

ANNUAL REPORT

08/09
60/09



South African
Weather Service

OUR LOGO

The light blue represents water which is our main source of life.

The dark blue represents the atmosphere in which all weather occurs.

The green symbolises sustainability and life.

The red-brown represents the earth from which all growth and life originates.

The yellow circle represents the African Sun.



South African
Weather Service

The South African Weather Service logo represents the movement of weather systems and its interaction with the earth, sun and atmosphere. It also portrays a fresh and dynamic visual appearance that identifies SAWS as a proudly South African organisation.



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MESSAGE

FROM THE MINISTER OF WATER AND ENVIRONMENTAL AFFAIRS



It is an honour for me and the new Ministry as a whole, to take over the role as Executive Authority over the South African Weather Service (SAWS). I would like to extend my gratitude to the previous Ministry of Environmental Affairs and Tourism (DEAT), Minister, Mr Marthinus van Schalkwyk, Deputy Minister, Ms Rejoice Mabudafhasi, as well as the DEAT Management and staff for the wonderful work they did in conjunction with SAWS.

I am privileged to still have Ms Rejoice Mabudafhasi as Deputy Minister of the new Ministry of Water and Environmental Affairs, and will continue to benefit from her leadership and valuable contributions on environmental issues over the years.

I am passionate about weather and climate-related issues, and welcome the merger of the Water and Environmental Affairs portfolios, as this would bring about positive cooperation, given the correlation between weather, climate and water. I feel confident that this cooperation will benefit SAWS, as its functions and mandate are largely aligned with those of the World


Meteorological Organisation (WMO), of which SAWS is a member.

Changes in South Africa's climate system have been documented by SAWS researchers, and are expected to continue as projected by the Fourth Assessment Report of the Intergovernmental Panel on Climate Change (IPCC). The impact of global climate changes calls for greater efforts by the Southern African Meteorological Community to enhance weather observation and forecasting tools for all time zones.

I regard myself as being very fortunate to have been part of the meeting of the Southern African Development Community (SADC) Ministers of Transport and Meteorology, within the first three days of assuming my new portfolio. The meeting endorsed the Constitution of the Meteorological Association of Southern Africa (MASA). It is being envisaged that MASA would play a critical role in assisting the national meteorological services of southern Africa to invest in meteorological infrastructure and capacity-building while, at the same time, improving and extending their services. It is with pride that I

MS BUYELWA SONJICA





note that SAWS has been appointed as MASA Secretariat, which would furthermore assist SAWS to possibly extend some influence over MASA's agenda.

Allow me to take this opportunity to also thank the National Treasury for availing R240 million for investment in the Doppler weather radar infrastructure over the next four years. I am aware that SAWS is making good progress in this regard, and that three new radar systems will be commissioned during the next year. The initiatives by SAWS and its southern African counterparts, in establishing a regional radar network, will ensure that the envisaged 12 new South African radar systems will contribute towards the improvement of the quality of weather observation and warnings in SADC countries.

Increasingly, SAWS will be required to extend its services over all time zones, and to ensure that applications are developed that will help the nation to prosper. SAWS, however, needs to intensify its research into applications pertaining to the key socio-economic sectors, such as transport, water resource management, food security, health, energy and many more. An improved understanding of South African weather and climate patterns will facilitate the country's future planning.

I am excited about the fact that SAWS will be celebrating 150 years of organised meteorology in South Africa in the near future, and that, over the decades, SAWS has accumulated climate data dating back to 1840 and meteorological data dating back to 1860. This indeed makes SAWS, and South Africa as a country, a very rich source of information on climate variability, while putting us in a stronger position to identify climate change signals.

I therefore would like to take this opportunity to thank my predecessors from DEAT, the SAWS Board, as well as the SAWS Management and staff members for the work done and achievements reached during the period under review.

I am looking forward to a long and fruitful working relationship with all relevant parties.



Ms Buyelwa Sonjica, MP

Minister of Water and Environmental Affairs

MESSAGE

FROM THE DEPUTY MINISTER OF WATER AND ENVIRONMENTAL AFFAIRS



During the past year, the South African Weather Service (SAWS) made measurable strides to maximise the impact of efforts geared towards saving lives and property in South Africa, as well as beyond the country's borders.

I noted with appreciation the efforts that SAWS had initiated with regard to stakeholders, in order to enhance the general public's awareness of weather and climate-related issues. Working closely with the National Disaster Management Centre (NDMC) on the Severe Weather Warning System, SAWS delivered on its public good mandate, via the provision of warnings and information that increased the NDMC's readiness to be proactive in making the necessary interventions when responding to potential disasters.


Engagement with different stakeholders, and the media in particular, also remained a priority, especially because SAWS relies on the media as a vehicle to channel and disseminate weather-related information to the majority of

South Africans. I am therefore pleased that, during the period under review, SAWS embarked on a drive to develop good and beneficial relations with the media, so as to enhance public awareness of weather-related issues and the impact thereof.

In my capacity as Deputy Minister of Environmental Affairs and Tourism, I worked closely with the SAWS Management on issues of community development and general public awareness. I can therefore confidently attest that SAWS managed to reach most of the affected communities, in time to prevent loss of life and to minimise the impact of damage to property. I have noted considerable progress made in the development of the Flash Flood Guidance System for South Africa, supported by the rollout of a new automated rain gauge system, which is suitable for hydrometeorological applications. Working closely with disaster management structures, the finished product is set to become an important tool in safeguarding the lives of our people against floods.

MS REJOICE MABUDAFHASI





I am confident that the merger of the Water and Environmental Affairs portfolios into one Ministry will go a long way to ensure cooperation in the execution of strategic programmes.

It is with pride that I furthermore report that SAWS completed a comprehensive study on weather-related indigenous knowledge during the period under review. The result represents a comprehensive account of the wealth of knowledge accumulated by the peoples of southern Africa over centuries. The completed manuscript will be a valuable addition to the cultural heritage of South Africa.

I would like to extend words of gratitude to the SAWS Board for its leadership, as well as to the

SAWS Management and staff for ensuring that the organisation continued to render a service characterised by excellence. Lastly, I acknowledge with appreciation the support given to SAWS by the former Ministry and Management of Environmental Affairs and Tourism.



Ms Rejoice Mabudafhasi, MP

Deputy Minister: Water and Environmental Affairs

REVIEW BY THE CHAIRPERSON OF THE SAWS BOARD



It is my pleasure to submit to you the 2008/09 Annual Report of the South African Weather Service (SAWS), outlining the organisation's activities over the past twelve months.

When the current Board was established on 1 April 2008, it acknowledged the solid foundation laid by its predecessor in terms of putting governance frameworks in place, including policies and internal control systems. The new Board decided that its focus would have to be more on implementation, as well as on the strengthening of the internal control systems.

In the first year of its tenure the Board, in conjunction with Management, reviewed the three-year Strategic Plan, in order to ensure that the organisation delivered on its mandate, with specific focus on the following five main strategic goals:

- The continued relevance of meteorological products and services, in compliance with an applicable regulatory framework.
- Effective management of stakeholder relations.


- The short-term viability and long-term sustainability of SAWS's revenue and other resource requirements.
- Business integration and organisational effectiveness.
- The establishment of a strategy-driven human capital capacity, in order to ensure optimum performance by SAWS.

The Board also directed its attention towards the strengthening of the internal control systems, so as to improve efficiency and ensure compliance with applicable legislative and corporate governance frameworks. This was achieved mainly via a review of the Board's governance structure, as well as a review of policies, such as the Finance Policy and the Supply Chain Management Policy, amongst others.

The Board is pleased to report that the organisation performed well during the period under review, notwithstanding challenges pertaining to financial constraints, which compelled SAWS to reprioritise certain organisational aspects. The Board also acknowledges the po-

MS KHUNGEKA NJOBE





tential impact of the current global economic downturn on SAWS, but is pleased to report that the organisation, nevertheless, managed to deliver on its mandate without sacrificing quality of service.

Some of the key highlights during the period under review, include progress made with the implementation of key projects, such as the Severe Weather Warnings Systems Project, which was run in collaboration with the National Disaster Management Centre; the South African Flash Flood Guidance System; as well as improvements in the levels of accuracy in forecasting performance (weather warnings).

The organisation furthermore achieved in the field of commercialisation, via the launch of the new SAWS website, the sale of automatic weather stations, automatic rain stations, and the Lightning Detection Network (LDN), amongst others. SAWS also made good progress with regard to infrastructure development and upgrades via the implementation of the new Radar Network Project, as well as with the recruitment and retention of scarce skills, which are considered to be of critical importance for the sustainability of the organisation.

In addition I would like to express the view that SAWS's recognition by the World Meteorological Organisation (WMO), as a Global Producing Centre of Long-Range Forecasts, as well as for the enhancement of weather warning services, both in South Africa and in the Southern African Development Community (SADC), is commendable.

Let us remember to be grateful for our success-

ful track record, as we start the celebrations of 150 years of organised meteorology in South Africa in 2010, by reflecting on how the services we rendered and the information we provided over the years have contributed towards saving lives and minimising damage to property.

SAWS has also commenced with the necessary planning to provide weather-related information that would be of critical importance for the successful hosting of the 2010 FIFA World Cup in South Africa.

On behalf of the Board, I wish to express our sincere gratitude to the SAWS Chief Executive Officer, Dr Linda Makuleni, the SAWS Management, as well as to all other staff members for rising to the challenges during the period under review, while making optimal utilisation of the resources at their disposal. In so doing, they ensured that the SAWS delivered on its mandate, notwithstanding financial constraints.

The support received from the Ministry and the Department of Environmental Affairs and Tourism was enormous and is much appreciated. The commitment of individual board members, as well as of the Board as a collective, is also highly valued, especially in light of the challenges that the Board faced upon its appointment. The collective efforts of all these different role-players enabled SAWS to report positively on yet another successful year.



Ms Khungeka Njobe
Chairperson: SAWS Board

OVERVIEW

BY THE CHIEF EXECUTIVE OFFICER



The incidence of weather-related natural disasters has increased over the past number of years, resulting in the loss of lives and property. The devastating impact of severe weather conditions on the wellbeing of our society is portrayed by the media every day. There is no doubt that the impact of these weather phenomena hampers sustainable development and accentuates poverty, especially amongst our more vulnerable communities.

During the past 148 years, the South African Weather Service (SAWS) has played a significant role – both as an official and authoritative voice in the issuing of weather-related information, as well as in its capacity as custodian of climatic data.

It is gratifying to note that the SAWS is at the forefront in assisting the South African government to reduce the impact of these disasters, by providing early warnings to the South African public in general.

It is an honour for me to highlight the performance and achievements of the SAWS during


the 2008/09 financial year. My sincere gratitude goes to the SAWS Management and members of staff for their tenacity, diligence and commitment in the execution of the 2008/09 SAWS Business Plan. In spite of being faced with the challenge of limited financial resources, the organisation continued to give a peak performance while adjusting and prioritising its programmes to meet the expectations of its stakeholders.

During 2008/09, several strategic projects were initiated by the organisation and, in so doing, laid the foundation for improved delivery of public good and commercial services, in line with government's development priorities.

Our commercial activities resulted in a 44 percent increase in non-regulated commercial income, compared to the previous year. We witnessed the global economic downturn, which affected the aviation industry and thereby contributing to the SAWS's zero growth in regulated aviation income. Despite challenges faced by the industry, however, the SAWS is committed to provide a quality service to the aviation

DR LINDA MAKULENI





industry, so as to ensure aviation safety and economic prosperity for the country as a whole.

We are grateful towards the Department of Environmental Affairs and Tourism (DEAT) our shareholder, who continued to provide financial support and, in so doing, enabling the organisation to upgrade and modernise its infrastructure, acquire new technology and invest in human capital development. These investments allowed us to improve the quality of our services and, as a result, compare favourably to other leading national weather services around the world.

Like all scientifically-based institutions, the SAWS is facing the challenge of a limited pool of scientists. It is against this background that a strategic decision was taken to expedite the SAWS's attraction and retention strategy of focusing on critical and scarce skills that are crucial for the long-term sustainability of the organisation. Management and members of staff worked jointly and tirelessly to develop programmes and implement new processes, without any disruption in the provision of services. During the period under review, staff turnover in critical and scarce skills areas was closely monitored. It is encouraging to note that the attraction and retention strategy has borne fruit, resulting in a reduction in staff turnover with regard to critical skills, from 11.6% to 5.7% compared to the previous financial year.

Based on the need to address skills shortages, the SAWS awarded bursaries to employees for PhD, MSc and BSc studies. In an effort to expand the pool of scientists who specialise in meteorology, climatology and atmospheric sci-

ence, 40 bursaries were awarded to external students, with two-thirds of these being awarded to people from the previously disadvantaged groups. As part of its job creation efforts, and as a contribution towards the development of a skilled labour force in South Africa, the SAWS also recruited eight interns to complete learnerships during the period under review, thus gaining working experience in the fields of information technology and science.

Furthermore, the SAWS Meteorological Training Centre was officially accredited as a training provider with the Transport Education and Training Authority SETA, TETA 09-128, which means that all learners who complete SAWS training programmes will be awarded certificates, as evidence of obtaining an accredited qualification.

Another highlight during the period under review was the fact that the SAWS was acknowledged by the European Organisation for the Exploitation of Meteorological Satellites (EUMETSAT) as a Centre of Excellence for Remote Sensing. In an attempt to build staff capacity within the SAWS, as well as in other national weather services in southern Africa for the utilisation of Meteosat Second Generation (MSG) satellite technology, the SAWS established a Remote Sensing Training Centre in conjunction with EUMETSAT.

The SAWS continued to invest in advanced technology and in the modernisation of the organisation's infrastructure. In our pursuit to be recognised as a reputable provider of weather and climate information, greater emphasis was placed on the upgrading of the SAWS radar

OVERVIEW

BY THE CHIEF EXECUTIVE OFFICER



network, automatic weather stations, automatic rainfall stations, the lightning detection network, as well as on the organisation's observations network. The enhanced national weather observations network has resulted in a synthesis of more accurate weather and climate information.

It is with pride and gratitude that I can furthermore report that the radar project is progressing according to schedule, and will eventually result in the improved tracking of severe weather systems across the entire country.

As mandated by the SAWS Act, SAWS has a responsibility for the aviation Meteorological Authority (Met Authority), and it is gratifying to note that a functional Met Authority structure was successfully established. The SAWS Met Authority is committed to the promotion of aviation safety in South Africa, and will continue to play a supervisory role, so as to ensure the provision of quality aeronautical meteorological services that are in compliance with the International Civil Aviation Organisation (ICAO) standards. In line with requirements by ICAO and the World Meteorological Organisation (WMO), the SAWS introduced the concept of Total Quality Management during the period under review, with the objective of acquiring ISO 9000 accreditation by 2010/11.

In supporting air quality initiatives, the SAWS worked in partnership with the DEAT to establish the South African Air Quality Information System (SAAQIS). In our endeavours to develop an Integrated National Early Warning System, the SAWS continued to collaborate on a number of projects with the Department of Local


Government (DPLG), via its National Disaster Management Centre (NDMC).

The SAWS also continued to strengthen international collaboration with other national meteorological services and related international organisations. The organisation recognises the fact that weather conditions know no political boundaries. It is for this reason that the SAWS expanded its role in the activities in the Meteorological Association of Southern Africa (MASA), where it served in the capacity of both Secretariat and Chair, in line with the SADC's policy of rotation of MASA chairpersons.

During the second Annual General Meeting of MASA held in Mbabane, Swaziland, national weather services collectively agreed that there was a need to improve forecasting skills and integrate forecasting work with disaster management. This collective approach is of crucial importance for the region's disaster combating efforts.

MASA aims to strengthen collaboration amongst national weather services in the SADC region, with special cooperation pertaining to enhanced capacity-building, data telecommunications and weather observations networks. MASA has the potential to improve meteorological products and services in the southern African region, thus contributing to the socio-economic development of the SADC.

The WMO acknowledged the SAWS for its leadership role in the successful implementation of the Severe Weather Forecast Demonstration Project (SWFDP). The SWFDP is one



of the crucial WMO projects, aimed at improving public weather forecasts all over the world. The WMO's Executive Council allocated additional funds for the expansion of the project to all 16 countries in the SADC region. We also welcome with enthusiasm the WMO's recognition of the SAWS as a Global Producing Centre for Long-Range Forecasts. As a Regional Specialised Meteorological Centre of the WMO, the SAWS will continue to issue long-range forecasts, in order to support the SADC's Drought Monitoring Centre (DMC) in Botswana.

This support to the DMC will ensure the continued provision of high-quality seasonal forecasts for the region, aimed to benefit and support regional planning and socio-economic development. These international activities of the SAWS affirmed South Africa's leading regional role in the sustainable development of the region. On behalf of the SAWS Board and Management, I therefore wish to extend my sincere appreciation to our scientists for setting a shining example to the world at large, and for turning our organisation into a beacon

of strength, both on the African continent and in the rest of the world.

I am indebted to DEAT for its support throughout the period under review, to the SAWS Board for its leadership and guidance, and to the SAWS Management and members of staff for their commitment and a job well done.

The SAWS Management and staff are looking forward to partake in the 2010 FIFA World Cup festivities, as we celebrate the SAWS's 150 years of existence as the custodian of climate information and as an authoritative voice in the field of weather-related issues.



Dr Linda Makuleni
Chief Executive Officer

MISSION VISION AND SHARED VALUES

Vision

To be a world-class meteorological organisation that contributes to the sustainable development of South Africa and beyond our borders.

Mission

To collect, process and provide meteorological data, products and services for the use of all South Africans and beyond our borders.

This will be achieved through:

- Excellence in forecasting processes
 - Cutting edge technology
- Accessing the international observation networks
- Research and innovation aimed at improving and developing our products and services
- Facilitating co-operation with regard to the observation network.

Shared Values

SAWS is guided by and committed to the following values:

- Professionalism
 - Integrity
 - Honesty
 - Respect
- Teamwork and partnership
- Recognition of excellence in performance
 - Accountability



BOARD MEMBERS

SOUTH AFRICAN WEATHER SERVICE



Ms. Khungeka Njobe
Chairperson



Dr. Linda Makuleni
Chief Executive Officer



Rev. Lulamile Mbete



Ms. Medi Mokuena



Mr. Welcome Msomi



Mr. Lance Williams



Prof. Lindsizwe Magi



Mr. Siyabonga Makhaye



Ms. Joanne Yawitch



Prof. Harald Winkler



Dr. Thembakazi Mali



Ms. Hanlie Grobler
Chief Financial Officer

EXECUTIVE MANAGEMENT

SOUTH AFRICAN WEATHER SERVICE



Dr. Linda Makuleni
Chief Executive Officer



Mr. Gerhard Schulze
General Manager:
Executive Projects



Ms. Mofjadji Makoela
General Manager:
Corporate Affairs



Ms. Siphokazi Bokwe
General Manager:
Human Capital Management



Dr. Jonas Mphopya
General Manager:
Operations



Ms. Hanlie Grobler
Chief Financial Officer

SENIOR MANAGEMENT

SOUTH AFRICAN WEATHER SERVICE



Ms. Zandile Nene
Company Secretary



Mr. Mnikeli Nlabambi
Senior Manager:
Forecasting



Ms. Sihle Mashabane:
Senior Manager: Supply
Chain Management



Dr. Deon Terblanche
Senior Manager:
Research



Ms. Gaborekwe Khambule
Senior Manager:
Aviation



Prof. Themba Dube
Senior Manager:
Climate Services



Mr. Nish Devanunthan
Senior Manager:
Technical Services



Ms. Pat Mkwanzazi
Senior Manager:
Finance



Mr. Mbuyiselo Xhamvu
Senior Manager: Occupa-
tional Health and Safety

SENIOR MANAGEMENT

SOUTH AFRICAN WEATHER SERVICE



Mr. Daniel Letsoalo
Legal Manager



Ms. Munyadziwa Rabambi
Senior Manager:
Stakeholder Relations and
Communications



Mr. Mark Majodina
Senior Manager:
International Relations



Mr. Thabiso Dekeda
Senior Manager:
Employee Relations



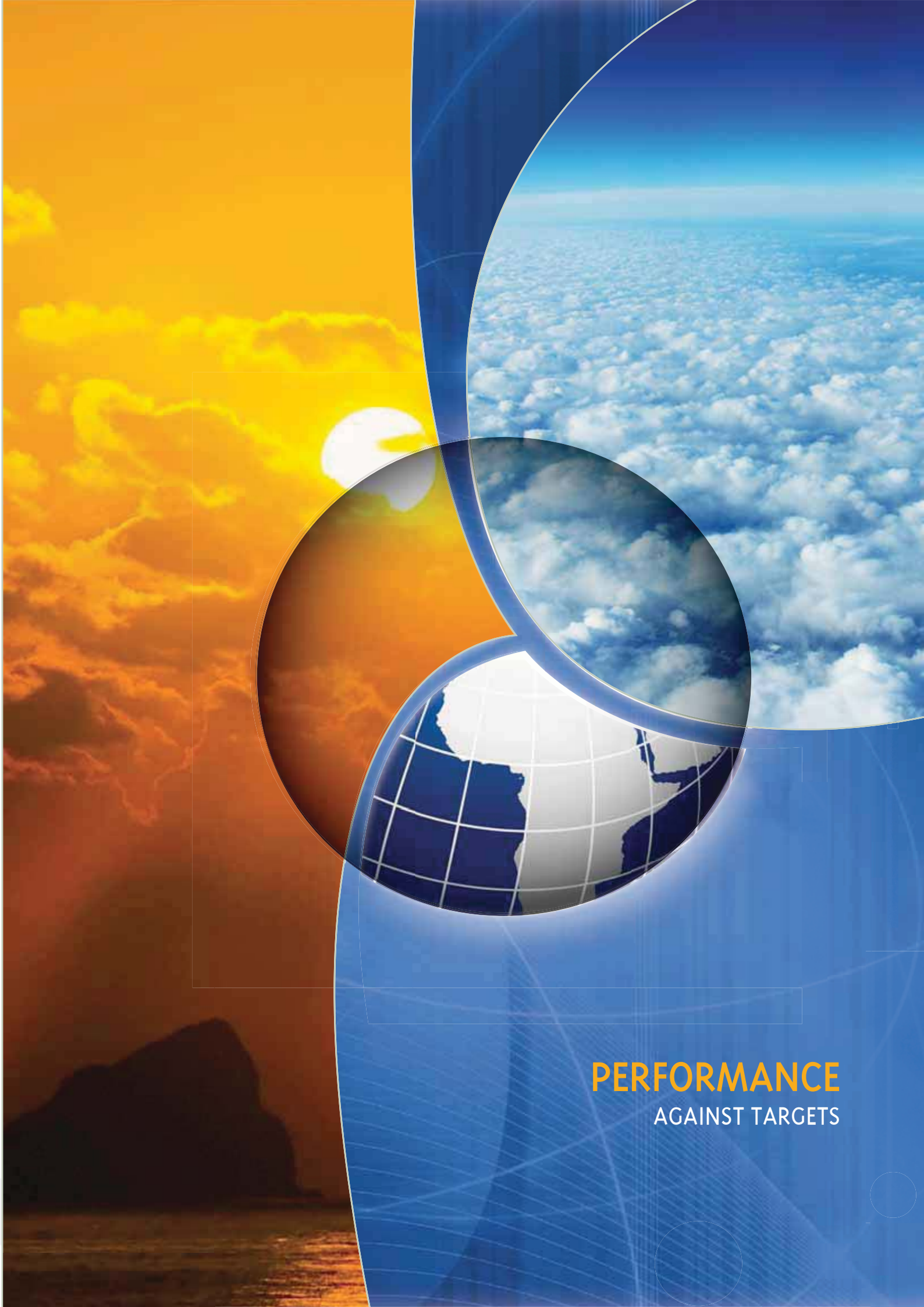
Ms. Trish Persad
Senior Manager: Human
Capital Development



