

# ANNUAL INTEGRATED REPORT 2022/23



Building a seamless Education  
and Training System



# Contents

## BQA Through The Lens

4

## Approval of the Integrated Annual Report

5

## Operating Context

6

Vision, Mission, and Values

## Glossary of Terms

7

## Governance

8-29

Board Committees

10-11

Board Chairperson's Statement

13-14

Chief Executive Officer's Remarks

15-16

Board Members' Profiles

17-19

Executive Management

20-25

Board and Committees Remuneration

26-27

Material Matters

28

Critical Board Decisions

29

## Operational Highlights

30

Registration of Qualifications

31-32

Evaluation of Qualifications

33

Quality Assurance

34

Stakeholder Management

35-37

Corporate Strategy

38-39

Strategic Projects Highlights

40

Research Activities

41-42

Performance Report

43

Human Resources

44

Internal Audit and Risk Management

45

## 2022/23 Financial Statements

46

# BQA 2022/23 THROUGH THE LENS



*\* The statistics reflected on this page are extracts of this report.*





# Approval of the Annual Integrated Report 2022/23

To the best of our knowledge and belief, we confirm that the Annual Integrated Report 2022/23 has been prepared in accordance with the guidelines based on the following frameworks:

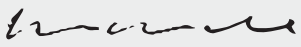







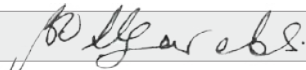
**Table 1:** *Applied Frameworks*

Key Frameworks Applied	Integrated Report	Financial Statements
Botswana Qualifications Authority Act, 2013	✓	✓
The International <IR> Framework, 2021	✓	
King IV Report on Corporate Governance, 2016	✓	✓
Financial Reporting Act of 2020		✓
Board and Committees Charters	✓	✓
International Financial Reporting Standards (IFRS)		✓

## Approval of the Annual Integrated Report 2022/23

As the Board, we confirm, that the Annual Integrated Report 2022/23 is complete, accurate and free from any omissions.

In our opinion, this Annual Integrated Report 2022/23 fairly reflects the operations, the performance information, the human resource information and the financial affairs of the Authority for the financial year 2022/23. The Board approved the report on **29 November 2023**.

 Mr Gabaake Gabaake	 Prof. Richie Moalosi	 Mr Baakalani Macheke
 Ms Mercy Conlon	 Ms Susan Makgothi	 Dr Hildah Molate
 Ms Kgomotsi Kereng	 Ms Moliehi Mahali Morolong	 Dr Boitumelo Kgarebe



## OPERATING CONTEXT

Botswana Qualifications Authority (BQA) is a Regulatory State-Owned Enterprise (SOE) under the Ministry of Education and Skills Development, established by the Botswana Qualifications Authority Act No 24 of 2013, to:

- Provide for and maintain the National Credit and Qualifications Framework.
- Coordinate the education, training and skills development quality assurance system, from early childhood to tertiary level.



### VISION

To be a catalyst for the development of a world-class education and training environment for learners.



### MISSION

To regulate the education and training sector to promote inclusive and accessible quality programmes, lifelong learning, and protection of learner interest



## OUR VALUES

Customer Focus	Innovation	Inclusivity	Accountability	Teamwork
We are committed to putting our customer's needs at the forefront of everything we do .	We embrace new ideas and new ways of working in pursuit of our desired outcomes for all our stakeholders.	We are impartial in our provision of equal access to opportunities and resources for all.	We perform our duties with integrity and are answerable for our actions.	We collaborate both internally, and with strategic partners, in the execution of our mandate.



## GLOSSARY OF TERMS

<b>AC</b>	Appeals Committee
<b>BQA</b>	Botswana Qualifications Authority
<b>BS</b>	Board Secretary
<b>CEO</b>	Chief Executive Officer
<b>DCEO</b>	Deputy Chief Executive Officer
<b>DBD</b>	Director Business Development
<b>DFA</b>	Director Finance and Administration
<b>DHR</b>	Director Human Resource
<b>DNCQFS</b>	Director National Credit and Qualifications Framework Services
<b>DQA</b>	Director Quality Assurance
<b>ETP</b>	Education and Training Provider
<b>EVOKE</b>	Equity, Vision, Outcome, Knowledge and Engagement
<b>EXCO</b>	Executive Committee
<b>FC</b>	Finance Committee
<b>GE</b>	General Education
<b>HE</b>	Higher Education
<b>HR</b>	Human Resource
<b>ICT</b>	Information and Communications Technology
<b>IR</b>	Integrated Report
<b>LP</b>	Learning Programme
<b>MQAC</b>	Management Quality Assurance Committee
<b>MQFMC</b>	Management Qualifications Framework Maintenance Committee
<b>MOESD</b>	Ministry of Education Skills and Development
<b>NCQF</b>	National Credit and Qualifications Framework
<b>TVET</b>	Technical and Vocational Education and Training
<b>RPL</b>	Recognition of Prior Learning
<b>QAC</b>	Quality Assurance Committee
<b>QFMC</b>	Qualifications Framework Maintenance Committee



## CORPORATE GOVERNANCE

### Governance Statement

The Botswana Qualifications Authority Board was established by Section 5 of the BQA Act No.24 of 2013 which denotes that it should be a 13-member Board. The Board exercises its powers in accordance with the BQA Act, the Board Charter and King IV Code. The Board is responsible for policy and general oversight of the Authority including ensuring that good corporate governance is adhered to.

By 31 March 2023, the Board had nine (9) members. Two (2) members resigned in January 2023 due to work commitments.

The Board therefore had four (4) vacancies. The Chief Executive Officer is an ex-officio member of the Board. Members of the Board are eligible to serve for three (3) years and can serve for two (2) terms. The Board is chaired by a Chairperson appointed by the Minister of Education and Skills Development. In terms of Section 15(1) of the BQA Act, the BQA Board had established seven (7) Board Committees, namely, Quality Assurance Committee, Qualifications Maintenance Framework Committee, Human Resources Committee, Finance Committee, Risk & Audit Committee, Tender committee and Board Appeals Committee. To comply with the provisions of the Public Procurement Act of 2019, the Tender Committee was dismantled.







# CORPORATE GOVERNANCE

*Continues...*

## Board Meetings

The Board shall meet at least four (4) times a year. The role of the Board is to set strategic direction, approve key policies and budgets, monitor and implement the approved strategic objectives through periodic reports by Executive Management.

## Declaration of Interest

Board members are entrusted with fiduciary responsibilities. As such, they should strive to maintain the highest standard of integrity for public confidence. Section 16 of the BQA Act requires members to disclose in writing (at every meeting), any interest that could give rise to potential conflict of interest when a member contributes to the decision taken by the Board. A member who has declared interest shall not unless the Board directs otherwise, take part in any consideration or discussion or vote on the matter.

All the disclosures are recorded in the minutes of the meeting and shall form part of the Board records. A member who fails to disclose conflict shall be liable to a fine not exceeding P2000.00 or imprisonment for a term not exceeding six months or both.

## Board Evaluation

In keeping abreast with best corporate governance practices, the BQA Board and Board Committees shall, on an annual basis, conduct self-assessment to evaluate the effectiveness of the Board as a whole, as well as the Board Committees.

The objective of the evaluation is to ensure measurement of the Board's performance, efficiency, and effectiveness. Board members were assessed during the financial year that ended 31st March 2023 by an independent service provider. Members of Board Committees were not assessed as the term for most members was ending on 31st March 2023.



