming pool and complete redesign, supply, and reconstruction of a new pool
- Grootvadersbosch Nature Reserve – Upgrade to internal road network
- Kogelberg Nature Reserve – Upgrade of Mbali Collection accommodation
- De Mond Nature Reserve – Upgrade of De Mond Cottage
- Goukamma Nature Reserve – Safety and security upgrade at the reserve entrance gate
- Cederberg Wilderness Area – Kliphuis – Upgrade and enhancement to boma area in campsite
- Rocherpan Nature Reserve – Installation of perimeter fencing
- Boland Mountain Complex – Upgrading of hiking trails
- Cederberg Wilderness Area – Algeria – Upgrade to outdoor recreational areas
- Limietberg Nature Reserve – Safety and security upgrade







GOVERNANCE

1. INTRODUCTION

Corporate governance embodies 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, 2008 (No. 71 of 2008), corporate governance for public entities is applied through the precepts of the Public Finance Management Act (PFMA), 1999 (Act No. 1 of 1999) as amended by Act No. 29 of 1999 and run in tandem with the principles contained in the King Report on Corporate Governance.

Parliament, the Executive Authority and the Accounting Authority of the public entity are responsible for corporate governance.

2. PORTFOLIO COMMITTEES (if applicable)

Not applicable.

3. EXECUTIVE AUTHORITY

The following reports were submitted to the Executive Authority.

Document Description	Date Submitted
Monthly Highlights for inclusion into report to Minister Bredell: April	7 May 2025
Monthly Highlights for inclusion into report to Minister Bredell: May	4 June 2025
Monthly Highlights for inclusion into report to Minister Bredell: June	4 July 2025
Monthly Highlights for inclusion into report to Minister Bredell: July	7 August 2025
Monthly Highlights for inclusion into report to Minister Bredell: August	5 September 2025
Monthly Highlights for inclusion into report to Minister Bredell: September	7 October 2025
Monthly Highlights for inclusion into report to Minister Bredell: October	5 November 2025
Monthly Highlights for inclusion into report to Minister Bredell: November	5 December 2025
Monthly Highlights for inclusion into report to Minister Bredell: December	6 February 2026
Monthly Highlights for inclusion into report to Minister Bredell: January	
Monthly Highlights for inclusion into report to Minister Bredell: February	6 March 2026
Monthly Highlights for inclusion into report to Minister Bredell: March	2 April 2026

4. THE ACCOUNTING AUTHORITY/ THE CAPENATURE BOARD

INTRODUCTION

The CapeNature Board, hereafter referred as the Board, endorses the principles as set out in the Protocol on Corporate Governance and, where applicable, the King Report on Corporate Governance for South Africa. The Board has endeavoured to comply with the principles incorporated in the Code of Corporate Practices and Conduct.

The Board has a formalised system of Corporate Governance that is applied by the following Board Committees:

- Audit and Finance Committee
- Conservation Committee
- Eco-tourism and Access Committee
- HR and Remuneration Committee
- Risk and ICT Committee

THE ROLE OF THE BOARD

The roles, responsibilities and objectives are per the Western Cape Biodiversity Act, 2021 (Act 6 of 2021).

BOARD CHARTER

INTRODUCTION

- 1.1 Governance embodies processes, policies, systems, laws and regulations by which organisations are strategically directed, governed and held to account.
- 1.2 The King V Report on Corporate Governance requires boards and management to publicly confirm that they have reviewed the effectiveness of risk management and internal control and have implemented systems essential for the effective discharge of their responsibilities.
- 1.3 Section 51(a)(i) of the Public Finance Management Act, 1999 (Act No. 1 of 1999) as amended (PFMA), requires the Accounting Authority for a public entity to have and maintain effective, efficient and transparent systems of financial and risk management and internal control.
- 1.4 In terms of Section 77 (Liability of Directors and Prescribed Officers) of the Companies Act, 2008 (Act No.71 of 2008), independent members and non-executive members of Board Committees carry the same fiduciary responsibility as Executive Directors.
- 1.5 The CapeNature Board, hereafter referred to as the Board, hereby details the manner in which it will operate and execute its responsibilities in terms of the Western Cape Biodiversity Act, 2021 (Act No. 6 of 2021).

PURPOSE

- 2.1 The CapeNature Board is established as a Schedule 3C public entity responsible for biodiversity conservation in the Province.
- 2.2 The objectives of the Board as per the Western Cape Biodiversity Act shall be:
 - a.) Give effect to the obligation of the state in terms of national legislation to act as trustee in relation to the environment;

- b.) Give effect to section 81(m) of the Western Cape Constitution to protect and conserve the environment in the Province, including its unique biodiversity, for the benefit of present and future generations;
- c.) Ensure the long-term ecological sustainability and resilience of biodiversity, ecosystems, ecosystem services and ecological infrastructure through implementation of the principles of ecological sustainability contemplated in section 6 of the Western Cape Biodiversity Act and the protection of priority biodiversity and ecological infrastructure;
- d.) Ensure human well-being and the long-term resilience of society and the economy through the conservation of protected areas, biodiversity, ecosystems, ecosystem services and ecological infrastructure;
- e.) Enable reasonable and sustainable access to benefits and opportunities emanating from the conservation of protected areas, biodiversity, ecosystems, ecosystem services and ecological infrastructure;
- f.) Establish institutional structures and organisational capacity for the effective discharging of the conservation and management of biodiversity and nature in the Province;
- g.) Promote consultation, cooperation, integrated planning, decision-making and management in support of the conservation and sustainable use of biodiversity and ecosystem services in the Province;
- h.) Promote systematic biodiversity planning and the attainment of the biodiversity targets for conservation set in the Biodiversity Spatial Plan and the Provincial Protected Areas Expansion Strategy;
- i.) Regulate certain activities to be undertaken in a manner that enhances and protects the integrity and health of the environment;
- j.) Subject to Section 231 of the Constitution, implement and give effect to international agreements and best practices pertaining to the environment and conservation of biodiversity;
- k.) Enable the financial and economic sustainability of the relevant institutions responsible for the conservation and management of biodiversity and nature in the Province; and
- l.) Enable and develop an equitable and sustainable biodiversity economy in the Province, including the promotion and development of eco-tourism in areas under the control of CapeNature.

2.3 This Charter has been developed with the following objectives:

- Clearly identify, define and record the corporate governance and fiduciary responsibilities, functions and composition of the CapeNature Board, and
- Provide a referencing tool to new Board members for the purpose of orientation and induction.

2.4 This Charter should be read, understood and accepted by all existing and future Board members of the CapeNature Board. This Charter should be read in conjunction with the Western Cape Biodiversity Act.

AUTHORITY

3.1 The Board is mandated to fulfil its roles and responsibilities as set out in the Western Cape Biodiversity Act.

3.2 In so doing, the Board is authorised to:

- Assess and analyse any risk and/or governance related matters pertaining to CapeNature;
- Request any official in the employ of CapeNature to attend meetings and to provide advice and/or information;
- Seek any information it requires from external parties and obtain outside legal or other independent professional advice;
- Secure the attendance of any person with relevant experience and expertise if necessary;
- Ensure that any appointments for the purposes of requesting information from any external party, obtaining independent professional advice and/or attendance shall be made subject to normal tender and procurement procedures and the availability of funding resources, and
- Facilitate investigations into any matter within the scope of its responsibility.

BOARD STRUCTURE AND MEMBERSHIP

4.1 The Board consists of at least seven and not more than nine non-executive members and two executive members, one being an official of the Department, designated by the Provincial Minister, and the other, the CapeNature Chief Executive Officer, or their respective delegated authorities. The official from the Department and the CapeNature Chief Executive Officer are thus full members of the Board.

4.2 The following conditions apply to the appointment of the members:

- a.) The relevant Provincial Minister shall, in consultation with the Board, appoint or re-appoint a non-executive member of the Board as a Chairperson and one non-executive member as Vice-Chairperson;
- b.) The Board will be responsible to appoint Board Committee chairpersons and non-executive members to each Committee.
- c.) A non-executive member –
 - (i) Is appointed for a term of three years, subject to a member appointed to fill a vacancy, who will hold office for the unexpired portion of the term of office of his or her predecessor; and
 - (ii) On completion of the term contemplated in paragraph (a), is eligible for reappointment by the Provincial Minister, after consultation with the Head of Department and the Chief Executive Officer, for one additional term of three years.

The Provincial Minister may extend the period of appointment of a non-executive member contemplated in subsection (i) or (ii) for a period not exceeding one year;

- d.) The Chairperson and Vice-Chairperson are appointed for a period determined by the Provincial Minister, which may not extend beyond the term as a member contemplated in paragraph (c);
- e.) The Provincial Minister may appoint any non-executive member as Acting Chairperson of the Board –
 - (i) If there is a vacancy in the position of Chairperson and Vice-Chairperson, until a Chairperson or Vice-Chairperson is appointed; or
 - (ii) If the Chairperson and Vice-Chairperson are absent from two or more consecutive meetings of the Board.

If the Chairperson is for any reason unable to perform his or her functions, the Vice-Chairperson, and failing him or her, the Acting Chairperson, must perform the functions of the Chairperson. Refer to clause 5.11;

- f.) A non-executive member may be removed as a member for being absent from two consecutive meetings of the Board without the prior permission of the Chairperson, unless good cause can be shown for failing to obtain prior permission;
- g.) Should a non-executive member wish to resign from the Board, the member must tender his or her written resignation at least three calendar months before the date on which the member wishes to vacate his/her Board membership, unless the Provincial Minister allows a shorter period in a specific case;
- h.) Payment of remuneration and allowances to non-executive members are determined by scales approved by the National Treasury. CapeNature is responsible for the payment of remuneration and allowances to non-executive members; and
- i.) Whereas one official of the Department, designated by the Provincial Minister, and the CapeNature Chief Executive Officer, or their respective delegated authorities, are full members of the Board, Executive Management attend Board meetings by invitation only. The relevant Provincial Minister and other representatives of the respective provincial department responsible for environmental matters in the Province will be standing invitees to all Board meeting proceedings and deliberations.

MEETING PROTOCOL

- 5.1 The Board and all Board Committees will meet at least four times during the course of the financial year.
- 5.2 Meeting deliberations and documents are confidential and intended for members and attendees only. Members or persons in receipt of the meeting pack may not at any stage distribute or share its contents with any unauthorised persons.
- 5.3 A majority of the non-executive Board members constitutes a quorum for a meeting of the Board.
- 5.4 A matter before the Board is decided by the votes of a majority of the non-executive Board members present at the meeting. If on any matter before the Board there is an equality of votes, the non-executive Board member presiding at the meeting must exercise a casting vote in addition to his or her deliberative vote as a member.
- 5.5 The Board can invite other parties to attend Board meetings. Invited parties shall be provided the opportunity to participate in discussions but shall have no voting rights and will attend the meeting for the appropriate agenda items only.
- 5.6 Standing invitees to Board meetings may also participate in discussions but shall have no voting rights.
- 5.7 Other than for emergency and ad hoc meetings, members should be provided with electronic (soft copy) documentation appropriate to the agenda at least seven calendar days prior to the meeting.
- 5.8 The proceedings for all meetings should be minuted by the Board Secretary or by an official designated by the Chief Executive Officer. Draft minutes should be produced within 10 calendar days after the meeting.
- 5.9 Minutes shall unanimously be proposed for acceptance by members of the Board and signed by the Board Chairperson at the next meeting or soon thereafter. Objections to the acceptance of the minutes will be noted and will include the reasons for objection as well as the name of the member(s) objecting.
- 5.10 Meeting agendas, reports and documents shall unanimously be proposed for acceptance by members of the Board. Objections to the acceptance of agendas, reports and documents will be noted and will include the reasons for objection as well as the name of the member(s) objecting.
- 5.11 Each non-executive member of the Board is allowed to request items to be placed on the agenda for that meeting. Members can request items to be placed on the agenda through the course of deliberations at the quarterly Board Committee meetings. Items requested outside of the Board Committee process can be submitted to the Chairperson for consideration. These matters will be tabled at the meeting by the Chairperson for approval by the Board.
- 5.12 In the event of both the Chairperson and Vice-Chairperson being absent from a meeting of the Board, the members shall elect a Chairperson from amongst the non-executive members present to preside at that meeting, subject to clause 4.2(e). The mandatory quorum requirements will still need to apply.
- 5.13 Special meetings of the Board may be convened as required. The Chairperson may, and at the request of a majority of the Board members must, convene a special meeting. Special meetings will be confirmed seven calendar days prior to the date of the meeting.
- 5.14 Members and attendees must take reasonable steps to ensure that any personal information in their possession is kept confidential, stored in a secure manner and deleted or destroyed in terms of the Protection of Personal Information Act, or other applicable data protection legislation.

ROLES AND RESPONSIBILITIES

- 6.1 The Chairperson will:
- a.) Provide overall leadership to the Board;
 - b.) Preside over all Board meetings, subject to clause 4.2(e) and 5.11;
 - c.) Ensure that the Board is kept abreast of any issue on which a decision has been taken;
 - d.) Facilitate the formulation of an Annual Work Plan in consultation with the Chief Executive Officer; and
 - e.) Ensure the integrity and effectiveness of the Board and its Committees.
- 6.2 The Board should:
- a.) Maintain effective governance of CapeNature;
 - b.) Ensure that CapeNature performs its functions in terms of the Western Cape Biodiversity Act;
 - c.) Approve and monitor compliance with the policies and strategies of CapeNature;
 - d.) Provide strategic direction to CapeNature;
 - e.) Develop a Charter to provide for a code of conduct for Board members and for meeting procedures, and to regulate matters further relating to corporate governance;
 - f.) Advocate for the sufficient resourcing of CapeNature to perform its functions;
 - g.) Align its goals and objectives with that of the provincial department responsible for environmental matters in the Province and Provincial and National Government;
 - h.) Review, evaluate and approve, long-term CapeNature's long-term outcomes, plans and projects;
 - i.) Review, evaluate and approve CapeNature's annual budget, budget projections and Annual Financial Statements;
 - j.) Review its delegations;
 - k.) Review, evaluate and approve major resource allocations and capital investments;
 - l.) Review the CapeNature's financial and operating;
 - m.) Adopt and monitor compliance with CapeNature's Code of Conduct, the PFMA and all legislation relevant to the Board;
 - n.) Institute the necessary measures to safeguard CapeNature's assets;
 - o.) Disclose real and potential conflicts of interest in a transparent manner informed by the imperative of ethical leadership and governance; and
 - p.) Provide guidance in terms of the demands and challenges of the broader societal context of transformation.
- 6.3 Upon the approval of the strategic plans and projects, Management will provide the Board with regular, accurate and relevant feedback on progress with regard to implementation.
- 6.4 The Board however remains accountable for the oversight of the implementation of the strategies and for the total process of risk management.

- 6.5 The Board will formally establish Board Committees to assist in discharging its duties and responsibilities, as follows:
- a.) Audit and Finance – The Committee fulfils an audit oversight role through independent counsel, guidance and advice with respect to the effectiveness of the system of internal control, management of financial and operational risks and the auditing process as it relates to the functions performed by the Auditor-General and Internal Audit. The Committee also fulfils a finance oversight role with respect to reviewing the adequacy of financial management and budgeting processes and procedures, the accuracy of financial reporting, the recommendation of significant financial transactions and compliance with all relevant laws and regulations.
 - b.) Executive (EXCO) – This Committee is constituted of the Chairpersons of the Board Committees and convenes to attend to any urgent matters arising from Board meetings that could not be held over until the next Board or Board Committee meeting.
 - c.) Conservation – The Committee fulfils an oversight role with respect to the biodiversity conservation functions and reviews progress towards meeting biodiversity and conservation targets and outcomes.
 - d.) Eco-tourism and Access – The Committee fulfils an oversight role with respect to matters pertaining to tourism and infrastructure development, marketing, communication, fundraising and partnerships.
 - e.) Human Resources (HR) and Remuneration – The Committee fulfils an oversight role with respect to the human resource management strategy and related strategic policies.
 - f.) Risk and Information and Communications Technology (ICT) – The Committee fulfils an oversight role through independent counsel, guidance and advice with respect to the identification, assessment and management of risks and monitors compliance with corporate governance policies and guidelines. The Committee fulfils an ICT oversight role with respect to the adequacy of the ICT environment, compliance to ICT laws, regulations and best practice, research and the recommendation of significant innovation investments.
- 6.6 Each Committee must be established in terms of an approved Charter, which will set out the roles and responsibilities for that Committee.
- 6.7 The Board shall be responsible to appoint Board Committee Chairpersons and non-executive members to each Committee.
- 6.8 The Board should review and assess the required mix of skills and experience of non-executive members and its diversity on a regular basis.

STAKEHOLDER MANAGEMENT AND COMMUNICATION

- 7.1 The Board shall promote mutual goodwill, understanding and co-operation between the relevant Provincial Minister and other key role players.
- 7.2 With respect to the relationship with the respective provincial department responsible for environmental matters in the Province, the Board shall further promote regular meetings between:
- The Provincial Minister and the Chairperson of the Board, if so required;
 - The Chief Executive Officer and the Head of Department; and
 - The Management of both organisations.
- 7.3 The Board shall further:
- Actively assist the Department in matters related to the Biodiversity management in the Province and provide the Department with specialist environmental management services and nature conservation advice;
 - Actively co-operate in the development, establishment and maintenance of an environmental information management system; and
 - Collaborate in the promotion of environmental awareness, education and relevant capacity building and job-creation initiatives in the Western Cape.

- 7.4 Media statements in respect of non-delegated matters shall be dealt with by the Chairperson of the Board or his/her delegated authority, in consultation with the Chief Executive Officer or his/ her delegated authority.
- 7.5 Media statements in respect of delegated matters shall be dealt with by the Chief Executive Officer or his/her delegated authority.
- 7.6 Media statements with political implications and/or that may reflect poorly on sound financial and human resource management, and/or that does not promote sound intergovernmental relations, must be cleared with the Head of Department and the Minister prior to its release.
- 7.7 Matters that are of material, strategic or reputational importance and that are either catastrophic (i.e. death, severe reputational loss, detrimental financial loss, total systems loss) or critical (i.e. severe injury with partial disability, reputational loss, partial systems loss or significant financial loss) in nature, should be referred to the Board for consideration, discussion and appropriate interventions. All other matters should be dealt with by Management, but the Board must retain oversight of other issues in order to determine the performance and ability of Management.

MEMBER ORIENTATION AND INDUCTION

- 8.1 Management will provide new non-executive members with an induction and orientation programme in order to familiarise them with their responsibilities in terms of the Western Cape Biodiversity Act, 2021 (Act No.6 of 2021), the Public Finance Management Act, 1999 (Act No. 1 of 1999) as amended (PFMA), CapeNature's Code of Conduct, the Board Charter and other relevant laws.

CONFLICT OF INTEREST

- 9.1 A Board member must perform the functions of his or her office in good faith and without fear, favour or prejudice.
- 9.2 Board members and standing invitees must disclose any financial or personal business interests that the member or his/her life partner, spouse or immediate family member may have in any matter before the Board and must withdraw from the proceedings of the Board when that matter is considered.
- 9.3 A Board member may not use confidential information obtained as a Board member or the position or privileges as a Board member for private gain or to benefit another person.
- 9.4 A Board member may not conduct themselves in a manner that compromises the credibility, impartiality, independence or integrity of CapeNature or the Board.

BOARD ADMINISTRATION

- 10.1 The Board Secretary or an official designated by the Chief Executive Officer will be functionally responsible to the Board and provide administrative support services including:
 - Arranging of meetings;
 - Drafting of agendas;
 - Distribution of information packs prior to the meetings;
 - Taking minutes at all meetings;
 - Documenting and providing progress on Action Items for members; and
 - File Attendance and Declaration of Interest forms signed by members and standing invitees, minutes and other relevant documentation.
- 10.2 Meeting agendas and information packs shall be sent to members electronically at least seven calendar days prior to any Board meeting.

PERFORMANCE ASSESSMENT

- 11.1 The Board should formally identify, clarify and document its collective roles and responsibilities and the key roles, responsibilities and performance standards for each member.
- 11.2 The Board should conduct an assessment of its collective performance every two years. The assessment will be undertaken through a formal, structured process. The assessment will be used to identify key objectives and improvements for the Board's effective functioning. The assessment in the intervening years will take the form of a self-assessment process.