Mr. Lindani Gcwensa
Senior Manager: Human
Capital Management



Mr. Mike Edwards:
Special Adviser



PERFORMANCE
AGAINST TARGETS

PERFORMANCE AGAINST TARGETS



Key Focus Area	Strategic Objectives	KPI's	Activities end March 2009	Target end March 2009 (Measurement)	ACHIEVEMENT
1. Ensure financial viability and sustainability	1.1 Grow commercial revenue	1.1.1 Increase from cost recovery income (Aviation)	R 57.6m	Annual Financial Statements (AFS)	Partly Achieved 93% (R53.5m) Under recovery due to late promulgation of Aviation tariffs, liquidation of Nationwide and other airlines
		1.1.2 Increase from other commercial revenue (implement marketing plan)	R21m adjusted by R8m to R13m	AFS	Partly Achieved 88% of the adjusted budget R11.45m
		Approved and implemented Pricing Policy	Approved Pricing Policy	Achieved Pricing Policy completed and approved	
	1.2 Grow research and development funding	1.2.1 Increase research funding	R3m	AFS	Achieved R3.6m
		1.2.2 Increase funding for R&D, social responsibility, internal CAPEX, other projects	Establish Investment Fund	Approved Investment Fund	Abandoned because SAWS is a schedule 3A Public Entity
	1.3 Grow CAPEX grant	1.3.1 Receive CAPEX grant	Implementation of radar plan total spending R 35m	AFS	Achieved Spent R60m from previous year and committed R35m
		1.3.2 Internal investment in CAPEX other strategic venture allocation	R 14m committed	AFS	Achieved R16.7m spent including rollover funds
		1.3.3 Development of Waterkloof Land	Demarcation of land and commencement of rezoning	Application to re-zone submitted	Partly Achieved Fencing complete
	1.4 Effective utilisation of the Government grant	1.4.1 Spending against budgets	< 10% variance	AFS	Achieved 97% of budget spent in line with 10% variance

Key Focus Area	Strategic Objectives	KPI's	Activities end March 2009	Target end March 2009 (Measurement)	ACHIEVEMENT
2. Ensure corporate governance and strategic leadership	2.1 Compliance with legislation	2.1.1 Unqualified audit report	<ul style="list-style-type: none"> Unqualified audit report 	AFS	Achieved <ul style="list-style-type: none"> Interim unqualified report and clean
		2.1.2 Annual review policies	<ul style="list-style-type: none"> Completed review of policies that hinders effectiveness Implementation of approved procedures Engagement of DEAT with Legislation review Policy review framework Education of staff on policies 	Reviewed shareholder compact Reviewed Policies	Achieved <ul style="list-style-type: none"> Policies reviewed Legislation review tabled with Shareholder Education of policies carried out through staff meeting
			<ul style="list-style-type: none"> IP audit complete and implement recommendations 	IP audit report	Achieved
		2.1.3 Compliance management	<ul style="list-style-type: none"> Compliance with BCEA Distributed compliance diary, education programme for staff and monitor compliance Compliance with all related acts and regulations 	Distributed compliance diary, education programme for staff and monitor compliance Final Audit Report	Achieved
		2.1.4 Contract management	<ul style="list-style-type: none"> Annual progress report on impact on organisation of all MOU's and SLA's 	Standardised and managed MOU's and SLA's	Achieved
		2.1.5 OHSA audit report findings	<ul style="list-style-type: none"> 90% compliance 	Implemented OHSA plan	Achieved 80% corrective actions
			<ul style="list-style-type: none"> Tested BCP 	Implemented findings with emergency as per action plan	Achieved

Key Focus Area	Strategic Objectives	KPI's	Activities end March 2009	Target end March 2009 (Measurement)	ACHIEVEMENT
2. Ensure corporate governance and strategic leadership (continued)	2.2 Effective stakeholder management	2.2.1. Internal and external communication strategy	<ul style="list-style-type: none"> Implementation of communication strategy Positioning and differentiation strategy Finalise corporate ID 	Developed and aligned communication strategy with 3-year Corporate strategy and SAWS mandate	Partly Achieved <ul style="list-style-type: none"> Internal and External strategies developed and implemented Due to financial constraints the Positioning and Differentiation Strategy development has been put on hold and will be implemented in 2009/10. Despite not having a documented strategy in place, SAWS has managed to position itself as a leader in meteorology with WMO and MASA
		2.2.2 PR programmes	<ul style="list-style-type: none"> Implementation of PR and CSI plan Conduct impact assessment 	SAWS Brand visibility and credibility	Partly Achieved <p>CSI</p> <ul style="list-style-type: none"> 3 CSI programmes conducted 40 bursaries were awarded <p>PR</p> <ul style="list-style-type: none"> Media engagements to solicit publicity on SAWS's role with regard to dissemination of weather warnings were implemented A number of interviews on weather-related topics with various radio stations in different languages were held to clarify weather events Impact Assessment to be completed by June 2009
		2.2.3 Stakeholder management	<ul style="list-style-type: none"> Implementation of SH management programme Review and strengthen relationships 	Mutual relationship with Stakeholders. Partnerships with stakeholders.	Achieved <ul style="list-style-type: none"> 4x group Stakeholder meetings Hosted two Stakeholder tables Aviation meetings Regulator meetings Clients meetings CEO's meetings

Key Focus Area	Strategic Objectives	KPI's	Activities end March 2009	Target end March 2009 (Measurement)	ACHIEVEMENT
2. Ensure corporate governance and strategic leadership (continued)	2.2.4 Conduct SAWS brand awareness	Conduct Impact assessment	<ul style="list-style-type: none"> Introduced communication and brand ambassadors Level of knowledge of Vision, Mission, Values and programmes by SAWS Staff 	Achieved <ul style="list-style-type: none"> Brand awareness concept workshopped with MANCO Brand Ambassadors 	Achieved <ul style="list-style-type: none"> Brand awareness concept workshopped with MANCO Brand Ambassadors nominated
	2.3 Meeting national and international obligations	2.3.1 National and international liaison	<ul style="list-style-type: none"> Leading in provision of products and services and advice to SADC Alignment of international liaison with government programmes such as NEPAD, millennium development goals Develop international relations framework Positioning in international conferences 	<ul style="list-style-type: none"> Leading in provision of products and services and advice to SADC Aligned international liaison Framework developed Positioning according to position paper 	Achieved <ul style="list-style-type: none"> Hosted WMO Technical workshops Developed and implemented International Relations Framework SAWS made presentations at International conferences
	2.4 Leadership role in SADC	2.4.1 National and international liaison	1. Acting as secretariat for MASA 2. Ensure optimal involvement in SADC: <ul style="list-style-type: none"> Infrastructure Communication Severe weather guidance Capacity building and training 	Acting as secretariat for MASA	Achieved <ul style="list-style-type: none"> Appointed as MASA Chair and Secretariat Mobilised funds for MASA activities-Finnish government to fund MASA projects Extended SWFDP project to all SADC countries
	2.5 Aviation meteorological authority	2.5.1 Enforce compliance with all ICAO standards	Structured MET Authority to satisfy accepted CAP	Appointed MET Authority manager and 5 trained inspectors according to ICAO requirements	Achieved <ul style="list-style-type: none"> MET Authority Structure satisfying ICAO Audit Committee established and personnel trained Audit conducted

Key Focus Area	Strategic Objectives	KPI's	Activities end March 2009	Target end March 2009 (Measurement)	ACHIEVEMENT
2. Ensure corporate governance and strategic leadership (continued)	2.5 Aviation meteorological authority	2.5.1 Enforce compliance with all ICAO standards	Compliance monitored and reviewed and compliance reports submitted to ICAO including the progress with CAP	Compliance monitored and reviewed and compliance reports submitted to ICAO including the progress with CAP	Achieved <ul style="list-style-type: none"> • Corrective action plan for all three findings accepted and addressed
3. Ensure SAWS becomes a learning organisation	3.1 Grow, develop and retain scientists, technicians, technologists, researchers and ICT related capabilities	3.1.1 Develop and implement 3 year skills development strategy (aligned to business strategy)	<ul style="list-style-type: none"> • Full skills audit report for entire organisation and "bridge the gap" plan • Implement priority areas • 3 year skills development strategy 	Analysed results and developed programmes for priority areas levels	Achieved <ul style="list-style-type: none"> • Strategy developed and approved by TETA • SAWS training centre accredited by TETA-Accreditation no. TETA09-128
		3.1.2 Proposal framework on development of black scientists, technicians, technologists, researchers and ICT personnel	100% Implemented plan: <ul style="list-style-type: none"> • Increased number of black scientists and female students • Increased critical skills base in the core • Increased number of bursary students (20) studying Meteorology 	Framework implemented as per plan	Achieved <ul style="list-style-type: none"> • Bursary Framework approved • Awarded 40 bursaries, three thirds were awarded to PDI's
		3.1.3 Consolidate schools outreach strategy	Strategy developed and implementation started	Strategy developed and a number of schools reached (one per province)	Achieved <ul style="list-style-type: none"> • Developed school outreach strategy • Hosted SAWS open day • Hosted schools at all regional offices and Head office • Participated in science and industry exhibitions and won the SciFest and Sasol Techno X Awards

Key Focus Area	Strategic Objectives	KPI's	Activities end March 2009	Target end March 2009 (Measurement)	ACHIEVEMENT
3. Ensure SAWS becomes a learning organisation (continued)	3.1 Grow, develop and retain scientists, technicians, technologists, researchers and ICT related capabilities (continued)	3.1.4 Implementation of internship and learnership programmes for research and ICT	<ul style="list-style-type: none"> Implementation of action plans Addressing the critical needs in the organisation aligned to the retention strategy 	Learnership and internship programme implemented	Achieved <ul style="list-style-type: none"> Appointed 8 interns
	3.2 Talent management	3.2.1 Implement effective retention strategy for critical, scarce skills and high flyers	< 6% turnover per department of employees with critical, scarce skills and high flyers	Retention strategy implemented as per plan Reduce staff turnover to 6% for SAWS	Achieved <ul style="list-style-type: none"> Turnover of 6.2%
		3.2.2 Review remuneration and reward strategy	Strategy developed and implemented as per plan	Remuneration and reward strategy amended and approval obtained	Achieved <ul style="list-style-type: none"> R&R Policy Attraction and Retention Strategy implemented
		3.2.3 Develop and implement career planning	Implemented as per plan	Implemented	Achieved <ul style="list-style-type: none"> Career path Framework approved and being implemented
		3.2.4 Review performance management system	Implementation of the new PMS (> 1-4-08)	PMS amended and approval obtained, PMS implemented. Wellness programme in place	Achieved <ul style="list-style-type: none"> Reviewed and being implemented
		3.2.5 Review HIV/Aids and Wellness programmes implementation	Implemented HIV/Aids & Wellness programme		Achieved <ul style="list-style-type: none"> Implementation plan approved Phase one implemented

Key Focus Area	Strategic Objectives	KPI's	Activities end March 2009	Target end March 2009 (Measurement)	ACHIEVEMENT
3. Ensure SAWS becomes a learning organisation (continued)	3.3 Effective scientific and business excellence	3.3.1 Form partnerships with higher learning institutions	2 MOU's concluded (including UP), depending on feasibility	2 MOU's	Partly achieved • 1 MOU's approved
		3.3.2 Establish an accredited regional training meteorological centre	Implement the year 1 recommendations of the feasibility study	Plan developed based on feasibility study	Partly achieved • Conducted feasibility study • Developed an implementation plan and submitted to the WMO • Still lobbying with Regional Association 1 of the WMO for endorsement
	3.4 Effective knowledge management	3.4.1 Implement succession plan – Knowledge transfer	• - Implementation of succession plan	Succession plan developed and implemented	Achieved • Succession Plan approved and being implemented
		3.4.2 Develop and implement knowledge management strategy and plan	• - Full use of Document Management System and ISO implementation as per plan	Implementation plan developed and implementation according to plan	Partly Achieved • Document Management System in place
	3.5 Effective organisational transformation	3.5.1 Implement EE plan	• Improved EE ratios according to target	Reviewed EE plan	Achieved • EE Plan approved
		3.5.2 Develop plan on living the values	• Full appreciation, buy in, adoption and commitment to the values	Developed and implemented plan Conduct survey of living the values	Not Achieved • Implementation plan not yet developed
4. Create a client-centric organisation	4.1 Investigate other financial model for SAWS	4.1.1 Identify different possibilities within PFMA	• Study completed and recommendation tabled to Board for approval	Report with recommendation	Achieved • Funding model developed and approved
	4.2 Develop and disseminate client specific products and services	4.2.1 Government departments	• Services formalised and contracts and/or MOU's developed	Services formalised and contracts and/or MOU's developed	Achieved • MOUs with DPLG, DWAF, DEAT, CSIR, SANERI, ARC, SAN-PARKS

Key Focus Area	Strategic Objectives	KPI's	Activities end March 2009	Target end March 2009 (Measurement)	ACHIEVEMENT
5. Reputable provider of weather, climate and related environmental products and services	5.1 Effective and efficient observation of network, communication and data acquisition, storage and processes	5.1.1 Implementation of the modernisation plan according to its time lines	Completion of phase 3 of implementation plan	AFS Modernisation plan	Achieved -Modernisation Plan implemented as per current year plan
		5.1.2 Acquire, install and commission new radar systems	Completion of phase 1 of implementation plan	Completion of phase 1 of implementation plan	Achieved The manufacturing of five RADAR systems were commissioned
		5.1.3 South African Air Quality Information System (SAAQIS)	Established framework and central database, core AQ ambient modules	Established framework and central database, core AQ ambient modules	Achieved -SAAQIS software installed
			Implemented business plan and investigated new opportunities for airborne measurements and research	Implemented business plan and investigated new opportunities for airborne measurements and research	Achieved -Phase two of Queensland cloud seeding research completed
		5.1.4 Preventative maintenance plan	AWS, ARS, radar and LDN preventative maintenance plan in place	Develop and implement preventative maintenance plan	Achieved -Preventative Maintenance Plan developed
	5.2 Effective and efficient delivery of products and services	5.2.1 Full implementation of business continuity plan	BCP tested	Operational implementation of the plan	Achieved -BCP Operational Plan implemented- findings corrected
			SLA implemented with landlords i.r.o security of Radars Implement full time security Radars	SLA	Achieved -Security at Mthata and Port Elizabeth addressed

Key Focus Area	Strategic Objectives	KPI's	Activities end March 2009	Target end March 2009 (Measurement)	ACHIEVEMENT
		5.2.2 Full operational Severe weather demonstration project	Nowcasting toolbox research and development based on MSG, LDN and radar	Roll out the project to the SADC countries	Achieved -Severe Weather Forecast Demonstration Project extended to all SADC countries
		5.2.3 Keep up with fast developing ICT infrastructure	Web development In-house versus capacity challenges versus outsourcing SMS messages	ICT master plan developed and implemented which will assist in identifying new technology	Partially Achieved -ICT Audit conducted
		5.2.4 Data policy	Develop a clear and concise policy on SAWS data provision to users and clients	Policy in place and applied	Achieved Data Policy approved
		5.2.5 Forecast accuracy indicator	Provide simple, internationally comparable indicators to measure forecast accuracy	Operational system in place and reported on quarterly/annual basis	Achieved Aviation verification system: TAF above 75% accuracy TREND: above 85% accuracy
	5.3 Research in weather, climate and related environmental services	5.3.1 Value added applications and products using modern technology	Fully operational use of TRIVIS and NINJO and providing services to clients	3 New products and services	Achieved - The development of SUMO themes and help menus was completed -3 to 6 hourly accumulated rainfall data calculated and published to SWFDP website -1 Hourly accumulated rainfall data also provided for the Flash Flood Guidance-project

Key Focus Area	Strategic Objectives	KPI's	Activities end March 2009	Target end March 2009 (Measurement)	ACHIEVEMENT
		5.3.2 Contribute to poverty reduction and climate risk management	Develop climate modelling expertise within SAWS to extend seasonal forecasting capabilities to longer time scales	Add climate change and variability information relevant to seasonal forecast products	Achieved -New research proposal drafted and submitted to Eskom to extend Long Range Forecasting(LRF) expertise to seasonal timescale -WMO to recognise SAWS as a Global Producing Centre for LRF
		5.3.3 Air quality forecasting	Recruit and appoint new staff in the climate and environment unit	Appointment letters of staff	Achieved -One scientist was appointed to work on air quality modelling
	5.4 Effective development, designing, production of product packaging, application and manufacturing of meteorological instrumentation	5.4.1 Customer specific product packaging and application	Develop new products and services according to the market plan	3 products developed	Achieved -Automatic Weather Stations for small airports -Aviation website -Web portals for various users -Road hazard warning system
			Identify potential partners and areas of cooperation to develop various applications and manufacture meteorological instruments	Agreements with potential partners finalised and actions according to agreements reached	Achieved Formalised contracts with Molo Africa and Future Foresight companies

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PART 02



PART 2

CORPORATE GOVERNANCE

The South African Weather Service (SAWS) and the SAWS Board are Committed to the principles of corporate governance and adherence to the highest levels of ethical standards in conducting business. During the period under review, SAWS continued its quest to conduct its business in accordance with corporate governance best practices, with a view to deliver on its mandate as outlined by the SAWS Act.

1.1 Institutional Arrangements

SAWS is a public entity, listed under schedule 3A of the Public Finance Management Act (PFMA). The South African Government is the sole Shareholder in SAWS, represented by the Minister of Water and Environmental Affairs (formerly Minister of Environmental Affairs and Tourism).

The SAWS Board is the accounting authority in terms of the PFMA. The Board provides strategic direction and leadership, so as to enhance Shareholder value and ensure the SAWS' long-term sustainable development and growth. In fulfilling its responsibilities, the Board is supported by management in implementing approved strategic/corporate plans and policies.

1.2 The Board's Mandate

The Board's mandate, including its statutory duties and responsibilities, is derived from the South African Weather Service Act No. 8 of 2001, and augmented by the relevant provisions of the Public Finance

Management Act No. 1 of 1999 (PFMA), as amended; the Treasury Regulations, issued in terms of the PFMA; the Code of Corporate Practices and Conduct, as contained in the King Report on Corporate Governance for South Africa, 2002 (King II Report); as well as by the Protocol on Corporate Governance for Public Entities, 2002, amongst others.

The Board, inter alia, has the responsibility to provide strategic leadership to SAWS, in order to :

- ensure the financial viability and sustainability of the organisation; ensure an efficient, cost effective and high-quality weather service;
- set policy, standards and objectives within the framework issued by the Minister, and ensure that the Executive Management implements these policies, standards and objectives;
- monitor management performance;
- ensure that SAWS adheres to high standards of ethics and corporate behaviour;
- ensure that SAWS has adequate internal control systems, both financially and operationally;
- ensure that the majority of the South African population benefit from the public good services provided by SAWS; and
- to perform any other function assigned to it by the Minister.

At intervals not exceeding one year, the Board :

- reviews SAWS's strategic objectives;
- reviews the strategies for achieving set objectives;
- approves corporate/business plans;
- approves the interim and audited Annual Financial Statements and the Annual Report for submission to the Executive Authority;
- approves the Directors' Report to be published in the Annual Report;
- approves the Organisation's Internal and External Audit Plans;
- reviews and approves risk management policies and strategies, as recommended by the relevant Committee(s);
- reviews remuneration policies and practices in general, including annual salary adjustments and incentive schemes for management and staff, as recommended by the Human Resources and Remuneration Committee;
- reviews and approves/or evaluates the effectiveness of the Board's governance structure;
- reviews the performance and effectiveness of the Board and its Committees, as well as of individual Board members; and
- records the facts and assumptions on which it relies to conclude that the organisation will continue as a going concern in the financial year ahead. Any conclusion to the contrary should be stated, indicating the

steps that the Board would undertake to remedy the situation

1.3 Board Governance Structure

The current Board was appointed by the Minister of Environmental Affairs and Tourism for a period of three (3) years, effective from 1 April 2008 to 31 March 2011. The composition of the Board is in accordance with Chapter 3 of the South African Weather Service Act No. 8 of 2001, which provides that there shall be at least ten (10) members and no more than twelve (12) members, comprising:

- ten non-executive members, one of whom shall be the Chairperson, appointed by the Minister, in terms of section 5 (3) of the SAWS Act No. 8 of 2001;
- the Chief Executive Officer by virtue of his/her office; and
- a senior official from DEAT, designated by the Director-General, with the approval of the Minister.

The Board's composition complies with corporate governance best practices, with the majority of members being non executive members; and the roles of the Chairperson and the Chief Executive Officer being separate and clearly defined. Furthermore, when the current Board was appointed as from 1 April 2008, the Chief Financial Officer of SAWS was also appointed as a member of the Board in an ex officio capacity, in accordance with Cabinet's decision that both Chief Executive Officers and Chief Financial Officers of public entities should serve as Board members in an ex officio capacity. During the period under review, the Board re-

viewed its governance structure and established three committees, in order to enhance its effectiveness, namely the Audit and Risk Committee, the Human Resources and Remunera-

tion Committee, and the Strategic Programmes Committee. Membership of the Board and the committees is reflected in Table 1 below.

Table 1

Board members	Board committees		
	Audit & Risk	HR & Remuneration	Strategic Programmes
Ms. Khungeka Njobe (Board Chairperson)		✓	
The Rev. Lulamile Mbete (Board Deputy Chairperson)		✓ (Chair)	
Ms. Medi Mokuena	✓ (Chair)	✓	
Mr. Welcome Msomi			✓ (Chair)
Dr. Thembakazi Mali			✓
Mr. Lance Williams	✓		✓
Prof. Harald Winkler			✓
Mr. Siyabonga Makhaye	✓		
Prof. Lindisizwe Magi		✓	
Ms. Joanne Yawitch (DEAT Representative)			✓
Dr. Linda Makuleni (Chief Executive Officer)		✓	✓
Ms. Hanlie Grobler (Chief Financial Officer)**		✓	

**Resigned on 28 February 2009

In accordance with corporate governance best practices, the Board also has the support of the Company Secretary to ensure the effective functioning of the Board and its Committees, as well as compliance with applicable corporate governance frameworks. During the period under review, the Company Secretary provided the necessary administrative support and guidance to the Board including, inter alia, the review of the Board's structure and Charter(s), the monitoring of the attendance of all board meetings and Board Committee meetings, and the facilitation of the induction of new Board members.

Board members have unrestricted access to the advice and services of the Company Secretary, but are also entitled to seek independent professional advice at SAWS' expense, should this be deemed necessary.

1.4 Board and Committee Meetings

Board and Committee meetings are held in accordance with an approved Calendar of the Board's activities, while ad hoc or special meetings may also be held as and when the need arises. The schedule of Board and Board Committee meetings, held during the 2007/2008 financial year, was as follows:

During the period under review, three ordinary board meetings were held, namely on 29 July and 28 November 2008, and on 11 February 2009. Due to unforeseen circumstances, the Board also held

three special Board meetings, namely on 15 April, 2 June and 17 December 2008. The membership of the Board, as well as the number of meetings held and attended, is reflected in Table 2 below:

Table 2

Members	No. of ordinary meetings		No. of special meetings	
	Meetings held	Meetings attended	Meetings held	Meetings attended
Ms. Khungeka Njobe (Board Chairperson)*	3	2	3	3
The Rev. Lulamile Mbete (Deputy Board Chairperson)*	3	2	3	3
Ms. Medi Mokuena*	3	2	3	3
Mr. Welcome Msomi*	3	3	3	3
Dr. Thembakazi Mali*	3	2	3	1
Mr. Lance Williams*	3	3	3	3
Prof. Harald Winkler*	3	1	3	0
Mr. Siyabonga Makhaye*	3	2	3	2
Prof. Lindisizwe Magi*	3	3	3	3
Ms. Joanne Yawitch (DEAT Rep)*	3	2	3	1
Dr. Linda Makuleni (CEO)	3	3	3	3
Ms. Hanlie Grobler (CFO)**	3	3	3	3

*Non-executive members

** Resigned on 28 February 2009

The Board also held its induction session from 2 to 3 June 2008, as well as a strategic planning session on 15 September 2008.

1.5 Board Committees

The Board Charter makes provision for the Board to establish Committees, with clear Terms of Reference, to assist the Board in the execution of its mandate. The Board may also, at its discretion,

delegate other matters with written authority to Board Committees and/or Management, while reserving specific powers to itself. However, any such delegation does not absolve the Board from its responsibilities.

During the period under review, the Board reviewed its governance structure and established the following Committees:

1.5.1 Audit and Risk Committee

The objective of the Audit and Risk Committee is to assist the Board in discharging its duties relating to, inter alia, the safeguarding of assets, the operation of adequate systems, internal control processes, as well as the preparation of accurate financial reporting and statements in compliance with all applicable legal requirements and accounting standards. The Committee also reviews financial reporting processes, internal control systems, the management of financial risks, audit processes, as well as the Organi-

sation's processes to monitor compliance with applicable laws, regulations and governance frameworks. The Committee also oversees the quality, integrity and reliability of SAWS's risk management processes and strategy.