## Statutory Requirements Compliance

In terms of Section 25 (1) of the BQA Act, the Authority shall within six (6) months after the financial year, or within such longer period as the Minister may approve, submit the Annual Report. BQA was non-compliant in submitting the Annual Report within the 6-month period. This is due to the Authority moving from Annual Reporting to integrated reporting.





## BOARD COMMITTEE

### Finance Committee

The Finance Committee is mandated to provide oversight on behalf of the Board in relation to;

- Financial reporting process;
- the system of internal controls; and
- compliance with applicable regulation and legislation.

The Finance Committee is governed by the Finance Committee Charter and it comprises of five (5) members.

### Risk and Audit Committee

The primary role of the Risk and Audit Committee is to assist the Board in its oversight of assuring the integrity of the financial reporting process, audit process and to oversee the maintenance of sound internal control and risk management systems. The Committee meets at least four times (4) in each financial year. The Committee is expected to meet at least once without Management's attendance.

### Human Resource Committee

The HR Committee provides guidance and oversight on the management and optimum utilisation of human capital in order to ensure stability and business continuity.

### Quality Assurance Committee

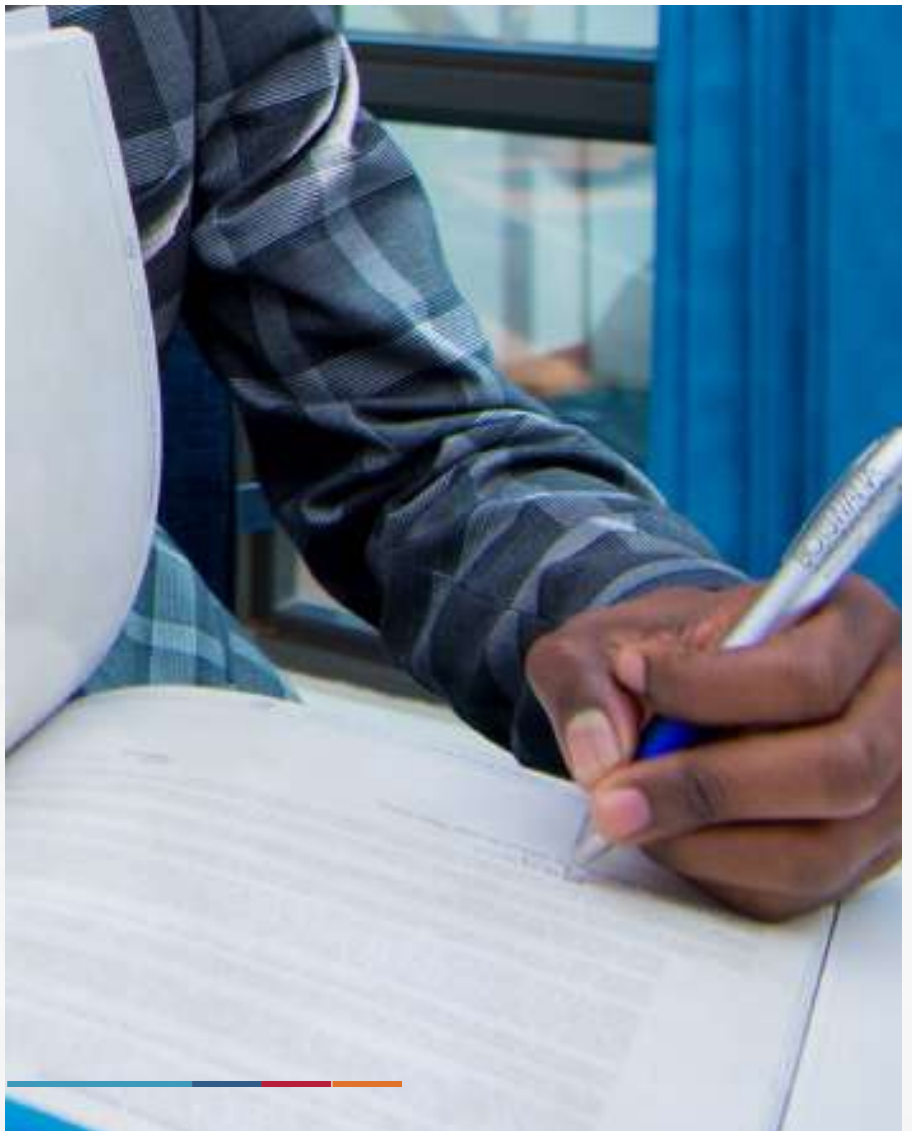
The responsibility of the Quality Assurance Committee is to provide the Board with objective advice and assurance regarding the Registration and Accreditation of Education and Training Providers, Registration and Accreditation of Awarding Bodies and Accreditation of Learning programmes.

### Appeals Committee

The Board Appeals Committee ensures that the Board's functions are performed effectively and in the best interest of the Authority. This Committee assists the Board in meeting its fiduciary oversight and related obligations by acting as the internal appeals body for the Authority. It discharges the responsibilities of the Board relating to decisions made against any governing structure of the Authority. The Committee does not have supervisory powers over the Board.

### Qualifications Framework Maintenance Committee

The responsibility of the Qualifications Framework Maintenance Committee is to provide the Board with objective advice and assurance in overseeing the development and maintenance of the National Credit and Qualifications Framework (NCQF).





**Table 2:** Board Committee

Name of Board Committee Chairperson	Name of Committee
Ms Kgomotso Kereng	Finance Committee
Prof. Alinah Segobye	Quality Assurance Committee (Resigned January 2023)
Dr Boitumelo Kgarebe	Qualifications Framework Maintenance Committee
Prof. Richie Moalosi	Tender Committee ( <i>Dissolved in June 2022 following implementation of Public Procurement Act, 2021 on 14 April 2022</i> )
Ms Susan Makgothi	Human Resource Committee
Ms Mercy Conlon	Risk and Audit Committee
Ms Mahali Moliehi Morolong	Appeals Committee









# BOARD CHAIRPERSON'S STATEMENT



**Mr Gabaake Gabaake**  
Board Chairperson

On behalf of the Board, it is with great pleasure that I present the Annual Integrated Report 2022/23 for the year ended 31st March 2023 to our Shareholder and valued stakeholders. This Annual Integrated Report 2022/23 gives a holistic overview of the strategy, operational highlights, financial performance, and governance of Botswana Qualifications Authority.

The Annual Integrated Report 2022/23 was prepared in accordance with the International Integrated Reporting <IR> Framework 2021 as enshrined in the King IV Code on Corporate Governance. The Authority's mandate is unique in that we provide for and maintain a National Credit and Qualifications Framework, and coordinate the education, training, and skills development quality assurance system. In discharging our mandate, we are primarily guided by our core values of Customer Focus, Innovation, Accountability, Inclusivity, Collaboration and Teamwork.

### Strategy and Operational Highlights

I am pleased to report on the implementation of the Evoke 2022-2025 Strategy which was adopted in 2022. This strategic plan focuses on three (3) key areas, being Organisational Renewal, Operation Efficiency and Shaping BQA's future. During the financial year 2022/23, the Authority embarked on several strategic projects to achieve the three (3) key areas highlighted above.