REVIEW

The Board will review its Charter annually.



Cederberg Wilderness Area

TABLE 13: COMPOSITION OF THE BOARD

Name	Designation (in terms of the Public Entity Board structure)	Date appointed	Date resigned/ End of term	Qualifications	Area of Expertise	Board Directorships (List the entities)	Other Committees or Task Teams (e.g.: Audit committee / Ministerial task team)	No. of meetings attended
Marguerite Loubser	Chairperson	01 March 2023	28 February 2026	BCom; Postgraduate Diploma in Tax; LLB; LLM; CA(SA)	Tax; Environmental Law	None	Eco-tourism and Access; Risk and ICT; Audit and Finance	20
Professor Gavin Maneveldt	Vice-Chairperson	01 March 2023	28 February 2026	BSc; BSc (Hons); MSc; PhD Botany; Field Guide Association of South Africa; FGASA Honorary SKS	Marine Biology; Botany	None	Conservation; Human Resource and Remuneration; Risk and ICT	17
Tom Blok	Member	18 September 2024	17 September 2027	BAccounting (Honours); BCom (Information Systems); CA(SA)	Corporate Governance; IT Governance; Risk Management; Financial Management; Internal Auditing; Project Management	None	Audit and Finance	10
Dr Razeena Omar	Member	15 June 2025	14 June 2028	BSc (Hons) Zoology; Bed; D. Phil (Philosophy)	Governance; Strategy; Biodiversity; Conservation; Integrated Coastal Management; Environmental Education	None	Eco-tourism and Access; Conservation	10
Mervyn Burton	Member	15 June 2020	14 June 2025	BCompt (Hons); CA(SA)	Financial Management; Corporate Governance; Risk	None	Eco-tourism and Access; Audit and Finance; Risk and ICT	6
Paul Slack	Member	15 June 2020	14 June 2025	BCom (Hons) in Financial Management; CA(SA)	Financial Management; Corporate Governance and Risk	None	Audit and Finance; Risk and ICT	5
Professor Nicolaas Olivier	Member	18 September 2024	17 September 2027	BA Law (cum laude); LLB (cum laude); MA (Linguistics); BPhil	Sustainable Development; International and Constitutional Law; Governance; SMME Development; Policy Analysis	None	Risk and ICT; Conservation	13
Dr Colin Johnson	Member	11 April 2021	10 April 2026	MSc; PhD	Botany; Natural Sciences	None	Human Resource and Remuneration; Conservation	14

Name	Designation (in terms of the Public Entity Board structure)	Date appointed	Date resigned/ End of term	Qualifications	Area of Expertise	Board Directorships (List the entities)	Other Committees or Task Teams (e.g.: Audit committee / Ministerial task team)	No. of meetings attended
Reyhana Gani	Member	18 September 2024	17 September 2027	CA(SA)	Audit; Risk; Disciplinary; Remuneration; Ethics	None	Risk and ICT; Human Resource and Remuneration; Audit and Finance	16
Ayanda Mvandaba	Member	18 September 2024	17 September 2027	BA Accounting (Hons); CA(SA)	Risk Management; Financial Management; Processes and Governance; Fundraising; Leveraging Networks	None	Risk and ICT; Eco-tourism and Access	12
Chwayita Shude-Mareka	Member	15 June 2025	14 June 2028	Masters: Organisational Psychology; MBA; National Diploma: Public Management and Admin	Human Resources Management; Organisational Development; Talent Development	None	Human Resource and Remuneration; Eco-tourism and Access	6

TABLE 14: INDEPENDENT COMMITTEE MEMBERS

Name	Designation (in terms of the Public Entity Board structure)	Date appointed	End of Term	Qualifications	Area of Expertise	Board Directorships (List the entities)	Other Committees or Task Teams (e.g.: Audit committee / Ministerial task team)	No. of meetings attended
Jacobus Swarts*	Independent member	18 September 2024	17 September 2027	BAccounting (Honours); BCom (Honours); CA(SA)	Internal and External Auditing	None	Audit and Finance	3
Leon Moser	Independent member	01 June 2025	31 May 2028	Certificate in Theory of Accountancy; BCom	Auditing	None	Audit and Finance	3
Nirvana Dhevcharran	Independent member	01 June 2025	31 May 2028	BSc (Hons) Computer Science; MSc; MCSE	Technology	None	Risk and ICT	3

* Resigned effective 31 December 2025

TABLE 15: COMMITTEES

Committee	No. of meetings held	No. of members	Name of members
Board	5	11	Marguerite Loubser Prof Gavin Maneveldt Dr Colin Johnson Mervyn Burton Paul Slack Tom Blok Reyhana Gani Prof Nicolaas Olivier Ayanda Mvandaba Chwayita Shude-Mareka Dr Razeena Omar
Board Exco	0	5	Marguerite Loubser Prof Gavin Maneveldt Dr Colin Johnson Mervyn Burton Paul Slack
Conservation	4	4	Prof Nicolaas Olivier Prof Gavin Maneveldt Dr Colin Johnson Dr Razeena Omar
Eco-tourism and Access	4	4	Mervyn Burton Marguerite Loubser Ayanda Mvandaba Dr Razeena Omar
Human Resource and Remuneration	4	4	Prof Gavin Maneveldt Dr Colin Johnson Reyhana Gani Chawyita Shude-Mareka
Audit and Finance	5	7	Paul Slack Mervyn Burton Leon Moser (Independent member) Marguerite Loubser Jacobus Swarts (Independent member) Tom Blok Reyhana Gani
Risk and ICT	4	8	Prof Gavin Maneveldt Paul Slack Mervyn Burton Marguerite Loubser Nirvani Dhevcharran (Independent member) Ayanda Mvandaba Prof Nicolaas Olivier Reyhana Gani

TABLE 16: REMUNERATION OF BOARD MEMBERS

Name	Remuneration (Rands)	Other Allowances (Rands)	Other Re-imbursements (Rands)	Total (Rands)
MLoubser (N1)	50 406	-	-	50 406
Prof G Maneveldt (N5)	44 106	-	-	44 106
Dr C Johnson	31 788	-	6 136	37 924
T Blok (N3)	21 417	-	-	21 417
Reyhana Gani (N3)	44 742	-	149	44 891
AN Mvandaba (N3)	24 000	-	-	24 000
Prof NJJ Olivier (N3)	29 205	-	-	29 205
Dr R Omar (N4)	22 278	-	107	22 385
C Mareka (N4)	11 682	-	790	12 472
P Slack (N6)	13 404	-	-	13 404
M Burton (N6)	12 543	-	-	12 543
N Dhevcharan	14 747	-	-	14 747
L Moser	12 063	-	-	12 063
JJ Swarts (N1)	9 553	-	-	9 553
TOTAL	341 934	-	7 182	349 116

N1 - M Loubser was appointed as Chairperson on 14 June 2024. Her term came to an end 28 February 2026.
JJ Swarts was appointed on 18 September 2024 and resigned with effect from 31 December 2025.

N5 - G Maneveldt – term ended 28 February 2026.

N3 - R Gani, AN Mvandaba, NJJ Olivier, T Blok were appointed on 18 September 2024.

R Gani was appointed as Chairperson with effect from 2 April 2026.

N4 - R Omar and C Mareka C were appointed on 15 June 2025.

N6 - P Slack and M Burton – term ended 14 June 2025.



5. RISK MANAGEMENT

Governance embodies processes, policies, systems, laws, and regulations by which organisations are strategically directed, governed and held to account. The King V Report on Corporate Governance requires boards to govern risk in a manner that enables the Entity to sustain and optimise its strategy and strategic outcomes. This requirement is supported by assessing the effectiveness of risk management and internal control, the alignment of ICT with business objectives and sustainability, and the integrity of financial reporting. Risk management, as a component of governance, provides assurance that risks are being managed in such a manner that the Entity's strategic outcomes and operational outputs are being achieved. The risk management function in the Entity is structurally placed in the Strategy, Governance and Risk component, which reports to the CEO. This ensures that the activities of the function are strategically driven, and focused, and decision-making support is risk- based.

Risk management assurance is provided through the implementation of the approved Risk Management Policy. A Risk Management Framework is in place to support the implementation of risk management within the Entity in line with risk management principles and philosophy contained in the Policy. Previous audits of the risk management process also provided valuable insights in identifying areas for improvement. Risk management is recognised as an integral part of responsible management and CapeNature therefore adopts an entity-wide approach to the management of risk.

Board oversight of the risk management function is provided by the Risk and ICT Committee. Notwithstanding the role of the Risk and ICT Committee, the Audit and Finance Committee continued to perform its oversight role with respect to governance, compliance, risk management and related matters. In addition to these oversight structures, the risk profile is tabled at all other Board Committee meetings to ensure that all relevant aspects of risk management, including, risk identification and mitigation, the identification of emerging risks and cross functional priorities, are considered and deliberated on. Progress reporting on risk takes place in consultation with relevant risk owners and ensures commitment and a risk-based focus by Management.

The Entity focused on the following transversal and strategic risks of (1) Increased fiscal pressures (2) Climate change resilience (3) Biodiversity loss (4) Reduced socio-economic opportunities and access and (5) Inadequate reputation management.

The risk profile is aligned to the Entity's budget and programme structures and incorporates all directorates. The risk presented by the impact of climate change was mitigated through the implementation of mitigation and strategic adaptation measures. These include disaster risk reduction and response plans, and protecting and restoring ecological infrastructure such as wetlands, riparian corridors and coastal corridors. The expansion of the conservation estate and the implementation of the stewardship model allowed the Entity to advance protected area expansion in the landscape, thereby maintaining the ecological infrastructure critical to mitigate the impact of climate change. This in turn allowed for greater management effectiveness and influence, allowing for the maintenance and integrity of the infrastructure and the ecosystems it supports. These efforts were supplemented by the continued mainstreaming of the Western Cape Protected Areas Expansion Strategy and Western Cape Biodiversity Spatial Plan and its operational implementation. The Entity further ensured key message management on climate change through environmental awareness and capacity building and collaborating with a broad spectrum of stakeholders.

CapeNature follows an integrated approach to catchment management, which includes biodiversity, freshwater, ecological, fire and invasive alien management through a "catchment-to-coast" approach. This approach is fundamental to not only managing alien invasive species and the risk of fire but also improving water security. CapeNature has continued to focus on alien eradication in priority and water catchment areas through the investment of own resources and the strategic partnerships. These initiatives not only achieve the objective of reducing fuel loads and mitigating against fire but give effect to the Entity's socio-economic mandate of job creation, access and benefit sharing and critically, water conservation in the Western Cape Province. During the reporting period, coinciding with the first year of the 2025-2030 strategic planning cycle, the Entity introduced two additional output indicators in the APP that directly responded to alien invasive and fire risk. The two indicators were (1) number of hectares of invasive alien plant species cleared on CapeNature-managed protected areas and (2) number of firebreaks maintained on CapeNature-managed protected areas. Baselines were set for 2025/26 for both indicators and guided the performance targets for the MTEF period.

With ongoing cost containment measures together with the limitations of provincial allocations, the risk of increased fiscal pressures was again at the forefront of its risk management efforts. The Entity continued to invest in innovation, technology, and systems to improve on operational inefficiencies. The focus on ICT has been key in ensuring that the necessary infrastructure is in place and is maintained and is able to support the Entity's operational requirements. Critical during the reporting period has been the continued efforts to improve network stability and enhance security management, aligned to best practice and industry standards.

6. INTERNAL CONTROL UNIT

The Internal Control Unit (ICU) continued to provide assurance on the effectiveness of internal controls within CapeNature's control environment. The review and auditing of key business areas are coordinated between the ICU and Internal Audit to avoid duplication of effort and to ensure comprehensive coverage of audit and risk areas. Through the application of a combined assurance approach, the Entity can obtain sufficient assurance over processes that support the implementation of its biodiversity conservation mandate, while maintaining a balanced focus on financial and non-financial aspects, including performance information and compliance requirements.

During the period under review, the ICU focused on control activities, monitoring, compliance, and governance. These efforts enabled the Unit to support the Board and Executive Management in fulfilling their corporate governance responsibilities by promoting an effective system of internal control and ensuring adherence to applicable laws and regulations. The ICU reported quarterly to both the Audit and Finance Committee, as well as the Risk and ICT Board Committees. Reporting covered, among other matters, the monitoring of audit findings and management's implementation of corrective action plans, as well as the ongoing application of the principles outlined in the King Report on Corporate Governance.

The ICU promoted fraud awareness and the development and implementation of effective and efficient controls that assist the Entity in meeting its objectives and continuing the focus on further strengthening the control environment. The following reviews were conducted during the period:

- Contract management
- Supply chain management deviations
- Financial control reviews, including asset management, cash management, overtime and leave management
- Pre-determined objectives
- High-level review of the annual financial statements and audit file
- Inventory management
- Subsistence and travel review
- Loss control reviews
- Ad hoc requests and investigations from management

Compliance monitoring work as detailed below was completed during the 2025-26 period:

- National Heritage Resources Act, 1999 (Act 25 of 1999)
- National Water Act, 1998 (Act 36 of 1998)
- Public Finance Management Act, (Act 1 of 1999)
- Sea Birds and Seals Protection Act, 1973 (Act 46 of 1973)
- National Environmental Management: Waste Act, 2008 (Act 59 of 2008)
- Promotion of Administrative Justice Act, 2000 (Act 3 of 2000)
- Spatial Planning and Land Use Management Act, 2013 (Act 16 of 2013)
- Western Cape Land Administration Act, 1998 (Act 6 of 1998)
- Western Cape Land Use Planning Act, 2014 (Act 3 of 2014)
- Conservation of Agricultural Resources Act, 1983 (Act 43 of 1983)
- Disaster Management Act, 2002 (Act 57 of 2002)
- Environmental Conservation Act, 1989 (Act 73 of 1989)
- Mineral and Petroleum Resources Development Act, 2002 (Act 28 of 2002)
- National Forest Act, 1998 (Act 84 of 1998)
- World Heritage Convention Act, 1999 (Act 49 of 1999)
- Biodiversity Act: Regulations for Alien and Invasive Species
- Marine Living resources Act, 1998 (Act 18 of 1998)
- National Environmental Management: Integrated Coastal Management Act, 2008 (Act 24 of 2008)
- Regulations for the Management of Marine Protected Areas
- Seashore Act, 1935, (Act 21 of 1935)

Standard Operating Procedures (SOPs) play a critical role in standardising business processes, reducing inconsistencies and promoting operational efficiency. By embedding clear controls within processes, risks are effectively mitigated, enabling CapeNature to achieve its objectives in a structured and reliable manner. The following SOPs were reviewed and/or updated during the period:

- Cape Canopy Tours
- Operating Small Vessels SOP
- Training SOP
- Occupational Health and Safety (multiple SOPs)
- Closure SOP
- Training SOP
- Memorandum of Agreement (MOA)/ Memorandum of Understanding (MOU) SOP
- Catch and release of problem snakes
- Management of damage causing leopards
- Habitat evaluations
- Finance SOPs (multiple)
- Supply Chain Management
- Public feedback and complaints
- Request for discount on tourism facilities
- Refunds SOP
- MTO SOP

In conclusion, the ICU's continued focus on strengthening controls, enhancing compliance, and promoting sound governance continues to contribute to improved oversight and accountability within CapeNature. These efforts support the Entity's ability to achieve its strategic objectives and sustain an effective control environment aligned with its core biodiversity conservation mandate.



7. INTERNAL AUDIT AND AUDIT COMMITTEES

TABLE 17: COMPOSITION OF THE AUDIT AND FINANCE COMMITTEE

Name	Qualifications	Internal or external	If internal, position in the public entity	Date appointed	Date Resigned/ End of Term	No. of Meetings attended
Paul Slack	BCom (Hons) in Financial Management; CA (SA)	Board member	N/A	15 June 2020	14 June 2025	3
Mervyn Burton	BCompt (Hons); CA (SA)	Board member	N/A	15 June 2020	14 June 2025	2
Leon Moser	Certificate in Theory of Accountancy BCom (With distinction in Taxation and Estate Duty)	Independent member	N/A	01 June 2025	31 May 2028	3
Marguerite Loubser	BCom; Postgraduate Diploma in Tax; CA (SA)LLB LLM	Board member (Ex-officio)	N/A	01 March 2023	28 February 2026	3
Jacobus Swarts	BAccounting (Honours) BCom (Honours) CA (SA)	Independent member	N/A	18 September 2024	31 December 2025	3
Tom Blok	BAccounting (Honours); BCom (Information Systems) CA (SA)	Board member	N/A	18 September 2024	17 September 2027	5
Reyhana Gani	CA (SA)	Board member (Ex-officio)	N/A	18 September 2024	17 September 2027	5

8. COMPLIANCE WITH LAWS AND REGULATIONS

Compliance is read in conjunction with the Board Charter and the Charters of the respective Board Committees. The Board endorses the principles as set out in the Protocol on Corporate Governance in the Public Sector and, where applicable, the King V Report on Corporate Governance for South Africa 2025 and has endeavoured to comply as far as practically possible with the principles and practices contained in King V.

9. FRAUD AND CORRUPTION

The management of fraud and corruption in CapeNature is administered through the Fraud Prevention Policy. CapeNature's approach to fraud prevention confirms its stance and support for a culture of zero tolerance. The Policy recognises basic fraud prevention initiatives that are in place within CapeNature.

The Policy provides a mechanism through which employees can raise concerns responsibly, where there are reasonable grounds to believe that fraud and corruption has occurred. It is the responsibility of all employees to immediately report all allegations or incidents of fraud and corruption to their immediate manager or next level of management. Should any employee wish to report allegations of fraud, they may also contact any member of Management, the Chief Executive Officer, Chairperson of the Board or alternatively the National Anti-Corruption toll free number at 0800 701 701. In addition to above mechanisms, incidents can be reported directly to Provincial Forensic Services within the Department of the Premier via the e-mail **Tip.Offs@westerncape.gov.za** or telephonically at **(021) 483-0931**.

All matters that are reported will be considered and evaluated and may either be investigated internally and/or referred to any other advisory and support service at the Entity's disposal, including Internal Audit, Auditor-General, Provincial Forensic Services and/or any other investigative agencies prescribed by law. Any fraud committed by an employee of CapeNature will be thoroughly investigated to the full extent of the law, including consideration of disciplinary proceedings within a reasonable period of time after the incident, instituting recovery of financial losses, including formal civil action, initiating criminal prosecution and/or any other appropriate and legal remedy available. An investigative protocol between CapeNature and the Department of Environmental Affairs and Development Planning, in collaboration with Provincial Forensic Services, is in place and applied to all investigative processes, where applicable. The work of the Internal Control Unit has further allowed for a prompt response to incidents where a breakdown of control has occurred and/or is suspected and to identify remedial actions to strengthen the control environment. These incidents inform both proactive and reactive processes and functional areas in order to prevent future incidents of fraud and corruption.

Ongoing awareness initiatives and interventions are critical to ensure that staff are continually sensitised to issues of fraud and corruption. This included communication with staff through induction, and other formal and informal meeting forums. For instances where deficiencies were identified in the implementation of business processes as it relates to the prevention of fraud and corruption, Management communicated concerns with staff and advised on ways to mitigate these deficiencies through the CEO's e-Conversation. During the reporting period no fraud incidents were identified by or reported to the Entity.

10. MINIMISING CONFLICT OF INTEREST

All staff and Board Members are required to complete an annual Declaration of Interest. For each Supply Chain Committee meeting held (Evaluation and Adjudication), all members sign a declaration pertaining to agenda items for discussion. During the period under review, no cases of conflict of interest were identified.

11. CODE OF CONDUCT

The Code is a directive to all employees of CapeNature and acts as a guideline to employees as to what is expected of them from an ethical point of view, both in their individual conduct and in their relationship with others. Compliance with the Code can be expected to enhance professionalism and build confidence in the Entity. Failure to adhere to the spirit and the letter of the Code of Conduct may open an employee to disciplinary proceedings.

12. HEALTH, SAFETY AND ENVIRONMENTAL ISSUES



Figure 6: Summary of Injury on Duty (IOD) statistics for the 2025/26 financial year

CapeNature's Occupational Health and Safety (OHS) function remained active during the 2025/26 financial year, with continued focus on compliance with the Occupational Health and Safety Act, 1993 (Act No. 85 of 1993), visitor safety, and compensation processes in terms of the Compensation for Occupational Injuries and Diseases Act, 1993 (Act No. 130 of 1993).