During the period under review, committee meetings were held on 23 May, 21 July and 21 November 2008, and on 27 January 2009. The membership of the Committee, as well as the number of meetings held and attended, is reflected in Table 3 below:

Table 3

Members	No. of ordinary meetings		No. of ad hoc meetings	
	Meetings held	Meetings attended	Meetings held	Meetings attended
Ms. M Mokuena (Chairperson)	4	4	-	-
Mr. S Makhaye	4	4	-	-
Mr. L Williams	4	3	-	-

In accordance with corporate governance best practices, the external auditors, the internal auditors, the Chief Executive Officer and the Chief Financial Officer of SAWS were invited to all Committee meetings.

1.5.2 Human Resources and Remuneration Committee

The objective of the Human Resources and Remuneration Committee is to assist the Board in discharging its duties,

so as to ensure that SAWS has adequate human resources-related policies and systems in place, in compliance with all applicable legislation and governance frameworks. The Committee also assists the Board in discharging its duties with regard to the development of the company's Remuneration Policy, and makes recommendations to the Board on Executive Management appointments and remuneration, as well as on the remuneration of Non-Executive Board members.

During the period under review, Committee meetings were held on 16 July and 19 November 2008. The membership of

the Committee, as well as the number of meetings held and attended, is reflected in Table 4 below:

Table 4

Members	No. of ordinary meetings		No. of ad hoc meetings	
	Meetings held	Meetings attended	Meetings held	Meetings attended
The Rev. L Mbete (Chairperson)	2	2	-	-
Ms. K Njobe	2	2	-	-
Ms. M Mokuena	2	2	-	-
Prof. L Magi	2	2	-	-
Dr. L Makuleni (CEO)	2	2	-	-
Ms. H Grobler (CFO)*	2	2	-	-

* Resigned on 28 February 2009

1.5.3 Strategic Programmes Committee

The objective of the Strategic Programmes Committee is to consider, monitor and make recommendations to the Board on all the organisation's scientific programmes and special projects, including research, developmental activities and opportunities (both public good and commercial services), and to ensure that these are managed effectively and

efficiently. The Committee also considers and make recommendations to the Board on environmental, health and safety issues.

During the period under review, Committee meetings were held on 16 July and 19 November 2008. The membership of the Committee, as well as the number of meetings held and attended, is reflected in Table 5:

Table 5

Members	No. of ordinary meetings		No. of ad hoc meetings	
	Meetings held	Meetings attended	Meetings held	Meetings attended
Mr. W Msomi (Chairperson)	2	2	-	-
Mr. L Williams	2	2	-	-
Prof. H Winkler	2	1	-	-
Dr. T Mali	2	2	-	-
Ms. J Yawitch	2	1	-	-
Dr. L Makuleni (CEO)	2	2	-	-

1.6 Remuneration of Board Members

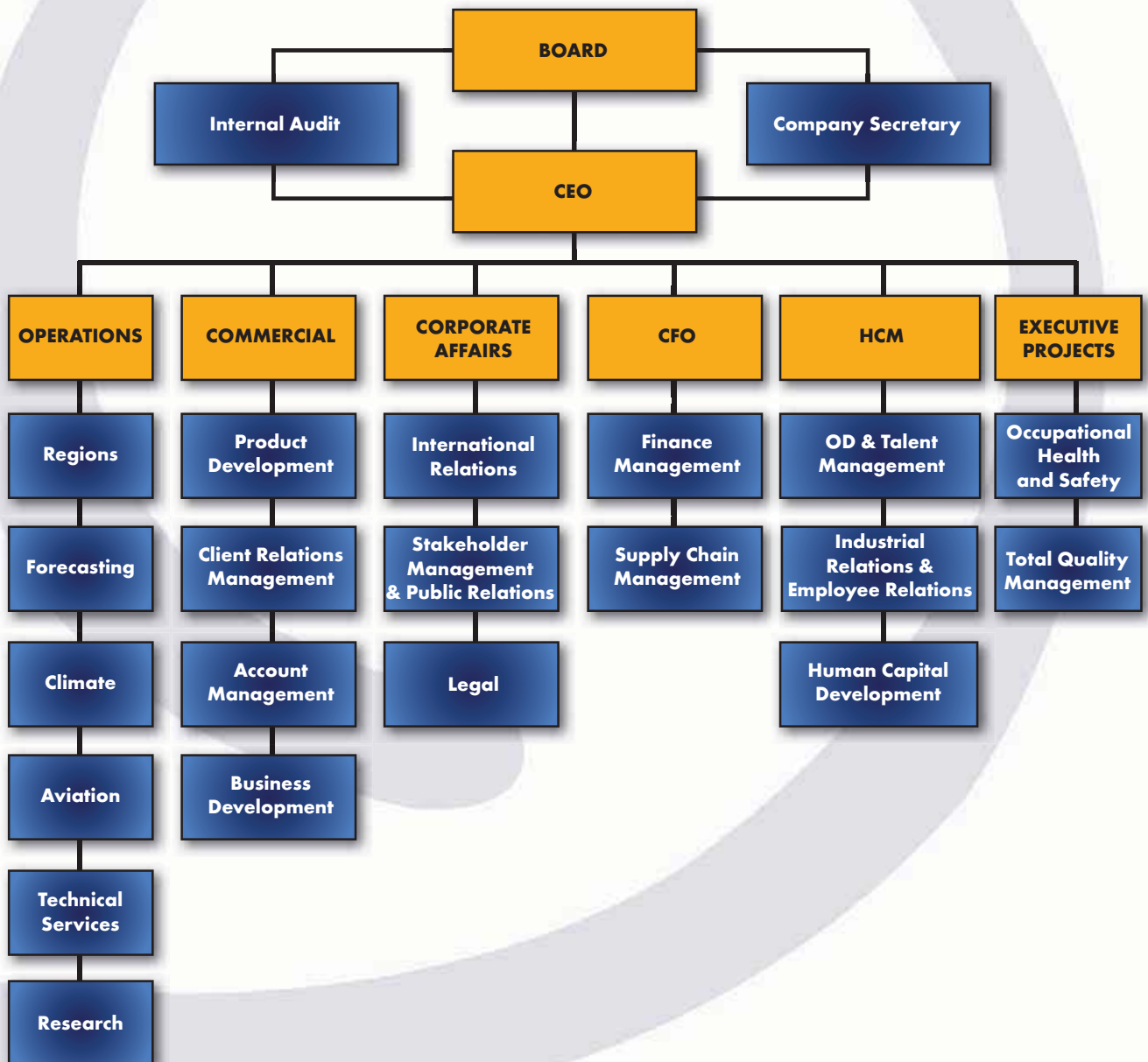
Board members are remunerated and/or reimbursed for expenses incurred in the course of executing SAWS related activities, in accordance with the approved Board Remuneration Framework, as an-

nually determined and reviewed by the Executive Authority.

All travelling expenses incurred by Board members are handled in accordance with SAWS's approved Travel Policy (as amended from time to time).

PART 2

ORGANISATIONAL STRUCTURE



PART 2

METEOROLOGICAL AUTHORITY

In terms of an obligation to the International Civil Aviation Organisation (ICAO), South Africa appointed the South African Weather Service (SAWS) as its Meteorological (MET) Authority to provide, or arrange for the provision on its behalf, meteorological services for international air navigation. This implies that the MET Authority must also ensure compliance with ICAO requirements.

The MET Authority also took on the responsibility of ensuring that the meteorological service provided to domestic aviation is compliant with national requirements, including the requirements of the South African Civil Aviation Authority (SACAA). All MET Authority staff members meet the ICAO academic, experiential and training requirements. In order to ensure its independence, the MET Authority reports directly to the SAWS Chief Executive Officer (CEO).

During the period under review, aeronautical meteorological services were evaluated against the said requirements and, where necessary, findings were made. In general, it was found that, while existing services to international aviation are ICAO compliant at the major international aerodromes, there is still some way to go in the upgrading of services at the

smaller international aerodromes.

Although the service rendered to domestic aviation varies significantly from aerodrome to aerodrome, these aerodromes are also generally compliant with the requirements determined in consultation with users. SAWS's active engagement with, and consideration of the requirements of its aviation stakeholders, are commendable and ensure a high level of service delivery and user satisfaction.

Apart from fulfilling its prime function of ensuring that South Africa's aeronautical meteorological service satisfies national and international requirements, the introduction of a fully structured MET Authority also raised the standard of services rendered to aviation. This was achieved by making providers more aware of the requirements, as well as of any service shortcomings.

It is expected that the good working relationship between the Inspectorate and the service providers will be maintained and/or further developed, resulting in an already quality aeronautical service being improved even further. It goes without saying that this should promote aviation safety.

PART 2

OPERATIONS

The Operations Division constitutes the core of service delivery at the South African Weather Service (SAWS) and focal areas range from forecasting, aviation forecasting, climate services and operational research to technical services and information communication technology.

Operations are coordinated centrally from the SAWS Head Office in Pretoria, supported by 23 regional offices across South Africa. Six offices, situated in Johannesburg, Cape Town, Port Elizabeth, Durban, Bloemfontein and Nelspruit, provide forecasting services. The Aviation Weather Centre, situated at OR Tambo International Airport, oversees aviation meteorology in South Africa.

1. Forecasting

SAWS continued to provide reputable weather information, both in South Africa and beyond the country's borders. Forecasting tools were improved in an endeavour to enhance the quality of weather information disseminated to

the South African public. The lead time in weather warnings was improved to reduce the vulnerability of marginalised communities' exposure to extreme weather events.

1.1 General Forecasting

During the reporting period, extreme weather in the form of severe thunderstorms, cold spells, floods and damaging hail impacted on South Africans.

In fulfilling its mandate related to safeguarding life property and minimise loss of property the SAWS continued to provide reputable weather information, both in South Africa and beyond the country's borders. Forecasting tools were improved in an endeavour to enhance the quality of weather information disseminated to the South African public. The lead time in weather warnings was improved to reduce the vulnerability of marginalised communities to exposure to extreme weather events.



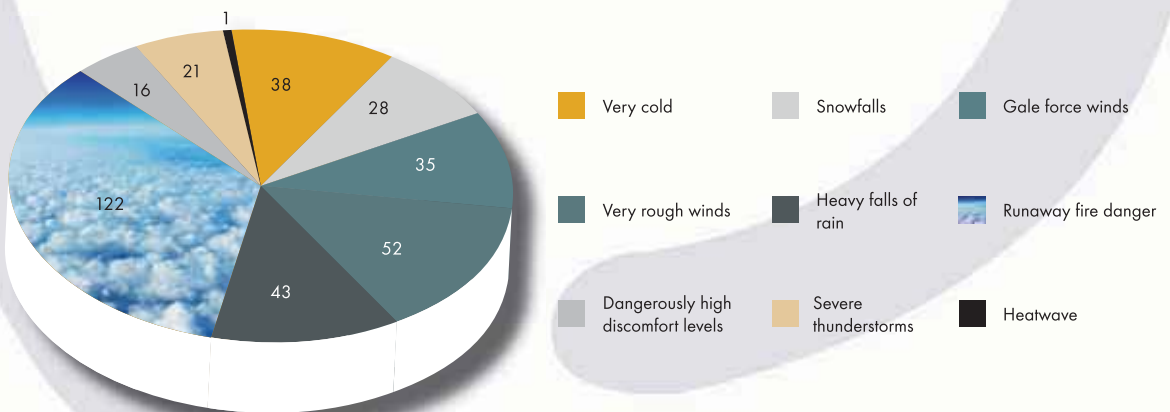
Forecasters at work

1.2 Multi-hazard Weather Warning Forecasts

An effective multi hazard weather warning system requires the SAWS to work closely with disaster management structures at national, provincial and local level. Disaster management structures around the country form an interface between

SAWS forecasts and action at community level. In this manner forecasts and warnings in an easily understood language were issued to contain any hazard before it became a disaster. Over 350 severe weather warnings were disseminated in this manner. The report period was characterised by a large incidence of runaway fires, strong wind and heavy falls of rain.

Figure 1: Number of Severe Weather Warnings distributed to the general public: April 2008 - March 2009



1.3 Severe Weather Prediction Support to the Southern African Region

SAWS, in its capacity as the World Meteorological Organisation's (WMO) Regional Specialised Meteorological Centre for southern Africa, continued to participate in the WMO's Severe Weather Forecasting Project (SWFP). The project is aimed at improving the capacity of SADC countries to issue severe weather warnings, by using new, modern weather-forecasting tools and systems. After a successful demonstration phase in 2007, the project was officially

launched in 2008, and rolled out to all SADC countries, including the Comoros. Advisories of potential heavy rains and strong winds were issued. Countries that benefited the most, were the Democratic Republic of the Congo, Tanzania, Zambia, Mozambique, Madagascar, Reunion and Mauritius. Guidance was provided with regard to six tropical storms, of which one reached severe tropical cyclone status. Cyclone Gael resulted in heavy rains, strong winds and rough seas, affecting Mauritius, Reunion and the east coast of Madagascar.



1.4 Early Warning System

During the period under review, South Africa experienced frequent and severe high-impact weather events. As part of the Integrated National Early Warning System (INEWS), a joint project was developed in conjunction with the Department of Local Government (DPLG), to

make weather warnings more relevant and improve communication. Messages were standardised, taking into account international best practices. The implementation of this system, as well as an associated public awareness campaign, in partnership with the National Disaster Management Centre (NDMC), is envisaged for the new financial year.

1.5 Flash Flood Guidance System

Dealing with flash floods is a serious challenge in South Africa. These floods are characterized by short time delays between the rainfall event that caused the flood and the flood itself. Warning against a flash flood is reliant on real-time, high spatial and temporal resolution rainfall information and antecedent catchment conditions. In addition the emphasis in terms of these floods is not so much on management as on timely warnings and reaction to these.

SAWS continued its collaboration with the DPLG's National Disaster Management Centre, in order to jointly implement the South African Flash Flood Guidance System (SAFFG) in June 2010. Once implemented, a significant reduction in the loss of life and property, suffered by poorer South African communities, living on flood plains in particular, is envisaged.

2. Aviation Meteorology

The Aviation Weather Service has been specifically tasked to ensure that the meteorological requirements of the entire sector, from international to recreational users, are provided for. Very high standards of service delivery, most of which are set by the International Civil Aviation Organization (ICAO), are demanded to ensure aviation safety. SAWS's strict adherence to requirements is evidenced by South Africa's selection for the implementation phase of extended aerodrome forecasts. Similarly, SAWS was recently commended by ICAO for its compliance with the issuing of significant weather messages, and encouraged to continue setting an example to other African states.

SAWS's commitment to aviation safety became evident from its international involvement in aeronautical meteorologi-

cal forums, regular aviation stakeholder meetings, local fly-ins and the publication of a quarterly aviation newsletter. User requirements and needs were assessed and addressed via the Advisory Committee for Aeronautical Meteorological Services (ACAMS), which is a joint user forum. Airlines were kept abreast of weather phenomena at all times, while terminal aerodrome fore-

casts and warnings were issued for all major South African airports.

Services were expanded at the Kruger-Mpumalanga and Upington international airports, in order to meet international requirements. Verification programmes were introduced to monitor the accuracy of forecasts and identify areas for improvement.

Table 6: Landing (Trend) Forecast Evaluation

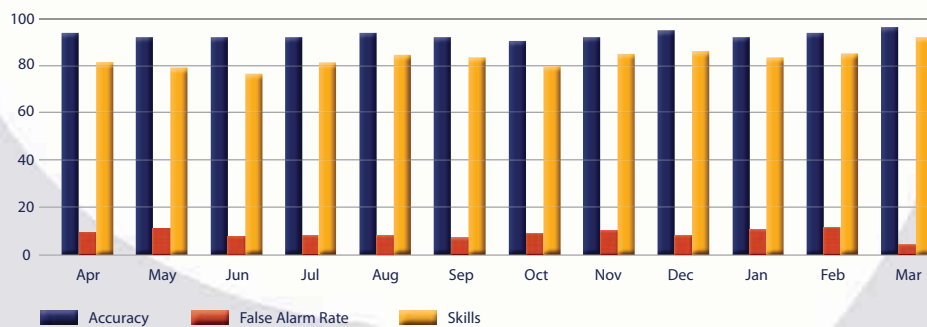
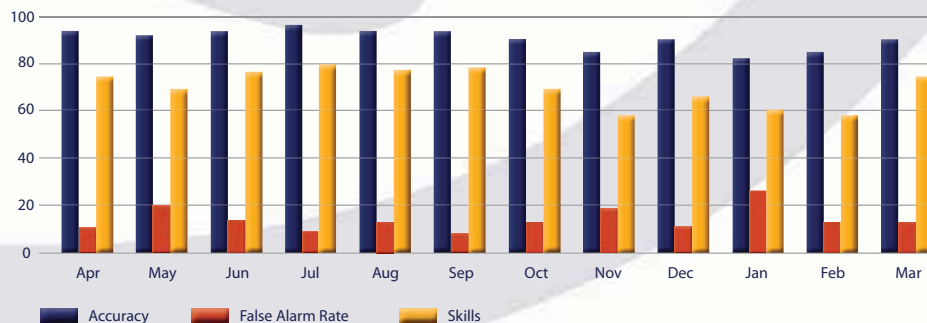


Table 7: Aerodrome Forecast



These landing and aerodrome forecast tables attest to the accuracy of aviation forecasts and the skill of weather forecasters.

Services for general aviation were improved by the expansion of the webcam network. SAWS installed an additional webcam in Thohoyandou, which brought the total number of webcams in use to six.

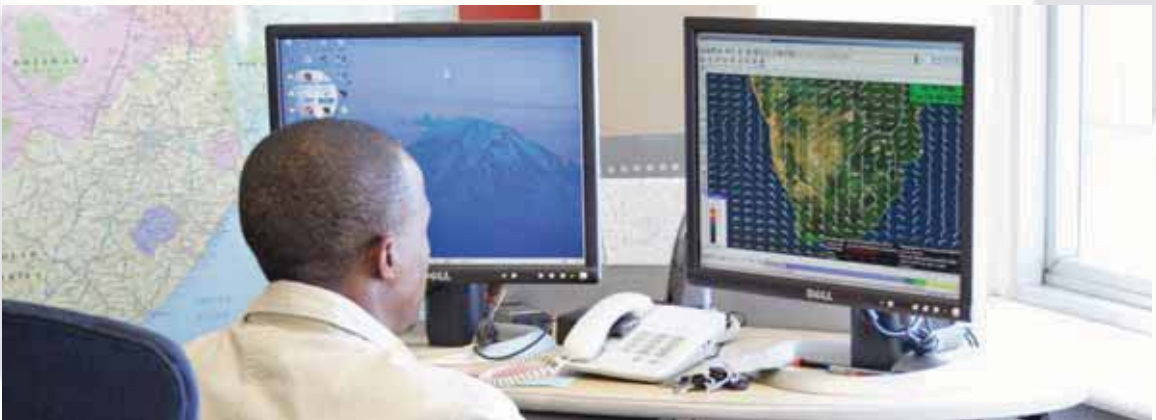
The Division participated in five airshows, provided weather briefings, and exposed users to aviation meteorology. The South African Gliding Championships, held in Kathu in the Northern Cape, was one such prominent event. The fact that four

South African records were improved during the Championships, attests to the quality of SAWS forecasts.

Services were disseminated via the SAWS aviation website. A log-on facility was launched for this website, where additional services, such as satellite imagery and humidity charts, could be accessed. The aviation website continued to attract a substantial number of users

since its launch during November 2008, totalling 8 473 hits in March 2008.

South African aviation regulations require that all aviation accidents be investigated to determine their cause. Weather is often a contributory factor and SAWS provided weather reports on prevailing weather conditions for approximately 30 accidents that occurred during the period under review.



Aviation forecasters at work

3. Climate Services

Weather-sensitive industries require accurate climate information, such as rainfall, temperature, air pressure, winds and humidity, in order to optimise their operational activities. The records for climate data, kept since the inception of organised meteorology in South Africa, date back 148 years. The modernisation of the observation network, which was extended by the installation of additional automatic weather stations during the period under review, increased the availability and quality of data.

3.1 Climate Data

SAWS is the custodian of the South African National Climatological Databank. As part of its responsibilities, SAWS is entrusted with the collection of climate data, the recording, quality control and archiving of this data on a relational database management system, as well as data distribution in various formats. In addition, SAWS ensures that data, which relates in any way to the state and quality of the atmosphere, is stored, archived and disseminated.

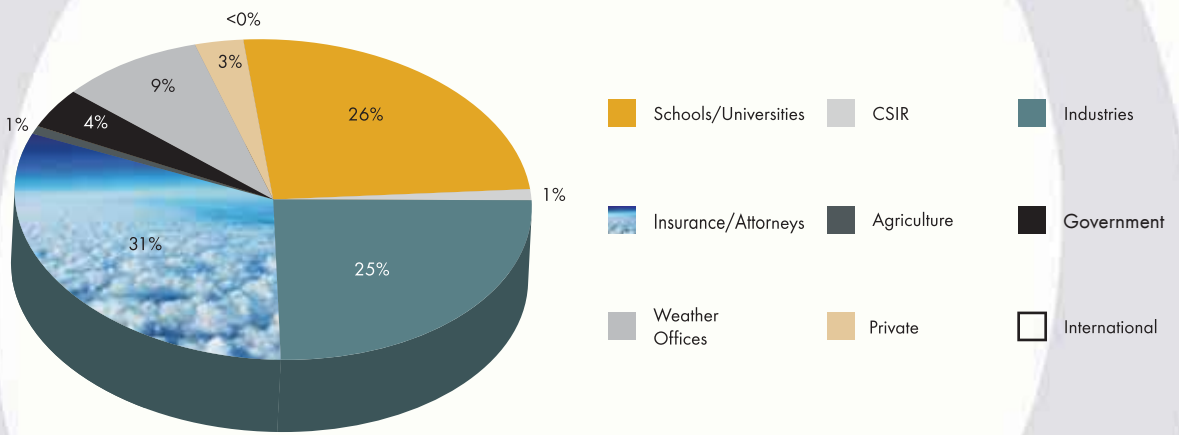
SAWS developed a Data Policy on the handling of data, approved by the SAWS

Board, in order for SAWS to fulfill its mandate. The Data Policy is aimed at balancing the obligations of the SAWS to supply a data service to both public good and commercial clients, while adhering to its international commitments, as well as to the requirements of Resolution 40 of the WMO. The intention is to create a framework within which to manage SAWS data as a long-term, valuable asset, in order to produce short-term savings and yield long-term value.

3.2 Climate Publications

Near real-time temperature and rainfall data was published on a daily, ten-day and monthly basis, as part of SAWS's public good obligations. In addition, value-added data and information were also published in a number of publications, including the monthly editions of the Daily Weather Bulletin and Climate Summary of South Africa. The sixth and final publication in the series to update WB28, Climate of South Africa, General Survey, viz. Surface Temperature (WS48), was completed during the period under review. This series of publications provides a comprehensive and useful description of South Africa's climate, which should be consulted when climate-sensitive developments are planned.

Figure 2: Breakdown of Climate Service clients for the period April 2008 to March 2009



This pie graph depicts all the clients who received value-added climate data and related information via climate information processes.

3.3 Observation Network

A comprehensive deployment plan was drafted to expand the observation network and replace old instruments with new technology. These would be increased to at least 150 Automatic Rainfall Systems (ARS) and 40 Automatic Weather Stations (AWS) during the next financial year. SAWS extensively utilised data from the Lightning Detection Network, and verified more than 3 100 lightning incidents, mainly at the request of the insurance industry.



Radar dome: Irene Weather Office

3.4 Air Quality

In order to monitor the quality of air in specific hot spots around South Africa, the South African Air Quality Information System (SAAQIS) database, which is a joint project between SAWS and the Department of Environmental Affairs and Tourism (DEAT), was installed at SAWS. Data for the Highveld and Vaal priority areas was collected, quality control was carried out, and the data was made available on the SAAQIS website.

A successful benchmarking trip was undertaken to Norway, together with representatives from DEAT and the National Metrology Institute of SA (NMISA), in preparation for Phase II (Emissions Module) of the project. This air-quality information system will help to drive the environmental governance cycle, as well as benefit researchers, decision-makers and other stakeholders. It also stands to benefit South Africa's international obligations regarding climate change, since the storage of greenhouse gas inventories forms part of the SAAQIS mandate. In addition, a high-level forum on air quality, was established during the period under review.