#### i. Organisational Renewal

The National Reset Agenda finds the Authority already in progress towards addressing Organisational cultural issues that hinder the Authority from being a high-performance organisation. To achieve a culture of high performance, mindset change is required. It is with a changed mindset that the Authority can now aim to turn a new leaf and advance the interests of our stakeholders by ensuring that quality services are rendered on time, and feedback from stakeholders is incorporated to improve service delivery.

#### ii. Operation Efficiency

One of the challenges that the Authority has been grappling with for years, is the backlog of applications in various services. The Authority still has in-process applications received as far back as 2019. As part of our strategy, Management was challenged to ensure that by the end of 31st March 2025, turnaround time for services is 14 days upon receipt of complete applications. Within the 2022/23 reporting period, this was achieved in the two (2) services, (i.e., Evaluation of Qualifications and Registration and Accreditation of Assessors and Moderators). It was noted that there was a need to re-design processes to



# BOARD CHAIRPERSON'S STATEMENT *Continues...*

achieve the 14-day turnaround, a project which will be completed in the next financial year. As of 31st March 2023, a total 455 legacy qualifications were submitted, 345 (76%) were registered on the National Credit Qualifications Framework (NCQF). More still needs to be done in the process in preparation for registering part qualifications.

BQA's operations are a critical component of the education and training sector. The Board realised that the Authority cannot function properly without re-aligning its organisational structure and operations with the desired National Human Resource Development Strategy. The organisational Review Project focusing on the development of an organisational structure, management systems, human resource designs that are necessary to improve operational efficiency continued during the reporting period. Consultation to get buy-in from key stakeholders such as Staff Union commenced towards the end of last quarter of the year.

Furthermore, BQA continues to work with professional Bodies to ensure that before registering qualifications of regulated professionals on the National Credit and Qualifications Framework and before accrediting learning programmes, they are endorsed. BQA however, from time to time finds itself in a conundrum due to either Professional Bodies not having adequate resources for endorsement of qualifications and learning programmes, and some have restricted mandate for endorsement of qualifications and learning programmes.

To provide guidance on the categorisation of Education and Training Providers, the Authority will embark on the development of Norms and Standards Project in the next reporting year. The Norms and Standards will provide an important guide to the Registration and Accreditation of Education and Training Providers (ETPs), enrolment of students, public safety, and facilities. They will also provide thresholds and benchmarks that all Education and Training Providers should comply with to achieve the desired objectives for quality teaching and learning.

As the Board, we commit to the stakeholders and public that we are focused on improving the financial performance of the Authority through cost reduction where appropriate.

## Corporate Governance

In executing its fiduciary role, the Board is guided by the principles of ethical leadership, good governance, effective control, and legitimate decisions. During the reporting year, the Board adopted King IV Code on Corporate Governance.

The King IV Code emphasises the concept of sustainable development which promotes integrated thinking, corporate citizenship, and stakeholder inclusivity. To ensure the Board's effectiveness and for continuous improvement, the Board will periodically review its governance structures and Charters to align them with the emerging corporate trends and best practice.

During this reporting period, Botswana Accountancy Oversight Authority (BAOA) conducted a Financial Reporting and Corporate Governance Review. The review highlighted some non-compliances. The Board has taken heed of the recommendations and will ensure that the gaps will be closed on time before the next review. For the first time in the history of the Botswana Qualifications Authority, the Board's effectiveness was assessed. Recommendations from the assessment have assisted the Board to make critical decisions in terms of what is required for BQA to be transformed into a high-performance organisation.

Finally, I wish to express my sincere gratitude to the Ministry of Education and Skills Development, the Board, Senior Management, and Staff, and key stakeholders such as Business Botswana and professional bodies for their tireless efforts and their commitment in achieving the Authority's mandate.

Mr Gabaae Gabaae

## iii. Shaping BQA's future

As BQA we are committed to ensuring that the National Qualifications Framework compares to other national, regional or continental qualifications frameworks. We realise that we are not training graduates for the Botswana market only, but for the global market. To this end, BQA has initiated the process of its Act and regulations review, to influence the education demography.

## Challenges faced by the Authority

The Authority faced several strategic challenges in the delivery of its mandate. The main challenges included the Authority's broad mandate, gaps in the legislation, accumulated backlog of applications and non-compliance by some Education and Training Providers (ETPs). The Authority has not yet implemented its mandate fully, but efforts are ongoing to ensure that BQA monitors and audits Education and Training Providers amongst other identified challenges.

## The Governance of Risk

Risk Management is a primary role of the Board which has been delegated to the Risk and Audit Committee. The Authority did not have a Risk Management function in the year 2022/23. However, the function will be established in the coming year.

To check the effectiveness and adequacy of controls in our processes, from time to time, the Internal Audit function conducts audits. The Audit Reports inform the Authority's risk management. The function also monitors the implementation of audit recommendations.

## Financial Performance

The challenges associated with COVID-19 pandemic perpetuated into the year under review. For the financial year 2022/23 the Authority reported a deficit of P16, 887,754.00. The Government of Botswana allocated the Authority a subvention of P94, 768,960.00. However, a total of P67, 522,890.00 was disbursed.





# CHIEF EXECUTIVE OFFICER'S REMARKS



**Prof Botsalano Mosimakoko (Ph.D)**  
Chief Executive Officer

To all our valuable Stakeholders, I am delighted to present to you the Botswana Qualifications Authority Annual Integrated Report 2022/23. During this reporting period, the Authority performed relatively well and made strides on key strategic and operational objectives. We have done a commendable job in maintaining good relations with key stakeholders and customers. What the Authority has managed to achieve so far, resonates with 'Building a seamless Education and Training System'.

We balanced the challenges we faced in the local education industry, with the strides made in progressing our Strategy (EVOKE) and building an Authority that is more customer-oriented and more efficient in delivering its mandate.

I strongly believe that with our strategy we can work on all the challenges and serve the national interest as best as we can. Furthermore, the strategy resonates with the National Transformational Agenda as espoused in Vision 2036 and the Presidential Reset Agenda.

These national goals aim to transform Botswana from an upper middle-income country to a high-income country and lay the foundation for a knowledge and technology-based economy. Quality education will play an instrumental role in the realization of these noble goals, and the role of BQA maintaining a National Credit and Qualifications Framework (NCQF) and coordinating a quality assurance system for education, training, and skills development remains paramount.

## Strategic Goals & Milestones

Following the review of the strategy by the Board, and the identification of the eight (8) strategic projects, implementation started immediately in the year under review. It is important to note that due to the nature of the projects, some have spilled over to the following financial year, and will be reported then.

BQA strongly believes that the attainment of the strategic goals espoused in the core strategy revolves around the implementation of the Business Re-engineering Project. This project aims to enhance the operational efficiency of the Authority to improve the delivery of the mandate.





# CHIEF EXECUTIVE OFFICER'S REMARKS *Continues...*



Furthermore, the Authority initiated a project to outsource the Auditing of Legacy Learning Programmes. The main objective of this project is to conduct an audit of legacy learning programmes with enrolled learners to quality assure if the Education and Training Providers maintained or improved the quality standards post-accreditation.

BQA also embarked on the implementation of Cyber Security Framework Project. The Cyber Security Framework Project is aimed at improving service delivery by minimizing or eliminating risk occurrences. It involves holistically addressing information security risks in today's IT environment where external and internal threats are on the rise.

## Business and Operating Performance

In order to deliver the mandate of the Authority and meet customer and stakeholder expectations. BQA created two Big Hairy Audacious Goals (BHAG); 100% registration of legacy qualifications for eligible learning programmes on to the NCQF in 12 months and to turnaround all properly completed applications in 14 Days.