During the year, IOD patterns were mostly contained for the first half of the year, followed by a second half that brought increased attention to incident management and prevention. Lost time injuries remained an area for ongoing attention, while compliance, training, incident management and claims administration reflected continued implementation and highlighted opportunities to further strengthen prevention, supervision, follow-up and reporting. A major achievement during the year was the completion of a comprehensive staff housing assessment programme, which improved visibility of infrastructure, maintenance and legal compliance risks across CapeNature worksites.

12.1 INCIDENTS AND TRENDS

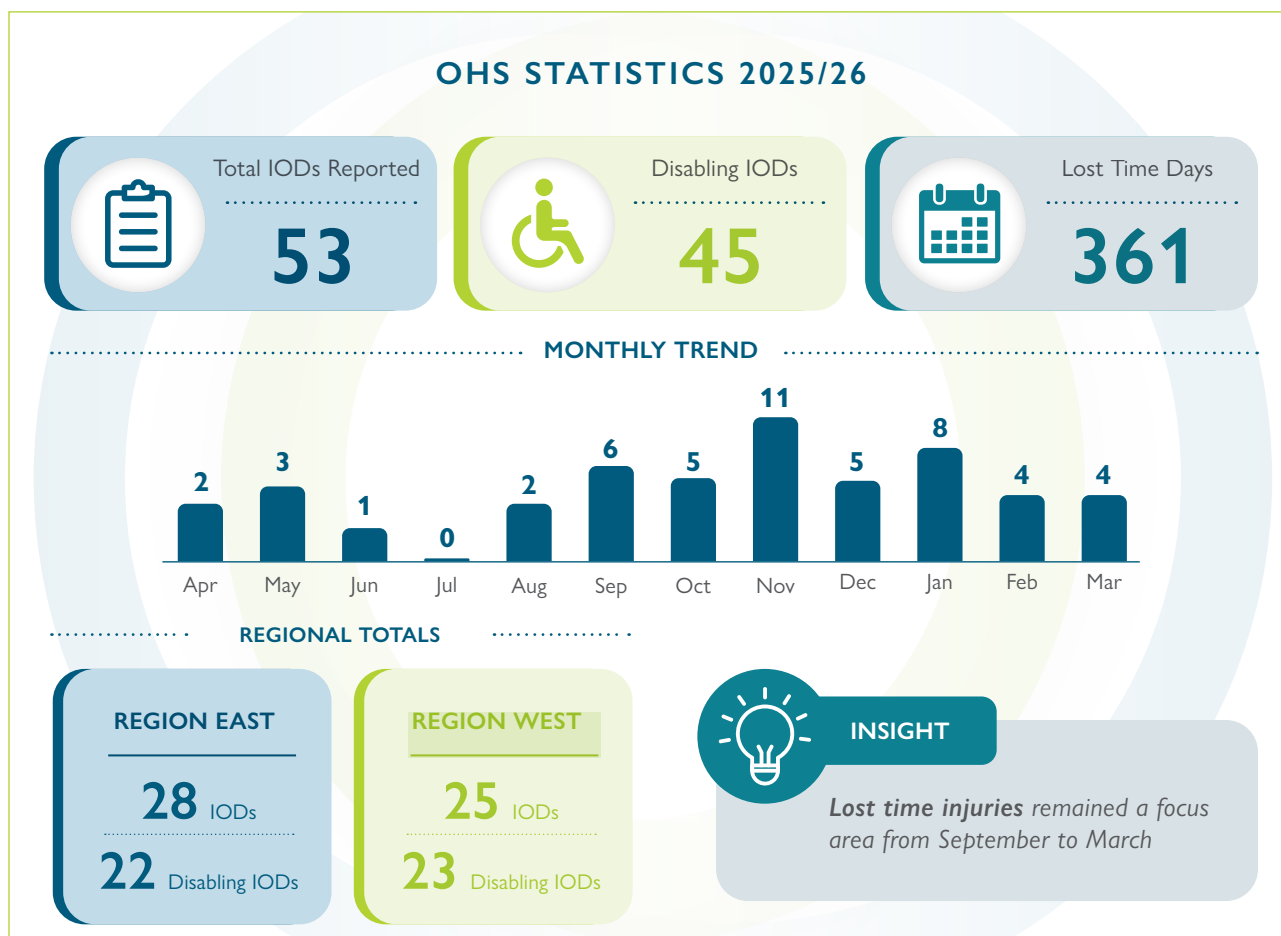


Figure 7: Summary of IOD statistics for the 2025/26 financial year

The Entity managed 53 Injury on Duty IOD cases during the year, with incidents remaining low for much of the earlier period before increasing later in the year. November recorded the highest number of cases. Most incidents were linked to day-to-day operational work, especially field-based activities, where slips, falls, strains, manual handling and similar hazards remained common.

12.2 VISITOR SAFETY AND SEARCH-AND-RESCUE

Visitor and search-and-rescue incidents reflected the risk profile of reserve and tourism operations. Reported cases included dehydration, lost hikers, falls, exhaustion, drowning-related events and other medical emergencies, highlighting the need for continued attention to trail safety, public communication, emergency readiness and coordination with rescue services.

12.3 COMPLIANCE, TRAINING AND MONITORING

Compliance activities continued through regular OHS meetings, inspections, site visits and awareness sessions. Training remained an active component of the programme, with interventions during the year including inductions, legal liability training, IOD documentation training and webinars. SOP communication also progressed during the year, including operational procedures such as incidents, LPG, machinery and tools, mowing of lawns, planned job observation, search and rescue, transport, and near-miss reporting.

12.4 CLAIMS ADMINISTRATION AND SUPPORT ACTIVITIES

Claims administration improved during the year. Historical Compensation for Occupational Injuries and Diseases Act (COIDA) claim-back cases were reviewed and submitted where eligible, and a tracking system was introduced to monitor responses from the Department of Employment and Labour. Other support activities included Personal Protective Equipment (PPE) distribution, first-aid supplies, building inspections, medical survey support and improvements to near-miss reporting.

12.5 MAJOR ACHIEVEMENT: STAFF HOUSING ASSESSMENTS



Figure 8: Summary of the 2025 staff housing assessment programme

A major achievement during the year was the completion of the 2025 staff housing assessment programme across CapeNature worksites. Using standardised checklists, inspections and photographic evidence, the OHS component identified key maintenance, safety and compliance risks affecting staff accommodation and work environments. These included asbestos, sewage failures, missing compliance certificates, water testing gaps, mould, deteriorating structures and poor living conditions at some sites. The assessments also produced clear recommendations to support maintenance planning, legal compliance, improved monitoring and more consistent housing standards across the Entity.

Overall, the OHS function remained active and made steady progress in monitoring, compliance and support. At the same time, the year highlighted continued exposure to operational and environmental risks, reinforcing the need for ongoing focus on prevention, supervision, incident follow-up, targeted training, and stronger reporting and claims management in the year ahead.

13. COMPANY/BOARD SECRETARY (IF APPLICABLE)

Not applicable

14. SOCIAL RESPONSIBILITY

Access Week afforded the public the opportunity to access certain nature reserves for free during 20-26 September 2025. A total of 9 543 free access opportunities were afforded to the public during this period. This is a 6% increase from 2024. As part of the week, 16 groups, including schools, special needs groups (elderly, special needs children), CapeNature cubs club groups and youth groups received a facilitated programme with the focus on truly connecting to the natural world through a series of activities.

The Entity facilitated and delivered on several social responsibility and access focused interventions by providing zero-rated access to the below listed charitable and partner organisations and stakeholders during the reporting period:

1. Happy Kidz Foundation, located in Touwsrivier, is an organisation that provides developmental and educational programmes for children within the rural community. The foundation hosts information sessions focusing on teenage pregnancy, drug awareness, domestic violence, literacy and reading programmes, including arts and crafts activities, aimed at empowering and supporting young people within the community. The organisation visited Anysberg Nature Reserve (NR) as part of their activities during the year.
2. Prosecutors from the Mitchells Plain Police Cluster visited Assegaibosch NR for a cluster function. The function is held to show gratitude to the prosecutors who work under demanding circumstances in areas that include Khayelitsha, Mitchells Plain, Grabouw, etc.
3. Landmark Foundation and the University of the Western Cape (UWC) visited De Hoop NR to conduct camera monitoring of leopard movements.
4. Kingdom Revival Africa, located in the Garden Route, visited De Hoop NR as part of its mission to nurture resilience, faith and joy within communities needing encouragement. The organisation aimed to bring 30 children from less privileged communities for a weekend retreat to plant seeds of hope and remind the children that they are part of a bigger story of promise, belonging and purpose.
5. St Mary's Parochial District, located in Plettenberg Bay, visited Keurbooms River NR for a special church service and farewell gathering for their parish priest. The event was aimed to create a peaceful, memorable and spiritually uplifting environment for the congregation and community members.



Kogelberg Nature Reserve



6. House of Hope and Glory focus on community upliftment within the Kranshoek community and requested access to the Keurbooms River N for their year-end fellowship gathering. The involvement of CapeNature will provide members with an opportunity to experience the beauty of nature in a peaceful environment while promoting community togetherness, appreciation of natural spaces and responsible environmental stewardship.
7. Afrikaanse Christelike Vroue-Vereeniging, located in George, visited Outeniqua NR to provide young participants with an educational and potentially career-shaping experience. This allowed young people who have faced significant challenges to build resilience, confidence and a sense of belonging through exposure to nature and conservation.
8. Uitnood NGK Primary, a Quintile 1 school located in Robertson, visited Vrolijkheid NR to provide learners with a valuable educational and field-based learning experience. CapeNature's involvement contributed towards environmental education, learner development and increased awareness of conservation through direct exposure to nature.
9. Laerskool Kleinmond Primary School, based in Kleinmond, visited Stony Point NR for learners to experience the penguin colony. Many learners come from diverse and previously disadvantaged backgrounds and have never had the opportunity to experience the colony despite living nearby. The visit allowed students to learn about conservation while creating awareness and appreciation for natural heritage sites.
10. Umyezo WamaApile Primary School, located in Grabouw, was recognised as the winner of the Big Biodiversity Challenge 2025. One learner, Wendy Qumbelo, from the Siyanyanzela informal settlement, focused her project on alien invasive plants and won the competition with her essay submission. As part of her prize, an educational visit to Stony Point Nature Reserve was awarded for her class of 60 learners.
11. Whale Coast Conservation, located in the Overberg region, visited the penguin colony at Stony Point NR. The visit involved learners from Gansbaai, Die Bron, Okkie Smuts and Masakhane Primary Schools. Many of the learners come from disadvantaged communities where families cannot afford such excursions, making the initiative important in providing environmental education and conservation awareness opportunities.
12. UNK Bahia Formosa School, located in Plettenberg Bay, visited Robberg NR and the Nelson Cave, where learners enjoyed the shipwreck viewpoint and lunch at the picnic site. For many learners, this is their first and only opportunity to visit the reserve, making the experience a memorable educational outing and a highlight for many of the children.

15. AUDIT AND FINANCE COMMITTEE REPORT

We are pleased to present our Report for the financial year ended 31 March 2026.

AUDIT COMMITTEE RESPONSIBILITIES

The Audit and Finance Committee (AFC) is constituted as a Committee of the CapeNature Board (the Accounting Authority) to assist the Board in fulfilling its governance and oversight responsibilities as it relates to the system of internal control, risk management, internal audit, financial management, external audit and statutory compliance. The AFC reported to the Board quarterly on its deliberations for the quarter under review. The Chairperson of the AFC attended the Standing Committee on Public Accounts presentation of the 2024/25 Annual Report and represented the Entity on the outcome of the regulatory audit and the oversight work performed by the AFC.

The AFC confirms that it has complied with its responsibilities arising from Section 51 (1)(a)(ii) of the Public Finance Management Act (PFMA) and Treasury Regulation 27.1. The AFC has adopted a formal Audit and Finance Committee Charter, has regulated its affairs in compliance with this Charter and has discharged all its responsibilities as contained therein. The AFC recognises its duty to serve the public interest and confirms that it has diligently upheld this critical responsibility. The AFC has functioned without hindrance, limitations or threats to its independence throughout the reporting period. The AFC has internalised the relevant requirements of the Global Internal Audit Standards™ in its work and has aligned its Charter accordingly. The AFC confirms that it has applied professional scepticism in the execution of its duties, critically evaluating information placed before it, requested additional information when necessary and continuously assessed whether internal audit, management and other providers of assurance maintained high ethical and professional standards.

AUDIT COMMITTEE COMPOSITION AND MEETING ATTENDANCE

The AFC is comprised of at least three members, two of which are non-executive members and the other an external member. The AFC is considered as appropriately constituted, and its membership had the required mix of qualifications, expertise, and experience necessary to execute its responsibilities. The AFC convened five meetings during the year with four being ordinary meetings convened quarterly and one special meeting.

EFFECTIVENESS OF INTERNAL AUDIT

Our internal audit function is outsourced to a professional service provider. The internal audit coverage plan is risk-based and aims to ensure that controls addressing all material risk areas are evaluated within a 3-year cycle.

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

1. Pre-determined Objectives
2. Information Technology – Firewall Review
3. Supply Chain Management Review
4. HR and Payroll Review
5. Revenue review – Roomseeker

There were areas of concern highlighted by Internal Audit on certain audit areas during the execution of their audits. Management have identified remedial actions to mitigate and address these findings. These remedial actions are captured in the audit matrix for tracking and monitoring by Management and the AFC.

The AFC is satisfied with the quality and independence of Internal Audit's work.

EFFECTIVENESS OF RISK MANAGEMENT

The AFC provided oversight of the Entity's risk management processes. There is a high level of maturity in the way in which management has embedded risk ownership across functions departments, allowing for positive and proactive quarterly risk identification, evaluation and mitigation processes to be well established. Risk management oversight is provided by the Risk and Information and Communication Technology (ICT) Committee of the Board. Reports are submitted to the AFC on risk management implementation and the outcomes of the quarterly Risk and ICT Committee deliberations.

IN-YEAR MANAGEMENT AND MONTHLY/ QUARTERLY REPORT

Quarterly financial reports are presented to the AFC and the Board for oversight purposes.

Management has confirmed that the Entity has submitted all monthly and quarterly reports to Provincial Treasury and the Executive Authority as required by the PFMA.

EVALUATION OF FINANCIAL STATEMENTS

The AFC is satisfied that it has complied with its responsibilities and that the Entity's financial statements fairly present its financial position. As part of this oversight, the AFC has:

- Evaluated the going concern criteria as the basis for preparation of the financial statements;
- Examined, reviewed and interrogated the annual financial statements with management and the Board prior to submission to the Auditor-General of South Africa (AGSA);
- Reviewed and discussed the audited annual financial statements to be included in the annual report with the AGSA and the Board;
- Reviewed the AGSA's management report and management's responses; and
- Confirmed that there are no unresolved issues related to the audit.

The AFC has accepted the AGSA's report on the Annual Financial Statements for the year ending 31 March 2026 and the associated annual report and recommended them to the Board for approval.

The Entity obtained a clean report on the four major areas of Auditor-General review of:

- Financial statements
- Predetermined objectives
- Compliance with laws and regulations
- Internal controls

EFFECTIVENESS OF INTERNAL CONTROL

The AFC is satisfied that the control environment is robust. This was assessed through quarterly reports from management, Internal Audit, Risk Management, Internal Control Unit and annual reporting from the AGSA. Where any areas requiring further enhancement were identified, management has implemented corrective actions.

In addition to the internal and external audit functions, the Entity also has an Internal Control Unit that confirms that key internal controls in business processes are addressed. This Unit also performs regular compliance reviews and ensures that key governance matters are addressed. There have been no reported breakdowns or deficiencies in internal control or governance for the period of this report.

The AFC has implemented a tracking and monitoring document entitled the “Audit Matrix”, which is a standing item at every AFC meeting. The matrix includes all items raised by internal and external auditors as well as the internal control unit. These matters stay on the audit matrix until Management resolves them. Removal of an item from the audit matrix is only done once the internal auditors confirm that the matter has been fully resolved. In this way the AFC satisfies itself that prompt and correct action is taken to resolve audit findings.

The AFC has reviewed the Entity’s implementation plan for audit issues raised in the prior year and we are satisfied that the matters have been adequately resolved or are in the process of resolution.



Tom Blok

CHAIRPERSON OF THE AUDIT AND FINANCE COMMITTEE

CapeNature

August 2026

16. B-BBEE COMPLIANCE PERFORMANCE INFORMATION

The following table has been completed in accordance with the compliance to the Broad-Based Black Economic Empowerment (B-BBEE) requirements of the B-BBEE Act of 2013 and as determined by the Department of Trade, Industry and Competition.

Has the Public Entity 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	No	Not applicable
Developing and implementing a preferential procurement policy	Yes	The Entity has an approved Supply Chain Management Policy in place. The Policy is aligned to the revised Preferential Procurement Regulations 2022.
Determining qualification criteria for the sale of state-owned enterprises	No	Not applicable
Developing criteria for entering into partnerships with the private sector	No	Not applicable
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment	No	Not applicable





D

HUMAN
RESOURCE
MANAGEMENT

1. INTRODUCTION

The Human Resources (HR) component effectively manages critical resources through the functional disciplines of recruitment and selection, employee relations, performance management, training and development, employment equity and gender mainstreaming – all of which play a crucial role to the success of the Entity.

The Entity understands the importance of wellbeing for its employees in the face of ongoing austerity measures to maintain continuity and delivery. Staff were empowered to use the Entity's wellness services. Critical training (compliance, legislative, technical, and functional) was provided to all staff, including EPWP. Recruitment was based on the prioritisation of vacancies to ensure the Entity's mandate is met within an austerity environment. The Entity developed a new five-year Employment Equity Plan and once finalised, will be incorporated as part of talent acquisition and upward mobility internally. A revised HR strategy is currently being drafted to incorporate key deliverables to support Employee Value Proposition of the Entity.

These limited resources have created an opportunity to offer workplace learning through the Entity's Graduate Internship and Work Integrated Learning (WIL) Programmes. The annual performance target was set at 15 with 19 candidates appointed and benefitting from these programmes. Combined with this, the Entity also offered job opportunities to 543 employees through the Expanded Public Works Programme (EPWP) and at the end of the period under the review. The period under review also celebrated a new intake of EPWP participants on a 3-year contract. This ensured continuity of employment and ongoing capacitation and skills development, contributing to sustainable livelihoods. Through the EPWP programme, participants staff permanently as part of normal recruitment processes.

HR effectively hosted four gender mainstreaming events throughout the period under review at one event per quarter reaching compliance in its category against the Annual Performance Plan (APP). The focus of these initiatives were to create awareness around gender sensitivity, to empower and encourage inclusiveness. These initiatives were aimed at fostering a culture aligned to the values of the Entity, future awareness and inclusivity. Furthermore, these platforms were also aligned to important public events within the South African context.

2. HUMAN RESOURCE OVERSIGHT STATISTICS

TABLE 18: PERSONNEL COST BY PROGRAMME

Programme	Total Expenditure for the Entity (R'000)	Personnel expenditure (R'000)	Personnel expenditure as a % of total expenditure	Number of employees	Average personnel cost per employee (R'000)
Administration and Governance	84 548	46 729	55%	72	649
Biodiversity Capabilities	47 983	26 591	55%	26	1023
Conservation Operations	194 635	122 450	63%	271	452
Eco-tourism and Access	102 443	41 958	41%	451	93
Total	429 608	237 727	55%	820	290*

* This figure calculates the average personnel cost per employee and is determined by dividing the total personnel expenditure (237 727) with the number of employees (820).

TABLE 19: PERSONNEL COST BY SALARY BAND

Salary Band	Personnel expenditure (R'000)	% of personnel expenditure to total personnel cost	Number of employees	Average personnel cost per employee (R'000)
Top Management 13 – 15	7 773	3%	4	1 943
Senior Management 11 – 12	36 267	15%	36	1 007
Professional qualified 9 – 10	49 727	21%	62	802
Skilled 6 – 8	61 129	26%	111	551
Semi-skilled 3 – 5	51 253	22%	158	324
Unskilled 1 – 2	31 579	13%	449	70
Total	237 727	100%	820	290*

* This figure calculates the average personnel cost per employee and is determined by dividing the total personnel expenditure (237 727) with the number of employees (820).