4. Research

Research in SAWS is aimed at the enhancement of existing and the development of new operational systems in support of forecast accuracy on all time


scales so that the end user can optimally benefit from SAWS's services. Research activities also help to maintain the scientific integrity of the organisation.

4.1 Now-casting and Very Short-Range Weather Forecasting

Convective storms occur frequently over South Africa, especially over the interior during summer. These storms often produce heavy rain that can lead to flash floods; they reduce visibility, cause strong gusty winds and produce lightning. In more severe cases these storms develop in severe weather that includes hail and even tornadoes.

During the period under review, new products were developed, which enable the operational forecaster to identify severe weather outbreaks with several hours of lead time. These products contain indices, calculated on a regional scale and using inputs from satellites and numerical weather predictions, were combined into a new indicator for thunderstorm probability.

General forecast verification statistics were calculated on a monthly basis and utilised to evaluate the forecasting performance of the organisation. Spaceborne rainfall estimation, at a time resolution of fifteen minutes was performed, using the Hydro-Estimator Scheme, which had been evaluated by means of several case studies. These rainfall fields



will provide critical input to the Flash Flood Guidance System, which is currently under development.

4.2 Numerical Weather Prediction

The Unified Model (UM) is the operational backbone of short-term predictions at SAWS. Ongoing research, in conjunction with the UK Met office, resulted in the continuous improvement of the model's performance.

A Kalman filter-based temperature forecasting scheme was developed to improve the accuracy of maximum and minimum temperature forecasts in a 48 hour time frame. Multi-model ensemble forecasting techniques, using input from various models, were under development to provide a measure of the uncertainty characterising predictions for a time range of up to 14 days.

4.3 Long-Range Forecasting

The Long-Range Forecasting Group (LRF) produces objective seasonal forecasts of rainfall and temperature, by utilising multi-model ensemble forecasts on a month-to-seasonal timescale. This system was the result of collaborative research between SAWS and the University of Pretoria's Department of Geography, Geoinformatics and Meteorology. During the period under review, the number of models in the multi-model system was

increased. This resulted in operational probabilistic seasonal rainfall (and extremes) forecasts, minimum and maximum temperature forecasts for the SADC region, as well as global sea-surface temperature forecasts. The latter also included probabilistic forecasts for El Niño/Southern Oscillation (ENSO) events.

A highlight of the period under review was the recognition of SAWS, by the WMO, as a Global Producing Centre (GPC) of long-range forecasts. South Africa is one of only three countries in the Southern Hemisphere with this status.

SAWS achieved the status of a Global Producing Centre (GPC) of long-range forecasts from the WMO's Commission for Basic Systems. South Africa is the only country in Africa with GPC status and one of only three in the Southern Hemisphere. This achievement is indicative of the forecasting quality standards of SAWS and puts the organisation on par with some of the best weather services in the world.

Long-range forecasting, which has been an integral part of SAWS service delivery over the past 15 years, can be used in climate change research, and plays an important role in weather-related crop production estimates, so as to compensate for increasing climate variability throughout the region.



The Global Producing Centre (GPC team)

4.4 Observation Research (Queensland Cloud Seeding Research Project)

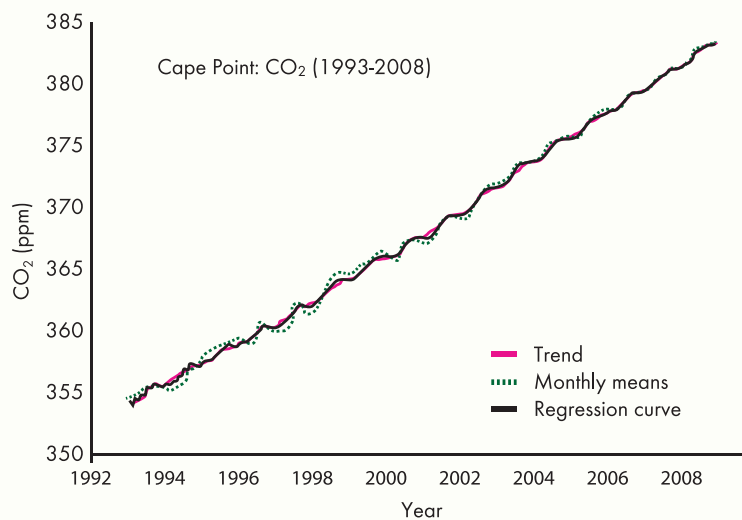
Like South Africa, Australia is an arid country, plagued by water shortages. The government of Australia decided to investigate the viability of rainfall enhancement to address this challenge. Due to its international recognition for work done in this field, the SAWS was invited to participate in the Queensland Cloud Seeding Research Project (CSRP) phases I and II. This project forms part of the collaboration between SAWS and the Australian Bureau of Meteorology (BOM). An aircraft from the SAWS Airborne Research Facility conducted air quality and cloud microphysical measurements. This aircraft was fitted with a new aircraft data acquisition system (ADAS), which facilitated the collection of data from a wide

array of instruments, so as to evaluate the differences between seeded and natural clouds. Sixty-four clouds (cases) were treated in the randomised cloud seeding experiment.

4.5 Global Atmosphere Watch (GAW)

SAWS's GAW station at Cape Point constitutes a crucial component of a global network that maintains long-term records on trace-gases and greenhouse gases in the atmosphere. The pristine location of the Cape Point GAW station (34.3S, 18.5E) allows for measurements to be made of the air that passes over the vast clean southern ocean. Such long-term observations are representative of background conditions, which makes it possible to detect changes in the atmosphere's composition.

Figure 3: The rise in CO₂ concentrations, as observed at the Cape Point GAW station, is one of the primary drivers of global climate change.



SAWS GAW scientists collaborated extensively with other international institutions. A group of scientists from Austria was hosted at the station to assess the concentration of Xenon isotopes in the atmosphere. The SAWS GAW station was selected to be incorporated into an international Carbon Tracker Programme, led by the United States. Total gaseous mercury depletion episodes, not previously observed in mid-latitudes, were researched and prepared for publication in scientific literature.

4.6 Air Quality Modeling Project

South Africa suffers from bad air quality in many localities, that impacts on health and the environments. It is therefore important to develop systems to enable the country to be more proactive with regard to poor air quality events. This will be achieved by a project, aimed at establishing capabilities in air quality modeling

and forecasting, coupled with the Unified Model of the UK MET Office. It is envisaged that air quality forecasts will become part of the SAWS's operational forecasting system.

A suitable atmospheric dispersion model was identified, and SAWS obtained a research license for the utilisation of this model in capacity expertise development. After two SAWS scientists had undergone training in the United Kingdom, the model was successfully installed on SAWS computers and test runs were conducted.

4.7 Climate Change

SAWS plays a critical role in building the resilience of South Africa, and the region as a whole, against the unavoidable regional impact of climate variability and change. SAWS's activities to collect and archive, communicate and proc-

ess, research and understand, as well as forecast and warn, all form part of the SAWS's unique contribution towards Climate Change adaptation in southern Africa. This is especially relevant, as the impact of climate variability and change on water resources, agriculture and socio-economic development, is primarily experienced through individual weather and atmospheric events. The scientific work at SAWS featured prominently at the Response Policy Development Summit, held in Gauteng during March 2009. SAWS will continue to enhance its capacity and expertise to facilitate the adaptation to changes in the climate system.

4.8 Weather-related Indigenous Knowledge

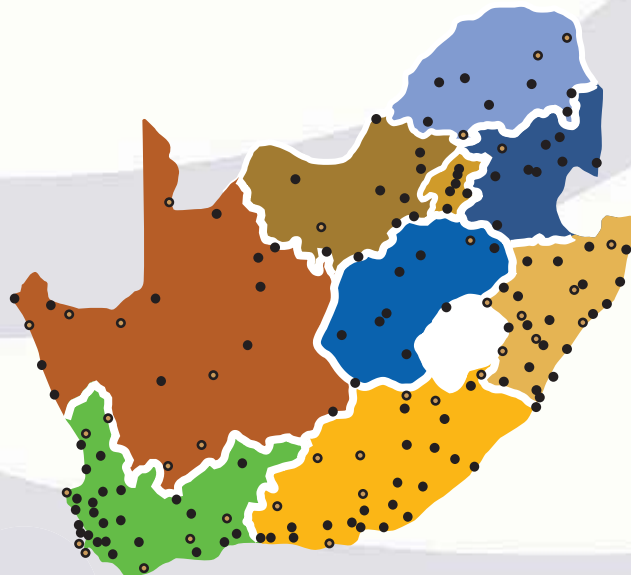
During the period under review, SAWS completed a study on weather-related

indigenous knowledge. The Department of Science and Technology was approached to assist with a thorough peer review of the comprehensive manuscript, detailing this study. This publication will constitute a valuable contribution to South Africa's cultural heritage.

5. Technical Services

The provision, development and maintenance of specialist instrumentation, are essential for the successful running of a modern weather service. Technical Services maintains specialised equipment, such as the national weather radar network, the lightning detection system and upper-air sounding equipment, and also provides guidance to regional offices on the maintenance of the automatic weather station network.

Figure 4: The distribution of automatic weather stations, over South Africa. Those indicated in light brown can accommodate additional human input.

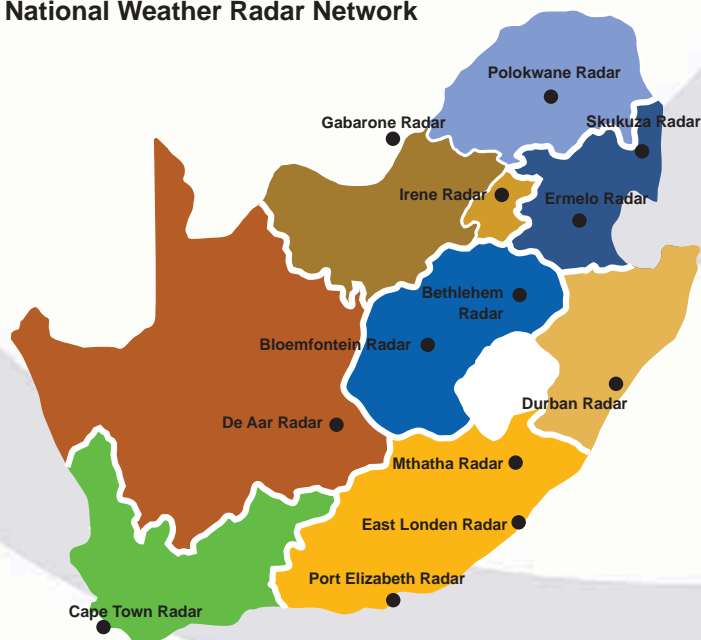


The National Weather Radar Network (NWRN) comprises 12 radar systems. These ageing systems were maintained and upgraded through the years, in order to ensure optimal functionality in support of forecasting and warning systems.

To ensure that SAWS enhances its now-casting and severe storm capabilities in offering support services to the general public and to the aviation industry, a three-year upgrade project was initiated in 2007. In order to satisfy existing

demands, a project for the installation and commissioning of 10 S-Band Doppler Radar Systems, and two X-Band Short-Range Doppler Airport Systems, was initiated. This project represents the largest infrastructure investment in the history of SAWS. The new radar systems represent state-of-the-art equipment that will bring South Africa in line with world-class standards.

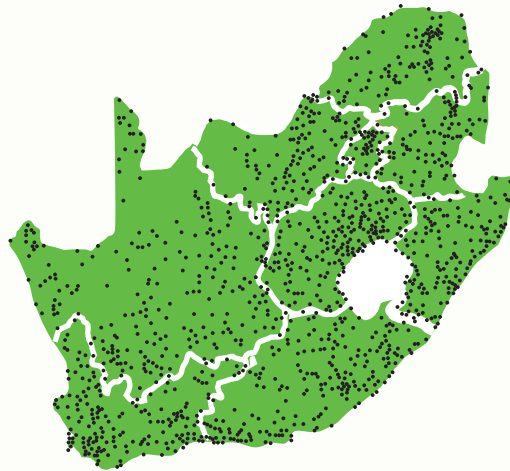
Figure 5: The National Weather Radar Network



Technical Services developed, manufactured and tested an automatic rain gauge station, with the capability to report rainfall in real-time to the climate database. A national deployment plan was developed to ensure that this technology provides

optimal measurement of rainfall in support of flash-flood guidance and water-resource management. Implementation will take place during the new financial year.

Figure 6: The distribution of rainfall stations around the country



In line with SAWS's objective to reduce operational costs, the organisation is gradually phasing out imported upper-air sounding systems and replacing them with locally sourced equipment. The latest two systems were installed at the Irene and De Aar weather offices. Simultaneously, an environmentally friendly method to generate hydrogen for the

upper-air programme, was implemented.

The performance of the Lightning Detection Network (LDN) was drastically improved during the summer of 2008/09, due to more effective preventative maintenance and system performance monitoring.

Figure 7: The distribution of lightning detection sensors around South Africa.



6. Information Communication Technology (ICT)

The ICT Division performs a critical support function to all the divisions in Operations. A modern meteorological service is heavily dependent on fast and effective data relay on a national, regional and international scale. ICT is a regional hub for the WMO for the transfer of meteorological data, and also houses one of two aviation meteorological databases for Africa. It maintains the advanced software and hardware necessary for SAWS to operate one of a few sophisticated numerical weather prediction models in Africa, as well as forecasting workstations and climatological databases. It also maintains the internal network and infrastructure necessary for the functioning of a modern weather service.

During the period under review, ICT developed a new interface between forecasters and users, including the SAWS webpage, known as the Forecaster Product Generator. It also completed the General Packet Radio Services (GPRS) communication development for remote Automatic Weather Stations and Automatic Rain Gauges. This technology will result in improved data communication and significant cost-saving.

The SUMO (Software for the Utilisation of Meteosat in Outlook activities) weather display and product generation system was upgraded to incorporate a number of new parameters and fields.

These included radar, lightning and satellite-based information. SAWS received international acclaim at the European Organisation for the Exploitation of Meteorological Satellites (EUMETSAT) African User Forum Meeting in Ghana in October 2008 where the SUMO system received the Programme for the Utilisation of Meteosat Second Generation in Africa (PUMA) Cup.

The PUMA Award to SAWS at the Africa Monitoring of the Environment for Sustainable Development (AMSED) User Forum Meeting for the development of its SUMO software (Software for the Utilisation of Meteosat in Outlook activities), is of particular significance. Apart from its meteorological functionality, the software includes non-meteorological capabilities, such as the identification of vegetation and the determination of sea temperatures. This software is now widely used throughout the SADC region and, with the increase of the availability of SUMO products, is spreading to other areas of Africa and even to Europe. This award attests to SAWS's commitment to improve service delivery well beyond South Africa's borders, even in related non-meteorological fields.

7. Regional Weather Offices

The purpose of regional offices is to extend the reach of quality meteorological services to all South Africans. Local expertise is used to address the requirements of the local population, so as to

ensure area-specific service delivery. This was evident in the development of a number of quality products and services for regional clients, during the period under review. This knowledge was also incorporated into overall forecast

and climate service production. As most of these offices are situated at major airports, regional offices provided the bulk of aerodrome and landing forecasts.

Figure 8: Weather offices situated in South Africa



Regional offices played a major role in the collection and quality control of data, as well as in the maintenance of the observation network. All observational platforms were inspected and maintained in accordance with SAWS standards, in order to ensure a 95% data availability. A total of 5 702 upper-air soundings were done, as this information is essential for now-casting, as well as for numerical weather prediction. SAWS also deployed 39 drifting weather buoys, as part of the International Drifting Buoy Programme. Technical Services supplied 95 automatic rainfall stations for deployment to regional offices. These automatic rainfall stations will play a major role in the flash-

flood guidance system.

In enhancing community safety, the strong partnerships and good working relationships with disaster management structures and local municipalities, resulted in the successful dissemination of regional weather warnings. Regional and community radio broadcasts increased and continued to reach greater numbers of previously marginalised communities. Runaway fires and heavy rain over the Western Cape, as well as severe weather over KwaZulu-Natal, once again demonstrated South Africa's vulnerability to severe weather conditions.

PART 2

EXECUTIVE PROJECTS AND COMMERCIAL VENTURES

SAWS participated for the 11th time in the National Festival of Science, Engineering and Technology (SciFest) in Grahamstown in March 2008. With 600 events and approximately 40 exhibitors participating, the interactive SAWS exhibition was judged as one of the top three exhibitions. Judging criteria included public appeal, content, relevance and exhibitor interaction.

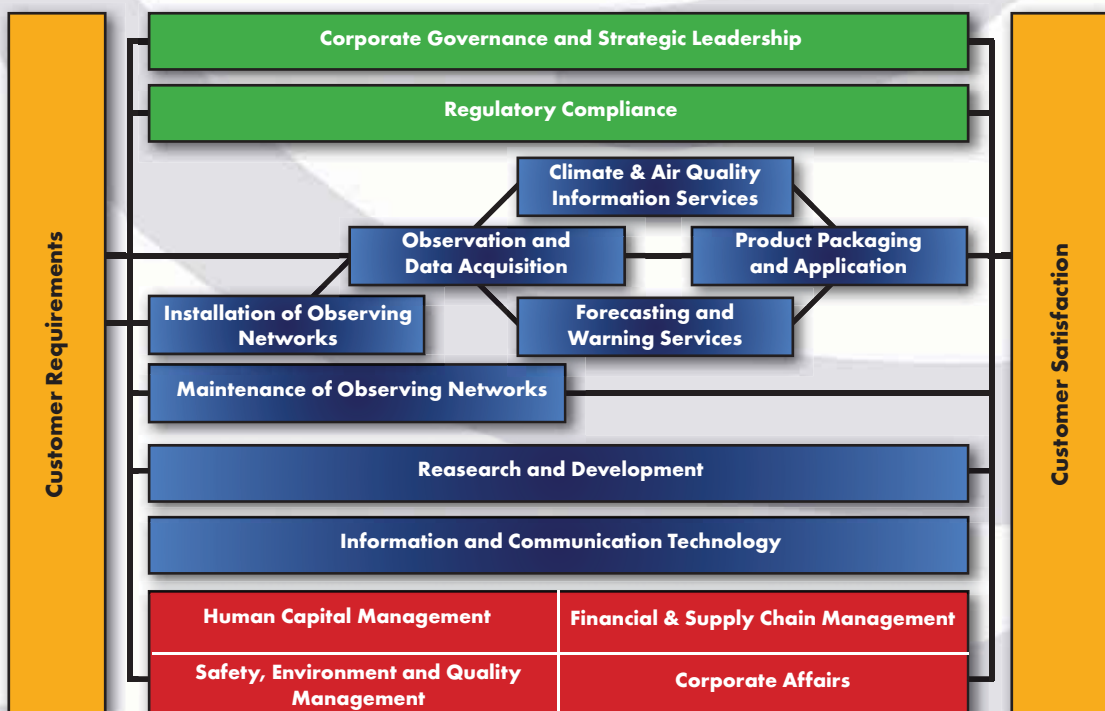
Total Quality Management

To conform to the requirements of international civil aviation and in pursue of the SAWS strategic objective to be a reputable provider of weather, climate and related environmental products and services, SAWS successfully em-

barked on transforming its business into an effective Quality Management System, based on the requirements of the international standard, ISO 9001:2000, as well as on the fundamentals of the philosophy of Total Quality Management.

In this regard SAWS defined its Enterprise View (Figure 9 below) as the basis for all business and operational processes. It established a Quality Policy and compiled a Quality Manual, interactively linked to an internal website environment. Staff received on-going training and SAWS established its own internal Quality Management audit team. Feedback on the effectiveness of the Quality Management System will help drive the principle of continuous improvement and will ultimately ensure that SAWS becomes ISO 9001-certified in future.

Figure 9: Enterprise View of SAWS



Occupational Health and Safety

A comprehensive internal health and safety audit was conducted during the period under review. SAWS addressed approximately 80% of the corrective actions identified, and brought the findings to the attention of staff members.

The appointment of statutory and non-statutory officials formalised the organisation's health and safety structures. Due to the specialised technical nature of some of the equipment, various inspection authorities were contracted with regard to hydrogen storage tanks and the safety of the hydrogen installations, as well as to certify the electric installation at Head Office.

A Business Continuity test, which was conducted at the Pretoria Head Office and at the OR Tambo weather office, was successful as evacuation times improved significantly and all forecaster services were up and running within an hour.

Commercial Ventures

During the period under review, the main objective of non-regulated commercial ventures was to implement most of the commercial opportunities identified in the Commercial Strategy.

The most important achievement was the development and launch of a new SAWS public website. Web traffic increased by 100% with the launch of the website, and increased by a further 47% during the next four months. SAWS appointed a company of entrepreneurs to use this website as a platform to package products, establish operational capability and take the business to market. Revenue from this source grew steadily.

Another new commercial initiative was the provision of short lead time bulk SMS weather and road hazard warnings to large groups of clients. This service was launched as a pilot project and, due to its success, it was rolled out on a national level as from April 2009.

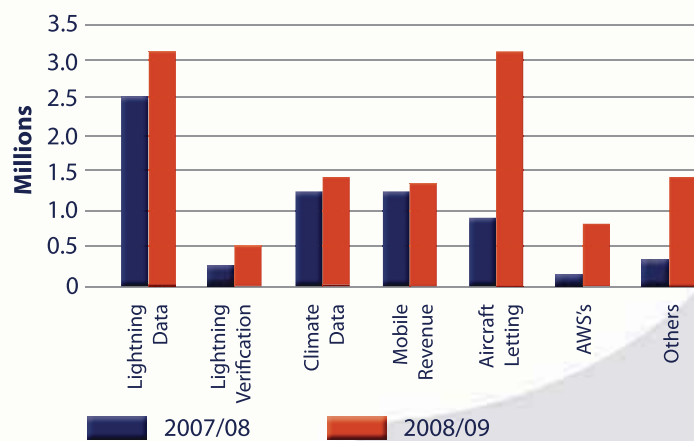
SAWS consolidated and improved existing commercial ventures, such as the delivery of lightning detection data to corporate clients and the insurance industry. The revenue generated from lightning verifications increased by approximately 80%. The sales of climate data at regional offices and at Head Office (excluding lightning data) showed an increase of approximately 9%, compared to the previous financial year. Income, related to cellphone applications, such as the three weather lines, increased by 5%. Limited advertising was done to encourage the use of these lines. The sales of automatic weather stations also increased during the period under review, but not as much as had been anticipated.

Additional revenue was obtained from hiring out one of the SAWS's aircraft to take part in the second phase of the rainfall enhancement research project in Australia. Further income was derived from the Trans-Africa Extreme Wind Project, undertaken in collaboration with the CSIR at the request of ESKOM.

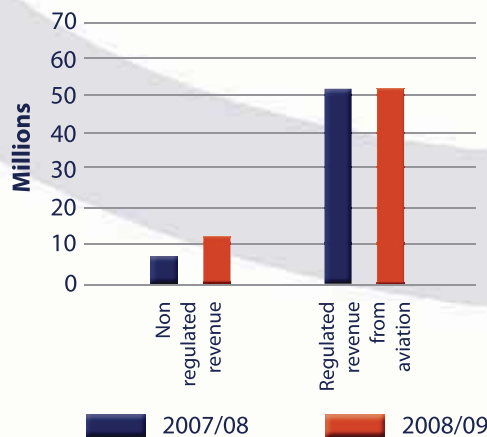
Despite the general world-wide downturn in the economy, revenue from non-regulated commercial ventures increased by approximately 44%. However, the downturn in the economy is one of the reasons why regulated revenue from the aviation industry showed no growth.

Graph 1 (below) indicates increases in specific commercial areas. The category, "Others", includes revenue from web-related ventures, energy-consulting, the selling of publications, the maintenance of instruments at airports, as well as from forecasting services. **Graph 2** indicates regulated (Aviation) and non regulated revenue.

Graph 1: Non-Regulated Revenue



Graph 2: Regulated and Non-Regulated Revenue



1. International Relations

SAWS was actively engaged in a number of areas, in an attempt to promote international cooperation and assist the organisation in meeting its relevant international obligations. A major thrust in this year's international relations programme was to enhance International Relations (IR) administration and improve efficiency. Another major area of activity focused on promoting regional cooperation via meteorological programmes of the Meteorological Association of Southern Africa (MASA). In addition, the organisation engaged in a process of monitoring, enhancing and developing agreements with partners. SAWS furthermore advocated gender mainstreaming initiatives in meteorology.