As already highlighted above, in terms of the performance of the strategic goals, the Authority is working hard to improve, through the BPR project, the turnaround times for the accreditation of learning programmes.

## Stakeholder Engagement

As the Authority, we place high value in engaging our stakeholders. We have a robust Stakeholder management process by which the Authority organizes, monitors, and improves its relationships with key stakeholders. During the reporting period, BQA used its key crucial instruments, the BQA Communications and Public Strategy 2022/25, and the Communications and Stakeholder Engagement Plan 2022/23 to drive its stakeholder management strategy.

Some of the key stakeholder activities that the Authority engaged during the year under review includes consultative meetings and

briefings at Ministerial level, Business Botswana, Professional Bodies, Education and Training Providers. We also took part in several fairs and symposiums like the BHRDS Career Fair 2023 and the MESD TVET Symposium/Graduation 2023.

## Challenges and Way Forward

The Authority faces several strategic challenges in the delivery of its mandate. However, we remain focused on playing our part to shape Botswana's education and training industry, supporting our customers and being active in the broader economy. Going forward, BQA needs to transform itself and fully embrace the mindset change initiative as this is key to tackling some of its challenges. The BQA needs new approaches and smarter ways of implementing projects on time and on budget. Furthermore, the BQA of the future needs to embrace the 4th Industrial Revolution (4IR), Artificial Intelligence (AI) and advances in knowledge to improve service delivery.

## Acknowledgements

Despite the challenges highlighted above, BQA management and staff have again demonstrated our values of Botho, Excellence, Innovation, Transparency and Teamwork when serving our customers and stakeholders. I am without doubt that their dedication and commitment were of high standard. I look forward to working more with them, to take Botswana education and training system to greater heights. On behalf of everyone at Botswana Qualifications Authority, I would like to thank our Board for their unwavering commitment, our clients and most importantly our broad stakeholder base.

Prof. Botsalano Mosimakoko



# BOARD PROFILES

MR GABAAKE GABAAKE



- ❖ Master of Science - Hydrogeology , (University College of London, UK)
- ❖ Bachelor of Science – Geology, (University of Botswana).
- ❖ Executive Director at Tlou Energy Limited (Botswana).

MS SUSAN MAKGOTHI



- ❖ Master of Arts in Educational Planning and Management, (UNESCO International Institute of Educational Planning, France)
- ❖ M Ed. - Science Education (University of Bristol, UK)
- ❖ BSc. and concurrent Certificate in Education, (University of Botswana and Swaziland)
- ❖ Diploma in Advanced Studies in Education (University of Bristol, UK)

PROF. RICHIE MOALOSI



- ❖ PhD Industrial Design (Queensland University of Technology, Australia)
- ❖ MA Design (University of Wolverhampton, UK)
- ❖ Bachelor of Education – Design and Technology (University of Botswana, Botswana)
- ❖ Currently Professor at Faculty of Engineering and Technology, University of Botswana



## BOARD PROFILES

*Continues...*

**MS MERCY CONLON**



- ❖ Master of Science- Strategic Management (Derbyshire Business School, UK)
- ❖ Master of Science Computer Information Systems-Networking (University of Maryland Baltimore County, USA)
- ❖ Bachelor of Science- Computer Information Systems - System Analysis and Design (University of Maryland Baltimore County, USA)
- ❖ Currently Strategy & Business Improvement Manager, Debswana Corporate Centre.

**MR BAALAKANI  
MACHEKE**



- ❖ BSc. (Hons) in Quantity Surveying, (University of Central England, Birmingham, UK).
- ❖ Currently a Director of AECOM Africa (Botswana).

**MS KGOMOTSO KERENG**



- ❖ HND Accounting and Business Studies (Botswana Institute of Accounting and Commerce, Botswana)
- ❖ CIMA (Chartered Institute of Management Accountants, BAC, Botswana)
- ❖ Global Executive Development Program with (GIBS and London Business School)
- ❖ Currently a consultant for ExcoConsulting, (Perth, Western Australia)





# BOARD PROFILES

Continues...

DR HILDAH MOLATE



- ❖ Doctor of Chiropractic, (Davenport, USA)
- ❖ Master of Public Health, (Perth, Australia)
- ❖ Bachelor of Nursing Science, (University of Botswana, Botswana)
- ❖ Post Basic Community Mental Health Nursing.
- ❖ Currently Chiropractor at Princess Marina Hospital and Public health specialist, Botswana.

MS MAHALI M. MOROLONG



- ❖ Bachelor Of Laws (LLB) (National University of Lesotho)
- ❖ Bachelor of Arts in Law (BA Law) (National University of Lesotho)
- ❖ Currently Managing Partner and Legal Practitioner at Morolong Legal Practice, (Botswana)

DR BOITUMELO KGAREBE



- ❖ Ph.D in Analytical Chemistry, (University of London, UK).
- ❖ MSc in Analytical Chemistry, (University of London, UK).
- ❖ BSc. (Hons) in Chemistry.
- ❖ Head the Analytical Services Department at the National Institute for Occupational Health (NIOH) (Johannesburg, South Africa).
- ❖ Supervises research at the Wits University Division of Forensic Medicine and Pathology, and lectures at the School of Chemistry.



## EXECUTIVE MANAGEMENT



### Prof. Botsalano T. Mosimakoko (Ph.D) Chief Executive Officer

Prof. Botsalano T. Mosimakoko is an Educationist with experience in National and International education systems from Early Childhood to Higher Education. She holds a PhD in Education with concentration in Organizational Studies, Programme Evaluation, Assessment, Policy and Leadership from University of Ottawa, Canada. She also holds a Bachelor of Education and Masters in Education, concentration in Science Education, Evaluation and Curriculum Studies from the University of Botswana.

Prof. Mosimakoko is a researcher, Program Reviewer and has conducted evaluation and assessment of educational programmes. She has chaired Research and Evaluation Committees locally and internationally, conducted both qualitative and quantitative research on participatory evaluation, student success, and explored data and how to use it to inform decisions.

She is experienced in coordinating and collaborating strategic direction with senior management and full responsibility for ensuring buy-in and continued partnership with key partners. She has led operations for short- and long-term projects and programmes. Prof. Mosimakoko has spearheaded programme improvement and delivery to increase cohesiveness, student success, achievement and improved

graduation rates. She has been a columnist on "Education Policy in Botswana" in the early 2000s.

Some of her key competencies include module writing, designing and developing contextually based curriculum (e.g., Science Teachers Modules, Teachers' Guide for Science Teaching), and report writing. She has experience in policy formulation, implementation and designing conceptual/theoretical frameworks, consultation plans, guidelines using data systems to create an information culture in Education, research ethics and privacy, research and evaluation methodologies aligned to Board strategies.

She is a graduate representative of the University of Ottawa in the Canadian Evaluation Society (CES) and she is still an active member of the association. She has peer reviewed research proposals and abstracts for International associations, and some of her academic work is published in peer reviewed journals. She conducted editorial work for a publishing house, co-authored a book titled Environmental Science Series for Botswana primary level 1-3. Prof. Mosimakoko is a published Setswana and English author, poet (published anthology), playwright, and music composer. She has worked for more than 15 years in Botswana and internationally.



