

## **Annexure A**

### **Durban Marine Theme Park (Pty) Ltd Trading as uShaka Marine World**

#### **ANNUAL REPORT FOR THE PERIOD 30 JUNE 2009**

- A. Executive summary including Performance Report
- B. Human Resource and Other Organisational Management
- C. Audit Committee Report and Auditor-General Report with Annual Financial Statements

**Durban Marine Theme Park (Pty) Ltd**  
**Trading as**  
**uShaka Marine World**  
**Annual Report**

**A EXECUTIVE SUMMARY**

**1 INTRODUCTION AND OVERVIEW**

Having recently celebrated its 5<sup>th</sup> birthday, Durban Marine Theme Park (Pty) Ltd trading as uShaka Marine World has attracted over 4.3 million paying visitors since opening its gates in 2004. An additional 15 million visitors have visited the Village Walk retail shopping centre, of which 1 million have been international tourists. Total paid footfall has stabilised at around the 730 000 level – which has bucked the international trend of declining footfall for the first seven years of a theme park's life – a wonderful 5<sup>th</sup> birthday present!

This R750 million flagship project was developed with the aim of regenerating the Point Precinct and has become a major tourist destination for both the national and international visitor alike. In the process it has created a number of jobs and has opened up new learning opportunities for schools through the uShaka Cares initiative and the operations of the Natal Portland Cement (NPC) Education Centre.

uShaka Marine World continues to deliver an unmatched holiday and adventure experience to all its visitors. The entertainment offering, both day and night, makes uShaka an integral part of the Durban beachfront experience.

uShaka Marine World is operated by a management company, High Footprint Management (Pty) Ltd (HFM), which has a 10 year management contract. HFM is a highly skilled and empowered theme park management company with international expertise and experience.

uShaka Marine World's vision is:

*“To create awareness of conservation, through fun, knowledge and adventure”*

Covering 16 hectares, uShaka Marine World is the largest marine theme park in Africa consisting of four components:

# **uShaka Marine World Annual Report**

- **Wet 'n Wild**  
This outstanding park consisting of water based slides and rides are a must for any aquatic enthusiast. Featuring heated water, exciting slides, the highest slide in Africa, a 450 metre Duzi Adventure River, as well as souvenir stores and restaurants, Wet 'n Wild is a must for any family wanting a fun day out in the sun.
- **Sea World**  
The jewel in the crown of uShaka Marine World, Sea World boasts not only the largest aquarium in the southern hemisphere, but also a 1200 seater dolphin stadium, a 450 seater seal stadium and the 'Phantom Ship' consisting of restaurants and bars. The "Wreck" aquarium is an underground aquarium featuring 5 themed shipwrecks and approximately 10 000 creatures.
- **Village Walk**  
This uniquely themed shopping centre covers 10 000m<sup>2</sup> and has 80 outlets ranging from fashion to food and beverage, including the unique Moyos.
- **uShaka Beach and Promenade**  
The park spills onto Durban's premier beach, with a range of activities offered, including surfing, sea kayaking, snorkelling, scuba diving and fishing charters. Beach sports are just as varied, from touch rugby to kite flying.

Employing approximately 620 staff (including the South Association for Marine and Biological Research), uShaka Marine World, being a re-capitalisation business model, is required to continually reinvest in new rides/attractions in order to maintain footfall. With this in mind, a range of new projects are currently underway, which will not only gear the park up for the soccer World Cup in 2010, but position it favourably for the years ahead by tapping into South Africa's ever expanding tourism sector.

Some of the larger projects are directed at entirely new experiences. One area receiving a significant portion of the funds is the kids area known as Rayz Kids World. A number of exciting new ideas are in the pipeline, including one of South Africa's largest jungle gyms. Additional focus is also being put into the evening entertainment offering and revamps of the food and beverage outlets commenced in the latter part of the financial year. The Phantom Ship, with its flagship restaurant – The Cargo Hold (with resident sharks) is re-inventing itself and remains one of Durban's most unique places to eat out.



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## 2 **MARKETING uShaka**

The marketing strategy at uShaka has evolved from building brand awareness into call-to-action marketing, using a number of media channels all designed to increase footfall into the park. The communication channels and media spend is focused, with clear and simple messaging – extolling the virtues of an “unmatched family adventure”.

Driving value is an important part of the uShaka strategy in tough economic times. In this light, we have moved away from many large-scale park promotions to “value-adds”, with value periods at certain times of the year where guests take advantage of reduced prices. There are many direct marketing campaigns (at guest houses, conferences, hotels, sports games) to draw guests to the park via value offerings in off-peak seasons. uShaka introduced a “one park, one price” strategy during peak seasons in order for guests to take advantage of the entire park.

Digital marketing was a major focus during year, allowing uShaka’s database size to increase 10-fold, as well as offering a direct route to customers via direct marketing. Voted the “Coolest fun destination in KZN” by Generation Next Independent Surveys, uShaka formed partnerships with all the major role players (Durban Africa, Sun Coast Casino, Gateway Shopping Centre, Tourism KZN, Sharks Rugby, etc) to drive tourism to KZN via coordinated campaigns and co-promotions.