PERFORMANCE REWARDS

No performance rewards were disbursed during the period under review.

TABLE 20: TRAINING COSTS

Programme	Personnel expenditure (R'000)	Training expenditure (R'000)	Training expenditure as a % of personnel cost	Number of employees trained	Average training cost per employee (R'000)
Programme 1: Administration and Governance	46 729	131	0%	233	1
Programme 2: Biodiversity Capabilities	26 591	572***	2%	55	10
Programme 3: Conservation Operations	122 450	20	0%	706	0
Programme 4: Eco-tourism and Access	41 958	1 428	3%	82	17
Total	237 727	2 151	1%*	1 076	2**

* This figure calculates training expenditure as a percentage of personnel cost and is determined by dividing the total training expenditure (2 151) with total personnel expenditure (237 727).

** This figure calculates the average training cost per employee and is determined by dividing the total training expenditure (2 151) with the number of employees trained (1 076).

*** The training expenditure relates to fire related training procured by Biodiversity Capabilities. The intervention was for the purposes of training Conservation Operations staff in preparation for the 2025/26 fire season. There were no Biodiversity Capabilities staff trained. It is noted though that this training is budgeted by the Programme and therefore reflects against the Programme for reporting purposes.

TABLE 21: EMPLOYMENT AND VACANCIES PER PROGRAMME

Programme	2024/2025 Number of employees	2025/2026 Approved posts	2025/2026 Number of employees	2025/2026 Vacancies	% of Vacancies
Programme 1: Administration and Governance	71	94	71	25	27%
Programme 2: Biodiversity Capabilities	27	44	26	18	41%
Programme 3: Conservation Operations	254	339	271	68	20%
Programme 4: Eco-tourism and Access	38	53	44	7	13%
Total	390	530	412*	118	22%**

* Board employees as at 31 March 2026. This figure excludes 408 EPWP participants employed under Programme 4.

** This figure calculates the percentage of vacancies and is determined by dividing the number of vacancies (118) with the number of approved posts (530).

TABLE 22: EMPLOYMENT AND VACANCIES PER SALARY BAND

Salary band	2024/2025 Number of employees	2025/2026 Approved posts	2025/2026 Number of employees	2025/2026 Vacancies	% of Vacancies
Top Management 13+	5	5	4	1	20%
Senior Management 11 – 12	33	39	36	3	8%
Professional qualified 9 – 10	61	92	62	29	32%
Skilled 6 – 8	107	142	111	32	23%
Semi-skilled 3 – 5	150	198	158	36	18%
Unskilled 1 – 2	34	54	41	17	31%
Total	390	530	412*	118	22%**

* Board employees as at 31 March 2026. This figure excludes 408 EPWP participants employed under Programme 4 at Salary Band 1.

** This figure calculates the percentage of vacancies and is determined by dividing the number of vacancies (118) with the number of approved posts (530).

TABLE 23: EMPLOYMENT CHANGES

Salary Band	Employment at beginning of period 01/04/2025	Appointments	Terminations	Employment at end of the period
Top Management 13+	5	0	1	4
Senior Management 11 – 12	33	3	1	36
Professional qualified 9 – 10	61	4	1	62
Skilled 6 – 8	107	15	8	111
Semi-skilled 3 – 5	150	30	23	158
Unskilled 1 – 2	34	571	153	449
Total	861	623	187	820

The table reflects the appointment of EPWP participants and Board employees, including employees promoted. Terminations are comprised of Board employees and EPWP participants and include terminations and contracts ending 31 March 2026.

TABLE 24: REASONS FOR STAFF LEAVING

Reason	Number	% of total number of staff leaving
Death	2	1%
Resignation	113*	60%
Dismissal/ Discharged/ Misconduct	7	4%
Retirement/ Pensioned	7	4%
Ill health	1	1%
Expiry of contract	31	16%
Other/ absconded/ retrenched	26	14%
Total	187	100%

* The figure is made up of 12 employees and 101 EPWP participants.

TABLE 25: LABOUR RELATIONS: DISCIPLINARY ACTIONS TAKEN

Nature of disciplinary action	Number
Verbal Warning	9
Written Warning	30
Final Written warning	25
Dismissal	7

TABLE 26A: EQUITY TARGET AND EMPLOYMENT EQUITY (EE) STATUS

SALARY BAND	MALE							
	African		Coloured		Indian		White	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	0	1	1	1	2	1	0	0
Senior Management	2	3	7	3	2	1	11	1
Professional qualified	11	5	10	10	0	0	17	25
Skilled	13	16	25	25	3	1	7	4
Semi-skilled	18	19	67	97	0	2	4	6
Unskilled 1 – 2	52	63	163	178	0	1	1	2
Total	96	107	273	314	7	6	40	38

TABLE 26B: EQUITY TARGET AND EMPLOYMENT EQUITY (EE) STATUS

SALARY BAND	FEMALE							
	African		Coloured		Indian		White	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	0	0	0	1	0	0	1	1
Senior Management	0	0	2	1	3	0	9	3
Professional qualified	4	5	8	7	1	2	11	13
Skilled	19	18	32	27	2	3	10	18
Semi-skilled	25	27	36	56	1	2	7	15
Unskilled	65	112	167	162	1	0	0	0
Total	113	162	245	254	8	7	38	50

TABLE 26C: EQUITY TARGET AND EMPLOYMENT EQUITY (EE) STATUS

SALARY BAND	DISABLED STAFF			
	MALE		FEMALE	
	Current	Target	Current	Target
Top Management	0	0	0	0
Senior Management	0	0	0	0
Professional qualified	0	0	0	0
Skilled	0	4	0	4
Semi-skilled	0	1	0	2
Unskilled	5	5	2	3
Total	5	10	2	9





E

PFMA COMPLIANCE REPORT

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

1.1 IRREGULAR EXPENDITURE

a) Reconciliation of irregular expenditure

Description	2025/2026	2024/2025
	Rands	Rands
Opening balance	1 599	0
Adjustment to opening balance	0	0
Opening balance as restated	0	0
Add: Irregular expenditure confirmed	0	1 599
Less: Irregular expenditure condoned	0	0
Less: Irregular expenditure not condoned and removed	0	0
Less: Irregular expenditure recoverable	(1 599)	0
Less: Irregular expenditure not recoverable and written off	0	0
Closing balance	0	1 599

Reconciling notes

Description	2025/2026	2024/2025
	Rands	Rands
Irregular expenditure that was under assessment	0	0
Irregular expenditure that relates to the prior year and identified in the current year	0	0
Irregular expenditure for the current year	0	1 599
Total	0	1 599

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

Description	2025/2026	2024/2025
	Rands	Rands
Irregular expenditure under assessment	0	0
Irregular expenditure under determination	0	0
Irregular expenditure under investigation	0	0
Total	0	0

c) Details of irregular expenditure condoned

Description	2025/2026	2024/2025
	Rands	Rands
Irregular expenditure condoned	0	0
Total	0	0

d) Details of irregular expenditure removed - (not condoned)

Description	2025/2026	2024/2025
	Rands	Rands
Irregular expenditure NOT condoned and removed	0	0
Total	0	0

e) Details of irregular expenditure recoverable

Description	2025/2026	2024/2025
	Rands	Rands
Irregular expenditure recoverable	1 599	0
Total	1 599	0

f) Details of irregular expenditure written off (irrecoverable)

Description	2025/2026	2024/2025
	Rands	Rands
Irregular expenditure written off	0	0
Total	0	0

g) 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	2025/2026	2024/2025
	Rands	Rands
None	0	0
Total	0	0

h) Details of disciplinary or criminal steps taken as a result of irregular expenditure

Disciplinary steps taken
Not applicable

1.2 FRUITLESS AND WASTEFUL EXPENDITURE

a) Reconciliation of fruitless and wasteful expenditure

Description	2025/2026	2024/2025
	Rands	Rands
Opening balance	33 762	23 520
Adjustment to opening balances	0	0
Opening balance as restated	0	23 520
Add: Fruitless and wasteful expenditure confirmed	0	33 762
Less: Fruitless and wasteful expenditure recoverable	0	0
Less: Fruitless and wasteful expenditure not recoverable and written off	0	(23 520)
Closing balance	33 762	33 762

Reconciling notes

Description	2025/2026	2024/2025
	Rands	Rands
Fruitless and wasteful expenditure that was under assessment	0	0
Fruitless and wasteful expenditure that relates to the prior year and identified in the current year	0	0
Fruitless and wasteful expenditure for the current year	0	33 762
Total	0	33 762

b) Details of fruitless and wasteful expenditure (under assessment, determination, and investigation)

Description	2025/2026	2024/2025
	Rands	Rands
Fruitless and wasteful expenditure under assessment	0	0
Fruitless and wasteful expenditure under determination	0	0
Fruitless and wasteful expenditure under investigation	0	0
Total	0	0

c) Details of fruitless and wasteful expenditure recoverable

Description	2025/2026	2024/2025
	Rands	Rands
Fruitless and wasteful expenditure recoverable	0	0
Total	0	0

d) Details of fruitless and wasteful expenditure not recoverable and written off

Description	2025/2026	2024/2025
	Rands	Rands
Fruitless and wasteful expenditure written off	0	0
Total	0	0

e) Details of disciplinary or criminal steps taken as a result of fruitless and wasteful expenditure

Disciplinary steps taken
Not applicable

1.3 ADDITIONAL DISCLOSURE RELATING TO MATERIAL LOSSES IN TERMS OF PFMA SECTION 40(3)(B)(I) & (III)

a) Details of material losses through criminal conduct

Material losses through criminal conduct	2025/2026	2024/2025
	Rands	Rands
Theft	0	0
Other material losses	0	0
Less: Recovered	0	0
Less: Not recovered and written off	0	0
Total	0	0

b) Details of other material losses

Nature of other material losses	2025/2026	2024/2025
	Rands	Rands
None	0	0
Total	0	0

c) Other material losses recoverable

Nature of losses	2025/2026	2024/2025
	Rands	Rands
None	0	0
Total	0	0

d) Other material losses not recoverable and written off

Nature of losses	2025/2026	2024/2025
	Rands	Rands
None	0	0
Total	0	0

2. LATE AND/OR NON-PAYMENT OF SUPPLIERS

Description	Number of invoices	Consolidated Value
		R'000
Valid invoices received	6 058	199 779
Invoices paid within 30 days or agreed period	5 701	183 750
Invoices paid after 30 days or agreed period	124	2 608
Invoices older than 30 days or agreed period (unpaid and without dispute)	-	-
Invoices older than 30 days or agreed period (unpaid and in dispute)	-	-

Late payments were largely as a result of insufficient documentation provided by suppliers.

3. SUPPLY CHAIN MANAGEMENT

3.1 PROCUREMENT BY OTHER MEANS

Project description	Name of supplier(s)	Type of procurement by other means	Contract number	Value of contract R'000
Transfer of funds to De Hoop Collections for the implementation of PV Solar at De Hoop Opstal	De Hoop Collections	Limited Bid	CN-SW-12292	2 500
Internet Service Provider	Vodacom Business	Limited Bid	CN-SW-12692	2 381
Total				4 881

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
				Rands	Rands	Rands
SDWAN	Vodacom (Pty) Ltd	Scope of works	WCNCB 11/11/2021	R15 093 099.50	R56 801.92	R165 985.20
Migrate and Manage Data Systems and Applications in a Microsoft Azure Environment	First Technology Western Cape (Pty) Ltd	Time for performance	WCNCB 18/03/2023	R1 837 702.50	R 0	R 0
Employee Wellness Programme	Universal Corporate Wellness (Pty) Ltd	Scope of works	WCNCB 01/02/2020	R1 157 261.00	R21 907.17 per month for the period of contract	R0.00
Water Risk Assessment and Manage Process of Water Use Authorisation	Infinity Environmental (Pty) Ltd	Scope of Works	RFQ-1060-2025-05-150124	R170 602.50	R231 782.50	R 0
Real Travel And Tourism – Azure Cloud Hosting	KRS Software Group (Pty) Ltd	Time for performance	PR697	R924 912.00	R105 976.00	R 0
Repairs to Low Water Bridge	Rodpaul Construction (Pty) Ltd	Scope of works	WCNCB 07/09/2021	R2 743 430.34	R110 429.80	R 0
Central Landscape Fire Dry Rations	Ruca Solutions (Pty) Ltd	Scope of works	PR3854	R805 222.00	R97 830.00	R 0
West Landscape Fire Dry Rations	Ruca Solutions (Pty) Ltd	Scope of works	PR3851	R835 070.00	R97 830.00	R 0
Ring Road construction	Sosebenza Construction (Pty) Ltd	Scope of works	WCNCB 11/11/2024	R2 423 231.24	R635 375.23	R 0
Manufacturing And Supply Of Eco Logs	Eco Fire & Braai (Pty) Ltd t/a Seed Oil SA	Time for performance	CN-SW-7560	R29.99 per bag	R40.87 per 5kg bag	R33.36 per Bag of Eco Logs

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
				Rands	Rands	Rands
Network and Connectivity	Excellent Cyber (Pty) Ltd	Amendment of remuneration amount to include VAT	PR9822	R384 000.00	R57 600.00	R 0
CMSi Software Application	Idox Software Ltd	Time for performance	CN-SW-7624	£82,805.45	£33 348.40	£33 348.40
Real Travel and Tourism-Azure Cloud Hosting	KRS Software Group (Pty) Ltd	Time for performance	PR6971	R924 912.00	R879 636.00	R105 976.00
Firebreak Maintenance	Ntsikelelo and Sons (Pty) Ltd	Time for performance	PR9278	R117 700.00	R0.00	R0.00
Firebreak Maintenance	Ntsikelelo and Sons (Pty) Ltd	Time for performance	PR 9455	R120 600.00	R0.00	R0.00
Security Guarding Services	SKRAN Security (Pty) Ltd	Time for performance	WCNCB 01/04/2025	R966 857.40	R117 721.04	R0.00
Software-Defined Wide Area Network (SD-WAN)	Vodacom (Pty) Ltd	Time for performance	CN-SW-11938	R15 093 099.50	R2 380 697.46	R56 801.92
Provision of professional draughtmen services	Miradi Group t/a Miradi Architects	Extension	PO-009347	R91 770.00	R0.00	R0.00



Limietberg Nature Reserve



F

FINANCIAL
INFORMATION

1. REPORT OF THE AUDITOR-GENERAL TO THE WESTERN CAPE PROVINCIAL PARLIAMENT ON THE WESTERN CAPE NATURE CONSERVATION BOARD

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

1. I have audited the financial statements of the Western Cape Nature Conservation Board (the public entity) set out on pages 113 to 159, which comprise the statement of financial position as at 31 March 2026, statement of financial performance, statement of changes in net assets, the cash flow statement and the 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 Western Cape Nature Conservation Board as at 31 March 2026 and its financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice (Standards of GRAP) as issued by the Accounting Standards Board of South Africa 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 public entity in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matter – Material contingent liabilities

6. With reference to note 28 to the financial statements, the public entity is the defendant in various litigations and claims. The ultimate outcome of these cases cannot presently be determined and no provision for any liability that may result has been made in the financial statements.
7. My opinion is not modified in respect of this matter.

Responsibilities of the accounting authority for the financial statements

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

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

10. 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.
11. 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 on pages 108 to 109, forms part of my auditor's report.

Report on the annual performance report

12. 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.
13. I selected the following material performance indicators related to programme 3: conservation operations presented in the annual performance report for the year ended 31 March 2026. I selected those indicators that measure the public entity's performance on its primary mandated functions and that are of significant national, community or public interest.
 - Percentage of area of state managed protected areas assessed with a METT score above 67%
 - Number of work opportunities created through environment sector public employment programmes
 - Number of compliance inspections conducted
 - Number of completed criminal investigations handed to the NPA for prosecution
 - Number of hectares of invasive alien plant species cleared on Cape Nature-managed protected areas
 - Number of firebreaks maintained on Cape Nature-managed protected areas
14. I evaluated the reported performance information for the selected material performance indicators against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the public entity's planning and delivery on its mandate and objectives.
15. I performed procedures to test whether:
 - the indicators used for planning and reporting on performance can be linked directly to the public entity's mandate and the achievement of its planned objectives
 - all the indicators relevant for measuring the public entity's performance against its primary mandated and prioritised functions and planned objectives are included
 - the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements
 - the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
 - the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents
 - the reported performance information is presented in the annual performance report in the prescribed manner
 - there is adequate supporting evidence for the achievements reported and for the reasons provided for any over- or underachievement of targets.
16. I performed the procedures to report material findings only, and not to express an assurance opinion or conclusion.
17. I did not identify any material findings on the reported performance information for the selected indicators.

Other matter

18. I draw your attention to the matter below.

Achievement of planned targets

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

Report on compliance with legislation

20. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting authority is responsible for the public entity's compliance with legislation.
21. 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.
22. 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 public 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.
23. I did not identify any material non-compliance with the selected legislative requirements.

Other information in the annual report

24. 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.
25. 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.
26. 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.
27. I did not receive the 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

28. 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.
29. I did not identify any significant deficiencies in internal control.

Auditor-General

Cape Town
31 July 2026



ANNEXURE TO THE AUDITOR'S REPORT

The annexure includes the following:

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

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

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

Financial statements

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

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

Communication with those charged with governance

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

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

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections, Paragraph or Regulations
Public Finance Management Act 1 of 1999	Section 51(1)(b)(i); 51(1)(b)(ii); 51(1)(e)(iii); 53(4); 54(2)(c); 54(2)(d); 55(1)(a); 55(1)(b); 55(1)(c)(i); 56; 57(b); 66(4)
Treasury Regulations, 2005	Regulation 16A3.2; 16A3.2(a); 16A6.1; 16A6.2(a); 16A6.2(b); 16A6.3(a); 16A6.3(b); 16A6.3(c); 16A6.3(e); 16A6.4; 16A6.5; 16A6.6; 16A7.1; 16A7.3; 16A8.3; 16A8.4; 16A9.1(b)(ii); 16A9.1(d); 16A9.1(e); 16A9.1(f); 16A9.2; 16A9.2(a)(ii); 30.1.1; 30.1.3(a); 30.1.3(b); 30.1.3(d); 30.2.1; 31.1.2(c); 31.2.1; 31.2.5; 31.2.7(a); 31.3.3; 33.1.1; 33.1.3
Construction Industry Development Board Regulations, 2004	Regulation 17; 25(7A); 25(9)(a); 25(10)
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. 2 of 2021/22	Paragraph 3.2.1; 3.2.4; 3.2.4(a); 3.3.1
National Treasury Practice Note 5 of 2009/10	Paragraph 3.3
National Treasury 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)(b); 2(1)(f)
Preferential Procurement Regulations, 2022	Paragraph 4.1; 4.2; 4.3; 4.4; 5.1; 5.2; 5.3; 5.4
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section 34(1)



Cederberg Wilderness Area

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The reports and statements set out below comprise the annual financial statements presented to the provincial legislature:

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ACCOUNTING AUTHORITY'S RESPONSIBILITIES AND APPROVAL

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

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

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

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

The Board is of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or deficit.

The Board has reviewed the entity's budget forecast for the year from 1 April 2026 to 31 March 2027 and, in the light of this review and the current financial position, they are satisfied that the entity has or has access to adequate resources to continue in operational existence for the foreseeable future.