### Dr. Gillian Keneilwe Mmolotsa Deputy Chief Executive Officer

Dr. Gillian Keneilwe Mmolotsa holds a Doctor of Philosophy from the Gordon Institute of Business Science – University of Pretoria, a Master of Business Administration from the University of Botswana, a Postgraduate Diploma in Business Administration (Business Studies) from the Gordon Institute of Business Science – University of Pretoria, a Postgraduate Diploma in Compliance from the University of Johannesburg, and a Bachelor of Education (Home Economics) from the University of Botswana.

Her career commenced in 2003 when she worked as a Secondary School Teacher and rose to the post of Senior Teacher I (Guidance and Counselling) in 2008. Gillian then joined the Regulator for Education, Training, and Skills Development in 2009 as a Standards Specialist, where she worked with industry players to develop qualifications that were registered in the Botswana National Vocational Qualifications Framework. In 2016, she was appointed as a Manager Evaluation of Qualifications. Dr Mmolotsa was appointed as a Director National Credit and

Qualifications Framework Services in 2020. In May 2022, she was appointed as an Acting Deputy Chief Executive Officer, and in November 2022, she was appointed as a Deputy Chief Executive Officer.

Dr. Mmolotsa was the Vice Chairperson of the African Qualifications Verification Network from 2017 to 2022. From 2013 to 2016, Gillian was a member of the Better Education for Africa Rise (Bear) Project Sector Committee (UNESCO), where she provided technical expertise in the development of national qualifications required by Botswana's Hospitality Sector. She is a Quality Management System Lead Auditor. She was a member of the Southern African Auditor & Training Certification Authority (SAATCA) Quality Management System Technical Committee from 2012 to 2016 where she contributed to the development of the ISO 9001:2015. Gillian is one of the Country Co-Investigators (CCI) in a Globe 2020 Project, a unique large-scale study of cultural practices, leadership ideals, and generalised and interpersonal trust in 150 countries.



# EXECUTIVE MANAGEMENT

Continues...



## Ms Boitumelo Watlhaga Director, Finance and Administration

Ms. Boitumelo Watlhaga is a Chartered Accountant and a fellow member of the Association of Chartered Certified Accountants - (ACCA, UK). She is also an Associate Certified Professional Accountant (ACPA) at the Botswana Institute of Accountancy (BICA), with over 25 years of experience in the finance and accounting profession. Ms. Boitumelo Watlhaga joined Botswana Qualifications Authority in October 2018 as Finance Manager and was appointed Director Finance and Administration in December

2021. Her career started at Collins Newman & Co. attorneys in 1997. She later joined the National Development Bank in 1999 where she progressed to the position of Finance and Administration Manager in 2009. She has experience in financial management, budgeting and control, cost management, facilities management, procurement, treasury management, leadership, people management and performance management.



## Mr Keletso Benjamin Ag Director, Human Resource

Keletso Benjamin is a seasoned Human Capital professional with more than twenty (20) years' experience, ten (10) of which has been in senior management roles. He has a Bachelor of Arts in Social Sciences majoring in Public Administration and Political Science and a Master of Science in Human Resources Management and Personnel. Benjamin has worked for various organizations such as Botswana Post, Citizen Entrepreneurial Development Agency, Botswana Savings Bank, Water Utilities Corporation and Directorate of Public Service Management. He is a strategic and futuristic professional conjoined with a sharp, analytical

mind and creative thinking skills. He has over the years in his career assisted organizations to drive business performance by inspiring people to strive for excellence through clear policies and procedures on attracting and retaining talent. He has also contributed to providing delivery of cutting-edge human resources solutions, which contributed to the overall operational efficiency and effectiveness of businesses through alignment of strategy, structure, people, culture, systems, and processes. Benjamin is a certified Development Dimensions International (DDI) facilitator and Change Agent.





# EXECUTIVE MANAGEMENT

Continues...



## Ms Botoka Raboijane

Ag Director, Business Development

Mrs Botoka Raboijane holds a Master of Education (Curriculum Development and Evaluation) from the University of the Witwatersrand (Johannesburg, RSA). She is currently Acting Director Business Development for Botswana Qualifications Authority. Mrs Raboijane also holds a Bachelor of Education Honours (Curriculum Development and Evaluation) from the University of the Witwatersrand (Johannesburg, RSA) and a Bachelor of Education (Mathematics) from the University of Exeter (England). She has a Certificate of Competence in Lifelong Learning and National Qualifications Framework (NQF): Leaders for Learning attained from the University of the Western Cape (Cape Town, RSA).

She started her career as a teacher of Mathematics and taught in several schools among others Swaneng Hill, Lobatse, Naledi and Ledumang Senior Secondary Schools. In 2007, Mrs Raboijane was redeployed to the Department of Teacher Training and Development, Ministry of Education and Skills Development where served as Principal Education

Officer II in the Programme Development and Delivery Division. Her career continued to rise, as she was appointed Acting Principal Education Officer II, in the same Division, in May 2010. In 2011, Mrs Botoka Raboijane transferred to the National Credit and Qualifications (NCQF) Project Management Unit, in the same Ministry of Education and Skills Development, and occupied the position of Quality Coordinator (Qualifications Registration). She moved to the Human Resource Advisory Council in February 2013 and served as Senior Project Officer (BQA establishment Sub Project- Information and Knowledge Management) until March 2015.

Mrs. Raboijane joined BQA in April 2015 as an Evaluation of Qualifications Officer and was appointed Manager, Evaluation of Qualifications in 2021. She is currently the Acting Director, Business Development. Mrs. Raboijane has deep knowledge and understanding of the National Qualification Frameworks and vast experience in qualifications recognition.



## Dr Samuel Mosweu

Ag Director, National Credit Qualifications Framework Services

Dr Samuel Mosweu holds a Doctor of Philosophy from the North-West University (RSA), Master of Science, Post Graduate Diploma in Education, Bachelor of Science from the University of Botswana and Post Graduate Certificate in Quality Assurance in Education from Botswana Open University. He is a researcher and academic who has published several research articles in various journals and presented research papers at both local and international conferences. He has also participated in several national and international research

projects, peer review panels and panel discussions. Dr Mosweu has vast experience in quality assurance, management and control in education. He has worked at the University of Botswana from the year 2000-2013 and moved to the University of Fort Hare (RSA) from 2013-2016 before joining the Botswana Qualifications Authority in 2016.



# EXECUTIVE MANAGEMENT

Continues...



## Ms Letlhogonolo Paulo Manager, Communications and Public Relations

Ms. Paulo is a Media Academic and a Professional Communications and Media expert who holds a Master of Communication (Public Relations) from Limkokwing University of Creative Technology and a Bachelor of Technology in Journalism from the Durban University of Technology. She also holds a National Diploma in Journalism from the Durban Institute of Technology.

Ms Paulo's career started at the Durban University of Technology where she worked at the Centre for Research and Professional Development as a media personnel in 2004. She also worked as a freelancer for the Greater Durban Television. She contributed immensely to the life of the African Perspectives Newspaper.

In 2007, Ms. Paulo joined Limkokwing University

of Technology as a Communications lecturer in the Faculty of Communication, Media, and Broadcasting, where she rose through the ranks over the years to become the Head of the Faculty. She has worked as a Columnist and Sub-editor for the defunct Monday Times Newspaper.

In 2017, she was appointed by Limkokwing University to lead the Academic Management team in Sierra Leone. At the campus, she was also responsible for the Marketing and Public Relations Department. Ms. Paulo was appointed the Coordinator for the Centre for

Professional Development (Botswana campus) in 2021 and later joined Botswana Qualifications Authority in 2022 as Manager, Communications and Public Relations.