Entertainment at uShaka forms a major part of the guest experience at the park. All forms of entertainment could be seen most days of the year, with entertainment increased during peak periods. Many night-time events (live bands, Dolphins extravaganzas, after-dark aquariums tours etc) were held where families could come down and enjoy the park. The launch of the Upper Deck Supper Theatre was positively received by the public.

The Annual Pass, where guests purchase a pass for uShaka for the entire year, increased by 80%, showing that locals are coming down more often to a park that continues to delight and surprise guests by offering new attractions, varied entertainment and an experience the entire family can enjoy.

Sponsorship of the park focused on larger scale events and this saw a move away from the sponsorship of attractions. The Public Relations (PR) exposure in the park increased by 54% with over R10 million being generated directly via uShaka and total (PR) exposure for uShaka Marine World estimated at R43 million for the year.



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## 3 SOUTH AFRICAN ASSOCIATION FOR MARINE BIOLOGICAL RESEARCH

The South African Association for Marine Biological Research (SAAMBR) is an incorporated association not for gain (reg. No. 1951/000002/08), and is an independent contractor appointed to operate the uShaka Sea World component of uShaka Marine World. Despite being a separate legal entity, SAAMBR forms an integral part of uShaka Marine World via its responsibility for operating uShaka Sea World. This would not be possible without close cooperation and collaboration with the management company (HFM).

The birth of a dolphin is always a highlight, and in November Frodo gave birth to her seventh calf, a female named Khethiwe, meaning 'the chosen one'. During the review period, internationally acclaimed theatre producer Nicholas Ellenbogen was commissioned to produce a new dolphin presentation. Together with composer Dave Ornellas and the Mammal Curator, they created "Shaka's Tears", a unique show that skillfully blended the magic of the Sea World dolphins with a carefully crafted story, set to music specially composed for the show. The show was launched in March 2009, and features the use of replay slow motion and underwater footage of the dolphins. A total of 1035 shows, 147 'Meet a Dolphin' and 901 photo sessions were conducted with the dolphins during the year.

The seal team continued to present their entertaining pantomime with a group of twelve Cape Fur seals. The integration of a new female group from the Two Oceans Aquarium was a major focus during the year under review. A total of 739 shows and 391 photo sessions were conducted, before the seals were moved off exhibit so that the area could be revamped for the new show. The penguin (*Spheniscus demersus*) colony has had another excellent year of successful breeding, with the total number of birds having increased from 42 to 56. This represents an excellent effort on the part of the birds and the staff.

The aquarium currently holds a collection of 77 families of bony fish, comprising approximately 5200 individuals, and 7 families of sharks and rays. Six new exhibits were opened just prior to the December holiday season, including the mobile shark egg exhibit and the ray touch pool. Three dusky sharks were introduced into the Fierce Shark exhibit and have grown noticeably. This is a breakthrough for this species, as previous attempts have been unsuccessful. Also during the period, cultured cuttlefish were displayed for the first time at uShaka Sea World. After a year in the Open Ocean exhibit, the manta ray (*Manta birostris*) had grown to 210kg and was getting too large for the exhibit. After a great deal of planning, she was flown in July 2008 to the Georgia Aquarium in Atlanta, USA, the first trans-Atlantic manta ray relocation.



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The Dangerous Creatures exhibit remained popular with guests, and the addition of the Madagascan reptiles and amphibians helped to keep the exhibits exciting. The animals were part of a consignment that was confiscated en route to the Czech Republic, and have highlighted the international trade in threatened and endangered species. The exhibit will be moved out of Sea World into the uShaka Village walk to add another attraction to the complex.

Sea World is a training ground for many facilities, locally and abroad and, as such, the importance of ongoing staff training is recognised. Representation at international conferences remains an important activity, both in terms of training personnel and benchmarking uShaka Sea World against the best in the world. Staff presented a total of nine papers or posters at five national and international conferences, including the South African Marine Science Symposium (SAMSS), the International Aquarium Congress, the African Zoo and Aquarium Association (PAAZAB), KwaZulu-Natal Wildlife research symposium and Animal Keepers Association of Africa (AKAA).

The NPC Sea World Education Centre hosted a total of 133 059 learners at uShaka Sea World during the year under review, which represents an increase of 18% on the previous year. The period saw a slight drop in guidings, lessons and senior courses, but an increase in the junior and senior primary courses. A brochure on the new lessons and courses, and their links to the curriculum was distributed to teachers, and detailed booklets showing the direct links to learning areas and assessment standards were posted to the key senior curriculum staff of the KwaZulu-Natal Department of Education. An electronic Sea World Marine Careers booklet was developed to answer the plethora of requests for career information that are received.