The annual financial statements set out on pages 113 to 159, which have been prepared on the going concern basis, were approved by the Accounting Authority on 31 May 2026 and were signed on its behalf by:



Ms Reyhana Gani

Chairperson of the Board of CapeNature

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2026

Figures in Rand

Note(s)

2026

2025

Restated*

Assets**Current Assets**

Cash and cash equivalents	4	134 356 318	125 936 706
Inventories	5	1 558 896	2 003 490
Trade and other receivables from exchange transactions	6	12 161 929	12 615 552
Trade and other receivables from non-exchange transactions	7	3 916 267	1 959 709
		151 993 410	142 515 457

Non-Current Assets

Intangible assets	8	363 133	577 943
Property, plant and equipment	9	259 747 859	240 004 406
		260 110 992	240 582 349

Total Assets**412 104 402 383 097 806****Liabilities****Current Liabilities**

Finance lease obligation	10	5 694 360	8 829 671
Short term employee benefits	11	15 117 142	14 786 646
Trade and other payables from exchange transactions	12	20 721 200	19 942 225
Unspent conditional grants and receipts	13	19 640 000	9 973 905
		61 172 702	53 532 447

Non-Current Liabilities

Finance lease obligation	10	50 071 217	35 996 909
Unspent conditional grants and receipts	13	20 208 949	29 002 376
Employee benefit obligation	14	5 107 000	4 700 000
		75 387 166	69 699 285

Total Liabilities**136 559 868 123 231 732****Net Assets****275 544 534 259 866 074**

Accumulated surplus		235 643 241	207 228 224
Reserves			
Revaluation reserve	15	28 977 637	28 977 637
Project reserve	16	10 923 656	23 660 213
Total Net Assets		275 544 534	259 866 074

STATEMENT OF FINANCIAL PERFORMANCE

Figures in Rand	Note(s)	2026	2025 Restated*
Revenue			
Revenue from exchange transactions			
Eco-tourism	17	82 037 827	77 171 428
Licences and permits		4 245 539	3 664 283
Interest received	18	8 051 857	7 998 939
Other income	19	5 577 928	6 117 280
Total revenue from exchange transactions		99 913 151	94 951 930
Revenue from non-exchange transactions			
Transfer revenue			
Project grants and donations	20	8 371 125	7 062 432
Fines		402 000	323 500
Monetary government grants received	21	331 562 000	308 309 000
Services in kind - office accommodation	8	4 378 486	4 048 705
Total revenue from non-exchange transactions		344 713 611	319 743 637
Total revenue	17	444 626 762	414 695 567
Expenditure			
Bad debts written off - Financial instruments		-	110 535
Debt impairment - Financial instruments	32	(6 609 223)	(291 115)
Depreciation and amortisation	8&9	32 092 615	27 622 933
Employee related costs	23	237 727 274	220 318 498
Finance costs	24	19 233 034	15 403 467
Firefighting aircraft hire		11 123 478	7 982 439
General and administrative expenses	22	25 552 960	23 490 847
Information, communication and technology (ICT) costs		23 391 384	28 162 230
Inventory	5	16 676 524	15 888 453
Professional and other services	25	27 644 415	19 896 290
Repairs and maintenance	9	16 057 637	18 167 349
Training		2 150 650	1 944 888
Transport and travel		24 567 288	24 100 030
Total expenditure		429 608 036	402 796 844
Operating surplus		15 018 726	11 898 723
Gain (loss) on disposal of assets and liabilities		974 177	(48 112)
Loss on foreign exchange		(2 190)	(11 956)
Impairment loss	9	(312 253)	(195 695)
		659 734	(255 763)
Surplus for the year		15 678 460	11 642 960

* See Note 31

STATEMENT OF CHANGES IN NET ASSETS

Figures in Rand

	Revaluation reserve	Project reserve	Total reserves	Accumulated surplus / (deficit)	Total net assets
Balance at 01 April 2024	19 695 949	21 224 668	40 920 617	198 020 807	238 941 424
Changes in net assets					
Fair value gains, net of tax: Land and buildings	9 281 688	-	9 281 688	-	9 281 688
Net income (losses) recognised directly in net assets	9 281 688	-	9 281 688	-	9 281 688
Surplus for the year	-	-	-	9 787 867	9 787 867
Total recognised income and expenses for the year	9 281 688	-	9 281 688	9 787 867	19 069 555
Transfer out	-	(13 678 455)	(13 678 455)	13 678 455	-
Transfer in	-	16 114 000	16 114 000	(16 114 000)	-
Total changes	9 281 688	2 435 545	11 717 233	7 352 322	19 069 555
Opening balance as previously reported	28 977 637	23 660 213	52 637 850	205 373 129	258 010 979
Adjustments					
Prior year adjustments (Note 31)	-	-	-	1 855 095	1 855 095
Restated* Balance at 01 April 2025 as restated*	28 977 637	23 660 213	52 637 850	207 228 224	259 866 074
Changes in net assets					
Surplus for the year	-	-	-	15 678 460	15 678 460
Transfer out	-	(31 940 557)	(31 940 557)	31 940 557	-
Transfer in	-	19 204 000	19 204 000	(19 204 000)	-
Total changes	-	(12 736 557)	(12 736 557)	28 415 017	15 678 460
Balance at 31 March 2026	28 977 637	10 923 656	39 901 293	235 643 241	275 544 534
Note(s)	15	16			

CASH FLOW STATEMENT

Figures in Rand	Note(s)	2026	2025 Restated*
Cash flows from operating activities			
Receipts			
Grants, project funds and tourism revenue		429 682 592	403 530 491
Interest income		8 394 825	8 071 714
		<u>438 077 417</u>	<u>411 602 205</u>
Payments			
Employee costs		(236 989 777)	(218 644 533)
Suppliers		(137 793 143)	(137 579 433)
Finance costs		(19 233 034)	(15 403 467)
		<u>(394 015 954)</u>	<u>(371 627 433)</u>
Net cash flows from operating activities	26	44 061 463	39 974 772
Cash flows from investing activities			
Purchase of property, plant and equipment	9	(44 857 048)	(36 189 685)
Proceeds from sale of property, plant and equipment	9	2 668 100	2 629 160
Purchase of other intangible assets	8	-	1 288
Proceeds from sale of other intangible assets	8	3	402 098
Transfers property, plant and equipment	9	(4 391 903)	(562 640)
Net cash flows from investing activities		(46 580 848)	(33 719 779)
Cash flows from financing activities			
Movements in Finance lease obligation		10 938 997	3 812 425
Net increase/(decrease) in cash and cash equivalents		8 419 612	10 067 418
Cash and cash equivalents at the beginning of the year		125 936 706	115 869 288
Cash and cash equivalents at the end of the year	4	134 356 318	125 936 706

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

Budget on Cash Basis

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

Statement of Financial Performance

Revenue

Sales of goods and services other than capital assets

Sale of goods and services other than capital assets	76 554 000	1 868 000	78 422 000	91 598 006	13 176 006	35
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Entity revenue other than sales	9 218 000	-	9 218 000	10 869 007	1 651 007	
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Departmental transfer	331 562 000	-	331 562 000	331 562 000	-	
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Other transfers	27 943 000	32 269 000	60 212 000	4 048 404	(56 163 596)	35
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	445 277 000	34 137 000	479 414 000	438 077 417	(41 336 583)	
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Expenses

Compensation of employees	(243 006 000)	2 909 000	(240 097 000)	(236 989 777)	3 107 223	
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Goods and services	(163 648 000)	(13 799 000)	(177 447 000)	(159 345 744)	18 101 256	35
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Payments for capital assets	(38 623 000)	(23 247 000)	(61 870 000)	(35 641 852)	26 228 148	35
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Total expenditure	(445 277 000)	(34 137 000)	(479 414 000)	(431 977 373)	47 436 627	
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Surplus for the year	-	-	-	6 100 044	6 100 044	
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Reconciliation

Basis difference

Depreciation and amortisation				(32 092 615)		8&9
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Services in kind				4 378 486		8
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Capital assets				36 303 776		
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Working capital changes				(1 330 800)		26
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Movement in trade creditors				2 319 569		26
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Actual Amount in the Statement of Financial Performance				15 678 460		
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SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied in the preparation of these annual financial statements are set out below.

1.1 Basis of preparation

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

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

Where reference is made to period it relates to a 12 month period. A summary of the material accounting policies, which have been consistently applied in the preparation of these annual financial statements, are disclosed below.

These accounting policies are consistent with the previous period.

1.2 Presentation currency

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

1.3 Going concern assumption

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.

1.4 Significant judgements and sources of estimation uncertainty

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

Other significant judgements, sources of estimation uncertainty and/or relating information, have been disclosed in the relating notes.

Impairment of trade and other receivables

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

Impairment testing

The recoverable amounts of cash-generating units and individual assets are determined based on the higher of value-in-use calculations and fair values less costs to sell. These calculations require the use of estimates and assumptions. It is reasonably possible that the assumption may change which may then impact our estimations and may then require a material adjustment to the carrying value of tangible assets.

Post-retirement benefits

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

1.5 Living and non-living resources

Living resources are those resources that undergo biological transformation. Non-living resources are those resources, other than living resources, that occur naturally and have not been extracted.

Non-living resources, other than land, shall not be recognised as assets with additional information disclosed in the notes to the financial statements.

A living resource shall be recognised as an asset if, and only if it meets the definition of an asset and:

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

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.

1.6 Property, plant and equipment

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

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

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

Property, plant and equipment is initially measured at cost.

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

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

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

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

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

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

Land and Buildings are carried at revalued amounts less any accumulated depreciation on buildings. Revaluations are done every 3 years.

Revaluations are made with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

When an item of property, plant and equipment is revalued, any accumulated depreciation at the date of the revaluation is restated proportionately with the change in the gross carrying amount of the asset so that the carrying amount of the asset after revaluation equals its revalued amount.

Any increase in an asset's carrying amount, as a result of a revaluation, is credited directly to a revaluation surplus. The increase is recognised in surplus or deficit to the extent that it reverses a revaluation decrease of the same asset previously recognised in surplus or deficit.

Any decrease in an asset's carrying amount, as a result of a revaluation, is recognised in surplus or deficit in the current period. The decrease is debited directly to a revaluation surplus to the extent of any credit balance existing in the revaluation surplus in respect of that asset.

The revaluation surplus in equity related to a specific item of property, plant and equipment is transferred directly to retained earnings when the asset is derecognised.

The revaluation surplus in equity related to a specific item of property, plant and equipment is transferred directly to retained earnings as the asset is used. The amount transferred is equal to the difference between depreciation based on the revalued carrying amount and depreciation based on the original cost of the asset.

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

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses. The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Land	N/A	Indefinite
Buildings	Straight-line	50 years
Leasehold improvements	Straight-line	6-50 years
Plant and machinery	Straight-line	2-6 years
Furniture and fixtures	Straight-line	2-15 years
Motor vehicles and boat	Straight-line	4-6 years
IT equipment	Straight-line	2-5 years
Motor vehicles under finance	Straight-line	4-10 years
Infrastructure developments	Straight-line	15-50 years

1.6 Property, plant and equipment (continued)

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

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

The depreciation method used reflects the pattern in which the asset's future economic benefits or service potential are expected to be consumed by the 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 entity assesses at each reporting date whether there is any indication that the entity's expectations about the residual value and the useful life of an asset have changed since the preceding reporting date. If any such indication exists, the entity revises the expected useful life and/or residual value accordingly. The change is accounted for as a change in an accounting estimate.

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

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

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

Assets which the entity holds for rentals to others and subsequently routinely sell as part of the ordinary course of activities, are transferred to inventories when the rentals end and the assets are available-for-sale. Proceeds from sales of these assets are recognised as revenue. All cash flows on these assets are included in cash flows from operating activities in the cash flow statement.

The entity separately discloses expenditure to repair and maintain property, plant and equipment in the notes to the financial statements (see note 9).

The entity discloses relevant information relating to assets under construction or development, in the notes to the financial statements (see note 9).

1.7 Intangible assets

An asset is identifiable if it either:

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

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

An intangible asset is recognised when:

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

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

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

Expenditure on research (or on the research phase of an internal project) is recognised as an expense when it is incurred. Intangible assets are carried at cost less any accumulated amortisation and any impairment losses.

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 or service potential. Amortisation is not provided for these intangible assets, but they are tested for impairment annually and whenever there is an indication that the asset may be impaired. For all other intangible assets amortisation is provided on a straight-line basis over their useful life.

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

Reassessing the useful life of an intangible asset with a finite useful life after it was classified as indefinite is an indicator that the asset may be impaired. As a result the asset is tested for impairment and the remaining carrying amount is amortised over its useful life.

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

Item	Depreciation method	Average useful life
Computer software, other	Straight-line	2-10 years
Service in kind-office accommodation	Straight-line	1 year

The entity discloses relevant information relating to assets under construction or development, in the notes to the financial statements.

1.8 Heritage assets

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

Classes of heritage assets include conservation areas such as nature reserves.

Recoverable amount is the higher of a cash-generating asset's net selling price and its value in use.

Recognition

The entity recognises a heritage asset as an asset 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 entity is responsible for the management of proclaimed nature reserves in the Western Cape which are conservation areas and therefore regarded as heritage assets.

The entity 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 has been disclosed in note 36 in the financial statements.

Initial measurement

Heritage assets are measured at cost.

Where a heritage asset is acquired through a non-exchange transaction, its cost is measured at its fair value 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 entity assesses at each reporting date whether there is an indication that it may be impaired. If any such indication exists, the entity 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.

Derecognition

The entity derecognises heritage asset on disposal, or when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss arising from the derecognition of a heritage asset is included in surplus or deficit when the item is derecognised (unless the Standard of GRAP on leases requires otherwise on a sale and leaseback).

1.9 Financial instruments

Applied from the effective date prescribed for the entity by regulation of the Minister of Finance and the applicable Directive. Any references to paragraph numbers in this accounting policy relates to paragraphs in GRAP 104 (revised 2019), relating Appendices or relating Basis for Conclusions.

Definitions

Financial assets include:

- cash;
- residual interests of another entity; or
- contractual rights to receive or exchange cash or another financial asset.

Financial liabilities are contractual obligations to deliver cash or another financial asset, or to exchange financial assets or liabilities under conditions that are potentially unfavourable to the entity.

Residual interests represent a claim on the entity's net assets after deducting all liabilities and include contributions from owners, equity instruments such as shares, or formal arrangements establishing an interest in the net assets of the entity.

The **amortised cost** of a financial asset or liability is the amount at which it is measured initially, minus principal repayments, plus or minus cumulative amortisation using the effective-interest rate method, and less any loss allowance.

12 month expected credit losses is the portion of lifetime expected credit losses that represent the expected credit losses that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

Credit-adjusted effective interest rate is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial asset to the amortised cost of a financial asset that is a purchased or originated credit-impaired financial asset. When calculating the credit-adjusted effective interest rate, an entity shall estimate the expected cash flows by considering all contractual terms of the financial asset (for example, prepayment, extension, call and similar options) and expected credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts. There is a presumption that the cash flows and the expected life of a group of similar financial instruments can be estimated reliably. However, in those rare cases when it is not possible to reliably estimate the cash flows or the remaining life of a financial instrument (or group of financial instruments), the entity shall use the contractual cash flows over the full contractual term of the financial instrument (or group of financial instruments).

Credit-impaired financial asset is a financial asset that is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired include observable data about the following events:

- a) significant financial difficulty of the issuer or the borrower;
- b) a breach of contract, such as a default or past due event;
- c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation;
- e) the disappearance of an active market for that financial asset because of financial difficulties; or
- f) the purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

It may not be possible to identify a single discrete event - instead, the combined effect of several events may have caused financial assets to become credit-impaired.

Derecognition is the removal of a previously recognised financial asset or financial liability from an entity's statement of financial position.

Expected credit losses are the weighted average of credit losses with the respective risks of a default occurring as the weights.

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

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

Financial liability at fair value through surplus or deficit is a financial liability that meets one of the following conditions:

Upon initial recognition it is designated by the entity as at fair value through surplus or deficit in accordance with paragraph 4.8 or 4.13.

Gross carrying amount of a financial asset is the amortised cost of a financial asset, before adjusting for any loss allowance.

Impairment gain or loss is a gain or loss that is recognised in surplus or deficit in accordance with paragraph 5.23 and 5.36.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

Loss allowance is the allowance for expected credit losses on financial assets measured in accordance with paragraph 4.2, lease receivables and the provision for expected credit losses on loan commitments and financial guarantee contracts.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

A financial asset is past due when a counterparty has failed to make a payment when that payment was contractually due. Reclassification date is:

- a) the first day of the first reporting period following the change in management model that results in an entity reclassifying financial assets; and
- b) equity instruments or similar forms of unitised capital.

Initial Recognition

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

The entity recognises financial assets using trade date accounting.

Distinguishing financial liabilities and residual interests

The entity as issuer of a financial instrument classifies the instrument, or its component parts, on initial recognition as a financial liability, a financial asset or a residual interest in accordance with the substance of the contractual arrangement and the definitions of a financial liability, a financial asset and a residual interest.

Classification

Classification of Financial Assets

The entity classifies its financial assets, namely trade receivables from exchange transactions, trade receivables from non-exchange transactions (which are contractual and not statutory receivables) and cash and cash equivalents, as subsequently measured at amortised cost or fair value through surplus or deficit on the basis of both:

- a) the entity's management model for managing the financial assets; and
- b) the contractual cash flow characteristics of the financial asset.

A financial asset is measured at amortised cost if both of the following conditions are met:

- a) the financial asset is held within a management model whose objective is to hold financial assets in order to collect contractual cash flows; and
- b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For the purpose of applying (b) above:

- Principal is the fair value of the financial asset at initial recognition
- Interest consists of consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as a profit margin (where applicable).

A financial asset is measured at fair value through surplus or deficit unless it is measured at amortised cost or cost.

Classification of Financial Liabilities

The entity classifies its financial liabilities, namely trade payables from exchange transactions and finance lease obligations, as subsequently measured at amortised cost, except for

- a) Financial liabilities at fair value through surplus or deficit. Such liabilities, including derivatives that are liabilities, are subsequently measured at fair value.
- b) Financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition.
- c) Financial guarantee contracts. After initial recognition, the issuer of such a contract (unless paragraph 4.7(a) or (b) applies) subsequently measures it at the higher of:
 - i) the amount of the loss allowance determined in accordance with paragraphs 5.17 to 5.35; and
 - ii) the amount initially recognised less, when appropriate, the cumulative amount of revenue recognised in accordance with the principles of the Standard of GRAP on Revenue from Exchange Transactions (GRAP 9) (where applicable).
- d) Commitments to provide a loan at a below-market interest rate. The issuer of such a commitment (unless paragraph 4.7(a) applies) subsequently measures it at the higher of:
 - i) the amount of the loss allowance determined in accordance with paragraphs 5.17 to 5.35 plus, for concessionary loans, any social benefit provided; and
 - ii) the amount initially recognised less, when appropriate, the cumulative amount of revenue recognised in accordance with the principles of GRAP 9 (where applicable).
- e) Contingent consideration recognised by an acquirer in a transfer of functions between entities not under common control to which the Standard of GRAP on Transfers of Functions Between Entities Not Under Common Control applies. Such contingent consideration is subsequently measured at fair value with changes recognised in surplus or deficit.

Financial instruments (continued)

Reclassification

The entity reclassifies financial assets when:

- a) it changes its management model for managing financial assets, it reclassifies all affected financial asset in accordance with GRAP 104 (revised 2019);
- b) a reliable measure of fair value either becomes, or ceases to be, available for an investment in a residual interest.

The entity does not reclassify any financial liability.

Measurement

Initial measurement

At initial recognition, the entity measures trade receivables, trade payables and finance lease obligations at their transaction price if they do not contain a material financing component. Other financial assets and financial liabilities are measured at fair value plus or minus, in the case of a financial asset or a financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

However, if the fair value of the financial asset or financial liability at initial recognition differs from the transaction price, the entity applies the relevant paragraphs in GRAP 104 (revised 2019).

Despite the above, at initial recognition, the entity measures receivables and payables at their transaction price if they do not contain a material financing transaction.

Subsequent measurement of financial assets

After initial recognition, the entity measures a financial asset at:

- a) amortised cost;
- b) fair value through surplus or deficit; or
- c) cost.

The entity applies the impairment requirements in paragraphs 5.17 to 5.35 to financial assets that are measured at amortised cost in accordance with paragraph 4.2 and paragraph 5.36 to financial assets measured at cost in accordance with paragraph 4.5.

Subsequent measurement of financial liabilities

After initial recognition, the entity measures a financial liability in accordance with the section on "Classification of Financial Liabilities".

Amortised cost measurement Financial assets

Write-off

The entity directly reduces the gross carrying amount of a financial asset when the entity has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. A write-off constitutes a derecognition event.

Impairment

Recognition of expected credit losses

Simplified approach for receivables and lease receivables

In terms of GRAP 104 (revised 2019), the entity applies the simplified methodology for expected credit losses to trade receivables from exchange transactions and trade receivables from non-exchange transactions (which are contractual and not statutory receivables). Accordingly, the entity measures the loss allowance at an amount equal to lifetime expected credit losses for these receivables at each reporting date.

The entity does not have purchased or originated credit-impaired financial assets to which these requirements apply.