1.1 IR Administration

In its endeavours to improve the efficiency of the organisation with regard to international activities, SAWS achieved the following:

- It developed an International Relations Framework (IRF) to guide SAWS members of staff in all international activities and procedures, in support of South Africa's permanent representative at the World Meteorological Organization (WMO). The IRF was implemented and new measures introduced to monitor adherence to the recommended practices contained in this framework.
- It monitored all international travel by staff members and categorised travelling into technical meetings, training, international sales, international assistance activities and WMO administrative meetings. SAWS members of staff regularly reported on their international missions and submitted quarterly summaries for periodic monitoring by the Management Executive Committee. Similar quarterly reports on project progress evaluation with the implementation of international Memoranda of Understanding (MOUs) were submitted to the Management Executive Committee.
- It facilitated protocol arrangements and ensured that both South African missions abroad and the Department of Foreign Affairs were informed about high-level visits of, and meetings attended by senior SAWS staff members. The Division furthermore organised a successful protocol training session for senior staff members.
- It facilitated and assisted with a number of international meetings hosted by SAWS. The Division organised numerous international visits by senior staff members from foreign National Meteorological Services (NMSs), as well as from the WMO and related centres. In order to ensure global positioning and excellent representation of SAWS in international meetings and forums, briefing notes were prepared for the Chief Executive Officer, which

outlined the positioning of the SAWS itself, that of South Africa as a country, as well as that of the SADC region.

1.2 Meteorological Cooperation in Southern Africa

The delivery of a high-quality meteorological service to South Africa, and to the region, is dependent on cooperation and data-sharing with neighbouring NMSs. During a SADC meeting of Ministers responsible for transport and meteorology, held in Botswana in 2007, SAWS was appointed as the MASA Secretariat. South Africa currently chairs MASA, in accordance with the rotation policy of SADC chairpersons. The period under review was characterised by the following achievements:

- The MASA Secretariat organised a successful second MASA Annual General Meeting (AGM) in Mbabane, Swaziland, during November 2008, which was attended by the heads of NMSs in the SADC region. The meeting reached consensus on

MASA's broader strategic goals. A number of regional programmes were developed and key people selected to serve on both technical and management tasks teams. The technical teams, focused on Aviation Meteorology and on the Severe Weather Forecasting Demonstration Project, met at the beginning of 2009, in order to refine and implement the said regional programmes.

- The MASA Secretariat was instrumental in mobilising resources from the Finnish Government for a regional meteorological development project. The Secretariat also facilitated the appointment of a regional consultant to develop the scope for, and Terms of Reference of this regional project. The initial phase of this project would entail the training of regional meteorological members of staff. The Secretariat engaged in further resource mobilisation efforts with the WMO, to obtain EU funding for a project to develop meteorological applications, originating from the Severe Weather Forecasting Demonstration Project.



Signing of the MASA Constitution

1.3 Gender Mainstreaming

SAWS CEO, Dr Linda Makuleni was appointed as the Chairperson of the WMO Executive Council committee on Gender Mainstreaming. As a result, she was active in consolidating previous gender mainstreaming activities of WMO. In order to strengthen and concretise gender mainstreaming activities amongst Member National Meteorological Services, SAWS seconded one of its personnel for six months to the WMO to spearhead gender mainstreaming in meteorology. In August 2008, the CEO held a successful meeting with the Chairpersons of Gender Mainstreaming from the United Nations Environment Programme (UNEP) and Women's Environment and Development Organisation's (WEDO) in Polokwane, Limpopo. Their discussions were based on the integration of gender strategies and programmes amongst these organisations, which belong to the United Nations (UN) system, to avoid any possibilities of duplication; the development of a framework for implementation of those strategies and programmes; and joint gender flagship projects.

In addition, for the women month in August 2008, SAWS profiled women who made inroads into Meteorology during an era when this field was male dominated; and those who made tremendous contributions in the strategic growth and development of the organisation.

In February 2009, Dr Makuleni accompanied the Deputy Minister of the De-

partment of Environmental Affairs and Tourism, Ms Rejoice Mabudafhasi, to attend a High level Gender Forum organised by the United Nations Environmental program (UNEP) in Nairobi, Kenya. The aim of the session was to discuss the emerging gender issues and make recommendations where necessary.

2. Legal Services

The Legal Services Division constitutes an integral part of the organisation. It is against this background that the Division implemented various monitoring mechanisms in order to provide effective legal and advisory support to the organisation, such as legal opinions, documentation compilation and other legal services. This Division also ensured that compliance requirements were adhered to, as well as good governance, improved efficiency, and safeguarding practices against potential legal contingencies. With regard to improved efficiency, the Legal Services Division also developed and implemented several frameworks, tools and operating procedures to ensure efficiency.

2.1 Contract Management and Compliance Diary

SAWS contracts were reviewed and the contract database was updated with each contract review. All contracts and MOU's were vetted and/or drafted by Legal Services. This enhanced internal controls and compliance procedures within the organisation, so as to mini-

mise both legal and financial risks. The Compliance Diary was also updated to ensure organisational compliance with various regulations and existing legislation.

2.2 Policy and Standard Operating Procedures

Policies play an essential role in the organisation. Legal Services engaged with various SAWS divisions, in order to develop and implement uniform standard procedures, while SAWS members of staff were familiarised with the content of said policies.

3. Stakeholder Relations Management and Communication

3.1 Leadership Communication

During the 2008/09 financial year, SAWS prioritised leadership communication, with a view to building and strengthening the SAWS brand, both internally and externally. Several articles were published in the newspapers and in industry magazines, featuring organisational leadership, products and services. Numerous interviews were conducted for radio and television, featuring the SAWS leadership and management. Presentations,

featuring the organisational leadership, were done for key meetings, including cabinet meetings. All these activities enhanced the organisation's reputation.

3.2 Media Relations

Several media site visits were arranged to showcase relevant meteorological sector-focused initiatives and provide journalists with fact-finding opportunities. These visits, inter alia, resulted in print media profiling of the organisation, as well as in the production of documentaries. A visit by the National Press Club, representing mainly journalists and management from the print media, as well as a stakeholder meeting with a number of Gauteng radio stations, yielded the benefit of direct contact with journalists and programme managers. Several topical radio and television interviews, focusing mainly on the impact of weather events, created awareness and a greater understanding of weather phenomena amongst the South African public.



Media engagements

3.3 Internal Communication

SAWS management undertook three road shows to all the regional offices, so as to address staff members on issues of concern, and to report back on the organisation's quarterly performance. The usual national annual themes, such as Youth Day, Women's Day, World Meteorological Day, as well SAWS's seventh year of existence, were celebrated by staff members to highlight some of the organisation's major achievements. Individual achievements were also recognised and celebrated, and published in a number of external publications. The SAWS brand awareness campaign was launched as an endeavour to motivate SAWS employees to understand and advocate the organisation's vision, mission, values, services and products, so as to facilitate behavioural change in, and productivity of staff members.

3.4 Stakeholder Engagements

Group stakeholder meetings were held, with the focus on government departments and media groups – involving representatives from both the print and electronic media. These meetings yielded collaboration benefits and publicity for SAWS. Stakeholder meetings, to strengthen relationships and promote collaboration, were held with the aviation industry. Individual meetings with academic institutions resulted in the signing of MOU's on collaboration with regard to training and capacity, while Individual meetings with clients, both national and international, resulted in the signing of MOU's and yielded commercial benefits. SAWS's World Meteorological Day commemoration seminar strengthened relationships between the organisation and strategic partners/stakeholders, and provided the opportunity to profile SAWS's products, services, scientific knowledge and skills.

PART 2

HUMAN CAPITAL MANAGEMENT

In previous years SAWS was challenged with the loss of employees in positions that required critical and scarce skills. This compromised SAWS's service delivery. In the year under review SAWS developed and implemented an Attraction and Retention strategy to address this challenge. During the implementation phase there was a continued decrease in the number of employees with critical and scarce skills leaving the organisation.

In order to ensure that there is a continued supply of employees with the right competencies SAWS developed a succession plan for implementation. This initiative resulted in the attraction of young, suitably qualified employees which benefitted the organisation.

As part of its strategic interventions SAWS looked at ways to develop human capital capacity. Programmes initiated included bursary schemes, internship programmes and ongoing

development of current employees.

Organisation Development and Talent Management

Staff Profile

The number of employees at SAWS totals 386. During the period under review, there were 53 appointments, of which 39 were made in the scientific and technical fields. The appointments also indicate a gradual change in the age profile of scientific and technical staff, which is of benefit to SAWS, as it provides a talent pool for retention interventions and succession planning.

Table 8 below indicates the human capital figures at SAWS as at 31 March 2009. It also highlights staff profiles in the various employment equity categories.

Table 8: Staff Profile as at 31 March 2009

Rational category	Gender & Race								Total
	African		Coloured		Indian		White		
	M	F	M	F	M	F	M	F	
Legislators, senior officials & managers	7	7	0	0	1	1	4	0	20
Professionals	21	7	4	0	3	0	33	9	77
Technicians and associate professionals	12	3	0	1	0	0	8	3	27
Clerks	73	54	15	10	4	3	33	27	219
Plant, machine & assistants	0	0	0	0	0	0	0	0	0
Elementary occupations	23	9	8	1	0	0	0	0	41
Foreign nationals	1	1	0	0	0	0	0	0	2
Total	173	81	27	12	8	4	78	39	386

Staff Turnover

The following programmes, aimed at addressing previous years' high staff turnover, were formulated:

- i. Dual Career Pathing
- ii. Critical and Scarce Skills Allowance

- iii. Structured Remuneration Packages
- iv. Recognition Awards

The recruitment and retention strategy proved to be the appropriate intervention as there was a stabilisation in staff turnover figures as indicated in **Table 9** below.

Table 9: Staff Turnover

	2008/09	2007/08
Support staff	10	18
Staff with critical and scarce skills	22	37
Total staff	384	318
Turnover of staff with critical and scarce skills	5.7%	11.6%
Overall staff turnover	8.3%	14.14%

HUMAN CAPITAL DEVELOPMENT

During the period under review, the critical and scarce skills allowance was implemented. This ensured that the new pool of scientists and technical staff was appropriately mentored by experienced employees. Secondly, skilled and experienced employees were retained by SAWS for a minimum period of two years, which will ensure that the requisite skills are transferred and the process is documented. The number of students enrolled on the bursary and learnership programmes were absorbed within SAWS. SAWS is pleased to report that two thirds of the

bursary and learnership programme beneficiaries were from the previously disadvantaged individuals. We have also awarded bursaries to internal employees for doctoral, master's and Bachelor of Science degrees.

During 2008, in a quest to ensure that South Africa has a skilled workforce, SAWS continued with its Internship Programme for new graduates as indicated in Table 10. The Programme serves to enhance the skills and knowledge of qualified trainees by means of participation in a structured training programme.

Table 10 below indicates the difference in figures, year on year of SAWS bursary recipients and learnership beneficiaries.

Table 10: Training and Development: Bursary Recipients and Learnership Beneficiaries

2008/09		M	F	A	C	I	W	2007/08		M	F	A	C	I	W
Weather observers	19	9	10	10	7	0	2	Weather observers	14	8	6	14	0	0	0
BSc undergraduates: Meteorology	9	5	4	6	0	0	3	BSc undergraduates: Meteorology	9	6	3	9	0	0	0
BSc undergraduates: Earth and Atmospheric Science	3	2	1	3				BSc undergraduates: Earth and Atmospheric Science							
BSc Honours: Meteorology	9	6	3	4	0	0	5	BSc Honours: Meteorology	13	10	3	7	2	0	4
BSc Honours: Bridging Meteorology	3	1	2	3	0	0	0	BSc Honours: Bridging Meteorology	5	2	3	5	0	0	0
Honours in Geography	1	1		1				Honours in Geography							
Honours in Ocean and Atmospheric science	1	1		1				Honours in Ocean and Atmospheric science							
Learnerships	8	6	2	8	0	0	0	Learnerships	4	2	2	4	0	0	0

The objective of the Learnership Programme is to provide interns with the opportunity to learn from the various areas of expertise offered by SAWS staff members, as well as from the various SAWS projects. These projects are based on the work programme of each division and are designed to challenge and utilise the abilities that an intern brings to the organisation. SAWS, via its Learnership Programme, seeks to expose graduates to a practical working environment, which puts structured learning into practice and equips them with new competencies.

Following the SAWS national Microsoft upgrade at all offices, SAWS launched an E-learning computer skills training and assessment tool for staff members in all end-user Microsoft applications. This aligned staff skills with Informa-

tion Communication Technology's (ICT) strategy aimed at end-user application training.

A further highlight during the period under review, was the provisional accreditation of the SAWS Meteorological Training Centre with the Transport Education and Training Authority (TETA 09-128), to provide the National Certificate in Weather Observation (NQF Level 5). Accreditation offers users a guarantee that the training provider complies with the national standards for learning and assessment activities. Learners are assured of quality learning and assessment, while credits and qualifications are nationally recognised. Training and awards (credits and qualifications) may be transferred to other institutions of learning, and this enables learners to enter more formalised fields of further and/or higher education and training.

At SAWS, skills development is a priority for all employees and it is managed by means of personal development plans, acquired competencies and successful associated training. During the period under review, SAWS continuously invested in the learning and development of its human capital. A total of 163 employees were engaged in 33 fields of study, which is a practical manifestation of the claim that SAWS is a training organisation.

Employee Relations

Activities aimed at the Well-being of Employees
In line with the SAWS slogan, "A healthy employee is a productive employee", activities aimed at the well-being of employees during the period under review, included:

- The 702/Discovery Walk the Talk
- Wellness/Health Day for employees, celebrated at Head Office, as well as at the Irene and OR Tambo offices.

On Wellness Day, employees participated in various health examination programmes, ranging from chronic diseases to the identification of poor health habits. The health examinations sensitised employees to their health status, and set them on a course to address areas of concern, while practising good health care. Those employees who participated in the activities showed great enthusiasm, which may be regarded as an affirmation of the fact that SAWS employees are conscious of the importance of their health in facing their daily responsibilities.

AUDIT REPORT

FINANCIAL STATEMENTS AND OTHER FINANCIAL INFORMATION

PART 03

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PART 3

REPORT OF THE AUDIT COMMITTEE FOR THE YEAR ENDED 31 MARCH 2009

AUDIT COMMITTEE RESPONSIBILITY

The Audit Committee reports that it has complied with its responsibility arising from section 38 (1) (a) of the PFMA and Treasury Regulations 3.1.13. The Audit Committee reports that it has adopted appropriate formal Terms of Reference as its Committee Charter and has regulated its affairs in compliance with this Charter and has discharged all its responsibilities as contained therein.

AUDIT COMMITTEE MEMBERS AND ATTENDANCE

The Audit Committee plays a critical role in the corporate governance of the entity. The Audit Committee consists of the members listed hereunder. During the current financial year four meetings were held.

ing capital are efficiently managed. In line with the PFMA and the King II Report on Corporate Governance requirements, internal audit provides the Audit Committee and management with assurance that the internal controls are appropriate and effective. This is achieved by means of the risk management process, as well as the identification of corrective actions and suggested enhancements to the controls and processes.

According to various Reports of the internal auditors, the Audit Report on the annual financial statements and management report of the Auditor-General, it was noted that no significant or material non-compliance with the prescribed policies and procedures have been reported. Accordingly, we can report that the systems of internal control for the year under review were effective and efficient.

Members	Number of meetings	
	Held	Attended
Ms M M Mokuena (Chairperson)	4	4
Mr S Makhaye	4	3
Mr L Williams	4	3

THE EFFECTIVENESS OF INTERNAL CONTROL

The Audit Committee guided the Internal Audit unit in the preparation and implementation of the annual audit plan. The Internal Audit function has been outsourced to SizweNtsaluba vsp. The systems of control are designed to provide cost effective assurance that assets are safeguarded and that liabilities and work-

THE QUALITY OF MANAGEMENT AND MONTHLY/QUARTERLY REPORTS SUBMITTED IN TERMS OF THE PFMA AND THE DIVISION OF REVENUE ACT.

The Audit Committee is satisfied with the content and quality of Monthly and Quarterly Reports prepared and issued by the Chief Executive Officer of the Entity during the year under review.



EVALUATION OF ANNUAL FINANCIAL STATEMENTS

The Audit Committee has:

- reviewed and discussed the audited annual financial statements to be included in the Annual Report, with the Auditor-General and the Accounting Officer;
- reviewed the Auditor-General's management letter and management's response thereto;
- reviewed changes in accounting policies and practices; and
- reviewed significant adjustments resulting from the audit.

The Audit Committee concurs and accepts the Auditor-General's conclusions on the Annual Financial Statements and is of the opinion that the audited Annual Financial Statements be accepted and read together with the Report of the Auditor-General.



Ms M Mokuena
Chairperson of the Audit Committee

Date: 30 July 2009

PART 3

REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON THE FINANCIAL STATEMENTS AND PERFORMANCE INFORMATION OF THE SOUTH AFRICAN WEATHER SERVICE FOR THE YEAR ENDED 31 MARCH 2009

REPORT ON THE FINANCIAL STATEMENTS

Introduction

1. I have audited the accompanying financial statements of the South African Weather Service which comprise the statement of financial position as at 31 March 2009, and the statement of financial performance, the statement of changes in net assets and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes as set out on pages 83 to 120.

The accounting authority's responsibility for the financial statements

2. The accounting authority is responsible for the preparation and fair presentation of these financial statements in accordance with the basis of accounting determined by the National Treasury, as set out in accounting policy note 1 and in the manner required by the Public Finance Management Act, 1999 (Act No. 1 of 1999) (PFMA) and the South African Weather Service Act, 2001 (Act No. 8 of 2001) 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.

The Auditor-General's responsibility

3. As required by section 188 of the Constitution of the Republic of South Africa, 1996 read with section 4 of the Public Audit Act,

2004 (Act No. 25 of 2004) (PAA) and section 17(2)(b) of the South African Weather Service Act (Act No. 8 of 2001), my responsibility is to express an opinion on these financial statements based on my audit.

4. I conducted my audit in accordance with the International Standards on Auditing read with *General Notice 616 of 2008*, issued in *Government Gazette No. 31057 of 15 May 2008*. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

7. In my opinion the financial statements present fairly, in all material respects, the financial position of the South African Weather Service as at 31 March 2009 and its financial performance and its cash flows for the year then ended, in accordance with the basis of accounting determined by the National Treasury, as set out in accounting policy note 1 and in the manner required by the PFMA.

Emphasis of matters

8. Without qualifying my opinion, I draw attention to the following matters:

Basis of accounting

9. Accounting policy note 1 to the financial statements describes the basis of accounting. The public entity's policy is to prepare financial statements on the basis of accounting, determined by the National Treasury.

Irregular expenditure

10. As disclosed in note 23 to the financial statements, irregular expenditure to the amount of R 1,1 million was incurred.

Other matters

Without qualifying my opinion, I draw attention to the following matters that relate to my responsibilities in the audit of the financial statements:

Governance framework

11. The governance principles that impact the auditor's opinion on the financial statements are related to the responsibilities and practices exercised by the accounting authority and executive management and are reflected in the key governance responsibilities addressed below:

Key governance responsibilities

12. The PFMA tasks the accounting authority with a number of responsibilities concerning financial and risk management and internal control. Fundamental to achieving this is the implementation of key governance responsibilities, which I have assessed as follows:

No.	Matter	Y	N
Clear trail of supporting documentation that is easily available and provided in a timely manner			
1.	No significant difficulties were experienced during the audit concerning delays or the availability of requested information.	✓	
Quality of financial statements and related management information			
2.	The financial statements were not subject to any material amendments resulting from the audit.	✓	
3.	The annual report was submitted for consideration prior to the tabling of the auditor's report.	✓	
Timeliness of financial statements and management information			
4.	The annual financial statements were submitted for auditing as per the legislated deadlines 55 of the PFMA.	✓	
Availability of key officials during audit			
5.	Key officials were available throughout the audit process.	✓	
Development and compliance with risk management, effective internal control and governance practices			
6.	Audit committee		
	• The public entity had an audit committee in operation throughout the financial year.	✓	
	• The audit committee operates in accordance with approved, written terms of reference.	✓	
	• The audit committee substantially fulfilled its responsibilities for the year, as set out in section 77 of the PFMA and Treasury Regulation 27.1.8.	✓	
7.	Internal audit		
	• The public entity had an internal audit function in operation throughout the financial year.	✓	
	• The internal audit function operates in terms of an approved internal audit plan.	✓	
	• The internal audit function substantially fulfilled its responsibilities for the year, as set out in Treasury Regulation 27.2.	✓	
8.	There are no significant deficiencies in the design and implementation of internal control in respect of financial and risk management.	✓	
9.	There are no significant deficiencies in the design and implementation of internal control in respect of compliance with applicable laws and regulations.	✓	

No.	Matter	Y	N
10.	The information systems were appropriate to facilitate the preparation of the financial statements.	✓	
11.	A risk assessment was conducted on a regular basis and a risk management strategy, which includes a fraud prevention plan, is documented and used as set out in Treasury Regulation 27.2.	✓	
12.	Powers and duties have been assigned as set out in section 56 of the PFMA.	✓	
Follow-up of audit findings			
13.	The prior year audit findings have been substantially addressed.	✓	
14.	SCOPA resolutions have been substantially implemented.	n/a	
Issues relating to the reporting of performance information			
15.	The information systems were appropriate to facilitate the preparation of a performance report that is accurate and complete.	✓	
16.	Adequate control processes and procedures are designed and implemented to ensure the accuracy and completeness of reported performance information.	✓	
17.	A strategic plan was prepared and approved for the financial year under review for purposes of monitoring the performance in relation to the budget and delivery by the South African Weather Service against its mandate, predetermined objectives, outputs, indicators and targets per Treasury Regulations 30.	✓	
18.	There is a functioning performance management system and performance bonuses are only paid after proper assessment and approval by those charged with governance.	✓	

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Report on performance information

13. I have reviewed the performance information as set out on pages 17 to 27.

The accounting authority's responsibility for the performance information

14. The accounting authority has additional

responsibilities as required by section 55(2)(a) of the PFMA to ensure that the annual report and audited financial statements fairly present the performance against predetermined objectives of the public entity.

The Auditor-General's responsibility

15. I conducted my engagement in accordance with section 13 of the PAA read with General Notice 616 of 2008, issued in Government Gazette No. 31057 of 15 May 2008.

16. In terms of the foregoing my engagement included performing procedures of an audit nature to obtain sufficient appropriate evidence about the performance information and related systems, processes and procedures. The procedures selected depend on the auditor's judgement.
17. I believe that the evidence I have obtained is sufficient and appropriate to report that no significant findings have been identified as a result of my review.

APPRECIATION

18. The assistance rendered by the staff of the South African Weather Service during the audit is sincerely appreciated.

Auditor-general.

Pretoria
30 July 2009



PART 3

STATEMENT OF RESPONSIBILITY BY THE BOARD FOR THE YEAR ENDED 31 MARCH 2009

The Annual Financial Statements are the responsibility of the Board. The Financial Statements, presented on pages 83 to 120 were prepared in accordance with South African Statements of Generally Accepted Accounting Practices and South African Statements of Generally Recognised Accounting Practices, and include amounts based on judgement and estimates made by management. The Board also prepared the other information included in the Annual Report and is responsible for both its accuracy and consistency with the financial statements.

The Board is also responsible for the systems of internal control. These are designed to provide reasonable but not absolute assurance as to the reliability of the Financial Statements, and to adequately safeguard, verify and maintain accountability of assets, and to prevent and detect material misstatement and loss. The systems are implemented and monitored by suitably trained personnel with an appropriate segregation of authority and duties. The Board reviewed the entity's system of internal control and risk management for the year. The Board is of the opinion that the entity's systems of internal control and risk management were effective for the year under review.

The going concern basis was adopted when preparing the Financial Statements. The Board has no reason to believe that the South African Weather Service will not be a going concern in the foreseeable future based on forecasts and available cash resources. The financial statements support the viability of the South African Weather Service.

The Financial Statements were audited by the Auditor-General, who had unrestricted access to all financial records and related data, including minutes of the Board and all its committees. The Board believes that all representations made to the Auditor-General during their audit were valid and appreciated.