During the year under review, 4 436 learners were sponsored to visit uShaka Sea World under the National Lotteries Board and NPC funded Outreach Programme. In the previous year 4 108 learners were catered for. The schools involved hail from the communities of Ndwedwe East, Umkomaas, uMbumbulu, uMkhambathini, Mid-Illovo, and iNchanga. The Outreach Team engaged with Education Ward managers, circuit inspectors and principals for these areas, forging relationships and building credibility. With funding from the NPC sponsorship, the visits to schools continued, and lessons for 13 595 learners were undertaken at 115 schools. A total of 582 teachers attended teachers' workshops during school terms, slightly less than the 688 of the previous year, with thirteen workshops conducted at the NPC Sea World Education Centre, and eight in community areas.

Through its Oceanographic Research Institute (ORI), SAAMBR showed its commitment to providing coastal and marine scientific information and decision support to the KwaZulu-Natal. A total of 33 projects were executed, 25 of these specifically devoted to KwaZulu-Natal, six in the wider region and two directed



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at a wider national level. The work in KZN involved 81 separate field trips amounting to 650 man-days in scientific survey and sampling. More than 100 scientific dives were undertaken to strengthen ORI's underwater survey capacity. Outputs included 36 publications, at least 15 aimed at sharing information with other institutions. Two Masters students qualified and several PhD and MSc students approaching finality.

A key focus area in research was the participation in regional programmes in the West Indian Ocean. The Transmap project, in which ORI collaborated with 12 foreign and local institutions in creating trans-boundary marine parks, was successfully completed. Similarly, the WIOFish database grew into a significant regional initiative providing detailed insight into some 185 different fisheries and providing a barometer of trends in their conservation status. And work continued with the South West Indian Ocean Fisheries Project (SWIOFP), with ORI representing South Africa in this ambitious nine-nation project. ORI continued to invest in its institutional capacity such as maintaining its excellent library and information systems, computing, microscopic, histological and genetic systems and underwater survey capacity. Support from KZN Province and international agencies such as the World Bank, European Union and United Nations Environment Programme is greatly appreciated.

The staff and volunteers of the NPC Sea World Education Centre were the proud recipients of the John Jerman Educationist Award for 2008 from the Wildlife and Environment Society of South Africa (WESSA). The award is an indication of the credibility the NPC Sea World Education Centre has in the field of environmental education.

SAAMBR's Executive Director, Dr. Mark Penning, was elected President of the World Association of Zoos and Aquaria (WAZA) at a meeting in St. Louis in the USA. WAZA is a global organization which unifies the principles and practices of over 1300 zoos and aquariums. It was founded in 1935 in Basle, Switzerland, and is the single unifying entity representative of the global zoo and aquarium community, working in partnership with the International Union for Conservation of Nature (IUCN), national governments and non-government organisations to ensure high standards of animal welfare and to achieve conservation both in zoos and in nature. In addition to the benefits derived from working closely with the best aquariums in the world, this provides a tremendous opportunity to promote uShaka Marine World and build its international profile.

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## **4 CONCLUSION**

uShaka Marine World continues to play a vital role in elevating Durban to a world class tourist destination. With the planned Point Precinct Development of hotels, retail and residential zones now back on track, uShaka is poised to take advantage of the next growth phase in the area – in particular the upgrade of the beach promenade and linking of the uShaka beach node to the other beachfront nodes.

Recent crime statistics reveal that this sector is still regarded as one of the safest areas in Durban and additional measures currently being implemented by the City and uShaka Marine World ahead of the 2010 Soccer World Cup should see both locals and tourists alike enjoy the park and surrounding areas to its full potential.

uShaka Marine World has always set out to entertain and delight the public – both young and old, international and local. With off-peak promotions, a wide range of food and beverage offerings, functions and events, entertainment, competitions, exhibitions and shows, uShaka Marine World continues to provide a unique and fun experience to all its guests. On its 5<sup>th</sup> birthday there is a lot to be proud of and with additional funds from external sources being allocated towards a recapitalisation strategy – it will remain as fresh and as enticing as ever. Refer to Organisational Scorecard attached.