Cash and cash equivalents are also financial assets measured at amortised cost. The entity assesses impairment on cash and cash equivalents in accordance with the general approach in GRAP 104 (revised 2019). Given the short-term nature of these balances and that they are held with reputable financial institutions, the expected credit loss is generally limited to 12-month expected credit losses, unless there is evidence of a significant increase in credit risk.

Measurement of expected credit losses

The entity measures expected credit losses of a financial instrument in a way that reflects:

- a) an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- b) the time value of money; and
- c) reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

Expected credit losses are estimated using reasonable and supportable information available without undue cost or effort at the reporting date, including historical loss experience, current conditions and forward-looking information. For trade receivables, the entity applies a provision matrix or similar methodology, adjusted where necessary for current and forecast conditions.

For purposes of measuring expected credit losses and managing credit risk, the entity defines a financial asset as being in default when one or more of the following events have occurred:

- a) Amounts are more than 120 days past due on contractual payment terms.
- b) A material breach of contract, including failure to comply with agreed payment arrangements.
- c) The debtor is assessed as unlikely to pay its obligations in full without recourse to legal enforcement.
- d) The debtor is under business rescue, liquidation, or similar financial distress proceedings.
- e) There is evidence of significant financial difficulty, such as recurring non-payment or inability to meet obligations as they fall due.

These criteria are applied consistently across all receivables unless objective evidence supports an alternative assessment.

1.10 Tax

Current tax assets and liabilities

No provision has been made to SA Income Taxation as the entity is exempt from income taxation in terms of section 10(1)(cA)(i) of the Income Tax Act, 1962 (Act No. 58 of 1962).

1.11 Leases

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

Finance leases - lessee

Finance leases are recognised as assets and liabilities in the statement of financial position at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation. Minimum lease payments are apportioned between the finance charge and reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of on the remaining balance of the liability.

1.12 Inventories

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

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

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

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

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.

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

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

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

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

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.

The cost of fuel and chemicals are determined on the first-in, first-out (FIFO) basis, while uniforms, stores and other consumables are carried forward at the average cost. Ivory stocks are not capitalised as there is no legal trading market. Confiscated ivory stock is safeguarded by the Board.

1.13 Impairments

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

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

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

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

Identification

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

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

1.14 Employee benefits

Short-term employee benefits

Recognition and measurement

All 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.

Post-employment benefits: Defined contribution plans

Recognition and measurement

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.

Post-employment benefits: Defined benefit plans

Recognition and measurement

For defined benefit plans the cost of providing the benefits is determined using the projected credit method. Actuarial valuations are conducted on an annual basis by independent actuaries separately for each plan.

Past service costs are recognised immediately to the extent that the benefits are already vested and are otherwise amortised on a straight-line basis over the average period until the amended benefits become vested.

CapeNature provides post-retirement medical care benefits to some of its employees and their spouses. The entitlement to spouse retirement benefits is based on the employee remaining in service up to retirement age. The expected costs of these benefits are accrued over the period of employment, using the projected unit credit method. Actuarial gains and losses arising from experience adjustments, and changes in actuarial assumptions, are recognised in profit or loss in the period in which it occurs.

Gains or losses on the curtailment or settlement of a defined benefit plan is recognised when the entity is demonstrably committed to curtailment or settlement.

When it is virtually certain that another party will reimburse some or all of the expenditure required to settle a defined benefit obligation, the right to reimbursement is recognised as a separate asset. The asset is measured at fair value. In all other respects, the asset is treated in the same way as plan assets. In surplus or deficit, the expense relating to a defined benefit plan is presented as the net of the amount recognised for a reimbursement.

1.15 Provisions and contingencies and trade and other payables from non-exchange transactions

Provisions are recognised when:

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

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

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.

A provision is used only for expenditures for which the provision was originally recognised. Provisions are not recognised for future operating surplus (deficit).

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 28. Trade and other payables from non-exchange are measured at fair value through profit or loss.

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

1.16 Revenue from exchange transactions

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

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

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

Measurement

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

Sale of goods

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

- the entity has transferred to the purchaser the significant risks and rewards of ownership of the goods;
- the entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the entity; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

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

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

Interest

Revenue arising from the use by others of entity assets yielding interest, royalties and dividends or similar distributions is recognised when:

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

Interest is recognised using the effective interest rate method for financial instruments, and using the nominal interest rate method for statutory receivables. Interest levied on transactions arising from exchange or non-exchange transactions is classified based on the nature of the underlying transaction.

Service fees included in the price of the product are recognised as revenue over the period during which the service is performed.

1.17 Revenue from non-exchange transactions

Revenue comprises gross inflows of economic benefits or service potential received and receivable by an entity, which represents an increase in net assets, other than increases relating to contributions from owners.

Conditions on transferred assets are stipulations that specify that the future economic benefits or service potential embodied in the asset is required to be consumed by the recipient as specified or future economic benefits or service potential must be returned to the transferor.

Control of an asset arise when the entity can use or otherwise benefit from the asset in pursuit of its objectives and can exclude or otherwise regulate the access of others to that benefit.

Fines are economic benefits or service potential received or receivable by entities, as determined by a court or other law enforcement body, as a consequence of the breach of laws or regulations.

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

Restrictions on transferred assets are stipulations that limit or direct the purposes for which a transferred asset may be used, but do not specify that future economic benefits or service potential is required to be returned to the transferor if not deployed as specified.

Stipulations on transferred assets are terms in laws or regulation, or a binding arrangement, imposed upon the use of a transferred asset by entities external to the reporting entity.

Recognition

An inflow of resources from a non-exchange transaction recognised as an asset is recognised as revenue, except to the extent that a liability is also recognised in respect of the same inflow.

As the entity satisfies a present obligation recognised as a liability in respect of an inflow of resources from a non-exchange transaction recognised as an asset, it reduces the carrying amount of the liability recognised and recognises an amount of revenue equal to that reduction.

Measurement

Revenue from a non-exchange transaction is measured at the amount of the increase in net assets recognised by the entity.

When, as a result of a non-exchange transaction, the entity recognises an asset, it also recognises revenue equivalent to the amount of the asset measured at its fair value as at the date of acquisition, unless it is also required to recognise a liability. Where a liability is required to be recognised it will be measured as the best estimate of the amount required to settle the obligation at the reporting date, and the amount of the increase in net assets, if any, recognised as revenue. When a liability is subsequently reduced, because the taxable event occurs or a condition is satisfied, the amount of the reduction in the liability is recognised as revenue.

Gifts and donations, including goods in-kind

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

Services in-kind

Except for financial guarantee contracts, the entity recognise services in-kind that are significant to its operations and/or service delivery objectives as assets and recognise the related revenue when it is probable that the future economic benefits or service potential will flow to the entity and the fair value of the assets can be measured reliably.

Where services in-kind are not significant to the entity's operations and/or service delivery objectives and/or do not satisfy the criteria for recognition, the entity disclose the nature and type of services in-kind received during the reporting period.

1.18 Comparative figures

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

1.19 Fruitless and wasteful expenditure

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

Fruitless and wasteful expenditure is accounted for in line with all relating requirements, including, but not limited to, ruling Legislation, Regulations, Frameworks, Circulars, Instruction Notes, Practice Notes, Guidelines etc (as applicable).

1.20 Irregular expenditure

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

- a) The Public Finance Management Act 1999 (Act no 29 of 1999); or
- b) The State Tender Board Act, 1968 (Act No. 86 of 1968), or any regulations made in terms of the Act; or
- c) Any provincial legislation providing for procurement procedures in that provincial government.

1.21 Budget information

The budget for the entity includes all the approved budgets as tabled in the Budget estimates of provincial revenue and expenditure.

The annual financial statements and the budget are not on the same basis of accounting therefore a reconciliation between the statement of financial performance and the budget have been included in the financial statements.

The approved budget covers the fiscal period from 01/04/2025 to 31/03/2026.

1.22 Related parties

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

The objective is to ensure that a reporting entity's financial statements contain disclosures necessary to draw attention to the possibility that its financial position and surplus or deficit may have been affected by the existence of related parties and by transactions and outstanding balances with such parties.

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

1.23 Materiality

Omissions or misstatements of items are material if they could, individually or collectively, influence the decisions or assessments of users made on the basis of the financial statements. Materiality depends on the nature or size of the omission or misstatement judged in the surrounding circumstances. The nature or size of the information item, or a combination of both, could be the determining factor.

Assessing whether an omission or misstatement could influence decisions of users, and so be material, requires consideration of the characteristics of those users. The Framework for the Preparation and Presentation of Financial Statements states that users are assumed to have a reasonable knowledge of government, its activities, accounting and a willingness to study the information with reasonable diligence. Therefore, the assessment takes into account how users with such attributes could reasonably be expected to be influenced in making and evaluating decisions.

1.24 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 financial statements.

1.25 Commitments

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

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

- Contracts should be non-cancellable or only cancellable at significant cost, and
- Contracts should relate to something other than the routine, steady, state business of the entity – therefore salary commitments relating to employment contracts or social security benefit commitments are excluded.

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2. New standards and interpretations

2.1 Standards and interpretations effective and adopted in the current year

In the current year, the entity has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

iGRAP 22 Foreign Currency Transactions and Advance Consideration

Background

Paragraph .21 of the Standard of GRAP on The Effects of Changes in Foreign Exchange Rates (GRAP 4) requires an entity to record a foreign currency transaction, on initial recognition in its functional currency, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency (the exchange rate) at the date of the transaction. Paragraph .22 of GRAP 4 states that the date of the transaction is the date on which the transaction first qualifies for recognition in accordance with the Standards of GRAP.

When an entity pays or receives consideration in advance in a foreign currency, it generally recognises a non-monetary asset or non-monetary liability before the recognition of the related asset, expense or revenue. The related asset, expense or revenue (or part of it) is the amount recognised applying the relevant Standard of GRAP, which results in the derecognition of the non-monetary asset or non-monetary liability arising from the advance consideration.

A question arose asking how to determine “the date of the transaction” applying paragraphs .21 and .22 of GRAP 4 when recognising revenue. The question specifically addressed circumstances in which an entity recognises a non-monetary liability arising from the receipt of advance consideration before it recognises the related revenue. It was further noted that the receipt or payment of advance consideration in a foreign currency is not restricted to revenue transactions. Accordingly, it was decided to clarify the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or revenue when an entity has received or paid advance consideration in a foreign currency.

Issue

This Interpretation addresses how to determine the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or revenue (or part of it) on the derecognition of a non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration in a foreign currency.

Consensus

Applying paragraphs .21 and .22 of GRAP 4, the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or revenue (or part of it) is the date on which an entity initially recognises the non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration.

If there are multiple payments or receipts in advance, the entity shall determine a date of the transaction for each payment or receipt of advance consideration.

The effective date of this interpretation is for years beginning on or after 01 April 2025.

The entity has adopted the standard for the first time in the 2025/2026 annual financial statements. The impact of the standard is not material.

Figures in Rand

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GRAP 104 (as revised): Financial Instruments

Following the global financial crisis, a number of concerns were raised about the accounting for financial instruments. This included that (a) information on credit losses and defaults on financial assets was received too late to enable proper decision-making, (b) using fair value in certain instances was inappropriate, and (c) some of the existing accounting requirements were seen as too rules based. As a result, the International Accounting Standards Board® amended its existing Standards to deal with these issues.

The IASB issued IFRS® Standard on Financial Instruments (IFRS 9) in 2009 to address many of the concerns raised. Revisions were also made to IAS® on Financial Instruments: Presentation and the IFRS Standard® on Financial Instruments: Disclosures. The IPSASB issued revised International Public Sector Accounting Standards in June 2018 so as to align them with the equivalent IFRS Standards.

The revisions better align the Standards of GRAP with recent international developments. The amendments result in better information available to make decisions about financial assets and their recoverability, and more transparent information on financial liabilities.

The most significant changes to the Standard affect:

- Financial guarantee contracts issued
- Loan commitments issued
- Classification of financial assets
- Amortised cost of financial assets
- Impairment of financial assets
- Disclosures

The entity has adopted the revisions for the first time effective 1 April 2025.

The adoption of this standard has not had a material impact on the results of the entity, but has resulted in more disclosure than would have previously been provided in the annual financial statements.

3. Living and non-living resources**Non-financial information**

CapeNature works towards its objectives by implementing its mandated functions in accordance with the legislation as highlighted in section 7 of the annual report. In rendering these objectives, the entity manages 30 (2025:30) nature reserve complexes which include six marine protected areas. The nature reserve complexes and marine protected areas house living and non-living resources as defined. The details of these reserve complexes and marine protected areas can be found in Note 36.

Living Resources

The living resources on these nature reserves comprise of biodiversity and ecosystems, which can be grouped into Fauna and Flora for the purposes of financial statement disclosure.

These living resources do not meet the definition of an asset as per GRAP as the entity does not have control over these resources as defined. This is based on the fact that the entity's mandate is to conserve the nature reserves as a whole and hence does not manage the physical condition of individual living resources nor does the entity have the ability to restrict the movement of the living resources.

Figures in Rand

2026

2025

4. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	231 859	231 859
Bank balances	134 124 459	125 704 847
	134 356 318	125 936 706

Cash balances are financial instruments as defined and is measured at amortised cost.

5. Inventories

Uniforms, rations and other consumables	917 545	829 797
Fuel	356 799	408 258
Chemical Stores	284 552	765 435
	1 558 896	2 003 490

5.1 Additional Information

Inventories recognised as an expense during the year	10 445 383	10 583 145
Other stores	6 231 141	5 305 308
	16 676 524	15 888 453

Other stores consist mainly of IT consumables, accommodation and cleaning equipment and small machinery tools.

Figures in Rand

2026

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6. Trade and other receivables from exchange transactions**Receivables from exchange transactions**

Trade debtors from exchange transactions	8 115 067	9 023 859
Other receivables from exchange transactions	1 140 596	1 511 232
Prepaid expenses	2 906 266	2 080 461
Total Receivables from exchange transactions	12 161 929	12 615 552

Split between non-current and current portions

Other receivables includes accrued income and subsistence and travel advances.

Prepaid expenses includes payments made to service providers for entity ICT requirements.

Split between financial instruments and non-financial instruments

Other non-financial instruments related	2 906 266	2 080 461
Carrying amount of non-financial instruments	2 906 266	2 080 461
Carrying amount of financial instruments	9 255 663	10 535 091
Total split between financial instruments and non-financial instruments	12 161 929	12 615 552

Split of carrying amount of financial instruments into categories

Financial assets measured at amortised cost	9 255 663	10 535 091
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Financial instrument disclosure

Additional information on the financial instrument components of this note, as required by GRAP 104, is provided in note 32 Financial Instruments - Risk Management and Other Disclosures.

7. Trade and other receivables from non-exchange transactions

Trade debtors from non-exchange transactions	3 916 267	1 959 709
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Split between financial instruments and non-financial instruments

Carrying amount of financial instruments	3 916 267	1 959 709
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Trade debtors from non-exchange are financial instruments as defined and is measured at amortised cost.

Financial instrument disclosure

Additional information on the financial instrument components of this note, as required by GRAP 104, is provided in note 32 Financial Instruments - Risk Management and Other Disclosures.

Figures in Rand

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8. Intangible assets

	2026			2025		
	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value
Computer software	4 716 783	(4 353 650)	363 133	4 812 561	(4 234 618)	577 943
Services in kind - office accommodation	4 378 486	(4 378 486)	-	4 048 705	(4 048 705)	-
Total	9 095 269	(8 732 136)	363 133	8 861 266	(8 283 323)	577 943

Reconciliation of intangible assets - 2026

	Opening balance	Additions	Disposals	Amortisation	Total
Computer software	577 943	-	(3)	(214 807)	363 133
Services in kind - office accommodation	-	4 378 486	-	(4 378 486)	-
	577 943	4 378 486	(3)	(4 593 293)	363 133

Reconciliation of intangible assets - 2025

	Opening balance	Additions	Disposals	Transfers	Amortisation	Total
Computer software	1 246 109	-	(402 098)	(1 288)	(264 780)	577 943
Services in kind - office accommodation	-	4 048 705	-	-	(4 048 705)	-
	1 246 109	4 048 705	(402 098)	(1 288)	(4 313 485)	577 943

Service in kind

As per GRAP 23, an entity shall recognise services-in-kind that are significant to its operations as assets and recognise the related revenue when it is probable that the future economic benefits will flow to the entity and the fair value can be estimated reliably. Services-in-kind include services provided by individuals to entities and the right to use assets in non-exchange transactions. The assets are revenue in nature and are immediately used, therefore a transaction of equal value is also recognised to reflect the consumption of usage.

CapeNature has the right to use the property at 1 Volstruis Road, Bridgetown (Erf 32654 Cape Town) as its head office base, which is owned by The Western Cape Department of Infrastructure.

CapeNature had the right to use the property at Progress Street, bounded by York and St John's Streets, George (Erf 1351 George) for regional operations, which is owned by The Western Cape Department of Infrastructure.

Figures in Rand

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9. Property, plant and equipment

	2026			2025		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Land	14 525 000	-	14 525 000	14 525 000	-	14 525 000
Buildings	16 476 941	(2 567 500)	13 909 441	16 476 941	(2 200 249)	14 276 692
Plant and machinery	16 508 010	(11 750 810)	4 757 200	15 508 847	(10 616 343)	4 892 504
Furniture and fixtures	115 793 239	(71 168 222)	44 625 017	111 984 262	(62 970 086)	49 014 176
Motor vehicles	11 618 327	(10 504 333)	1 113 994	11 416 315	(9 860 534)	1 555 781
IT equipment	20 527 556	(16 149 136)	4 378 420	20 481 416	(17 015 428)	3 465 988
Leasehold improvements	28 334 307	(8 482 545)	19 851 762	28 672 620	(7 752 637)	20 919 983
Capital assets under construction	23 125 233	-	23 125 233	15 559 789	-	15 559 789
Motor vehicles under finance leases	64 160 199	(14 610 370)	49 549 829	56 050 828	(16 195 133)	39 855 695
Infrastructure development	114 001 379	(30 089 416)	83 911 963	98 931 664	(22 992 866)	75 938 798
Total	425 070 191	(165 322 332)	259 747 859	389 607 682	(149 603 276)	240 004 406

Reconciliation of property, plant and equipment - 2026

	Opening balance	Additions	Disposals	Transfers	Depreciation	Impairment loss	Total
Land	14 525 000	-	-	-	-	-	14 525 000
Buildings	14 276 692	-	-	-	(367 251)	-	13 909 441
Plant and machinery	4 892 504	1 668 600	(173 365)	22 343	(1 652 882)	-	4 757 200
Furniture and fixtures	49 014 176	4 053 755	(186 369)	1 537 312	(9 793 857)	-	44 625 017
Motor vehicles	1 555 781	363 102	(6)	-	(804 883)	-	1 113 994
IT equipment	3 465 988	2 862 398	(14 431)	20 121	(1 955 656)	-	4 378 420
Leasehold improvements	20 919 983	-	(192 027)	-	(876 194)	-	19 851 762
Capital assets under construction	15 559 789	32 934 786	-	(25 369 342)	-	-	23 125 233
Motor vehicles under finance leases	39 855 695	2 698 383	(1 127 725)	13 387 777	(4 952 048)	(312 253)	49 549 829
Infrastructure development	75 938 798	276 024	-	14 793 692	(7 096 551)	-	83 911 963
	240 004 406	44 857 048	(1 693 923)	4 391 903	(27 499 322)	(312 253)	259 747 859

Figures in Rand

2026

2025

9. Property, plant and equipment (continued)**Reconciliation of property, plant and equipment - 2025**

	Opening balance	Additions	Disposals	Transfers	Revaluations	Depreciation	Impairment loss	Total
Land	7 510 000	-	-	-	7 015 000	-	-	14 525 000
Buildings	12 377 254	-	-	-	2 266 689	(367 251)	-	14 276 692
Plant and machinery	5 262 084	1 637 112	(88 598)	66 906	-	(1 985 000)	-	4 892 504
Furniture and fixtures	40 303 434	4 876 109	(480 557)	12 515 049	-	(8 199 859)	-	49 014 176
Motor vehicles	2 189 315	218 836	(7)	-	-	(852 363)	-	1 555 781
IT equipment	1 743 323	3 193 691	(27 217)	5 808	-	(1 449 617)	-	3 465 988
Leasehold improvements	21 799 368	-	-	-	-	(879 385)	-	20 919 983
Capital assets under construction	19 560 741	19 409 927	-	(23 410 879)	-	-	-	15 559 789
Motor vehicles under finance leases	36 160 574	6 423 106	(1 975 172)	3 347 655	-	(3 904 773)	(195 695)	39 855 695
Infrastructure development	73 246 714	430 904	(105 721)	8 038 101	-	(5 671 200)	-	75 938 798
	220 152 807	36 189 685	(2 677 272)	562 640	9 281 689	(23 309 448)	(195 695)	240 004 406

Pledged as security

No items of property, plant and equipment are pledged as security.