APPROVAL OF FINANCIAL STATEMENTS

The Financial Statements on pages 83 to 120 were approved by the Board on 30 July 2009 and signed on its behalf by:



Dr Linda Makuleni
Chief Executive
Officer



Ms K Njobe
Chairperson
of the Board

PART 3

SOUTH AFRICAN WEATHER SERVICE ANNUAL FINANCIAL STATEMENTS REPORT BY THE ACCOUNTING AUTHORITY FOR THE YEAR ENDED 31 MARCH 2009

Report by the Accounting Authority to the Executive Authority and Parliament of the Republic of South Africa.

Preparation and presentation of the Annual Financial Statements

The South African Weather Service has adopted the South African Statements of Generally Recognised Accounting Practices (GRAP 1- 3) and the South African Statements of Generally Accepted Accounting Practices (GAAP).

General review of the state of affairs

The South African Weather Service (SAWS) has performed well in the period under review;

especially in the overall implementation of key strategic programmes and the provision of public good services, despite the financial constraints that resulted in an operational deficit of R2.9 million. The SAWS increased its revenue and exercised financial prudence in the management of its operational expenses which resulted in an increase of only 5.6% compared to the prior year.

REVENUE

Total revenue increased by 4.0% (R 7.43 m) from R 186.2 million (2008) to R 193.7 million (2009).

The increase was attributed to:

	2009 Rm	2008 Rm	Increase/ (Decrease) Rm	%
Government grants	124.92	120.11	4.81	4.0
Aviation revenue	52.15	52.70	(0.55)	(1.0)
Aviation instrument maintenance income	0.30	0.05	0.25	500.0
Information fees	2.75	3.46	(0.71)	(20.5)
Lightning detection network sales	3.16	2.53	0.63	24.9
Letting aircraft	3.10	1.01	2.09	206.9
Selling of instruments	0.81	0.15	0.66	440.0
Web sales & advertising	0.23	-	0.23	100.0
Project income	0.56	-	0.56	100.0
Other income	0.05	0.32	(0.27)	(84.4)
Profit on disposal of assets	0.25	-	0.25	100.0
Donations received	0.02	-	0.02	100.0
Interest received from debtors	0.54	0.72	(0.18)	(25.0)
Interest due to discounting of receivables	1.44	1.03	0.41	39.8
Revenue from investments	3.42	4.19	(0.77)	(18.4)
Total	193.70	186.27	7.43	4.0

The Department of Environmental Affairs and Tourism (DEAT) has increased the grant by 4% for the year under review.

	2009 Rm	2008 Rm	Increase/ (Decrease) Rm	%
Commercial revenue				
Regulated aviation	52.15	52.70	(0.55)	(1.0)
Non regulated	11.23	7.52	3.71	49.3
Total	63.38	60.22	3.16	5.2

Regulated aviation revenue decreased by 1.0%, mainly due to the under recovery of budgeted revenue as a result of the reduction in the number of flights in the current economic climate and the liquidation of Nationwide as well as other Airlines. Other non-regulated commercial revenue increased by 49.3% year on year. Non regulated commercial revenue comprises mainly of the letting of aircraft totalling R 3.1 million for the year (2008: R 1.0 million), the sale of lightning detection networks totalling R 3.2 million for the year (2008: R 2.5 million) and information fees totalling R 2.8 million (2008: R 3.5 million).

The profit on disposals of property, plant and equipment increased by R 0.2 million (2009) from R 0 (2008) due to the disposals of assets not in use during the current financial year.

Interest received from outstanding debtors accounts increased from R 0.4 million (2008) to R 0.7 million (2009) due to the non payment of 1 Time Airlines for their aviation charges.

Interest received due to discounting of receivables increased from R 1.0 million (2008) to R 1.4 (2009). International Accounting Standard 39; Financial Instruments, requires that when a receivable is raised, the receivable will be initially recognised at its fair value, and this would take into account the effect of the time value of money. Similarly, for the purchase of goods on extended payment terms the effect of time value of money should be reflected in the purchase value.

Revenue from investments decreased by 18.4% from R 4.2 million (2008) to R 3.4 million (2009) due to reduction in cash surplus. Surplus cash funds, per the current accounts, have been allocated to interest bearing short term investment and call accounts. Interest rates are negotiated with financial institutions on a monthly basis or when the investment matures. Investments are placed according to the rules of the PFMA.

The relation between internally generated revenue and revenue received as a grant from DEAT is as follows:

	2009	2008
External as % of total revenue	64%	64%
Internal as % of total revenue	36%	36%
	100%	100%

The internal revenue remained the same year on year.

EXPENSES

During the financial year, expenses were re-

duced to circumvent the effects of the decrease in revenue. Total expenses on a year on year basis increased by 5.5% (R 11.9 million) from R 186.2 million (2008) to R 196.6 million (2009). The increase was attributed to:

	2009 Rm	2008 Rm	Increase/ (Decrease) Rm	%
Administrative Expenses	11.82	10.52	1.30	12.4
Employee costs	108.15	93.80	14.35	15.3
Amortisation	2.43	1.07	1.36	127.1
Depreciation	12.80	13.41	(0.61)	(4.5)
Other operating expenses	60.40	66.34	(5.94)	(9.0)
Finance costs	1.00	1.09	(0.09)	(8.3)
Total	196.60	186.23	10.37	5.6

Selling and administration expenditure

Administration expenses increased by 12.4% from R 10.52 million (2008) to R 11.82 million (2009). This increase was mainly attributed to the bad debt provision for the outstanding debt for 2009 mainly attributed to the non payment of 1Time airlines R 4.5 million.

Employee costs

Employee costs increased by 15.3% from R 93.8 million (2008) to R 108.15 million (2009). The average annual cost of living increase was 10% and the filling of vacant positions as well

as the payment of staff retention allowance also contributed to the increase.

Employee costs constitute 55% (2008: 50.4%) of the total expenses of the SAWS.

Depreciation

Depreciation decreased by 4.5% from R 13.4 million (2008) to R 12.8 million (2009). The decrease is a direct result of the capital expenditure programme and a reassessment of the useful lives of several classes of assets. An amount of R 17.8 million (2008: R23.7 mil-

lion) was utilised for the acquisition of capital assets.

Other operating expenses

Other operating expenses decreased by 9% (R 5.94 million) from R 66.34 million (2008) to R 60.40 million (2009)

- Cost reduction initiatives implemented by management during the financial year resulted in the following highlights:
 - o Equipment expense decreased by 17.04% (R 1.7 million) from R 10.1 million (2008) to R 8.4 million (2009) as a result of the change to a local supplier of radio sondes.
 - o Repairs and maintenance decreased by 37.74% (R 1.9 million) from R 4.9 million (2008) to R 3.1 million due to the implementation of the recapitalisation plan from internal generated funds.
- As part of the management of expenses vs. reduced income revenue some projects were deferred to 2009/10 resulting in a 39.41% (R 1.7 million) decrease from R 4.3 million (2008) to R 2.6 million (2009).

Finance cost

Finance cost decreased by 8.3% from R 1.09 million (2008) to R 1.0 (2009) due to the effect of the implementation of IAS 39 as discussed above.

SERVICES RENDERED BY THE SOUTH AFRICAN WEATHER SERVICE

A list of services rendered by the SAWS is

discussed in detail in the annual report under the report by the Chief Executive Officer.

The significant events that have taken place during the year as well as major projects undertaken are discussed in the annual report under the report by the operations department.

TARIFF POLICY

In terms of Section 28(b) of the SAWS Act, 2001(Act No. 8 of 2001), the SAWS charges fees for the provision of aviation meteorological services by the operator of an aircraft in respect of a flight undertaken within any flight information region established by the Commission for Civil Aviation in terms of the Civil Aviation Regulations, 1997, as amended.

Aviation meteorological user charges have two categories:

Category 1:

In respect to an aircraft with a Maximum Certified Mass (MCM) of 2000 kg and above:

- Charge = Tariff x W x D
- Where tariff =
 - Year 1 (13 June 2008 – 31 March 2009) R 25.57
 - Year 2 (1 April 2009 – 31 March 2010) R 24.06
 - Year 3 (1 April 2010 – 31 March 2011) R 23.09
- W = Square root of (MCM in metric tonnes divided by 50)
- D = Distance of flight in the flight information region of South Africa in kilometre divided by 100.

Category 2:

Aircraft with a published Certified Maximum Mass between 2000 and 4999 kg that operate under Visual Flight Rules (VFR) and aircrafts with a Maximum Certified Mass (MCM) of below 2000 kg the tariff is set at zero.

No fees are payable for an aircraft engaged in search and rescue operations and coastal patrol flights of the South African Air Force.

CAPACITY AND OTHER CONSTRAINTS

Funding Sources – SAWS optimal productivity relies heavily on the availability of financial enablers to ensure that desired yields on the investment are attained. It is in this context that the diminishing grant allocation from the Shareholder poses a significant constraint when juxtaposed against the economic realities under which SAWS as a Public Entity has to operate. This is compounded by the global economic downturn that has had a negative impact on SAWS funding sources as is evidenced by the Aviation industry (where airline companies had to be liquidated or were forced to review their operations - thus restraining finance generating sources for the organisation).

- **Operational Capacity** - Global trends and developmental pressures have propelled organisations similar to ours to invest more heavily in capacity building such as modern technology and human capital. The enhancement in capital injections and technology ensures that there are up-to-date enablers to assist in generating relevant applications in research that will assist government in planning and decision-

making. It is highly desirable that South Africa takes a leading role in this process. This is hamstrung by the lack of funds to invest in advanced technology and human capital, a necessary resource to drive these processes.

- **Employees** – In as much as there has been marked progress in the attraction and retention of skills, as demonstrated by the steadily declining turnover figures in critical and scarce skills, there is also an equally demanding challenge to maintain the figures and give such employees a conducive environment within which to operate. Part of that responsibility is to respond to creating a greater pool of scientists and technologists with greater focus on the Previously Disadvantaged Individuals. Without the necessary financial resources it is a tall order to achieve these objectives, more so because these are part of the SAWS mandate as per the Act.

UTILISATION OF DONOR FUNDS

An amount of R 3.6 million (2008 : R 1.3 million) including interest was received during the year under review from donor funds. A total of R 2.4 million (2008 : R 1.3 million) was utilised as donor funding expenditure. These funds were received with conditions as agreed with the donors. Detailed information on these projects is discussed under the Chief Executive Officer's report in the Annual Report 2009. The amounts received from donors are recorded as a liability against which expenses are charged. The balance available at year end was R 3.0 million (2008: R 1.7 million).

CAPITAL EXPENDITURE GRANT

An amount of R 35 million was received from DEAT as the second contribution towards the radar network recapitalisation project of R 240 million. An amount of R 7.5 million is interest capitalised to the fund and an amount of R 60 million was utilised against the project.

CORPORATE GOVERNANCE ARRANGEMENTS

The SAWS is committed to the objectives and principles of transparency, accountability and integrity explained in the King II Report on Corporate Governance. Detailed discussion of the application and results of Corporate Governance in the organisation is discussed under the heading Chief Executives Officer's report Corporate Governance in the Annual Report.

Full disclosure of risk items and policies are discussed under note 20 in the Annual Financial Statements, disclosure of all conflict of interest and contracts with related parties are done under note 21 in the Annual Financial Statements.

Disclosure of remuneration to members of the Accounting Authority and Executive Management is done under note 28 in the Annual Financial Statements.

The strategic plan was amended and improved to include clear and precise direction for the organisation for the coming three years with the focus on the increase in commercial revenue. A new structure was developed and approved by the Board. Internal controls have been strictly monitored.

The Audit Committee meets on a regular basis and ensures that management adheres to internal controls and accounting policies and procedures. During the year under review SizweNtsaluba vsp. was appointed to perform the function of the internal audit for the organisation. This is an ongoing process and will ensure the effective implementation of internal audit and control procedures and adherence of management thereto. A three year rolling internal audit plan as well as a one year plan was developed by them. A risk assessment was performed during the year.

The Audit Committee has adopted a formal terms of reference and this Committee is satisfied that it covered all responsibilities for the year in compliance with its term of reference. (Refer to Report of the Audit Committee in the Annual Report).

PERFORMANCE INFORMATION

Performance targets are set on an annual basis. Full disclosure of these targets and performance against them is disclosed in the Annual Report. Quarterly performance reports are prepared by the South African Weather Service and submitted to the Department of Environmental Affairs and Tourism stating achievements during the previous year and assessing results against targets set.

SCOPA RESOLUTIONS

There were no resolutions taken by the Standing Committee on Public Accounts (SCOPA) for the year under review.

Address

Registered office: South African Weather Service
442 Rigel Avenue South
Erasmusrand
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0181

Postal Address: Private Bag X097
Pretoria
0001

Auditors

SAWS is a Public Entity audited by the Auditor-General.

Approval

The Annual Financial Statements set out on pages 83 to 120 have been approved by the Accounting Authority.



Ms K Njobe
Chairperson of the Board
Date: 30 July 2009

ANNUAL FINANCIAL STATEMENTS

Statement of Financial Position
as at 31 March 2009

ASSETS	Notes	2009 R	2008 R
Non-Current Assets		147,274,218	147,521,005
Property, plant and equipment	4	91,554,270	92,716,281
Intangible assets	5	8,719,948	6,483,180
Investment property	6	47,000,000	48,321,544
Current Assets		91,844,079	125,064,039
Inventory	7	8,454,507	8,236,096
Trade and other receivables	8	14,950,727	16,829,419
Cash and cash equivalents	9	68,438,845	99,998,524
Non-Current Assets Classified as Held for Sale	24	-	184,928
TOTAL ASSETS		239,118,297	272,769,972
NET ASSETS AND LIABILITIES			
Non-Current Liabilities		33,465,102	31,510,698
Deferred rental obligations	10.1	8,517,118	8,711,034
Retirement benefit obligations	11	24,947,984	22,799,664
Current Liabilities		64,066,013	95,229,826
Current portion: Retirement benefit obligations	11	492,016	270,336
Trade and other payables	12	20,939,707	32,076,715
Provisions	13	676,061	1,234,192
Donor funding	14	3,010,603	1,695,071
Radar recapitalisation project	14	38,947,626	59,953,512
TOTAL LIABILITIES		97,531,115	126,740,524
Net Assets		141,587,182	146,029,448
Non-distributable reserve		61,274,577	61,434,528
Accumulated surpluses		80,312,605	84,594,920
TOTAL NET ASSETS AND LIABILITIES		239,118,297	272,769,972
Total Net Assets		141,587,182	146,029,448

ANNUAL FINANCIAL STATEMENTS

Statement of Financial Performance
for the year ended 31 March 2009

	Notes	2009 R	2008 R
Revenue		187,985,840	180,123,932
Other income		5,721,880	6,156,161
Total revenue	15	193,707,720	186,280,093
Administrative expenses		(11,818,985)	(10,521,243)
Employee costs		(108,153,642)	(93,799,032)
Amortisation	5	(2,425,638)	(1,070,475)
Depreciation	4	(12,800,281)	(13,411,402)
Other operating expenses		(60,396,816)	(66,343,563)
Finance costs	16	(1,001,627)	(1,087,629)
Total expenses		(196,596,989)	(186,233,344)
Operating (Deficit) / Surplus for the Year		(2,889,269)	46,749
(Losses) / Gains from fair value adjustments	6	(1,321,550)	3,563,776
(Deficit) / Surplus for the Year	17	(4,210,819)	3,610,525

ANNUAL FINANCIAL STATEMENTS

Statement of Changes in Net Assets
for the year ended 31 March 2009

	Notes	Non-distributable Reserve R	Accumulated Surpluses / (Deficits) R	Total R
Balance at 31 March 2007		57,780,964	80,984,395	138,765,359
Property valuation	4	808,249	-	808,249
Aircraft valuation	4	2,845,315	-	2,845,315
Net surplus for the year		-	3,610,525	3,610,525
Balance at 31 March 2008		61,434,528	84,594,920	146,029,448
Property valuation	4	209,039	-	209,039
Aircraft valuation / Impairment	4	(368,990)	-	(368,990)
Depreciation adjustment to buildings		-	(71,496)	(71,496)
Net surplus / (deficit) for the year		-	(4,210,819)	(4,210,819)
Balance at 31 March 2009		61,274,577	80,312,605	141,587,182

ANNUAL FINANCIAL STATEMENTS

Cash Flow Statement
for the year ended 31 March 2009

Cash Flow from Operating Activities

Notes

Receipts

Government grant
Commercial and other income
Income from investments

Payments

Employee benefits expense
Suppliers
Finance costs

Net Cash Flows from / (Used in) Operating Activities 18

Cash Flow from Investing Activities

Proceeds on disposal of property, plant and equipment
and intangible assets
Acquisition of property, plant and equipment and
intangible assets

**Net Cash Flows from / (Used in) Investing
Activities**

Cash Flow from Financing Activities

(Decrease) / increase in long-term liabilities
(Decrease) / increase in short-term liabilities

Net Cash Flow from / (Used in) Financing Activities

**Net increase/(decrease) in cash and cash
equivalents**

Cash and cash equivalents at the beginning of the year

Cash and Cash Equivalents at End of the Year 9

	2009 R	2008 R
Receipts	195,332,865	178,266,137
Government grant	124,916,000	120,112,000
Commercial and other income	66,995,942	53,968,789
Income from investments	3,420,923	4,185,348
Payments	(212,753,297)	(102,631,577)
Employee benefits expense	(108,153,642)	(93,799,032)
Suppliers	(103,598,028)	(7,744,916)
Finance costs	(1,001,627)	(1,087,629)
Net Cash Flows from / (Used in) Operating Activities	(17,420,432)	75,634,560
Cash Flow from Investing Activities		
Proceeds on disposal of property, plant and equipment and intangible assets	642,045	12,295
Acquisition of property, plant and equipment and intangible assets	(16,735,696)	(23,731,613)
Net Cash Flows from / (Used in) Investing Activities	(16,093,651)	(23,719,318)
Cash Flow from Financing Activities		
(Decrease) / increase in long-term liabilities	1,954,404	2,320,798
(Decrease) / increase in short-term liabilities	-	-
Net Cash Flow from / (Used in) Financing Activities	1,954,404	2,320,798
Net increase/(decrease) in cash and cash equivalents	(31,559,679)	54,236,040
Cash and cash equivalents at the beginning of the year	99,998,524	45,762,484
Cash and Cash Equivalents at End of the Year	68,438,845	99,998,524

ANNUAL FINANCIAL STATEMENTS

Notes to the Annual Financial
Statements for the year ended
31 March 2009

1. PRESENTATION OF FINANCIAL STATEMENTS

Basis of Preparation of the Financial Statements

The financial statements have been prepared in accordance with the South African Statements of Generally Accepted Accounting Practices (GAAP) including any interpretations of such Statements issued by the Accounting Practices Board, with the effective Standards of Generally Recognised Accounting Practices (GRAP) issued by the Accounting Standards Board replacing the equivalent GAAP Statement as follows:

Standard of GRAP

GRAP 1: Presentation of financial statements

GRAP 2: Cash flow statements

GRAP 3: Accounting policies, changes in accounting estimates and errors

Replaced Statement of GAAP

AC101: Presentation of financial statements

AC118: Cash flow statements

AC103: Accounting policies, changes in accounting estimates and errors

Currently the recognition and measurement principles in the above GRAP and GAAP Statements do not differ or result in material differences in items presented and disclosed in the financial statements. The implementation of GRAP 1, 2 and 3 has resulted in the following significant changes in the presentation of the financial statements:

1.1 Terminology differences:

Standard of GRAP

Statement of financial performance

Statement of financial position

Statement of changes in net assets

Net assets

Surplus / deficit for the year

Accumulated surplus / deficit

Contributions from owners

Distributions to owners

Reporting date

Replaced Statement of GAAP

Income statement

Balance sheet

Statement of changes in equity

Equity

Profit / loss for the year

Retained earnings

Share capital

Dividends

Balance sheet date

1.2. The cash flow statement can only be prepared in accordance with the direct method.

1.3. Specific information has been presented separately on the statement of financial position such as:

- (a) receivables from non-exchange transactions, including taxes and transfers;
- (b) taxes and transfers payable;
- (c) trade and other payables from non-exchange transactions.

ANNUAL FINANCIAL STATEMENTS

Notes to the Annual Financial
Statements for the year ended
31 March 2009

1.4. The amount and nature of any restrictions on cash balances is required to be disclosed.

Paragraph 11 – 15 of GRAP 1 has not been implemented due to the fact that the local and international budget reporting standard is not effective for this financial year. Although the inclusion of budget information would enhance the usefulness of the financial statements, non-disclosure will not affect the objective of the financial statements.

The financial statements are presented in South African rand since that is the functional currency in which the majority of the South African Weather Service's transactions are denominated. The annual financial statements have been prepared on the going concern basis. All accounting policies have been consistently applied to all the years presented.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the South African Weather Service have been prepared in accordance with South African Statements of Generally Accepted Accounting Practices (GAAP) and with South African Standards of Generally Recognised Accounting Practices (GRAP). The preparation of financial statements in conformity with GAAP and GRAP require the use of certain critical financial statements accounting estimates. It also requires management to exercise its judgment in the process of applying the Entity's accounting policies.

2.1 Revenue Recognition

Revenue comprises of fees levied for the supply of weather related information to the aviation industry as well as other users. Revenue from information fees levied is recognised when the information is supplied to the customer.

Revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable for services provided in the normal course of business.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the interest rate applicable. Other income, mainly the letting of aircraft, is recognised when the service is rendered to the customer.

Project income received is recognised together with the respective expenses in the Statement of Financial Performance.

Monies received from donors are recorded as a liability against which expenses are charged, surpluses are either paid back or recognised in the Statement of Financial Performance depending on terms of the particular contract.

ANNUAL FINANCIAL STATEMENTS

Notes to the Annual Financial
Statements for the year ended
31 March 2009

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.2 Government and Other Grants

Government and other grants are accounted for when they become receivable and recognised on a monthly basis to match the grants with the related costs which they are intended to compensate,

2.3 The South African Weather Service as a Lessee

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the Statement of Financial Performance on a straight-line basis over the period of the lease.

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.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset. This liability is not discounted.

Any contingent rents are expensed in the period they are incurred.

2.4 Foreign Currencies

Transactions in currencies other than the functional currency (Rands) are initially recorded at the rates of exchange ruling on the dates of the transactions. Monetary assets and liabilities denominated in such currencies are retranslated at the rates ruling on the Statement of Financial Position date. Exchange differences arising on the settlement of monetary items or on reporting an enterprise's monetary items at rates different from those at which they were initially recorded are recognised as income or expenses in the year in which they arise.

The South African Weather Service did not enter into forward contracts and options in order to hedge its exposure to foreign exchange risks, during the financial year under review.

2.5 Property, Plant, Equipment and Depreciation

Land and buildings and aircraft are shown at fair value.

Revaluations of aircrafts and land and buildings are performed annually using fair values at the Statement of Financial Position date. Any revaluation increase arising on the revaluation is credited to the revaluation reserve, except to the extent that it reverses a revaluation decrease for the same asset previously recognised as an expense, in which case the increase is credited to the Statement of Performance to the extent of the decrease previously charged.

A decrease in the carrying amount arising on the revaluation is charged as an expense to the extent that it exceeds the balance, if any, held in the properties revaluation reserve relating to a previous revaluation of that asset.

ANNUAL FINANCIAL STATEMENTS

Notes to the Annual Financial
Statements for the year ended
31 March 2009

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.5 Property, Plant, Equipment and Depreciation (Continued)

On the subsequent sale or retirement of a revalued asset, the attributable revaluation surplus remaining in the revaluation reserve is transferred to accumulated surpluses.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably.

All other items of property, plant and equipment are stated at historical cost less accumulated depreciation.

Depreciation is charged so as to write off the cost or valuation of assets over their estimated useful lives, using the straight-line method, on the following bases:

	2009 (Years)	2008 (Years)
Buildings - lease improvements	10	10
Fence	10	-
Houses	50	50
Commercial property	-	-
Aircraft - Airframes	20	4
Aircraft - Engines	5400 hrs	4
Aircraft - Propellers	5	4
Motor vehicles	5	5
Meteorological instruments	10	10
Office equipment	10	4
Computer equipment	5	5
Computer software and website development	5	5
Library books and equipment	10	5
Furniture and fittings	10	6
Tools and other equipment	10	5

ANNUAL FINANCIAL STATEMENTS

Notes to the Annual Financial
Statements for the year ended
31 March 2009

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.5 Property, Plant, Equipment and Depreciation (Continued)

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each Statement of Financial Position date.