**uShaka MARINE WORLD**

**ORGANISATIONAL PERFORMANCE SCORECARD**

**FOR THE PERIOD ENDED**

**01st July 2008 to 30th June 2009**

MUNICIPAL ENTITY SCORECARDS 08/09

National Key Performance Area	Strategic Focus Area (Objective)	Key Performance Indicator	Baseline 0708	Annual Targets	Target Dates	3 year target- 2010/11	Means of Verification	Responsible Manager	Measures taken to improve performance	Quarterly target	Status as at end of quarter	Verified	Audit comment	Management Comment
LOCAL ECONOMIC DEVELOPMENT	TECHNICAL SERVICES To provide computer and software system redundancy by providing a standby emergency server	Build Business Continuity room to house standby server behind the Dolphinarium	Gas store improved	To construct the building that will house the standby server.	30-Jun-09	Once off target - capital projects will change annually subject to board approval	Physical structure	Dale Maxwell	N/A	Annual Target	Building 100% complete and all equipment setup in full operation	Y	Target achieved	Agreed
	To improve the existing and/or build a new "World-Class" Marine exhibit in order to increase repeat visitation in the Sea World area	Upgrade existing touch pools on surface Introduce new exhibit on surface	Dolphin Stadium Upgrade	To upgrade the existing touch pools and convert into a "Sling-Ray" touch pool exhibit.	30-Jun-09	Once off target - capital projects will change annually subject to board approval	Physical structure	Mark Penning	N/A	Annual Target	Sling - Ray touch pool exhibit is 100% complete	Y	Target achieved	Agreed
	PROCUREMENT To procure goods and services from historically disadvantaged businesses as per our preferential procurement targets	Actual procurement statistics	Achieved 76%	To procure 60% of all goods & services from historically disadvantaged businesses	30-Jun-09	To procure 60% of all goods & services from historically disadvantaged businesses	Monthly stats	Prakash van den Berg	N/A	60%	Achieved 67%	Y	Target achieved	Agreed
	VILLAGE WALK To maximise occupancy percentage of all lettable space	Actual occupancy of lettable space against available	Achieved 93.23%	To achieve 90% of occupancy of lettable space in the Village Walk	30-Jun-09	To achieve 90% of occupancy of lettable space in the Village Walk	Will be included in the quarterly financial report	Greg Jacobson	N/A	90%	97%	Y	Target achieved	Agreed
GOVERNANCE AND PUBLIC PARTICIPATION	ENTERTAINMENT To provide a "World-Class" entertainment to guests which is in line with the theme of the park	Guests satisfaction and enjoyment to be measured by Guests Surveys	0.6% of footfall was surveyed	To survey 1% of our guest per annum	30-Jun-09	To survey 1% of our guest per annum	Survey reports	Grant Adams	N/A	To survey 1% of our guests per quarter	2164 guests surveyed (total \$366) = 1.14% of footfalls.	N	Target achieved	Agreed
	Unqualified audit report	Unqualified Audit Report	Achieved	Unqualified Audit Report	30-Oct-09	Unqualified Audit Report	Audit report	Prakash van den Berg	N/A	Annual Target	Can only be assessed at year end	N	Annual target will be reviewed at the end of the financial year.	Agreed
	Compliance with MFMA	Compliance with MFMA reporting requirements as per the MFMA entity chapter	Achieved	Compliance with MFMA reporting requirements as per the MFMA entity chapter	30-Oct-09	Compliance with MFMA reporting requirements as per the MFMA entity chapter	Audit report	Prakash van den Berg	N/A	Quarterly and monthly reports submitted timeously	Quarterly and monthly reports submitted timeously	Y	Target achieved	Agreed
TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT	HUMAN RESOURCES To ensure that the workforce reflects the demographics of the region at all employment levels	Compilation of effective Employment Equity plans and reports	All targets except handicapped	See Annexure A	30-Jun-09	See Annexure A	Audit report	Glenda Van Wyk	All efforts to source DG staff are being explored	Annual Target	See Annexure A - all targets except handicapped achieved.	Y	Target achieved except handicapped.	Agreed
	To retain critical technical skills, required for long-term sustainability of the park and minimise skills exodus	Retention of key technical personnel Development and implementation of an effective skill retention strategy	Retained 79%	To achieve 50% retention at senior and middle management levels	30-Jun-09	To achieve 50% retention at senior and middle management levels	Audit report	Glenda Van Wyk	N/A	Annual Target	See Annexure A - Retained 92%	Y	Target achieved	Agreed