Transfers

Transfers out of capital assets under construction includes transactions identified as repairs and maintenance at recognition stage.

Motor vehicles under finance leases transfers relates to GRAP non-cash related accounting transactions.

Proceeds on sale of assets

Proceeds from the sale of property, plant and equipment amounted to R2 668 100 (2025: R2 629 160) included in proceeds from sale is R2 484 300 (2025: R2 624 878) for motor vehicles under finance leases which are GRAP non-cash related accounting transactions.

Figures in Rand

2026 2025

9. Property, plant and equipment (continued)

Insurance compensation received for losses on property, plant and equipment – included in operating profit.

Furniture and fixtures	190 797	-
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Assets subject to finance lease (Net carrying amount)

Motor vehicles under finance leases	49 549 829	39 855 695
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Revaluations

Land and Buildings was revalued on 31 March 2025 by registered property practitioners and valuers using active market prices. Revaluations are done every 3 years.

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

Cumulative expenditure recognised in the carrying value of property, plant and equipment

Furniture and fixtures	1 061 451	147 687
Infrastructure development	22 063 781	15 412 102
	23 125 232	15 559 789

Capital assets under construction consists of various projects across districts relating to Eco-tourism upgrades and additions, other operational infrastructure, as well as furniture and fittings.

Expenditure incurred to repair and maintain property, plant and equipment

The repairs and maintenance for the year on property, plant and equipment is R16 057 637 (2025: R18 167 349). This includes repairs and maintenance spent on property, plant and equipment that is owned by the Western Cape.

Department of Infrastructure and excludes the purchase of materials and internal labour costs. Furthermore it should be noted that materials to the value of R2 555 658 (2025: R2 327 163) was utilised for repairs and maintenance and the remainder was payments made for goods and services.

Motor vehicles under finance leases

CapeNature leases a range of vehicles from the Government Motor Transport Department. At 31 March 2026, CapeNature rented 134 (2025: 135) vehicles. This arrangement is disclosed in note 10 Finance lease obligations and note 29 Related parties.

Contractual commitments for property, plant and equipment acquisitions

Property, plant and equipment to the value of R21 723 557 is expected to be capitalised once the projects are completed and expenditure is incurred. Refer to Note 27.

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10. Finance lease obligation

Minimum lease payments due

- within one year	23 641 942	22 714 679
- in second to fifth year inclusive	84 609 692	58 898 679
	108 251 634	81 613 358
less: future finance charges	(52 486 057)	(36 786 777)
Present value of minimum lease payments	55 765 577	44 826 581

Present value of minimum lease payments due

- within one year	5 694 359	8 829 671
- in second to fifth year inclusive	50 071 217	35 996 910
	55 765 576	44 826 581

Non-current liabilities

50 071 217 35 996 909

Current liabilities

5 694 360 8 829 671

55 765 577 44 826 580

Split between financial instruments and non-financial instruments

Carrying amount of financial instruments	55 765 577	44 826 580
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Split of carrying amount of financial instruments into categories

Financial liabilities measured at amortised cost	55 765 577	44 826 580
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The management of CapeNature is of the opinion that the carrying value of long-term liabilities recorded at amortised cost in the Annual Financial Statements approximate their fair values.

CapeNature as Lessee:

Finance Leases relate to permanently allocated vehicles with lease terms between 5 to 18 years. The effective annual interest rate on new vehicles purchased and permanently allocated to CapeNature during the year under review is between 29% and 42%.

Ownership of the leased vehicle is transferred to Government Motor Transport at the conclusion of the lease agreements.

Financial instrument disclosure

Additional information on the financial instrument components of this note, as required by GRAP 104, is provided in note 32 - Financial Instruments - Risk Management and Other Disclosures.

Figures in Rand

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11. Short term employee benefits**Reconciliation of short term employee benefits - 2026**

	Opening Balance	Movements during the year	Total
13th cheque cash portion	1 620 861	197 606	1 818 467
Employment leave entitlement	7 750 721	2 198 089	9 948 810
Salary accruals	5 415 064	(2 065 199)	3 349 865
	14 786 646	330 496	15 117 142

Reconciliation of short term employee benefits - 2025

	Opening Balance	Movements during the year	Total
13th cheque cash portion	2 024 335	(403 474)	1 620 861
Employment leave entitlement	8 410 978	(660 257)	7 750 721
Salary accruals	3 028 366	2 386 698	5 415 064
	13 463 679	1 322 967	14 786 646

12. Trade and other payables from exchange transactions

Trade and other payables from exchange transactions	16 863 862	14 544 294
Income received in advance from exchange transactions	3 857 338	5 397 931
	20 721 200	19 942 225

CapeNature has financial risk management policies in place to ensure that all payables are paid within the credit time frame.

Income received in advance mainly consists of tourism deposits, these deposits relate to client accommodation and other tourism related bookings.

Split between financial instruments and non-financial instruments

Other non-financial instruments related	3 857 338	5 397 931
Carrying amount of non-financial instruments	3 857 338	5 397 931
Carrying amount of financial instruments	16 863 862	14 544 294
Total split between financial instruments and non-financial instruments	20 721 200	19 942 225

Split of carrying amount of financial instruments into categories

Financial liabilities measured at amortised cost	16 863 862	14 544 294
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Financial instrument disclosure

Additional information on the financial instrument components of this note, as required by GRAP 104, is provided in Note 32 Financial Instruments - Risk Management and Other Disclosures.

Figures in Rand

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13. Unspent conditional grants and receipts

Unspent conditional grants and receipts comprises of:

Unspent conditional grants and receipts

Unspent grants	39 848 949	38 976 281
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Movement during the year

Balance at the beginning of the year	38 976 281	36 227 639
Additions during the year	7 964 671	9 757 613
Income recognition during the year (Note 20)	(7 092 003)	(7 008 971)
	39 848 949	38 976 281
Non-current liabilities	20 208 949	29 002 376
Current liabilities	19 640 000	9 973 905
	39 848 949	38 976 281

Split between financial instruments and non-financial instruments

Other non-financial instruments related	39 848 949	38 976 281
Carrying amount of non-financial instruments	39 848 949	38 976 281
Total split between financial instruments and non-financial instruments	39 848 949	38 976 281

The unspent conditional grants and receipts represent amounts previously received from government grants and private funders that will be utilised in the future against respective projects.

The increase in the current portion of the unspent conditional grant balance is mainly in relation to the planned implementation of the Goukamma National Department of Tourism project.

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14. Employee benefit obligations Defined benefit plan**Post-retirement medical aid plan**

Some employees who were transferred over from the former Western Cape Department of Environmental Affairs and Development Planning are entitled to a post-retirement medical aid benefit as they opted to continue with their benefits that they were previously entitled to.

The value of the accrued liabilities has been determined by using the Projected Unit Credit Method (the “funding method”) and a set of actuarial assumptions.

Changes in the present value of the defined benefit obligation are as follows:

Opening balance	4 700 000	4 349 000
Net (income) expense recognised in the statement of financial performance (Note 23)	407 000	351 000
	5 107 000	4 700 000

Net expense recognised in the statement of financial performance are as follows:

Current service cost	9 000	9 000
Interest cost	444 000	450 000
Actuarial (gains) losses	282 536	330 048
Curtailment	(328 536)	(438 048)
	407 000	351 000

Key assumptions used

Assumptions used in the last valuation 31 March 2026:

Retirement Age	60	60
Discount rates used	Yield curve	Yield curve

The discount rate reflects the estimated timing of benefit payments. The average nominal yield curve for South African government bonds were used. The resultant discount rate was the yield curve.

The basis used to determine the overall expected rate of return on assets is as follows:

An expected long-term increase in the medical subsidy payments of 0% per annum has been used as the benefit payable in terms of the agreement has been capped and the assumption is made that the maximum subsidy payment of R1 014 per month will remain. The assumption is that 95% of in-service members entitled to a subsidy at retirement will be married and no dependent children after retirement.

The normal retirement age of 60 years was used.

It is assumed that male spouses will be four years older than the female spouse.

It is assumed that 100% of in-service members will remain on the healthcare arrangement should they stay until retirement.

Number of members included as active members	10	10
Number of members included as pensioners	45	45
	55	55

It is assumed that the level of benefits receivable, and the contributions payable in respect of such, would remain unchanged.

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14. Employee benefit obligations (continued)**Sensitivity analysis**

The effect of an increase of one percentage point and the effect of a decrease of one percentage point for discount rate trends are as follows:

	One percentage point increase	One percentage point decrease
Effect on the service cost	12 000	15 000
Effect on interest cost	418 000	475 000
Total Accrued Liability	4 813 000	5 436 000

Amounts for the current and previous five years are as follows:

	2026	2025	2024	2023	2022
Defined benefit obligation	5 107 000	4 700 000	4 349 000	4 584 000	4 795 000

Maturity analysis of the defined benefit obligations

The table below provides a maturity analysis based on the expected future benefit payments. It should be noted that these are discounted figures and may change if actual future experience deviates from current assumptions used in the valuation.

	Payable in			
	1 year	1-5 years	>5 years	Total
Present Value of Future Benefit Payments	536 681	1 486 182	3 150 562	5 173 425

Defined contribution plans**Pension benefits:**

The Government Pension Fund (GEPF) is a defined benefit plan, but the organisation classifies the contributions as a defined contribution plan as it is under no obligation to cover any unfunded benefits. From August 2014, the Old Mutual Super Pension Fund (OMSPF) was established for all new employees and existing permanent employees were given the option to join before July 2015.

As at March 2026 the entity employed 820 staff of which 412 are permanent employees. There are 47 members belonging to the GEPF and 273 members belonging to the OMSPF.

The entity is under no obligation to cover any unfunded benefits

15. Revaluation reserve

Opening balance	28 977 637	19 695 949
Change during the year	-	9 281 688
	28 977 637	28 977 637

The frequency of revaluations depends upon the changes in the fair values of the items of property, plant and equipment being revalued.

Revaluations are performed every three years with the last revaluation done in 2025.

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16. Project reserve

The project reserve is maintained to protect CapeNature's operating capacity by funding non-recurring needs and unexpected obligations after the budget process. The reserve is cash-backed and funded by own revenue and the approval to retain surpluses by Provincial Treasury.

Transfers in (approved surplus retention) and out (expenditure incurred) are approved by the CapeNature Board.

Opening balance	23 660 213	21 224 668
Transfer out	(31 940 557)	(13 678 455)
Transfer in	19 204 000	16 114 000
	10 923 656	23 660 213

17. Eco-tourism

Accommodation	20 597 321	21 085 834
Entrance fees, hiking and activities	48 725 598	43 716 595
Wild Card sales	3 934 786	3 488 335
Filming fees	1 066 140	1 619 716
Public Private Partnership Business income	7 713 982	7 260 948
	82 037 827	77 171 428

18. Interest Received

Bank	8 051 857	7 998 939
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Financial instrument disclosure

Additional information on the financial instrument components of this note, as required by GRAP 104, is provided in note 32 Financial Instruments - Risk Management and Other Disclosures.

19. Other income

Insurance recoveries	1 223 198	-
Staff and private accommodation	268 880	279 951
Recoveries	4 085 850	5 837 329
	5 577 928	6 117 280

Recoveries consists of refunds from GMT as well as municipal cost recoveries.

Insurance claims relate to loss of income as a result closures due to prior year significant floods in the Cederberg landscape, as well as other minor claims.

20. Project grants and donations

Donations	1 279 122	53 461
Project grants (Note 13)	7 092 003	7 008 971
	8 371 125	7 062 432

Included in donations is a distribution for the benefit of the Gouritz Biosphere Cluster Reserve – Gamkaberg/Groenefontein Conservation Area from the Welwyn Trust.

Figures in Rand

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21. Monetary government grants received

Provincial allocation	331 562 000	308 309 000
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22. General and administrative expenses

Commission paid	2 211 777	1 986 650
Conference and meeting costs	1 105 451	790 460
Electricity	9 886 233	9 585 300
Insurance	498 961	509 197
Lease:office equipment	1 372 926	1 228 541
Marketing and advertising	5 230 829	4 591 490
Municipal services	2 017 536	1 673 296
Other	1 490 415	1 404 074
Professional membership fees	1 738 832	1 721 839
	25 552 960	23 490 847

Other consists of rental, cellphone contracts, staff refreshments, bank charges, accident claims and other miscellaneous costs.

23. Employee related costs

Salaries and Wages	209 023 045	195 916 848
Leave pay provision charge	2 198 090	(660 258)
Post-retirement medical benefit movement (note 14)	407 000	351 000
Post-employment pension benefits	16 150 117	15 208 581
Overtime payments	9 949 022	9 502 327
	237 727 274	220 318 498

Remuneration of board members

Included in the salaries and wages above are the fees paid to the board members (non-executive management) of R312 753 (March 2025: R243 730). Refer to note 30.

24. Finance costs

Finance costs on leases	19 232 937	15 402 720
Interest charged	97	747
	19 233 034	15 403 467

Financial instrument disclosure

Additional information on the financial instrument components of this note, as required by GRAP 104, is provided in note 32 Financial Instruments - Risk Management and Other Disclosures.

Figures in Rand

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25. Professional and other services

Internal Audit Fees	252 829	537 668
External Audit	3 039 790	3 255 645
HR and Legal Contractors	622 264	751 608
Cleaning contractors	4 093 849	3 692 362
Security Contractors	5 101 341	3 819 843
Operational contractors	14 534 342	7 839 164
	27 644 415	19 896 290

Operational contractors include contractors for fire fighting, alien invasive and fire break clearing as well as other eco-tourism related contractors.

26. Cash generated from operations

Surplus	15 678 460	11 642 960
Adjustments for:		
Depreciation and amortisation	32 092 615	27 622 933
(Loss) gain on sale of assets	(974 177)	48 112
Services in kind - office accommodation	(4 378 486)	(4 048 705)
Impairment on property, plant and equipment	312 253	195 695
Movements in retirement benefit assets and liabilities	407 000	351 000
Movements in short term employee benefit provision	330 495	1 322 965
Income received in advance	(1 540 593)	(4 499 611)
Changes in working capital:		
Inventories	444 594	163 618
Trade and other receivables from exchange and non-exchange transactions	(1 502 935)	2 706 311
Trade and other payables from exchange transactions	2 319 569	1 720 852
Unspent conditional grants and receipts	872 668	2 748 642
	44 061 463	39 974 772

Figures in Rand

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27. Commitments

Authorised capital expenditure

Already contracted for

• Furniture & Fittings	3 454 364	147 902
• Infrastructure Development	18 269 193	15 260 580
	21 723 557	15 408 482

This committed expenditure relates to plant and equipment and will be financed by available existing cash resources.

Operating leases - as lessee (expense)

Minimum lease payments due

- within one year	767 538	1 023 384
- in second to fifth year inclusive	-	767 538
	767 538	1 790 922

Photocopy machine lease agreements have been put in place from January 2024 for a period of 3 years and the rentals are fixed for the duration of the lease term.

Operating lease arrangement

Motor vehicles

Operating leases related to 1 vehicle with an anticipated remaining lease term of 20 months as at 31 March 2025. The vehicle was withdrawn during the year under review. The entity did not have an option to purchase the leased assets at the expiry of the leased period.

This rentals are classified as contingent rentals due to uncertain lease periods and fluctuating tariff increases. The operating lease payments are therefore not subject to straight-lining. It is therefore impracticable to disclose the future minimum lease payments expected to be received for each of the following periods as required by GRAP 13.

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28. Contingencies

The amounts listed below represent claim amounts and as legal processes are still ongoing or in its early stages and the liability of the entity has not been established, they do not represent the potential liability to the entity. These amounts are not considered reliable estimates by management and is included for information purposes only.

Contingent liabilities	-	38 356
Badenhorst vs CapeNature The case of Badenhorst vs CapeNature is in respect of a motor vehicle accident. This matter was resolved in the current financial year.		
Botha E vs CapeNature The case of Botha E vs CapeNature is in respect of a civil claim relating to an employee relations matter.	490 000	490 000
Fourie CJ vs CapeNature The case of Fourie CJ vs CapeNature is in respect of fire damage in the Ruitersbosch area - 7 February 2015.	5 243 116	5 243 116
Gebroeders Niewoudt vs CapeNature The case of Gebroeders Niewoudt vs CapeNature is in respect of a fire claim in the Clanwilliam area.	3 135 309	3 135 309
Geelhoutvlei Timbers CC vs CapeNature The case of Geelhoutvlei Timbers CC vs CapeNature is in respect of a summons issued due to a wildfire in Outeniqua in 2018 whereby the entity is one of 3 defendants.	13 488 244	13 488 244
Knysna Municipality vs CapeNature The case of Knysna Municipality vs Cape Nature is in respect of property rates on Farm 205, Ruygte Valley in Goukamma from 2015 to 2023. This matter was resolved in the current financial year.	-	56 228
La Manzi Boerdery vs CapeNature La Manzi Boerdery CC is suing CapeNature for damages, alleging negligence in preventing and controlling a September 2024 veldfire that originated in the Swartberg Nature Reserve and spread to their farm, causing significant agricultural and infrastructure losses.	3 243 125	-
Lismore Estates vs CapeNature The case of Lismore Estates vs Cape Nature is in respect of fire damage at the Greyton Nature Reserve in the Magisterial district of Caledon on 11 December 2019.	26 760 816	26 760 816
MTO and Cape Sawmills vs CapeNature The case of MTO and Cape Sawmills vs CapeNature is in respect of fire damage in Jonkershoek - 23 and 28 February 2009.	33 616 497	33 616 497
MTO/Boesmanskloof vs CapeNature The case of MTO/Boesmanskloof vs CapeNature is in respect of a fire originated in the vicinity of Boesmanskloof where it spread from CapeNature property and then subsequently spread to MTO property.	14 696 968	14 696 968
MTO/Garcia Plantation vs CapeNature The case of MTO/Garcia Plantation vs CapeNature is in respect of fire damage in the Riverdale area.	3 447 621	3 447 621
Momentum Insure (Bagnall) vs CapeNature The case of Momentum Insure (Bagnali) vs CapeNature is in respect of a motor vehicle accident on the N2, when a collision occurred between itself and an employee of the Board who had been driving a government vehicle during course and scope of their employment. This matter was resolved in the current financial year.	-	49 066
Mooiuitsig (the residents of Betty's Bay) vs CapeNature Mooiuitsig (the residents of Betty's Bay) vs CapeNature is in respect of fire damages in the Betty's Bay area.	15 449 432	15 449 432
October M and October R vs CapeNature The case of October M and October R vs CapeNature is in respect of various civil claims relating to a fire incident in Rooisand area - 16 to 30 March 2011.	1 400 000	1 400 000
P Beukes vs CapeNature The case of P Beukes vs CapeNature is in respect of various civil claims relating to motor vehicle accident involving a wild animal in the Theewaterskloof area - 14 October 2016.	3 250 750	3 250 750

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28. Contingencies (continued)

SANParks/ GHVL/ Oelf vs CapeNature

165 826 856

165 826 856

The case of SANParks/GHVL/Oelf vs CapeNature is in respect of fire damage in the Herold farming community in 2018.

SANParks/ Oelf vs CapeNature

8 757 061

8 757 061

The case of SANParks/Oelf vs CapeNature is in respect of fire damage in the Herold farming community in 2018.

Van Niekerk vs CapeNature

-

1 034 998

The case of Van Niekerk vs CapeNature is in respect of the plaintiff driving a motor vehicle on the R27, a public road, when a collision occurred between itself and a horse. This matter was resolved in the current financial year.

298 805 795

296 741 318

Contingent asset due to dispute

The dispute with the Garden Route District Municipality regarding expenditure incurred towards fire fighting has been partly resolved. CapeNature paid the R1 892 954, and the municipality wrote off the balance of R780 000 that was owing to the municipality. However, there remains a balance of R1 051 235 the municipality is owing to CapeNature relating to Southern Cape fires in 2017.