## Mr Gordon Mbongwe Manager, Strategy

Gordon Mbongwe holds a Master Degree in Public Administration (HRM) (UB); Master in Politics and International Relations (UB); B.Ed (Hons), (University of Cape Town). He is currently Manager, Strategy Botswana Qualification Authority (BQA). Mr Mbongwe is also a PhD degree candidate in Political Science at the University of Botswana. He has a Professional Balanced Scorecard Practitioner Certificate from the Balanced Scorecard Institute (USA); Certificate in Performance Management (Kenya Institute of Administration); Change Agent

Training and Leadership Strategies (Catalyst) - The Performance Centre, Portland, Oregon, USA; Focused Leadership Experience (FLEX) - The Performance Centre, Portland, Oregon, USA. Apart from his academic career, he is a publisher. Some of his works include Maudeni, Z., Mbongwe, G. and Masilo, B. (2015): 'Globalization, Cultural Groups and the State.' Online Journal of African Affairs, Volume 4, Issue 3, pp39-49. Available at: <http://www.onlineresearchjournals.org/OJAA/cont/2015/oct.htm>



## EXECUTIVE MANAGEMENT

*Continues...*



### Dr Lydia Ngati Ag Director, Quality Assurance

Dr Lydia Ngati holds a Doctor of Philosophy, Master of Educational Studies (Technical and Vocational Education) from the University of Newcastle, Post Graduate Diploma in Technical and Vocational Education from College of Technical and Vocational Education (Botswana), Bachelor of Arts (Hons) Degree in Fashion Design, Linea Academy of Fashion, (RSA). She is a teacher Educator who has more than 10 years of professional experience. She has tutored graduate students as well as participated in local and international conferences. Dr Ngati has experience

in quality assurance, Outcomes and Competency Based Training. She worked at the College of Technical and Vocational Education from 2005 to 2007 before the College relocated to Francistown in 2008 where she continued until 2016. She left the Francistown College of Technical and Vocational Education 2016 when she joined the Botswana Qualifications Authority in 2016.



### Ms Boitumelo Mogaleemang Manager, Internal Audit

Boitumelo Mogaleemang Holds a Master of Business Administration and a Bachelor of Accountancy, both from the University of Botswana.

Her career started at Debswana Diamond Company in August 2004 where she was employed on short term as an Accounts Clerk. She later joined the Office of the Auditor General (OAG) in January 2005 as an Assistant Auditor, based in Gaborone. She was responsible for auditing of Local Authorities. She progressed across various positions in the organisation her last being Principal Auditor I- a position she assumed in May 2016 and left in June 2019 at the Francistown Regional Office. During her fourteen (14) years at the OAG, besides supervising audit teams, she was involved in projects aiming

at improving the quality of the audit services and ensuring compliance with the International Standards of Supreme Audit Institutions (ISSAIs). She also worked with the African Organisation of English-speaking Supreme Audit Institutions (AFROSAI-E) in reviewing Audit Manuals and capacity building activities and training other auditors in the region. She was part of the Peer Advise Team for the AFROSAI-E and INTOSAI Development Initiative (IDI) Bilateral support project to SAI Somalia offering training, guidance, and support on Audit Manuals.

Ms. Mogaleemang left the OAG to join Botswana Qualifications Authority (BQA) in July 2019, as Manager, Internal Audit.





# EXECUTIVE MANAGEMENT

*Continues...*



## Ms Amogelang Makutu Ag Board Secretary

Amogelang Leungo Makutu holds an LLB (University of Botswana) and a Finance for Non-Financial Managers Certificate (BAC) as well as other short courses certificates. She has almost 10 years as an admitted attorney, notary, and conveyancer. She is an upcoming corporate legal counsel and board secretary officer who has experience in private practice and in a corporate environment.

She has worked for Chibanda Makgalemele & Company, Baoleki Attorneys as well as Rakwadi Corporate and Commercial Law, where she held various positions before she joined Botswana Qualifications Authority in 2020.



## BOARD REMUNERATION

### 01 APRIL 2022 TO 31 MARCH 2023

Table 3: Board Members Remuneration

NAME OF BOARD MEMBER	NUMBER OF SCHEDULED BOARD MEETINGS	NUMBER OF SPECIAL BOARD MEETINGS	NUMBER OF COMMITTEE MEETINGS	NO. OF MEETINGS	AMOUNT PAID (BWP)
Gabaake Gabaake	4	18	0	22	50,175
Baalakani Macheke	4	10	2	16	29,340
Mlungisi Jackalas	4	6	6	16	29,160
Hilda Molate	4	11	23	38	72,450
Kgomotso Kereng	4	6	6	16	31,568
Mercy Conlon	4	11	9	24	48,668
Richie Moalosi	4	11	15	30	58,725
Mahali Morolong	4	12	33	49	93,375
Alinah Segobye	4	16	9	29	62,168
Susan Makgothi	4	11	32	47	101,228
Boitumelo Kgarebe	4	10	28	42	85,815
<b>TOTAL</b>					<b>662,670</b>

Table 4: Committee Members (Non Board Members)

NAME OF COMMITTEE MEMBER- NON BOARD	COMMITTEE	NO. OF SCHEDULED MEETINGS	NO. OF SPECIAL MEETINGS	AMOUNT PAID (BWP)
Mary Mabotho	HRC	4	16	37,440
Poppy Sechele	HRC	3	17	37,530
Courtney Sethebe	HRC	2	7	24,390
Peter Kesitlwe	FC	2	-	3,690
Masego Motlhake	FC	2	-	3,780
Gosego Phele	FC	4	-	7,470
Polokelo Mollentze	TC	1	-	1,800
Manfred Kgari	TC	1	-	1,800
Priscilla Bodi	TC	1	-	1,800
Tlhobelo Moshodi	RAC	4	5	16,830
Segametsi Mafa	RAC	4	4	15,030
Motabaseyo Lesokola	RAC	4	5	16,830
Olefile Molwane	RAC	4	9	24,120
Tebogo Motswetla	RAC	2	9	20,520
Joseph Moseki	RAC	3	9	22,230
Dorcus Phiri	RAC	2	8	18,630
Masego Marobela	QFMC	4	22	40,680



**Table 5:** *Committee Members (Non Board Members) Continues...*

Cassius Mmopelwa	QFMC	18	33,300
Oluca Silas	QFMC	17	31,320
Boatametse Dimeku	QFMC	16	29,610
Thembo Lebang	AC	2	3,600
Mmamiki Kamanakao	AC	2	3,600
<b>TOTAL</b>			<b>396,000</b>

<b>TOTAL</b>	<b>Board and Committees Remuneration</b>	<b>P 1,058,670</b>
--------------	--	--------------------

*Refer to financial statements note 11.2 transactions with Board and Committee Members*





# MATERIAL MATTERS

In determining materiality for the Annual Integrated Report 2022/23, the Authority considered matters that had substantively affected or had a potential to affect the organization's strategy and discharge of the mandate. Matters that were considered were subjected to the requirements of IR materiality of relevance, importance and prioritisation and the following key points were considered;

- Whether a matter was of financial impact
- Whether a matter had an impact on stakeholder needs
- Whether a matter was of priority to stakeholders

The diagram below represents matters considered to be material in this reporting period.