National Key Performance Area	Strategic Focus Area (Objective)	Key Performance Indicator	Baseline 0708	Annual Targets	Target Dates	3 year target- 2010/11	Means of Verification	Responsible Manager	Measures taken to improve performance	Quarterly target of quarter	Status as at end of quarter	Verified	Audit comment	Management Comment
FINANCIAL VIABILITY AND MANAGEMENT	<b>MARKETING Promotions</b> To compile and implement a comprehensive marketing and promotional strategy that will ensure the achievement of annual budgeted footfalls and revenues	Achievement of budgeted footfalls Achievement of budgeted revenues	Achieved 101% of budgeted footfalls and 97% of budgeted revenues	Achievement of budgeted footfalls Achievement of budgeted revenues	30-Jun-09	Achievement of budgeted footfalls Achievement of budgeted revenues	Financial report	Grant Adams	N/A	Achievement of budgeted footfalls Achievement of budgeted revenues for this quarter	Achieved 107% of budgeted footfalls and 102% of budgeted revenues	Y	Target achieved	Agreed
	<b>Events</b> To introduce and implement "World-Class" events that will attract guests, especially after normal park operating hours	4 Night Dolphin events and 4 other events	Night dolphin shows done - Halloween, Dolphins by Starlight, Hip-hop event, Music of the 80's, Events - Secretaries Day, Mr and Miss uShaka, Concerts in WnW, Dolphin Dash.	Implementation of a minimum of 4 special night Dolphin shows. Implementation of a minimum of 4 other events within SW, WW and VW areas of the park	30-Jun-09	Implementation of a minimum of 4 special night Dolphin shows. Implementation of a minimum of 4 other events within SW, WW and VW areas of the park	Financial report	Grant Adams	<b>Note A</b>	Annual Target	2 night dolphin shows ("Halloween and Dolphins by Candlelight"), 5 events Mr & Miss uShaka, Dolphin Dash, Urban Rage Mountain Bike Challenge, ECR Big walk and Secretaries Day.	Y	50% of Annual Target achieved	Agreed - refer to note A
	<b>Sales</b> To compile and implement an effective corporate sales strategy that will ensure improvement of revenues generated by the value-add products within the park	6% Business growth in following areas: Bulk tickets sales and kids birthdays	Done Achieved 60% growth in birthday parties and bulk ticket sales.	To achieve 6 % growth from previous year in all areas targeted	30-Jun-09	To achieve 6 % growth from previous year in all areas targeted	Financial report	Grant Adams	N/A	Annual Target	Bulk ticket revenues declined by 2% whilst Birthdays achieved a growth of 8.7%.	Y	50% of Annual Target achieved	Agreed
	<b>REVENUES</b> To achieve budgeted revenues in the following areas that are key drivers of the business: Food & Beverage, Merchandising, and Rental Income	Achieved budgeted revenues for Food & Beverage, Merchandising, and Rental Income	Village Walk rentals achieved 106% Food and Beverage achieved 96% Merchandising achieved 90%	To achieve 100% of budgeted revenues for Food & Beverage, Merchandising, and Rental Income	30-Jun-09	To achieve 100% of budgeted revenues for Food & Beverage, Merchandising, and Rental Income	Financial report	Darryl Williams / Greg Jacobson	<b>Note B</b>	To achieve 100% of budgeted revenues for Food & Beverage, Merchandising, and Rental Income for this quarter	Village Walk rentals achieved 101% Food and Beverage achieved 93% Merchandising achieved 64%.	Y	With the exception of Village Walk, targets not achieved.	Agreed - refer to note B
	<b>COST OF SALES</b> To maintain and/or reduce cost of sales at budgeted levels in the following areas: Food, Beverage, and Merchandising	To achieve 40% Food cost To achieve 40% beverage cost. To achieve 53% merchandise cost of sales	To achieve 43% Food cost. To achieve 41% beverage cost. To achieve 55% merchandise cost of sales	To achieve 40% Food cost. To achieve 40% beverage cost. To achieve 53% merchandise cost of sales	30-Jun-09	To achieve 40% Food cost. To achieve 40% beverage cost. To achieve 53% merchandise cost of sales	Financial report	Darryl Williams	<b>Note C</b>	Actual costs against budgeted cost of sales as per quarterly budget	Achieved 44% food cost. Achieved 42% Beverage cost. Achieved 66% merchandising cost	Y	Target not achieved	Agreed - refer to note C
	<b>DEBTORS MANAGEMENT</b> To ensure that all debtors are collected timely	Actual debtors days against targeted debtors days	Unfortunately to a debtors vacancy 83% of the function debtors was within 30 days.	To ensure that all function debtors are collected within 30 days	30-Jun-09	To ensure that all function debtors are collected within 30 days	Financial report	Prakash van den Berg	<b>Note D</b>	To ensure that all function debtors are collected within 30 days	39% of the function debtors are within 30 days, excluding handed over debtors.	Y	Targets not achieved	Agreed - refer to note D

**NOTES**

A Due to the dependency of sponsorship for covering the costs of the night dolphin shows, it was not feasible to have the other 2 shows.

National Key Performance Area	Strategic Focus Area (Objective)	Key Performance Indicator	Baseline 0708	Annual Targets	Target Dates	3 year target- 2010/11	Means of Verification	Responsible Manager	Measures taken to improve performance	Quarterly target of quarter	Status as at end of quarter	Verified	Audit comment	Management Comment
B	Food and beverage revenue achieved 83% of budgeted revenue. Due to an unmanageable FPI (Food Price Index), and undetermined supplier increases as well as the economic pressures within the country, the F&B revenues were negatively affected as patrons refrained from purchasing.	Merchandising Revenue achieved 63% of budget. The average spend per person dropped over the year as a result of the recession. To increase revenues management has relocated the Ship Shop into a new position where all Aquarium guests will have to pass through the outlet to exit the facility. This should boost turnover. A new product review committee has been implemented to select better stock at better prices in order to try to improve sales. Management and Supervisory staff will be incentivised to increase sales.												
C	Merchandising Cost of sales achieved 66%. Two of the outlets (Ship Shop and W&W) lacked proper lock down facilities and stock control has been seriously compromised. In addition the quality and variety of the merchandise offering was seen as undesirable and high priced, so stock was marked down by 40% (i.e. Cost plus 10%) to try to reduce stockholding. This sale of goods was employed over nine months of the year.	Action Taken: Both the Ship Shop and W&W outlets have been relocated to formal lockable shops with CCTV, tag deflection, and after hours armed response facilities. Most of the redundant stock has been disposed of so the normal pricing philosophy (Cost plus 100%) may be employed again on a majority of the stock. Seven staff were dismissed during the latter half of the year as a result of poor stock management and control. A new Manager has been employed to start in August 2009.												
D	Permanent debtors clerk has been employed in May 2009. Procedures in place to ensure that all current debts are collected timeously. The total balance of Function debtors has decreased from R2,461,973 (31 March 2009) to R1,620,729 (30 June 2009), which shows a significant improvement.													