Legal fees

Legal fees associated with these claims have not been provided for.

29. Related parties

CapeNature is a Schedule 3C state controlled public entity according to the PFMA, under the responsibility of the Western Cape Department of Environmental Affairs and Development Planning.

Western Cape Department of Infrastructure

CapeNature occupies space in buildings fully owned by The Western Cape Department of Infrastructure and CapeNature has no obligation towards office rental expenses as the responsibility lies with The Western Cape Department of Infrastructure for the settlement of these payments.

Services in kind - office accommodation received - 2025 R4 048 705

Services in kind - office accommodation received - 2026 R4 377 756

Government Motor Transport (GMT) - also refer to note 10

A related party relationship exists between CapeNature and Government Motor Transport with regard to the management of government motor vehicles. This relationship is based on an arm's-length transaction in terms of tariffs approved by the Provincial Treasury.

Western Cape Department of Environmental Affairs and Development Planning (DEA&DP)

In the year under review, CapeNature received R331 562 000 (March 2025: R308 309 000) as a provincial grant from the Department of Environmental Affairs and Planning.

Given that the Western Cape Department of Environmental Affairs and Development Planning (DEA & DP) is defined as the same economic entity as per GRAP 20, MEC Anton Bredell therefore has control over the entity as the executive authority.

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 CapeNature

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30. Key management information - Executive Management and Board Members' emoluments

The following persons are employed by CapeNature in their respective executive capacities during the financial year.

The Board operates a remuneration system based on the total cost to company principle. As such, all contributions to medical aid and pension funds are borne by the employee out of this package.

No performance bonuses are paid to executive management or staff.

Executive Management Emoluments**March 2026**

	Basic salary	Contributions	Travel and reimbursive allowances	Leave pay	Total
Naidoo A - Chief Executive Officer	1 640 132	229 979	55 346	-	1 925 457
Bhayat M - Chief Financial Officer	1 624 523	2 125	6 560	-	1 633 208
Birss C - Biodiversity Capabilities	1 266 617	76 509	51 943	-	1 395 069
Hayward N - Conservation Operations (N1)	1 104 307	2 125	99 864	100 608	1 306 904
Ismail S - Marketing and Eco Tourism	1 488 747	155 369	79 147	-	1 723 263
	7 124 326	466 107	292 860	100 608	7 983 901

March 2025

	Basic salary	Contributions	Travel and reimbursive allowances	Total
Naidoo A - Chief Executive Officer	1 582 448	214 092	48 473	1 845 013
Bhayat M - Chief Financial Officer	1 524 141	2 125	4 723	1 530 989
Birss C - Biodiversity Capabilities	1 200 437	71 007	21 995	1 293 439
Hayward N - Conservation Operations	1 216 824	2 125	43 225	1 262 174
Ismail S - Marketing and Eco Tourism	1 406 730	147 158	96 963	1 650 851
	6 930 580	436 507	215 379	7 582 466

N1 - Hayward N resigned on 28 February 2026.

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30. Key management information - Executive Management and Board Members' emoluments (continued)**Board Members' Emoluments****March 2026**

	Remuneration	Reimbursement	Total
Loubser M - Chairperson (N1)	50 406	-	50 406
Maneveldt G - Vice Chairperson (N5)	44 106	-	44 106
Blok T (N3)	21 417	-	21 417
Burton M (N6)	12 543	-	12 543
Gani R (N3)	44 742	149	44 891
Johnson C	31 788	6 136	37 924
Mvandaba AN(N3)	24 000	-	24 000
Olivier NJJ (N3)	29 205	-	29 205
Omar R (N4)	22 278	107	22 385
Slack P (N6)	13 404	-	13 404
Mareka C (N4)	11 682	790	12 472
	305 571	7 182	312 753

March 2025

	Remuneration	Reimbursement	Total
Loubser M - Chairperson (N1)	44 454	-	44 454
Hendricks D (N2)	14 664	-	14 664
Maneveldt G - Vice Chairperson	31 563	-	31 563
Blok T (N3)	7 788	-	7 788
Burton M	30 702	-	30 702
Gani R (N3)	11 682	335	12 017
Johnson C	28 755	13 412	42 167
Mareka C (N4)	3 894	-	3 894
Mvandaba AN (N3)	11 682	288	11 970
Olivier NJJ (N3)	11 682	-	11 682
Omar R (N4)	3 894	181	4 075
Slack P	28 754	-	28 754
	229 514	14 216	243 730

N1 - Loubser M was appointed 14 June 2024 as chairperson. Her term came to an end 28 February 2026

N2 - Hendricks D resigned 29 August 2024

N3 - Gani R, Mvandaba AN, Olivier NJJ, Blok T were appointed 18 September 2024. Gani R was appointed chairperson with effect from 2 April 2026

N4 - Omar R, Mareka C attended induction meetings during the 24/25 financial year, and were appointed on 15 June 2025

N5 - Maneveldt G term ended 28 February 2026

N6 - Slack P, Burton M term ended 14 June 2025

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30. Key management information - Executive Management and Board Members' emoluments (continued)

Independent Committee Members (Audit, Finance and ICT)

March 2026

	Remuneration	Total
Devcharran N	14 747	14 747
Moser L	12 063	12 063
Swarts JJ (N1)	9 553	9 553
	36 363	36 363

March 2025

	Remuneration	Total
Devcharran N	16 104	16 104
Moser L	15 007	15 007
Swarts JJ*	7 708	7 708
	38 819	38 819

N1 - Swarts JJ was appointed on 18 September 2024, and resigned with effect from 31 December 2025.

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31. Prior-year adjustments**Conditional Grants**

Marine Protected Area grant income of R1 855 095 was not recorded during the financial year due to delays with Department of Forestry, Fisheries and the Environment processes.

Interest income related to the Goukamma National Department of Tourism grant was reclassified.

Interest received accrual movement

The statement of cashflows interest calculation included an incorrect classification between interest received and Grants, project funds and tourism revenue by an amount of R72 775.

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

Statement of financial position**2025**

	Note	As previously reported	Correction of error	Restated
Unspent conditional grants and receipts: Current	13	(11 829 000)	1 855 095	(9 973 905)
Accumulated surplus		(205 373 129)	(1 855 095)	(207 228 224)
		(217 202 129)	-	(217 202 129)

Statement of financial performance**2025**

	Note	As previously reported	Correction of error	Re-classification	Restated
Interest received	18	(9 195 428)	-	1 196 489	(7 998 939)
Project grants and donations	20	(4 010 849)	(1 855 095)	(1 196 489)	(7 062 433)
Surplus for the year		(13 206 277)	(1 855 095)	-	(15 061 372)

Cash flow statement**2025**

	Note	As previously reported	Re-classification	Restated
Cash flow from operating activities		402 406 777	1 123 714	403 530 491
Grants, project funds and tourism revenue		9 195 428	(1 123 714)	8 071 714
Interest income		411 602 205	-	411 602 205

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32. Financial Instruments - Risk Management and Other Disclosures**Significance of financial instruments for financial position and financial performance****Statement of financial position****Categories of financial assets and financial liabilities****Carrying amounts of financial assets****Class of financial instrument 2026**

	Note(s)	At amortised cost	Total
Trade receivables from exchange transactions - gross carrying amount		11 882 240	11 882 240
Trade receivables from exchange transactions - loss allowance		(3 767 172)	(3 767 172)
Trade receivables from non-exchange transactions - gross carrying amount		4 137 232	4 137 232
Trade receivables from non-exchange transactions - loss allowance		(220 965)	(220 965)
Cash and cash equivalents	4	134 356 318	134 356 318
Total carrying amounts		146 387 653	146 387 653

Class of financial instrument 2025

	Note(s)	At amortised cost	Total
Trade receivables from exchange transactions - gross carrying amount		12 306 666	12 306 666
Trade receivables from exchange transactions - loss allowance		(3 282 806)	(3 282 806)
Trade and other receivables from non-exchange transactions		9 811 692	9 811 692
Trade receivables from non-exchange transactions - loss allowance		(7 851 982)	(7 851 982)
Cash and cash equivalents	4	125 936 706	125 936 706
Total carrying amounts		136 920 276	136 920 276

Carrying amounts of financial liabilities**Class of financial instrument 2026**

	Note(s)	At amortised cost	Total
Trade and other payables from exchange transactions	12	16 863 862	16 863 862
Finance Lease obligations	10	55 765 576	55 765 576
Total carrying amounts		72 629 438	72 629 438

Class of financial instrument 2025

	Note(s)	At amortised cost	Total
Trade and other payables from exchange transactions	12	14 544 294	14 544 294
Finance Lease obligations	10	44 826 580	44 826 580
Total carrying amounts		59 370 874	59 370 874

Transition to revised GRAP 104

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32. Financial Instruments - Risk Management and Other Disclosures (continued)

The entity adopted the revised Standard of GRAP on Financial Instruments (GRAP 104) for the first time in the financial year commencing 1 April 2025. The revised Standard was applied in accordance with the applicable transitional provisions.

Comparative information has not been restated where this was not required or practicable, and the cumulative effect of initially applying the revised Standard is recognised in the opening balance of accumulated surplus or deficit at the date of initial adoption, where applicable.

On initial adoption, the entity assessed the classification of its financial assets and financial liabilities based on the facts and circumstances that existed at the date of initial adoption and applied the expected credit loss model to financial assets measured at amortised cost. Trade receivables are assessed using the simplified methodology and lifetime expected credit losses. Any transition adjustment should be supported by the entity's opening balance reconciliation and underlying impairment calculations.

As noted, the entity applies the simplified approach permitted under GRAP 104 Financial Instruments for trade and other receivables, recognising a loss allowance for lifetime expected credit losses (ECL) from initial recognition. The ECL is determined utilising a provision matrix methodology, which applies historically derived loss rates to segmented aging buckets of receivables. During the reporting period, the gross carrying amount of financial assets increased by R6 609 223. This growth, particularly within the older aging categories, directly drove the corresponding R6 609 223 decrease in the credit loss allowance, as the provision matrix dynamically scales the expected loss calculation against these gross underlying exposures.

Reclassification

During the year, the entity did not reclassify any financial instruments.

Nature and extent of risks arising from financial instruments

Qualitative & Quantitative disclosures

Overview

The entity is exposed to the following risks from its use of annual financial statements:

- Credit risk;
- Liquidity risk; and
- Limited market risk, being interest rate risk on cash and cash equivalents.

Management is responsible for identifying, assessing and monitoring the risks arising from financial instruments and for ensuring that appropriate controls, policies and procedures are in place to manage these risks.

The entity's risk management policies are established to identify and analyse the risks faced by the entity, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the entity's activities.

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

Governance oversight of financial risk management is consistent with PFMA requirements.

Credit risk

Scope and objectives

Credit risk arises from cash and cash equivalents, trade receivables from exchange transactions and trade receivables from non-exchange transactions. Cash and cash equivalents are held with reputable financial institutions. Trade receivables are monitored on an ongoing basis with reference to ageing, collection history and known debtor-specific circumstances.

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32. Financial Instruments - Risk Management and Other Disclosures (continued)

Cash and cash equivalents are placed with established financial institutions with appropriate credit standing.

The credit risk management practice

The entity applies the simplified methodology to trade receivables and recognises lifetime expected credit losses for these balances. The loss allowance is determined using an appropriate provision methodology based on ageing, historical loss experience and forward-looking information, adjusted where necessary for current and expected conditions at the reporting date.

For purposes of measuring expected credit losses and managing credit risk, the entity defines a financial asset as being in default when one or more of the following events have occurred:

- Amounts are more than 120 days past due on contractual payment terms.
- A material breach of contract, including failure to comply with agreed payment arrangements.
- The debtor is assessed as unlikely to pay its obligations in full without recourse to legal enforcement.
- The debtor is under business rescue, liquidation, or similar financial distress proceedings.
- There is evidence of significant financial difficulty, such as recurring non-payment or inability to meet obligations as they fall due.

These criteria are applied consistently across all receivables unless objective evidence supports an alternative assessment.

The following financial instruments are considered to have low credit risk

Cash and cash equivalents are considered to have low credit risk due to the short-term nature of the balances and the credit standing of the financial institutions with which the funds are held. Trade receivables are not treated as low credit risk and are assessed using the simplified methodology with lifetime expected credit losses.

Financial instrument**Class**

Cash and cash equivalents

Amortised cost

Credit risk exposure

Credit risk exposure at the reporting date is represented by the carrying amounts of cash and cash equivalents, trade receivables from exchange transactions and trade receivables from non-exchange transactions as disclosed in the statement of financial position. Loss allowances on trade receivables are recognised using lifetime expected credit losses in terms of the simplified methodology.

Receivables may be grouped by shared risk characteristics, including transaction type and ageing profile, when assessing expected credit losses. Individually significant balances or balances with specific indicators of impairment are assessed with reference to debtor-specific facts and circumstances. Management concluded that the debtor population does not exhibit sufficiently distinct risk characteristics to warrant segmentation.

The estimation of expected credit losses incorporates historical default experience, current conditions and reasonable and supportable forward-looking information available without undue cost or effort.

CapeNature does not have any statutory trade receivables. Trade receivables arising from non-exchange transactions are predominantly attributable to balances due from public sector entities, which are considered to have low credit risk.

A review of macroeconomic factors, including economic conditions and public sector funding environments, was conducted and concluded to have an immaterial impact on CapeNature's operations, financial position, and the expected credit loss assessment of its receivables.

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32. Financial Instruments - Risk Management and Other Disclosures (continued)**Allowance Reconciliation**

Description	Amount (R)
Opening allowance – 1 April 2025	11 134 789
Less: write-offs	-537 428
Less: net ECL reversals (surplus/deficit)	-6 609 223
Closing allowance – 31 March 2026	3 988 138

Included in the prior year provision for bad debt movement is R7 280 000 due for payment from the Department of Forestry, Fisheries, and Environment which was doubtful based on communications with the department in respect of funds due for the management of the marine protected areas. This issue was only resolved late in 25/26 financial year and the funds were received and hence the significant reduction in the impairment provision

Liquidity risk

Liquidity risk is the risk that the entity will not be able to meet its financial obligations as they fall due. The entity's financial liabilities comprise finance lease obligations and trade and other payables from exchange transactions.

Liquidity risk is managed through ongoing cash flow forecasting, monitoring of available cash resources and the matching of expected cash inflows with contractual and expected settlement dates of financial liabilities.

The entity maintains cash and cash equivalents at levels considered adequate to settle operational commitments, including finance lease instalments and trade and other payables from exchange transactions, when these fall due.

Trade and other payables are generally settled within normal credit terms, while finance lease obligations are settled in accordance with the relevant contractual repayment profile.

There have been no significant changes in the liquidity risk management policies and processes since the prior reporting period.

Market risk**Sensitivity analysis****Interest rate risk**

Market risk is limited to interest rate risk on cash and cash equivalents held at variable rates, where applicable.

Changes in market interest rates may affect finance income earned on cash and cash equivalents. The entity does not hold complex interest-bearing investments, derivatives or other instruments that expose it to significant market risk.

Given the nature of the entity's financial instruments, interest rate risk is not considered significant.

There have been no significant changes in the interest rate risk management policies and processes since the prior reporting period. Based on the nature and extent of variable-rate cash balances at year-end, any reasonably possible change in interest rates would not have a material effect on the entity's surplus or deficit.

Fluctuations in interest rates impact on the value of investments and financing activities, giving rise to interest rate risk.

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32. Financial Instruments - Risk Management and Other Disclosures (continued)

The debt of the entity is comprised of different instruments, which bear interest at either fixed or floating interest rates. The ratio of fixed and floating rate instruments in the loan portfolio is monitored and managed, by incurring either variable rate bank loans or fixed rate bonds as necessary. Interest rate swaps are also used where appropriate, in order to convert borrowings into either variable or fixed, in order to manage the composition of the ratio. Interest rates on all borrowings compare favourably with those rates available in the market.

The entity policy with regards to financial assets, is to invest cash at floating rates of interest and to maintain cash reserves in short-term investments in order to maintain liquidity, while also achieving a satisfactory return for shareholders.

There have been no significant changes in the interest rate risk management policies and processes since the prior reporting period.

Interest rate sensitivity analysis

The following sensitivity analysis has been prepared using a sensitivity rate which is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates. All other variables remain constant. The sensitivity analysis includes only financial instruments exposed to interest rate risk which were recognised at the reporting date. No changes were made to the methods and assumptions used in the preparation of the sensitivity analysis compared to the previous reporting period.

At 31 March 2026, if the interest rates on currency-denominated investments had been 1% higher or lower with all other variables held constant, the surplus for the year would have been R1 299 147 (March 2025: R1 519 227) higher or lower, mainly as a result of a higher or lower income on bank balances.

33. Events after the reporting date

No events after reporting date was identified.

34. Irregular and Fruitless and Wasteful Expenditure

Irregular expenditure	-	1 599
Fruitless and wasteful expenditure*	33 762	33 762
Closing balance	33 762	35 361

* Relates to fruitless and wasteful expenditure incurred in the prior year.

Information on any disciplinary steps taken as a result of Fruitless and wasteful, and Irregular expenditure is included in the annual report under the PFMA Compliance Report.

35. Budget differences**Material differences between budget and actual amounts****Sale of goods and services other than capital assets**

Tourism income exceeded expectations for the current financial year.

Other Transfers

Due to the budget being on the cash basis and the PFMA requiring the entity to have a balanced budget, income received in prior years but budgeted to be spent in the current year has to be budgeted in the current year as well.

Expenditure**Goods and services**

Savings were realised as the Microsoft licence fees for the 26/27 financial year which was expected to be paid in March was only processed for payment post the 25/26 financial year end. Savings were realised in the form of refunds received from the network connectivity service provider due to non adherence to certain service level standards.

The tender for the procurement of staff uniforms and PPE had to be cancelled due to the winning service provider being placed into liquidation and a new tender process that needs to be started.

Delays were experienced on the appointment of a consultant to assist in drafting of regulations for the WCNB Act as the initial quotes received were above the tender threshold of R1m and full tender process having to be done and only finalised before year end.

Due to the fire season starting earlier than expected planned alien invasive clearing work could not be completed as some of the areas planned for clearing were burnt before contractors could be appointed.

Payment for capital assets

Due to the Province receiving additional conditional grants for flood and fire damage to infrastructure on CN reserves the entity's focus had to be redirected towards these large scale projects. With the limited capacity of the entity especially in terms of engineering professionals and project management processes for the spending of own budgeted capex projects were delayed. Furthermore many projects had to be reprioritised due to the impact of natural disasters. However as at year end these projects have commenced and the funds are committed.

Changes from the approved budget to the final budget

The changes between the approved and final budget are as a consequence of changes in the overall budget parameters as a result of mid year adjustments on allocations, grant funding and project expenditure funded from reserves within the parameters set out by Provincial Treasury.

36. Heritage assets

Heritage assets which fair values cannot be reliably measured

The following heritage assets were not recognised due to a reliable measurement not being possible on initial recognition: Nature reserve complexes managed.

The entity manages 30 (2025:30) nature reserve complexes which include six marine protected areas in terms of its mandate. A significant portion of the land is owned by state institutions and other non governmental organisations. Due to the nature of the entity's activities, the entity could not establish either a fair value/deemed cost nor a replacement cost for these heritage assets.

The entity is not the legal owner of the land and only the management authority. For the reasons the heritage assets under management of the entity could not be recognised in the annual financial statements. However, information pertaining to these nature reserves has been disclosed below:

Name of nature reserve complex	Size in Hectares
Anysberg	90 955
Babilonstoring	1 569
Bird Island	394
Cederberg	79 689
Dassen Island	738
De Hoop	62 977
De Mond	1 593
Dyer Island	290
Gamkaberg	39 997
Geelkrans	4 601
Goukamma	8 331
Grootvadersbosch	26 167
Grootwinterhoek	27 519
Hottentots Holland	48 181
Islands and Rocks	500
Kammanassie	27 056
Keurbooms River	895
Knersvlakte	119 558
Kogelberg	26 560
Limietberg	45 187
Marloth	14 227
Outeniqua	43 453
Riverlands	1 715
Robberg	2 809
Rocherpan	1 076
Salmonsdam	712
Swartberg	133 528
Vrolijkheid	28 558
Walker Bay	6 225
Waterval	27 323
Total	872 383

37. Going concern

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

NOTES

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