Figure 1: Matters of materiality





## CRITICAL BOARD DECISIONS

During the 2022/23 reporting period, the Board attended both scheduled quarterly meetings and special meetings and below are some of the noteworthy decisions that were taken;

1. The Board approved 2022/23 Annual Budget.
2. The Board Adopted King IV Code as the corporate governance code for the Authority with effect from 27th September 2022.
3. The Board approved the revised 2022/2025 Corporate Strategy and 2022/23 Annual Performance Plan.
4. The Board approved the Audit Completion Report, Audited Financial Statements and the Audit Opinion for the year ended 31st March 2022.
5. The Board ratified the extension of term of office for the Board Committee Members whose term expired on 30th September 2022 to 31st March 2023
6. The Board approved the Integrated Annual Report for the financial year ended 31st March 2022.
7. The Board approved to appoint Fibre Sourcing Botswana (Pty) Ltd T/a M Consulting at a cost of P225,000.00 for strategy support services
8. The Board approved the National Education Norms and Standards Project Plan.
9. The Board approved to defer the cessation of registration of consultancies to allow for further consultations with Human Resource Development Council (HRDC).
10. The Board considered and approved registration of Qualifications at NCQF level 8-10.
11. The Board considered and approved accreditation of Learning Programmes at level 8-10.
12. The Board considered and approved registration and accreditation of Education and Training Providers and Awarding Bodies

### DELEGATED AUTHORITY

- **Management Qualifications Framework Maintenance Committee (MQFMC)**
  - » Considered and approved applications for registration of qualifications levels 1 to 5, and made recommendations to QFMC for level 6 to 10.
- **Qualifications Framework Maintenance Committee (QFMC)**
  - » Considered applications for registration of qualifications for levels 6 and 7.
  - » Recommended to the Board applications for registration of qualifications for levels 8 to 10.
- **Management Quality Assurance Committee (MQAC)**
  - » Considered and approved applications for registration and accreditation of Education and Training Providers levels 1 to 5, and made recommendations to QFMC for level 6 to 10.
  - » Considered and approved applications for accreditation of learning programmes for levels 1 to 5, and made recommendations to QAC for level 6 to 10.
- **Quality Assurance Committee (QAC)**
  - » Considered and approved applications for registration and accreditation of Education and Training Providers for levels 6 and 7.
  - » Recommended to the Board applications for registration and accreditation of Education and Training Providers for levels 8 to 10.
  - » Considered and approved applications for accreditation of learning programmes for levels 6 and 7.
  - » Recommended to the Board applications for accreditation of learning programmes for levels 8 to 10.



# OPERATIONAL HIGHLIGHTS





# REGISTRATION OF QUALIFICATIONS ON THE NCQF

Botswana Qualifications Authority, in accordance with its objective of providing for and maintaining a National Credit and Qualifications Framework (NCQF), continues to register locally developed qualifications on the NCQF. The registration is undertaken in accordance with the country's evolving socio- economic needs. In addition, for qualifications to be registered on the NCQF, they must be comparable to other qualifications that are registered in other qualifications framework or systems internationally. This quality criterion enhances probability of qualifications.

Qualifications are registered on the NCQF in accordance with the NCQF Classification System (i.e., Fields of Learning, Subfields of Learning and Domains).

During financial year 2022/23, the Authority registered a total of 303 qualifications on the Framework under different Fields of learning and for different qualification types. The qualifications were registered particularly within the Higher Education as well as the Technical and Vocational Education and Training sub-frameworks. This resulted in a cumulative total of 810 qualifications registered on the Framework since the Authority started registration of qualifications in 2018.

An analysis of the registered qualifications per Field of Learning, Qualification Type and by Sub-frameworks is presented in the Figures 1 and 2, and in Table 10.

Figure 3: Registered Qualifications by Field of Learning

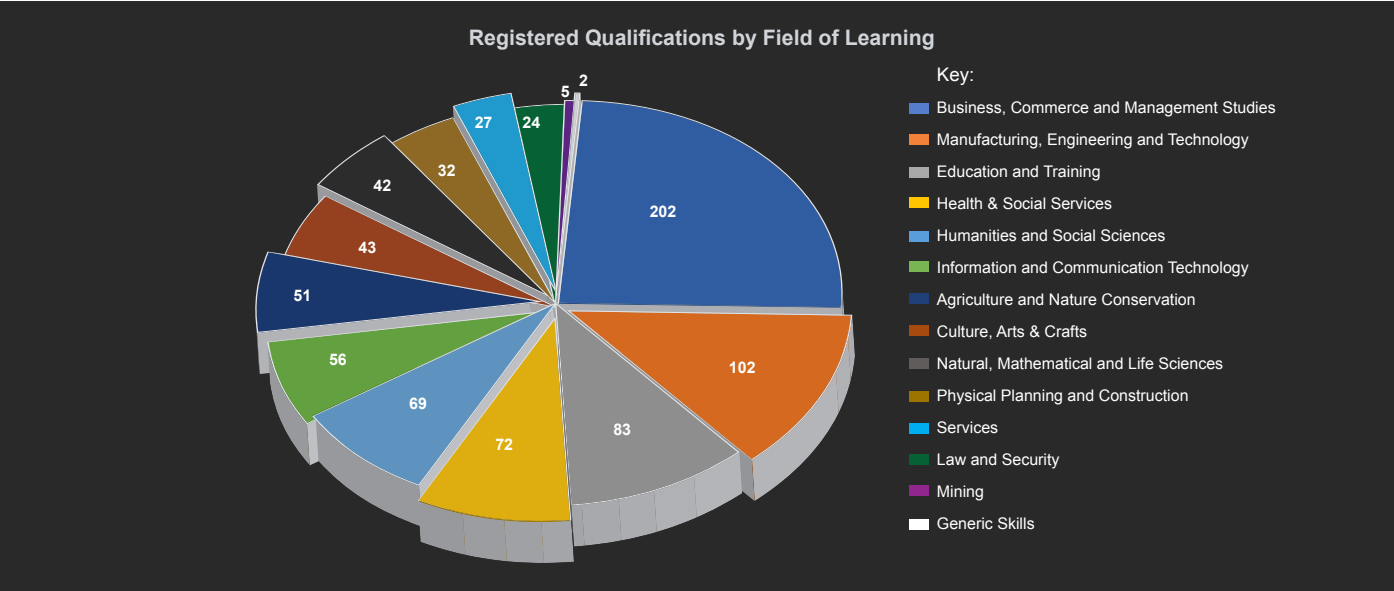
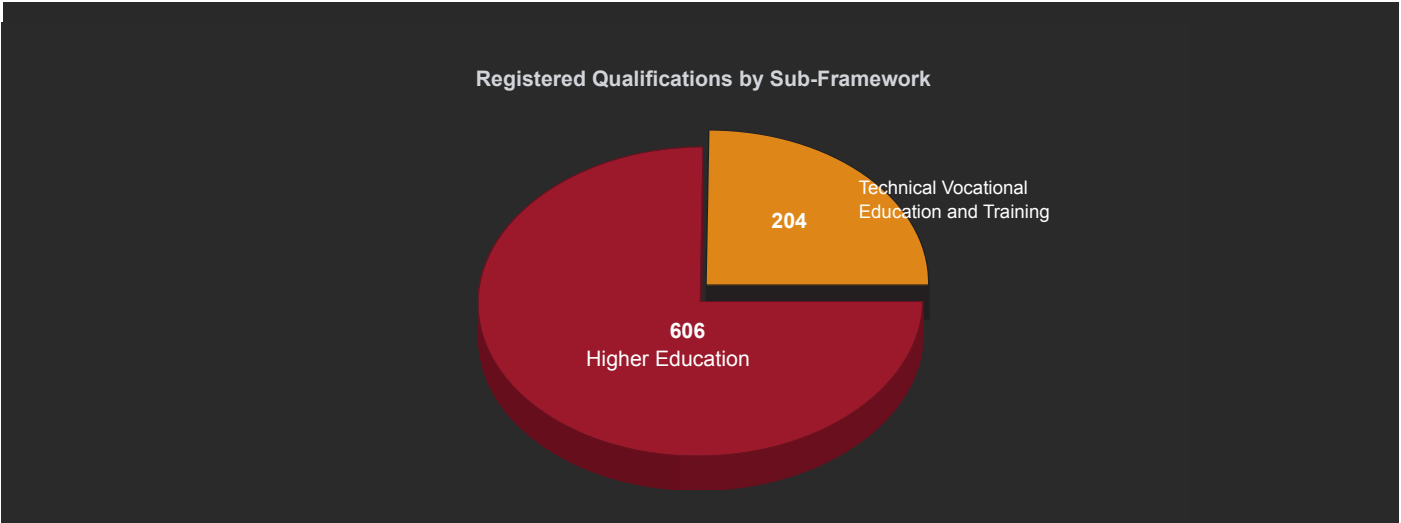