**Annexure A**  
**USM Proposed Workforce Profile**  
 Progressive Targets versus Actual for 08/09

Proposed Designated Group ("DG") Staff Profile												Proposed Non DG Staff Profile					
Staff Category	Total Staff	% Staff	Proposed Designated Group %			Total Designated Group Work Force			NonDesignated Group %			Non Designated Group					
			08/09	Actual	Var	Notes	08/09	Actual	Var	Notes	08/09	Actual	Var	Notes			
TM	7	1.4%	45%	29%	-16%	3	2	-1		55%	71%	16%	4	5	1		
SM	15	3.1%	55%	33%	-22%	8	5	-3		45%	67%	22%	7	10	3		
MM	36	7.3%	50%	92%	42%	18	33	15		50%	8%	-42%	18	3	-15		
T/P	13	2.7%	60%	85%	25%	8	11	3		40%	15%	-25%	5	2	-3		
SS	222	45.3%	65%	98%	33%	144	218	74		35%	2%	-33%	78	4	-74		
WF	197	40.2%	65%	99%	34%	128	195	67		35%	1%	-34%	69	2	-67		
<b>Total:</b>	<b>490</b>	<b>100.0%</b>				<b>310</b>	<b>464</b>	<b>154</b>	<b>0</b>				<b>180</b>	<b>26</b>	<b>-154</b>	<b>0</b>	

Proposed Female Staff												Proposed Male Staff					
Staff Category	Total Staff	% Staff	Proposed Female %			Proposed Female Staff			Proposed Male %			Proposed Male Staff					
			08/09	Actual	Var	Notes	08/09	Actual	Var	Notes	08/09	Actual	Var	Notes			
TM	7	1.4%	15%	14%	-1%	1	1	0		85%	86%	101%	6	6	0		
SM	15	3.1%	25%	13%	-12%	4	2	-2		75%	87%	112%	11	13	2		
MM	36	7.3%	20%	6%	-14%	7	2	-5		80%	94%	114%	29	34	5		
T/P	13	2.7%	50%	131%	81%	7	17	11		50%	-31%	19%	7	4	-11		
SS	222	45.3%	40%	46%	6%	89	103	14		60%	54%	94%	133	119	-14		
WF	197	40.2%	45%	50%	5%	89	99	10		55%	50%	95%	108	98	-10		
<b>Total:</b>	<b>490</b>	<b>100.0%</b>				<b>196</b>	<b>224</b>	<b>28</b>	<b>0</b>				<b>294</b>	<b>266</b>	<b>-28</b>	<b>0</b>	