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Financial Performance. When revalued assets are sold, the amounts included in other reserves are transferred to accumulated surpluses.

All other repairs and maintenance are charged to the Statement of Financial Performance during the financial year in which they are incurred.

2.6 Intangible Assets

An intangible asset is recognised when:

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

Intangible assets are initially recognised at cost.

Acquired computer software and website development are capitalised on the basis of the costs incurred to bring to use the specific software or website and amortised over the useful lives (five years) using the straight-line method.

2.7 Investment Property

Investment property is recognised as an asset when, and only when, it is probable that the future economic benefits that are associated with the investment property will flow to the entity, and the cost of the investment property can be measured reliably.

Investment property is shown at fair value based on periodic but at least annual, valuations by external independent valuers. The investment property is held for capital appreciation. A gain or loss arising from a change in the fair value of investment property is recognised in surplus or deficit in the year in which it arises.

2.8 Inventories

Inventories are stated at the lower of cost and net realisable value. Net realisable value represent the estimate selling price less all estimated cost to completion and cost to be incurred in marketing, selling and distribution. Inventory consists of consumable goods only and not held for resale. Cost is determined on the following basis:

- Consumable goods are valued using the weighted average cost basis.
- Redundant and slow moving stocks are identified and written down with regard to their estimated economic or realisable values.

ANNUAL FINANCIAL STATEMENTS

Notes to the Annual Financial
Statements for the year ended
31 March 2009

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.9 Impairment

At each Statement of Financial Position date, the South African Weather Service reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered impairment. If any such indications exist, the recoverable amount of the asset is estimated in order to determine the extent of the impairment.

The recoverable amount is the higher of the assets less cost to sell or the value in use.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. Impairment losses are recognised as an expense immediately.

2.10 Financial Instruments

Recognition

Financial assets and liabilities are recognised on the entity's Statement of Financial Position when the entity becomes a party to the contractual provisions of the instrument. All "regular way" purchases and sales of financial assets are initially recognised using trade date accounting.

Measurement

Financial instruments are initially measured at cost, which include transaction costs. Subsequent to initial recognition these instruments are measured as set out below.

Financial Assets

The entity's principal financial assets are trade and other receivables and cash and cash equivalents.

- Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured providing for the time value of money and impairment of receivables.

- Writing off of debts

Prior to writing off debts, management assess the recoverability of the debt. If it is determined that the debt is irrecoverable, the debt is written off if management is convinced that the recovery of the debt would be uneconomical or the recovery would cause undue hardship to the debtor or his or her dependants, or it would be to the advantage of the state to effect a settlement of its claim or to waive the claim.

- Cash and cash equivalent

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments and bank overdrafts. Cash and cash equivalents are measured at fair value.

ANNUAL FINANCIAL STATEMENTS

Notes to the Annual Financial
Statements for the year ended
31 March 2009

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.10 Financial Instruments (Continued)

Financial Liabilities

The entity's principal financial liabilities are trade and other payables. Trade and other payables are stated at fair value of money.

Gains and Losses on Subsequent Measurement

Gains and losses arising from a change in the fair value of financial instruments, are included in the net surplus or deficit for the year in which it arises.

Derecognition

A financial asset or a portion thereof is derecognised when the entity realises the contractual rights to the benefits specified in the contract, the rights expire, the entity surrenders those rights or otherwise lose control of the contractual rights that comprise the financial asset. On derecognition, the difference between the carrying amount of the financial asset and the sum of the proceeds receivable and any prior adjustments to reflect the fair value of the asset that were reported in equity is included in net surplus or deficit for the year.

Fair Value Considerations

The fair values at which financial instruments are carried at the Statement of Financial Position date were determined using available market values. Where market values were not available, fair values were calculated by discounting expected future cash flows at prevailing interest rates. The fair values were estimated using available market information and appropriate valuation methodologies, but are not necessarily indicative of the amounts that the entity could realise in the normal course of business. The carrying amounts of financial assets and financial liabilities with a maturity of less than one year are assumed to approximate their fair value due to the short term trading cycle of these items.

2.11 Provisions

Liabilities

Provisions for liabilities are recognised when the South African Weather Service has a present obligation as a result of a past event and it is probable that this will result in an outflow of economic benefits that can be reliably estimated.

ANNUAL FINANCIAL STATEMENTS

Notes to the Annual Financial
Statements for the year ended
31 March 2009

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.11 Provisions (Continued)

Impairment of Receivables

Impairment of receivables are recognised when the South African Weather Service outstanding debtors are above 120 days and debts which on merit appear to be irrecoverable.

Post Retirement Medical Aid Benefit

The entity operates a defined benefit obligation. The obligation is generally funded by payments from the entity and employees, taking account of the recommendations of independent qualified actuaries. For defined benefit obligation the related current service cost, and where applicable the past service cost are determined by using projected unit credit method.

A defined benefit obligation is an obligation that defines an amount of benefit to be provided, usually as a function of one or more factors such as inflation, discounting and demographic factors both before and after retirement.

Actuarial gains and losses are recognised as income or expense in the statement of financial performance. The entity contribution to defined benefit obligation are charged to the Statement of Financial Performance in the year to which they relate. Once the contribution has been paid, the entity has no further payment obligations.

Short-term employee benefits

The cost of all short-term employee benefits is recognised during the period in which the employee renders the related service.

2.12 Comparative Figures

Where necessary, comparative figures were adjusted to conform to changes in the presentation in the current year.

2.13 Taxation

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

2.14 Value Added Taxation (VAT)

The Revenue Laws Amendment Act, 2003 (Act No. 45 of 2003) commenced on 22 December 2003. Previously, the definition of enterprise placed the South African Weather Service listed in Schedule 3 A within the scope of VAT. The Amendment Act, however has

ANNUAL FINANCIAL STATEMENTS

Notes to the Annual Financial
Statements for the year ended
31 March 2009

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.14 Value Added Taxation (VAT) (Continued)

amended this definition of enterprise and effectively places the entity outside the scope of VAT. The amended definition of enterprise came into operation on 1 April 2005.

2.15 Related Parties

All transactions and balances with national departments of Government and state-controlled entities are regarded as related party transactions and are disclosed separately in the notes to the annual financial statements (refer note 21).

Parties are considered to be related if one party has the ability to control the other party or to exercise significant influence or joint control over the other party in making financial and operational decisions.

A related party transaction is a transfer of resources, services or obligations between related parties, regardless of whether a price is charged.

2.16 Fruitless, Wasteful and Irregular Expenditure

Irregular expenditure means expenditure incurred in contravention of, or not in accordance with, a requirement of the Public Audit Act, 2004 (Act No. 25 of 2004). Fruitless and wasteful expenditure means expenditure that was incurred in vain and would have been avoided should reasonable care have been exercised. All irregular, fruitless or wasteful expenditure is charged against income in the period it was incurred.

3. Significant Accounting Judgements

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.

3.1 Useful lives of property, plant and equipment

For the financial period under review, management applied judgement in determining the extended useful lives of fixed assets in terms of IAS 16 PPE and the results was that the useful life has changed from the previous financial year for the aircrafts, office equipment, library books and equipment, furniture and fittings, tools and other equipment. Refer to accounting policy note 2.5.

ANNUAL FINANCIAL STATEMENTS

Notes to the Annual Financial
Statements for the year ended
31 March 2009

4. Property, Plant and Equipment

2009

	Opening Balance	Additions	Revaluation	Disposals / Impairments	Closing Balance
	R	R	R	R	R
Building lease improvements	1,880,429	123,287	-	-	2,003,716
Commercial property	16,751,000	-	49,000	-	16,800,000
Fence	-	1,172,728	-	-	1,172,728
Bethlehem houses	1,060,000	-	160,039	-	1,220,039
Aircraft airframes	3,466,565	-	513,747	-	3,980,312
Aircraft engines	6,460,481	-	-	(914,291)	5,546,190
Aircraft propeller	500,453	-	31,555	-	532,008
Motor vehicles	72,322	-	-	-	72,322
Meteorological instruments	67,076,556	6,336,982	-	-	73,413,538
Office equipment	1,140,544	322,903	-	(10,848)	1,452,599
Computer equipment	28,645,775	3,217,349	-	(3,497,040)	28,366,083
Library books and equipment	132,222	24,573	-	-	156,795
Furniture and fittings	4,229,439	635,736	-	(2,321)	4,862,854
Tools and other equipment	3,272,819	239,733	-	(173,839)	3,338,713
	134,688,605	12,073,291	754,341	(4,598,339)	142,917,897

2009

Accumulated Depreciation	Opening Balance	Depreciation	Additions	Disposals	Closing Balance
	R	R	R	R	R
Building lease improvements	942,557	192,981	-	-	1,135,538
Commercial property	-	-	-	-	-
Fence	-	90,235	-	-	90,235
Bethlehem houses	-	23,543	71,496	-	95,039
Aircraft airframes	884,579	137,237	-	-	1,021,816
Aircraft engines	2,330,097	52,260	-	-	2,382,357
Aircraft propeller	184,785	105,514	-	-	290,299
Motor vehicles	57,861	-	-	-	57,861
Meteorological instruments	19,311,545	7,335,648	-	-	26,647,193
Office equipment	632,240	79,607	-	(10,846)	701,001
Computer equipment	14,578,698	4,190,439	-	(3,433,332)	15,335,805
Library books and equipment	63,013	8,499	-	-	71,512
Furniture and fittings	2,152,873	297,262	-	(2,205)	2,447,930
Tools and other equipment	834,076	287,057	-	(34,091)	1,087,042
	41,972,324	12,800,282	71,496	(3,480,474)	51,363,628

ANNUAL FINANCIAL STATEMENTS

Notes to the Annual Financial
Statements for the year ended
31 March 2009

4. Property, Plant and Equipment (Continued)

Cost or Valuation	2008				
	Opening Balance	Additions	Revaluation	Disposals	Closing Balance
	R	R	R	R	R
Building lease improvements	1,880,429	-	-	-	1,880,429
Commercial property	16,152,750	-	598,250	-	16,751,000
Bethlehem houses	850,000	-	210,000	-	1,060,000
Aircraft airframes	2,104,491	-	1,362,074	-	3,466,565
Aircraft engines	5,079,893	-	1,380,588	-	6,460,481
Aircraft propeller	397,800	-	102,653	-	500,453
Motor vehicles *	861,217	-	-	(788,895)	72,322
Meteorological instruments	57,297,155	9,779,401	-	-	67,076,556
Office equipment	739,792	400,752	-	-	1,140,544
Computer equipment	20,317,066	8,376,214	-	(47,505)	28,645,775
Library books and equipment	101,768	30,454	-	-	132,222
Furniture and fittings	3,699,488	539,960	-	(10,009)	4,229,439
Tools and other equipment	1,928,618	1,344,201	-	-	3,272,819
	111,410,467	20,470,982	3,653,565	(846,409)	134,688,605

Accumulated Depreciation	2008				
	Opening Balance	Depreciation	Additions	Disposals	Closing Balance
	R	R	R	R	R
Building lease improvements	754,159	188,398	-	-	942,557
Commercial property	-	-	-	-	-
Bethlehem houses	-	-	-	-	-
Aircraft airframes	272,952	611,627	-	-	884,579
Aircraft engines	951,432	1,378,665	-	-	2,330,097
Aircraft propeller	77,986	106,799	-	-	184,785
Motor vehicles *	653,716	-	-	(595,855)	57,861
Meteorological instruments	12,843,977	6,467,568	-	-	19,311,545
Office equipment	404,483	227,757	-	-	632,240
Computer equipment	11,301,299	3,324,904	-	(47,505)	14,578,698
Library books and equipment	48,584	14,429	-	-	63,013
Furniture and fittings	1,515,783	645,252	-	(8,162)	2,152,873
Tools and other equipment	388,073	446,003	-	-	834,076
	29,212,444	13,411,402	-	(651,522)	41,972,324

* Motor vehicle disposals in the 2008 financial year includes transfers to non-current assets held for sale refer note 24.

ANNUAL FINANCIAL STATEMENTS

Notes to the Annual Financial
Statements for the year ended
31 March 2009

4. Property, Plant and Equipment (Continued)

Net Book Value

	2009 R	2008 R
Building lease improvements	868,178	937,872
Commercial property	16,800,000	16,751,000
Fence	1,082,493	-
Bethlehem houses	1,125,000	1,060,000
Aircraft	6,364,038	7,028,038
Aircraft airframes	2,958,496	2,581,986
Aircraft engines	3,163,833	4,130,384
Aircraft propeller	241,709	315,668
Motor vehicles	14,461	14,461
Meteorological instruments	46,766,345	47,765,011
Office equipment	751,598	508,304
Computer equipment	13,030,278	14,067,077
Library books and equipment	85,283	69,209
Furniture and fittings	2,414,924	2,076,566
Tools and other equipment	2,251,671	2,438,743
	91,554,270	92,716,281

Aircraft

The Entity's aircrafts were revalued at 31 March 2009 by independent valuers. Valuations were made on the basis of open market value. The revaluation surplus was credited to the non-distributable reserve. If aircrafts were stated on the historical cost basis, the amounts would be as follows

	2009 R	2008 R
Cost	9,811,735	9,811,735
Accumulated depreciation	9,811,735	9,811,735
Net book value	-	-

ANNUAL FINANCIAL STATEMENTS

Notes to the Annual Financial Statements for the year ended 31 March 2009

4. Property, Plant and Equipment (Continued)

Bethlehem Houses

The houses were revalued at 31 March 2009 by an independent valuer, Platinum Bethprop. Valuations were made on basis of open market value. The revaluation surplus was credited to the non-distributable reserve. If the houses were stated on the historical cost basis, the amounts would be as follows:

	2009 R	2008 R
Cost	600,000	600,000
Accumulated depreciation	84,000	72,000
Net book value	516,000	528,000

The property includes Erf 1997 and Erf 2064 in the town of Bethlehem.

Erf 1997, also known as 8 Dr Clark Street, Bethlehem has an area of 1997 square meters and includes a house and outbuildings.

Erf 2064, also known as 19 Gordon Dreyer Street, Bethlehem has an area of 1568 square meters and includes a house and outbuildings.

The title deed of the Bethlehem property has not been registered in the name of South African Weather Service at financial year end however the Minister of Public Works passed all the rights, obligations and liabilities of the properties to South African Weather Service on the commencement of the South African Weather Service Act No.8 of 2001.

Commercial Property

The Entity's commercial and investment property were revalued at 31 March 2009 by independent valuers (refer to note 6).

Valuations were made on the basis of open market value. The revaluation surplus for commercial property was credited to the non-distributable reserve and the revaluation surplus for the investment property was credited to the statement of financial performance. The property was brought into the books for the first time in 2003 year end the valuation from independent valuers was accepted to also reflect the fair value at 31 March 2002. If the property were stated on the historical cost basis, the amounts would be as follows:

	2009 R	2008 R
Net Book Value		
Fair value of commercial property	8,960,000	8,960,000
Net book value	8,960,000	8,960,000

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5. Intangible Assets

		2009				
Cost or Valuation		Opening Balance	Additions	Revaluation	Disposals	Closing Balance
		R	R	R	R	R
Computer software		8,466,151	4,662,405	-	-	13,128,556
		8,466,151	4,662,405	-	-	13,128,556
		2009				
Accumulated Amortisation		Opening Balance	Additions	Revaluation	Disposals	Closing Balance
		R	R	R	R	R
Computer software		1,982,971	2,425,637	-	-	4,408,608
		1,982,971	2,425,637	-	-	4,408,608
		2008				
Cost or Valuation		Opening Balance	Additions	Revaluation	Disposals	Closing Balance
		R	R	R	R	R
Computer software		5,205,522	3,260,629	-	-	8,466,151
		5,205,522	3,260,629	-	-	8,466,151
		2008				
Accumulated Amortisation		Opening Balance	Additions	Revaluation	Disposals	Closing Balance
		R	R	R	R	R
Computer software		912,496	1,070,475	-	-	1,982,971
		912,496	1,070,475	-	-	1,982,971
Net Book Value				2009	2008	
				R	R	
Computer software				8,719,948	6,483,180	

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6. Investment Property

Cost or Valuation	2009				
	Opening Balance	Additions	Revaluation	Disposals	Closing Balance
	R	R	R	R	R
Remaining extent of portion 264 of the farm Garstfontein 374	65,072,550	-	(1,272,550)	-	63,800,000
Less: Commercial property	(16,751,006)	-	(48,994)	-	(16,800,000)
	48,321,544	-	(1,321,544)	-	47,000,000

Cost or Valuation	2008				
	Opening Balance	Additions	Revaluation	Disposals	Closing Balance
	R	R	R	R	R
Remaining extent of portion 264 of the farm Garstfontein 374	60,910,518	-	4,162,032	-	65,072,550
Less: Commercial property	(16,152,750)	-	(598,256)	-	(16,751,006)
	44,757,768	-	3,563,776	-	48,321,544

The Entity's investment and commercial property were revalued at 31 March 2009 by independent valuers.

Valuations were made on the basis of open market value. The revaluation surplus for commercial property was credited to the non-distributable reserve and the revaluation surplus for the investment property was credited to the statement of financial performance. The property was brought into the books for the first time in 2003 year end the valuation from independent valuers was accepted to also reflect the fair value at 31 March 2002. If the property were stated on the historical cost basis, the amounts would be as follows:

Net Book Value	2009 R	2008 R
Fair value of investment property	26,890,000	26,890,000
Less fair value of commercial property	(8,960,000)	(8,960,000)
Net book value	17,930,000	17,930,000

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6. Investment Property (Continued)

The investment property includes Portions 411, portion of portion 412, portion 423 and 424 (which are portions of the remaining extent of portion 264) of the farm Garstfontein 374, Registration Division JR, Gauteng. The property consist of 37,1116 ha and is located immediately west of the N1 National Free-way to the Northern Province and immediately north of Rigel Avenue.

The property was valued at 31 March 2009 by an independent valuers, T.I. Lehobye Valuations. The valuator used the market data valuation approach, whereby similar properties' valuations are used as a motivation to value the property and this method is accepted by the Courts in the RSA as the best method to determine the value of this type of property.

7. Inventory

Bolepi	Consumables and maintenance
Irene	Maintenance and parts
Irene work-in-progress	Automatic weather stations

2009 R	2008 R
321,355	382,893
7,537,618	7,020,646
595,534	832,558
8,454,507	8,236,097

8. Trade and Other Receivables

Trade receivables
Discounting of receivables
Provision for impairment of receivables
Prepayments
Other receivables

2009 R	2008 R
16,785,354	19,369,300
(145,016)	(141,107)
(5,877,051)	(4,533,990)
3,508,972	1,100,282
678,468	1,034,934
14,950,727	16,829,419

Interest is charged on any long outstanding trade debtor accounts. The carrying amount of trade and other receivables approximate their fair value.

Trade and other receivables are stated at fair value providing for the time value of money and impairment of receivables.

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8. Trade and Other Receivables (Continued)

Trade and other receivables past due but not impaired

Trade and other receivables which are over 30 days past due are not considered to be impaired. At 31 March 2009, R 9,271,351 (2008: R 11,562,564) were past due but not impaired.

The ageing of amounts past due but not impaired is as follows:

	31- 60 days	61- 90 days	91-120 days	Over 120 days
Trade receivables	1,789,573	1,312,616	483,402	5,685,760

Reconciliation of provision for impairment of trade and other receivables

	2009 R	2008 R
Opening balance	(4,533,990)	(2,347,588)
Provision raised / (utilised)	(1,343,061)	(2,186,402)
Reversal of provision not utilised	-	-
Closing balance	<u>(5,877,051)</u>	<u>(4,533,990)</u>

The maximum exposure to credit risk at the reporting date is the fair value of each class of loan mentioned above. The entity does not hold any collateral as security.

9. Cash and Cash Equivalents

	2009 R	2008 R
Bank balances and cash	65,037,309	90,678,511
Short-term investment	3,401,536	9,320,013
	<u>68,438,845</u>	<u>99,998,524</u>

Cash and cash equivalents consists of cash and short-term investments.

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10. Commitments

Operating leases

The following lease payments are related to the operating lease for computer equipment, furniture and fittings, the rental of premises and motor vehicles.

SAWS leases 15 premises from various lessors. The rental agreements for the premises include escalations of between 8% and 11% per year. The duration of the rentals varies between three and ten years. There is no escalation for the rental agreements relating to the computer equipment and the furniture and fittings. The duration of the rentals varies between four and eight years.

SAWS entered into an operating lease agreement with ABSA vehicle management solutions (Pty) Ltd on 26 November 2007. The agreement includes a full maintenance plan. Ownership in and to all or any of the vehicles comprising of the fleet shall at all times, during and after termination of the agreement, remain vested in ABSA vehicle management solutions (Pty) Ltd.

	Equipment	Premises	Motor Vehicles	Total
Rent Commitment: 0 - 1 year				
Minimum lease payments - 2010	688,462	8,941,064	2,156,802	11,786,328
	688,462	8,941,064	2,156,802	11,786,328
Rent Commitment: 2 - 5 year				
Minimum lease payments - 2011	59,706	9,412,662	1,617,602	11,089,970
Minimum lease payments - 2012	-	10,283,351	-	10,283,351
Minimum lease payments - 2013	-	11,302,756	-	11,302,756
Minimum lease payments - 2014	-	1,423,585	-	1,423,585
	59,706	32,422,354	1,617,602	34,099,662
Rent Commitment: 5+ year				
Minimum lease payments - 2015	-	193,704	-	193,704
Minimum lease payments - 2016	-	-	-	-
Minimum lease payments - 2017	-	-	-	-
Minimum lease payments - 2018	-	-	-	-
	-	193,704	-	193,704
Total commitment	748,168	41,557,122	3,774,404	46,079,694

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10. Commitments (continued)

10.1 Deferred Rental obligations

	2009 R	2008 R
Opening balance	8,711,034	8,299,480
Additional deferred rental	(193,916)	411,554
Closing balance	8,517,118	8,711,034

11. Retirement Benefit Obligations

Amounts Recognised in the Statement of Financial Performance

Post-employment medical benefits:		
Current service cost	1,185,000	770,000
Interest cost	2,275,336	1,629,580
Expected return on plan assets	-	-
Net actuarial losses/(gains) recognised in the year	(820,000)	(220,000)
Past service cost	-	-
Total included in 'employee benefits expense'	2,640,336.00	2,179,580
Actual return on plan assets	-	-

Amounts Recognised in the Statement of Financial Position

Post-employment medical benefits:		
Present value of funded obligations	-	-
Fair value of plan assets	-	-
Present value of unfunded obligations	25,440,000	23,070,000
Unrecognised actuarial gains/(losses)	-	-
Unrecognised past service cost	-	-
Net Liability in the Statement of Financial Position	25,440,000	23,070,000
Less: Current liability	492,016	270,336
Long-term provision	24,947,984	22,799,664
Amounts in the Statement of Financial Position:		
Liabilities	25,440,000	23,070,000
Assets	-	-
Net liability in the Statement of Financial Position:	25,440,000	23,070,000
Current provision	492,016	270,336

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11. Retirement Benefit Obligations (Continued)

Movements in the Net Liability in the Statement of Financial Position:

Post-employment medical obligation:

Net liability at start of year
Net expense recognised in the Statement of Financial
Performance
Contributions

Net liability at end of year

Less: Current portion

Long-term provision

Principal Actuarial Assumptions at Statement of Financial Position Date:

Discount rate 31 March (%)
General increases to medical aid subsidy (%)
Proportion continuing membership at retirement (%)
Proportion of retiring members who are married (%)

Retirement age (years)

Sensitivity

Current service cost and interest cost
Post-employment medical benefits

	2009 R	2008 R
	23,070,000	21,093,700
	2,640,336	2,179,580
	(270,336)	(203,280)
	25,440,000	23,070,000
	492,016	270,336
	24,947,984	22,799,664
	8.5	9.5
	7.0	8.0
	100.0	100.0
	90.0	90.0
	60	60

	2009 R Medical aid inflation 1 % higher R	2008 R Medical aid inflation 1 % lower R
	2,870,000	3,640,000
	30,430,000	21,510,000

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11. Retirement Benefit Obligations (Continued)

	2009 R	2008 R	2007 R	2006 R	2005 R
"Post-employment medical obligation"	25,440,000	23,070,000	21,093,700	18,109,000	16,103,000

There is almost no experience adjustment as the projected accrued service liability of R26.26m in the last valuation differs by less than 1% from the R25.44m calculated for the current year's valuation.