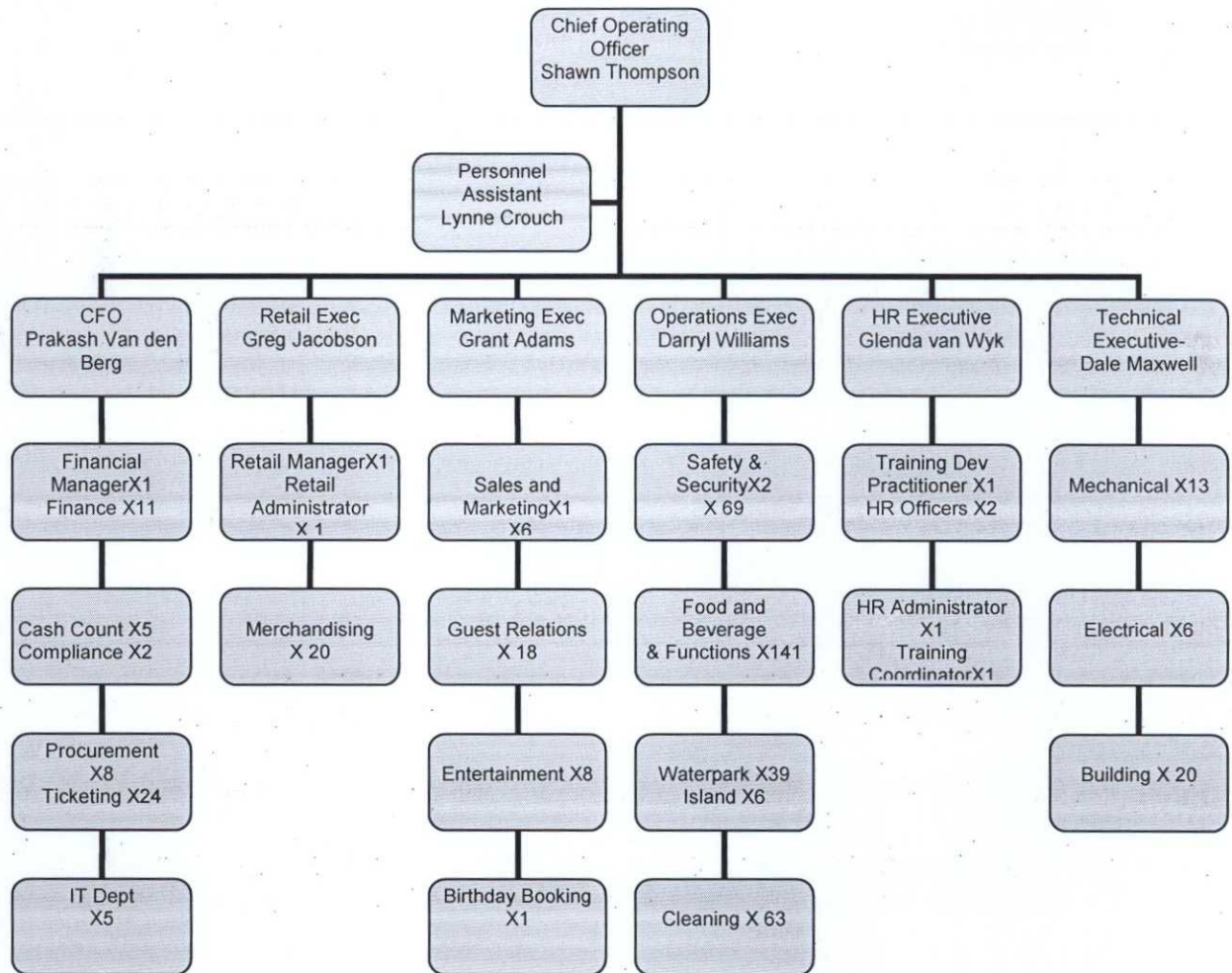
Proposed Handicapped Staff											
Staff Category	Total Staff	% Staff	Proposed Handicapped								
			08/09	Actual	Var	Notes					
TM	7	1.4%	0	0	0						
SM	15	3.1%	0	0	0						
MM	36	7.3%	0	0	0						
T/P	13	2.7%	0	0	0						
SS	222	45.3%	1	0	-1						
WF	197	40.2%	4	0	-4						
<b>Total:</b>	<b>490</b>	<b>100.0%</b>	<b>5</b>	<b>0</b>	<b>-5</b>	<b>0</b>					

Staff retention statistics				
Staff Category	Total HC	Termination		retention
		Actual	Actual	
TM	7	0	7	100%
SM	15	1	14	93%
MM	36	1	35	97%
T/P	13	1	12	92%
SS	222	27	195	88%
WF	197	10	187	95%
<b>Total:</b>	<b>490</b>	<b>40</b>	<b>450</b>	<b>92%</b>

# uShaka Marine World Annual Report

## **B HUMAN RESOURCES AND ORGANISATIONAL MANAGEMENT**

### **1. High Footprint Management (HFM) ORGANOGRAM**



**The total number of staff was 490 against a budget of 564 (excl SAAMBR).**



# uShaka Marine World Annual Report

## 2. HUMAN RESOURCES STRATEGY

The 2008/09 financial year brought many challenges on the Human Resources front.

After a critical analysis of the human resources function, nine HR pillars were selected with the ultimate goal of becoming a high performance company and to participate in the "best company to work for" survey within 3 years. This process will give uShaka a benchmarking opportunity against both industry and size category peers.

The rolling out of all nine pillars commenced towards the latter part of the financial year and will continue into the coming year. They are:

- **Leadership**
- **Values and Culture**
- **Communication**
- **Training and Development**
- **Succession Planning**
- **Performance Management**
- **Rewards and Recognition**
- **Change Management**
- **Retention**

### 2.1 Leadership/ Values and Culture

In addressing the leadership challenges, executives, senior managers and supervisors were engaged in a leadership programme. This gave birth to repositioning the values of uShaka to ensure that they remain relevant, inspiring and concise.

- **Vision:** To create awareness of conservation through fun, knowledge and adventure
- **Purpose:** Providing a fun, memorable experience for our guest
- **Values:**
  - **Consistent High Standards**
    - Be punctual
    - Always achieve or exceed standards
    - Always meet deadlines
  - **Accountable for Actions and Decisions**
    - Work within budget
    - Show self discipline

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- Attempt to solve problems
- **Passionate about Service Delivery**
  - Be passionate about uShaka Marine World
  - Exceed guests expectations
  - Have a fun attitude.

## 2.2 Communication

- Divisional meetings have been streamlined and two new platforms introduced to facilitate closer collaboration between HFM and SAAMBR, namely the Joint Strategic Forum and the Joint Operational Forum.
- A Quarterly HR Focus group has been implemented to give staff an opportunity to engage with management.
- Periodic updates from the Chief Operating Officer are sent out to all staff.
- The intranet is under revamp for better utilization.
- The Sharcs Programme is also utilized to communicate new information and general themes.