12. Trade and Other Payables

Trade payables
Discounting of payables
Employee related accruals
Other payables

	2009 R	2008 R
Trade payables	8,775,555	19,230,547
Discounting of payables	(42,823)	(149,232)
Employee related accruals	8,769,074	11,689,547
Other payables	3,437,901	1,305,854
	20,939,707	32,076,716

The carrying amount of trade and other payables approximate their fair value. Unrealised foreign exchange profit and loss is calculated using the spot rate at year-end.

Included in the Trade Payables are Foreign Creditors:

	"Foreign Currency"	"Foreign Currency"	2009 R	2008 R
Vaisala USA	USD 0	USD 378,834	-	3,104,166
Ask Innovative	EUR 0	EUR 86,535	-	1,111,282
UK Met Office	GBP 0	GBP 40,787	-	666,783
Vaisala Oyj	EUR 0	EUR 34,944	-	448,751
Vaisala Oyj	USD 0	USD 9,995	-	81,899
Ernest Bassler and Partner	EUR 0	EUR 29,808	-	382,794
Eumetsys	EUR 0	EUR 3,510	-	45,075
World Meteorological Organisation	ZAR 72,954	USD 4,500	72,954	36,873
Droplet Measurement Technology	USD 0	USD 3,875	-	31,752
CLS	EUR 7,381	EUR 2,366	94,688	30,384
Swedish Meteorological	EUR 874	EUR 1,638	11,212	21,035
Mistaya Engineering Inc	USD 0	USD 1,100	-	9,013
National Weather Association	USD 140	USD 0	1,361	-
Proquest LLC	USD 4,650	USD 0	45,201	-
			225,416	5,969,807

Spot Rates at Year-End

2009 - USD = R9.72054
2009 - EUR = R12.82863
2009 - GBP = R13.81629

2008 - USD = R8.19400
2008 - EUR = R12.84200
2008 - GBP = R16.34793

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13. Provisions

Cost or Valuation	2009			
	Opening Balance	Additions Provision	Utilised	Closing Balance
	R	R	R	R
Capped leave provision	1,234,192	111,101	(669,232)	676,061
	1,234,192	111,101	(669,232)	676,061

Cost or Valuation	2008			
	Opening Balance	Additions Provision	Utilised	Closing Balance
	R	R	R	R
Capped leave provision	1,911,151	148,451	(825,410)	1,234,192
	1,911,151	148,451	(825,410)	1,234,192

Capped Leave Provision

Capped leave provision was calculated based on the working days due to each employee, as at 15 July 2001 from the Persal system. Adjustments to this provision relate to increases in salary rates, days claimed or paid out through retirement or death and employees resigning. It should be noted that employees resigning forfeit their claim.

14. Donor funding

Radars recapitalisation project
Donor funds available

2009 R	2008 R
38,947,626	59,953,512
3,010,603	1,695,071
41,958,229	61,648,583

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15. Revenue

	2009 R	2008 R
Government grant	124,916,000	120,112,000
Aviation income	52,148,957	52,704,478
Aviation Instruments maintenance income	302,727	52,941
Information fees	2,805,309	3,460,318
Letting aircraft	3,098,906	1,011,664
Lightning detection network sales	3,157,718	2,527,711
Project / Automatic weather stations income	1,375,558	254,820
Other income	235,988	222,274
Profit on disposal of assets	253,547	2,337
Donations received	17,357	-
Interest received from debtors	537,187	719,966
Interest due to discounting of receivables	1,437,542	1,026,235
Income from investments	3,420,923	4,185,348
	193,707,719	186,280,092

Government Grant

The government grant was received from the Department of Environmental Affairs and Tourism and was an operational grant for the 12 month period ending 31 March 2009. The grant is made subject to compliance to PFMA reporting requirements, an achievement of 53% target for procurement from historically disadvantaged individuals (HDI) companies excluding procurement from sole suppliers and other specific requirements from the department which SAWS has adhered to during the year under review.

Letting Aircraft

The SAWS has an annual rental agreement with Orsmond Aviation. The agreement states that the SAWS will invoice Orsmond Aviation based on usage of the aircraft.

Income from Investments

The amount of income from investments is made up of interest received from banks.

16. Finance Costs

	2009 R	2008 R
Interest charges by suppliers	-	-
Interest due to discounting of payables	1,001,627	1,087,629
	1,001,627	1,087,629

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17. Surplus for the Year

Net surplus has been arrived at after charging (crediting):

Foreign exchange realised	(315,481)	130,605
Foreign exchange unrealised	445,749	697,200
Auditor's remuneration	948,394	1,008,283
Bad debts	911,548	460,620
Inventory expensed: Equipment expensed	8,353,020	10,069,240
Legal fees	1,509,993	820,186
Impairment of receivables	1,343,061	2,186,402
Communication cost / (refund)	8,805,997	8,093,660
Surplus on disposal of assets	(253,547)	(2,337)
Operating lease payments	12,951,356	15,333,336
Inventory adjustment	(157,459)	596,146

Depreciation:

Building lease improvements	192,981	188,398
Commercial property	-	-
Fence	90,235	-
Bethlehem houses	23,543	-
Aircraft airframes	137,237	611,627
Aircraft engines	52,260	1,378,665
Aircraft propeller	105,514	106,799
Motor vehicles	-	-
Meteorological instruments	7,335,648	6,467,568
Office equipment	79,607	227,757
Computer equipment	4,190,439	3,324,904
Library books and equipment	8,499	14,429
Furniture and fitting	297,262	645,252
Tools and other equipment	287,057	446,003

Amortisation: Intangible assets

12,800,282	13,411,402
2,425,637	1,070,475

Administrative expenses in current financial year was reclassified to be in line with National Treasury classification, comparative figures have also been adjusted.

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18. Net Cash Flows from / (Used in) Operating Activities

	2009 R	2008 R
Surplus / (Deficit)	(4,210,819)	3,610,531
Non-Cash Movements		
Depreciation	12,800,282	13,411,402
Amortisation	2,425,637	1,070,475
Revaluation	1,321,544	(3,563,782)
(Surplus) / deficit on disposal of property, plant and equipment	(253,547)	(2,338)
Decrease / (increase) in inventories	(218,411)	(3,561,011)
Decrease / (increase) in receivables	1,878,692	(8,011,619)
Increase / (decrease) in donor funding	(19,690,354)	59,895,529
Increase / (decrease) in payables	(11,137,008)	13,395,272
Increase / (decrease) in provisions	(558,141)	(676,953)
Increase / (decrease) in current portion retirement obligation	221,680	67,056
	(17,420,444)	75,634,562

19. Contingent Liabilities

- 19.1 The South African Weather Service assists qualifying officials to obtain 100% housing loans from financial institution without a cash deposit. For this purpose agreements have been entered into with approved financial institutions to the effect that the South African Weather Service will guarantee a maximum of 20% of the housing loan for which a person qualifies. The maximum amount is based on the official's basic salary. The South African Weather Service guaranteed 59 loans at 11 financial institutions with 5 remaining. The maximum contingent liability amounts to R 91 000 (2008: R 332 540).
- 19.2 King and Botha v SAWS: This case relates to outstanding leave pay. This matter is to proceed to trial. At year end the estimated costs relating to this case is R 331 000.
- 19.3 SAWS v 1 Time: SAWS initiated legal action against 1Time Airlines for outstanding monies due for non payment of tariff fees to the value of R 1 922 067 plus interest at 15.5% per annum a tempore morae. At year end the cost relating to this case is estimated at R 350 000.
- 19.4 SAWS v Face Languta: Face Languta developed an induction program for SAWS but failed to deliver 500 copies of the final product to SAWS. SAWS is seeking the copies as well as overpayments of R 27 000 from Face Languta and he is seeking an additional R 120 000 plus interest and legal costs from SAWS. This matter is to go to Arbitration on 14 -15 May 2009. The SAWS legal advisors believe that SAWS may be liable for the cost of litigation. The cost relating to this matter is estimated at R 180 000.

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20. Risk Management

In the course of the entity's operations it is exposed to interest rate, foreign exchange, credit and liquidity risk. The entity has developed a comprehensive risk strategy in terms of TR 28.1 in order to monitor and control these risks. The risk management process relating to each of these risks is discussed under the headings below.

The entity's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the entity's financial performance. The entity does not use derivative financial instruments to hedge risk exposures. Risk management is performed by management under policies approved by the executive committee. Management identifies, evaluates and hedges financial risks in close co-operation with the entity's operating units.

Liquidity risk

The entity's risk to liquidity is a result of the funds available to cover future commitments. The entity manages liquidity risk through an ongoing review of future commitments and credit facilities.

Cash flow forecasts are prepared and adequate utilised borrowing facilities are monitored.

Liquidity risk is the risk that the entity will not be able to meet its financial obligations as they fall due. The entity's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the entity's reputation. Management monitors monthly performance with budgets (reviewing receipt of government grants, and cash and cash equivalents) on the basis of expected cash flow.

Prudent liquidity risk management implies maintaining sufficient cash and obtaining the continued commitment from the Department of Environmental Affairs and Tourism for the government grant and the collection of the aviation income from respective airlines.

Due to the nature of the business, management maintains flexibility in funding by maintaining expenses below budget and continuously pursuing additional income via donor funding, information fees, letting of aircraft and the sale of Lightning Detection Networks.

The table below analyses the entity's financial liabilities at statement of financial position date.

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Year end 31 March 2009				
Trade and other payables	20,939,707	-	-	-
Year end 31 March 2008				
Trade and other payables	32,076,715	-	-	-

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20. Risk Management (continued)

Interest rate risk

The entity manages its interest rate risk by obtaining competitive rates from approved financial institutions on a monthly basis. The entity policy is to manage interest rate risk so that fluctuations in variable rates do not have a material impact on surplus (deficit). The entity's exposure to interest rate risk and the effective interest rates on financial instruments at the statement of financial position date are as follows:

YTD 31 March 2009	Floating rate		
	Amount R'000	Effective interest rate	TOTAL R'000
Assets			
Cash	68,438,845	9.14%	68,438,845
Accounts receivable	14,950,727	2.50%	14,950,727
Total financial assets	83,389,572	11.64%	83,389,572
Total financial assets	83,389,572	-	83,389,572
Total financial liabilities	62,897,936	-	62,897,936
	146,287,508	-	146,287,508

Credit risk

Financial assets, which potentially subject the entity to the risk of non performance by counter parties and thereby subject to credit concentrations of credit risk, consist mainly of cash and cash equivalents, investments and accounts receivable.

Credit risk consist mainly of cash deposits, cash equivalents and trade debtors. The entity manage to limit its treasury counter-party exposure by only dealing with well-established financial institutions approved by National Treasury through the approval of their investment policy in terms of Treasury Regulation. The entity's exposure is continuously monitored by the Accounting Authority.

The entity does not have any material exposure to any individual or counter-party. The entity's largest concentration of credit risk is limited mainly to the aviation industry. No events occurred in the industry during the financial year that may have an impact on the accounts receivable that has not been adequately provided for. Credit risk with regard to accounts receivable in the aviation industry is limited as the fees are charged in terms of legislation.

Due to the nature of the entity's financial instruments it is highly unlikely that the entity will encounter difficulty in raising funds to meet commitments associated with financial instruments.

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20. Risk Management (continued)

Financial assets exposed to credit risk at year end were as follows:

	2009 R	2008 R
Financial instrument		
Trade receivables from Nationwide Airlines	-	608,363

On 29 April 2008 Nationwide Airlines announced that they decided to voluntarily cease all flight operations until further notice. Nationwide Airlines owed SAWS R 608,363 as at 31 March 2008 of which R 154,458 was paid in April 2008. SAWS management reviewed the recoverability of the amount and decided to impair the trade receivables.

Foreign currency risk

The entity does not operate internationally but undertakes certain transactions denominated in foreign currencies, and is exposed to foreign exchange risk arising from fluctuations in foreign currencies. The entity does not hedge against its exposure to foreign exchange risk.

Foreign currency exposure at financial year-end relates to trade payables and is disclosed under note 12.

Summary:	Foreign Currency	Foreign Currency	2009 R	2008 R
Euro payables	EUR 8,255	EUR 158,801	105,900	2,039,322
USD payables	USD 77,744	USD 398,304	119,516	3,263,703
GBP payables	GBP 0	GBP 40,787	-	668,271

Foreign currency sensitivity analysis

The entity is mainly exposed to the Euro and US dollar currencies.

The following table details the entity's sensitivity to a 5% increase and decrease in Rand against the relevant foreign currencies. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at financial year-end for a 5% change in foreign currency rates. A positive number below indicates an increase in profit where the Rand strengthens 5% against the relevant currency. For a 5% weakening of the Rand against the relevant currency, there would be an equal and opposite impact on the profit and the balances below would be negative.

	Euro Impact		USD Impact	
	2009 R	2008 R	2009 R	2008 R
Profit or loss	5,295	101,966	5,976	163,185

In management opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk as the year end exposure does not reflect the exposure during the year.

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21. Related Party Transactions

Relationships

The listed related parties are public entities on the national level of government with the exception of Department of Environmental Affairs and Tourism being the parent department of the South African Weather Service.

Transactions	2009 R	2008 R
Government Grant		
Department of Environmental Affairs and Tourism :	159,916,000	180,112,000
Purchases		
Air Traffic and navigation Services Company	718,452	861,831
Airports Company SA	1,712,490	1,622,455
Council for Scientific and Industrial Research	107,314	68,748
Eskom	36,831	36,199
SA Broadcasting Corporation Ltd	8,325	10,609
SA Bureau of Standards	-	782
SA Post Office	47,540	35,871
South African Airways	374,563	467,282
South African Revenue Services	13,689,782	16,244,568
Telkom	5,902,406	5,852,632
Sales		
Airports Company SA	197,797	57,311
Council for Scientific and Industrial Research	-	18,332
Denel Avia (Military)	1,644	1,506
Eskom	2,021,036	2,230,085
SA Civil Aviation Authority	2,318	3,087
Sanparks Garden Route Regional	10,737	11,186
South African Airforce	226,590	273,746
South African Airways	17,702,820	17,834,129
South African Police	27,445	17,537
Transnet	720,000	449,372
Water Research Commission	15,592	115,000

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21. Related Party Transactions (Continued)

Balances	2009 R	2008 R
Accounts payables		
Air Traffic and navigation Services Company	92,097	146,764
Airports Company SA	47,982	21,518
Council for Scientific and Industrial Research	1,803	-
Eskom	5,836	4,427
South African Airways	-	200,891
South African Revenue Services	3,267,180	1,235,550
Telkom	241,197	227,160
Accounts receivables		
Airports Company SA	64,217	57,311
Council for Scientific and Industrial Research	-	2,261
Denel Avia (Military)	1,644	654
Eskom	1,990,218	2,219,377
SA Civil Aviation Authority	2,318	6,988
SA National Roads Agency	(150)	-
Sanparks Garden Route Regional	10,057	-
South African Airforce	77,895	169,655
South African Airways	1,487,478	3,443,354
South African Police	5,316	5,032
Transnet	61,537	256,108
Water Research Commission	-	115,000

During the year under review members of the Board and employees were required to disclose their interest in any contracts that SAWS is entering into with an outside party. As a result the SAWS did not enter into the transactions with related parties.

22. Material Losses

No material losses through criminal conduct expenditure was incurred during the year ended 31 March 2009.

23. Irregular Expenditure

During the year under review, management through the exercise of its internal control procedures detected an irregular expenditure of R 1,1 million that was incurred by a SAWS employee. The matter is being dealt with through an independent investigation following the standard company disciplinary procedures. Management is still awaiting the outcome of the investigation and will continue to strengthen its internal control procedures.

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24. Non-Current Assets Classified as Held for Sale

Cost or Valuation	2009		
	Cost	Accumulated Depreciation	Net Book Value
Motor vehicles	-	-	-

Cost or Valuation	2008		
	Cost	Accumulated Depreciation	Net Book Value
Motor vehicles	748,354	(563,426)	184,928

25. Change in Accounting Estimate

The South African Weather Service changed depreciation pattern for aircraft components to reflect the expected pattern of consumption of the future economic benefits embodied in the assets. Management has also reviewed the useful lives of office equipment, library books and equipment, furniture and fittings and tools and other equipment. The depreciation pattern change is as follows:

Balances	2009 (Years)	2008 (Years)
Aircraft - Airframes	20	4
Aircraft - Engines	5400 hrs	4
Aircraft - Propellers	5	4
Office equipment	10	4
Library books and equipment	10	5
Furniture and fittings	10	6
Tools and other equipment	10	5

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25. Change in Accounting Estimate

The impact on depreciation expense for the period is as follows (decrease) / increase:

	2009 R
Aircraft - Airframes	(508,260)
Aircraft - Engines	(980,336)
Aircraft - Propellers	25,597
Office equipment	(165,945)
Library books and equipment	(11,647)
Furniture and fittings	(361,705)
Tools and other equipment	(368,208)

26. IRENE PROPERTY

SAWS occupies a building situated in Centurion - Irene without paying rent, but paying for maintenance.

According to the National Treasury decision, the building should be recognised as property, plant and equipment due to the significant risks and rewards that were transferred in substance to SAWS.

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if:
(a) it is possible that future economic benefits associated with the item will flow to SAWS; and
(b) the cost of the item can be measured reliably.

Due to the location and the condition of the building it was not possible to obtain a reliable value for the building at year end.

Furthermore, SAWS could not obtain the title deed of the property to determine the ownership of the property. At year end, SAWS did not recognise the building as an asset, due to the fact that the cost could not be determined reliably, and also due to the lack of relevant information to insure that the proper accounting treatment will be applied.

This matter is being investigated to ensure that the proper accounting treatment will be applied when all the appropriate information has been gathered.

27. EVENTS AFTER THE REPORTING PERIOD

Management is not aware of any matter or circumstance arising since the end of the financial year.

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28. EXECUTIVE AND NON-EXECUTIVE MEMBERS' REMUNERATION:

Executive management 2009

Name	Status	Salary	Performance Bonus	Medical & UIF	Pension	Travel Allowance	Cell-phone Allowance	Lump-sum and Leave Pay	Total
		R	R	R	R	R	R	R	R
Dr L Makuleni	-	1,368,807	301,536	1,497	34,269	120,000	-	-	1,826,109
Ms H Grobler	Resigned Feb 09	660,318	171,010	21,035	-	38,500	25,200	12,012	928,075
Dr J Mphepya	-	818,432	183,821	31,065	-	120,000	27,150	-	1,180,468
Mr G Schulze	-	513,599	167,492	26,273	55,272	114,972	28,200	141,724	1,047,532
Ms S Bokwe	Resigned Oct 08	431,531	162,500	11,610	-	58,357	13,200	45,736	722,934
Ms M Makoela	-	602,156	70,000	15,721	-	43,620	28,200	-	759,697
		4,394,843	1,056,359	107,201	89,541	495,449	121,950	199,472	6,464,815

Executive management 2008

Name	Status	Salary	Performance Bonus	Medical & UIF	Pension	Travel Allowance	Acting Allowance	Lumpsum and Leave Pay	Total
		R	R	R	R	R	R	R	R
Dr L Makuleni	Appointed Apr 07	1,264,615	-	1,448	-	120,000	-	-	1,386,063
Ms H Grobler	-	646,938	93,492	25,053	-	42,000	-	-	807,483
Dr J Mphepya	-	724,733	80,825	26,672	4,203	110,000	-	-	946,433
Mr G Schulze	-	455,860	78,487	24,568	45,534	114,972	3,492	-	722,913
Ms S Bokwe	Appointed Jun 07	561,326	-	14,047	-	75,842	10,500	-	661,715
Ms M Makoela	Appointed Sep 07	304,113	-	8,739	-	25,445	7,350	-	345,647
Ms E Sibanda	Resigned May 07	90,230	-	233	-	6,000	-	577,380	673,843
		4,047,815	252,804	100,760	49,737	494,259	21,342	577,380	5,544,097

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28. EXECUTIVE AND NON-EXECUTIVE MEMBERS' REMUNERATION: (Continued)

Board Members		2009			2008
Name	Status	Fees R	Travel R	Total R	Total R
Prof LM Magi	Appointed Apr 08	41,038	1,575	42,613	-
Mr S Makhaye	Appointed Apr 08	40,162	3,647	43,809	-
Dr TN Mali	Appointed Apr 08	24,650	2,336	26,986	-
Rev L Mbetse	Re-Appointed 08	42,530	3,023	45,553	77,473
Ms M M Mokuena	Re-Appointed 08	61,040	1,688	62,728	67,384
Mr T W Msomi	Re-Appointed 08	38,360	2,249	40,609	48,358
Ms K Njobe	Appointed Apr 08	56,279	1,361	57,640	-
Mr LR Williams	Appointed Apr 08	49,420	1,606	51,026	-
Prof H Winkler	Appointed Apr 08	13,608	199	13,807	-
Prof G B Brundrit				-	42,822
Mr V P Maluleke				-	64,990
Ms N P Maqubela				-	130,963
Mr R G Nicholls				-	57,514
Ms S Rensburg				-	122,139
Mr I W Robinson				-	106,409
		367,087	17,684	384,771	718,052

ACRONYMS AND ABBREVIATIONS

ACAMS	Committee for Aeronautical Meteorological Services
ADAS	Aircraft Data Acquisition System
AFS	Audited Financial Statement
AG	Auditor General
AGM	Annual General Meeting
AMDAR	Aircraft Meteorological Data Relay
AMSED	Africa Monitoring of the Environment for Sustainable Development
AQ	Air Quality
ARS	Automatic Rainfall Systems
AWS	Automatic Weather Station
BCP	Business Continuity Planning
BOM	Bureau of Meteorology - Australia
BSc	Bachelor of Science
CAeM	Commission for Aeronautical Meteorology
CAP	Corrective Action Plan
CAPEX	Capital Expenditure
CEO	Chief Executive Office
CFO	Chief Financial Officer
CSR	Cloud Seeding Research Project
DPLG	Department of Local Government
DEAT	Department of Environmental Affairs and Tourism
DMC	Drought Monitoring Centre
DWEA	Department of Water and Environment Affairs
EMC	Executive Management Committee
ENE	Estimated of National Expenditure
ENSO	El Niño /Southern Oscillation
EUMETSAT	European Organisation for the Exploitation of Meteorological Satellites
GAAP	Generally Accepted Accounting Principles
GAW	Global Atmosphere Watch
GPC	Global Producing Centre
GPRS	General Packet Radio Services
GRAP	Generally Recognised Accounting Practices
HCM	Human Capital Management
IAS	International Accounting Standard
ICAO	International Civil Aviation Organisation
ICT	Information Communication Technology
IFRS	International Financial Reporting Standards
INEWS	Integrated National Early Warning System
IR	International Relations
IRF	International Relations Framework
IPPC	Intergovernmental Panel on Climate Change
ISO	International Standards Organisation

LDN	Lightning Detection Network
LRF	Long Range Forecasting
MANCO	Management Committee
MASA	Meteorological Association of Southern Africa
METARS	Meteorological Aerodrome Reports
MET	Meteorological
MOU	Memorandum of Understanding
MSG	Meteosat Second Generation
NCCC	National Committee for Climate Change
NDMC	National Disaster Management Centre
NMISA	National Metrology Institute of South Africa
NMS	National Meteorological Service
NOAA	National Oceanic and Atmospheric Administration
NT	National Treasury
NWP	Numerical Weather Prediction
NWRN	National Weather Radar Network
OD	Organisational Development
OHSA	Occupational Health and Safety
PFMA	Public Finance Management Act
PR	Permanent Representative
PMS	Performance Management System
RADAR	Radio Detection and Ranging
R&R	Reward and Remuneration
SAAQIS	South African Air Quality Information System
SACAA	South African Civil Aviation Authority
SADC	Southern African Development Community
SAFFG	South African Flash Flood Guidance System
SAWS	South African Weather Service
SUMO	Software for the Utilisation of Meteosat in Outlook Activities
SLA	Service Level Agreement
SWFP	Severe Weather Forecasting Project
SWFDP	Severe Weather Forecast Demonstration Project
TAF	The Aerodrome Forecast
TETA SETA	Transport Education and Training Authority – Sector Education and Training Authority
TQM	Total Quality Management
Trend forecast	Landing forecast
UM	Unified Model
UNEP	United Nations Environmental Program
WEDO	Women's Environment and Development Organisation
WMO	World Meteorological Organisation