## 2.3 Training and Development

All employees completed a training needs analysis questionnaire and the training implementation plan for 2008/09 submitted to Services Seta. The foundation of the training initiative will rest on Service excellence. Technical Skills training for various departments have been included in the training plan.

## 2.4 Succession Planning

A new approach is being implemented at the recruitment stage to try and ensure that the right person is brought on board for the job. Each Executive was tasked to identify the top two people in each job for succession and these individuals were included in the management development programme.

## 2.5 Performance Management

In line with our principles of consistent high standards, taking responsibility for actions and decisions and being passionate about service delivery, all staff will attend a Performance Management Sensitization Programme. The implementation of this pillar will ensure that uShaka is on track to become a high performance company.

## 2.6 Rewards and Recognition

The Sharcs programme for management and entry level staff is to continue. This programme entails a monthly winner from each department



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for service excellence. This leads up to a quarterly winner and ultimately, employee of the year for service excellence.

An Incentive Bonus scheme linked to Performance was implemented for key revenue generating staff for the 2008/9 financial year.

## **2.7 Change Management**

In our quest to become a high performance company, changes across the organization in terms of people, technology and processes are necessary.

The process is being strategically driven by the Chief Operating Officer and operational assistance given by the Human Resources Department. As a launch tool, the name "lithuba" was adopted, meaning opportunity. The opportunities revolve around three key areas:

- Infrastructure (upgrading the park)
- People (alignment to the values and training initiatives)
- Closer cooperation with SAAMBR (operationally and around conservation).

## **2.8 Retention**

Delivery on the nine Human Resources Pillars will ensure optimal staff retention. Furthermore, turnover bands per level and per division have been agreed as part of the KPI's for the executive team.

## **3 EMPLOYMENT EQUITY**

The challenge for uShaka is to achieve equity in the Top and Senior Management levels. Specific positions have been identified to employ only Black candidates. At the entry level, more coloured and white candidates need to be employed. Refer to last page of the Organisational Performance Scorecard for current employment equity status.

## **4 BENEFITS**

### **4.1 Medical Aid**

Staff may choose to join either Discovery Health or Momentum medical aids. uShaka contributes 50% of the contribution up to a maximum of R900.00 pm.

### **4.2 Provident Fund**

Staff may choose to join the provident fund. uShaka will contribute 10% of the amount, and staff contributes 6% towards the provident fund.

### **4.3 Staff Complementary Tickets**

Each staff member receives three complementary tickets every month, valid for three months, which may be given to friends and family.



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## **4.4 EAP**

uShaka's philosophy is that the well-being of our staff is as important as their performance at work. In implementing this philosophy, uShaka is launching an Employee Assistance Programme which aims to give employees access to resources.

## **5 RISKS**

### **5.1 HIV/ Aids**

uShaka is aware that many of our staff are infected or affected by the HIV/ Aids epidemic sweeping through KwaZulu-Natal. Access to Voluntary Counseling and Testing, as well as the support of our Employee Assistance Programme is available to all staff that are affected by HIV and Aids.

## **6 UNIONISATION**

During February 2009, a Recognition Agreement was signed with United Association of South Africa (UASA) the union, representing the majority of staff. Monthly meetings are held with shop stewards and union officials to discuss workplace matters.



**REPORT OF THE AUDIT AND RISK COMMITTEE FOR THE FINANCIAL YEAR ENDED 30 JUNE 2009**

The Audit and Risk Committee (herein called "*the Committee*") reports that it has complied with its responsibilities arising from section 166(2) (b) of the Municipal Finance Management Act no 56 of 2003 (MFMA). The Audit and Risk Committee also reports that it has adopted appropriate formal terms of reference as contained in its charter, and carried out its functions in compliance with the terms of reference as approved by Council.

The members of the Committee are all independent and have the required qualifications, skills and knowledge, including legal, business management, risk management, accounting and financial management. During the current financial year, the contract of the three previous members of the Audit and Risk committee expired on the 31<sup>st</sup> December 2008; and the seven (7) new members who were appointed in January 2009 are listed hereunder. One of the new members resigned subsequent to year-end.

**1. Committee Membership and Attendance of meetings**

The Committee should have a minimum of six (6) meetings during a financial year as per its approved terms of reference. There were seven (7) meetings held during the current financial year, which included special meetings.

<b>Names of Members</b>		<b>Number of Meetings attended</b>
Total number of Meetings during the financial year		7
Advocate Vusi Khuzwayo (Chairperson)	Contract expired 31/12/08	4
Sbusiso Luthuli CA (SA)	Contract expired 31/12/08	4
Ms Fathima Ussuph	Re-appointed 30/01/09	4
Rohit Desai CA (SA)	Appointed 30/01/09	3
Peter Christianson CA (SA)	Appointed 30/01/09	3
Bongiwe Sithole	Appointed 30/01/09	2
Sipho Nzuzza	Appointed 30/01/09	3
Lihle Ndlovu	Appointed 30/01/09	3
Nhlanhla Gasa	Appointed 30/01/09 Resigned 11/2009	3