Figure 4: Registered Qualifications by Sub-framework





## REGISTRATION OF QUALIFICATIONS ON THE NCQF

*Continues...*

**Table 6:** Registered Qualifications by Field of Learning and Qualification Type

Field of Learning	Doctoral Degree	Masters	Bachelor Honours	Post-Graduate Diploma	Post-Graduate Certificate	Bachelors	Diploma	Certificate V	Certificate IV	Certificate III	Grand Total
Business, Commerce and Management Studies	1	19	4	10	6	89	27	41	5	0	202
Manufacturing, Engineering and Technology	0	3	14	0	0	4	24	21	17	19	102
Education and Training	15	23	0	4	2	25	9	5	0	0	83
Health & Social Services	3	14	1	1	1	25	13	13	0	1	72
Humanities and Social Sciences	9	26	0	1	0	21	8	4	0	0	69
Information & Communication Technology	2	4	6	0	0	26	9	5	3	1	56
Agriculture and Nature Conservation	4	11	0	0	0	22	6	2	1	5	51
Culture, Arts & Crafts	0	0	4	0	0	13	7	11	2	6	43
Natural, Mathematical and Life Sciences	3	3	12	1	0	22	0	0	0	1	42
Physical Planning and Construction	0	1	1	1	0	6	5	5	4	9	32
Services	0	0	1	0	0	3	10	7	4	2	27
Law & Security	0	1	1	0	0	2	9	11	0	0	24
Mining	0	0	1	0	0	2	0	0	0	2	5
Generic Skills	0	0	0	0	0	0	0	2	0	0	2
<b>Grand Total</b>	<b>37</b>	<b>105</b>	<b>45</b>	<b>18</b>	<b>9</b>	<b>260</b>	<b>127</b>	<b>127</b>	<b>36</b>	<b>46</b>	<b>810</b>





# EVALUATION OF QUALIFICATIONS



According to the Botswana Qualifications Authority (National Credit and Qualifications Framework) Regulations, 2017 Regulation 3 (b), one of the objectives of the National Credit and Qualifications Framework (NCQF) is to facilitate access, mobility and progression within education and training, and career path. The Framework is also used as an instrument for determining the comparability and equivalence of qualifications.

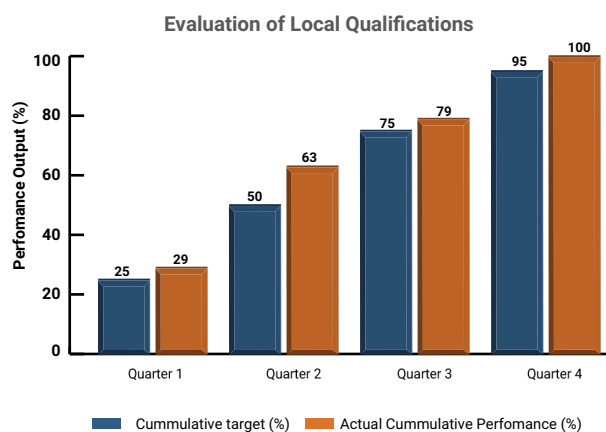
Botswana Qualifications Authority continues to receive applications for evaluation of qualifications for different purposes including employment, further studies, registration with professional bodies, and immigration. The applications are categorised as applications

for evaluation for Local Qualifications for verification and external qualifications for recognition. The annual target for both local and external qualifications was set at 95%.

## Applications for Evaluation of Local Qualifications

During the reporting period, a total of 398 local qualifications were evaluated against a set target of 400. In Quarters 1, 2, 3 and 4, a cumulative of 114 (29%), 137(63%), 64 (79%) and 83 (100%) qualifications were evaluated respectively as presented in Figure 4. The performance exceeded the strategic target of 95% by 4.5%.

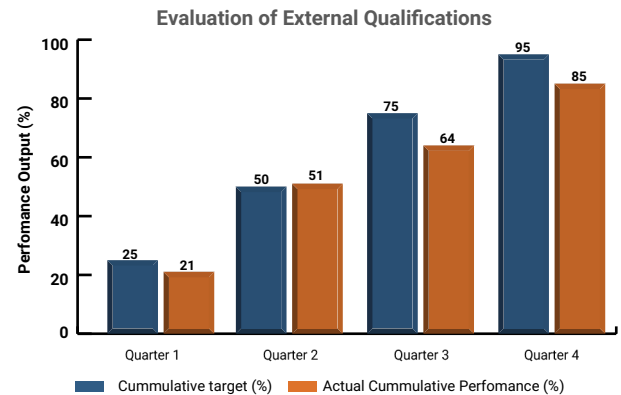
Figure 4: Percentage of Evaluated Local Qualifications



## Applications for External qualifications

In terms of external qualifications, a total of 676 against a set target of 800 external qualifications were evaluated. In Quarters 1, 2, 3 and 4, a cumulative of 167 (21%), 237(51%), 107 (64%) and 165 (85%) qualifications were evaluated respectively as presented in Figure 5.

Figure 5: Percentage of Evaluated External Qualifications

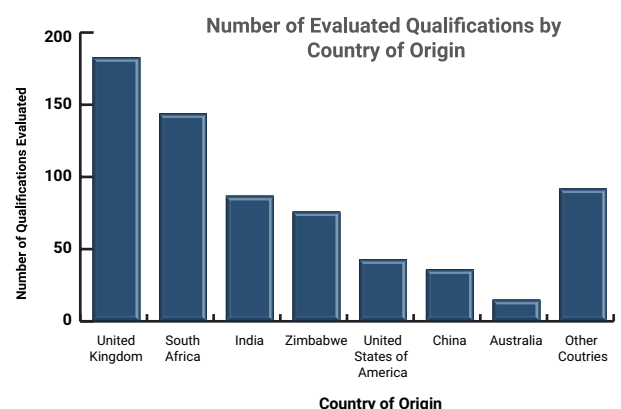


The performance of 85% is lower than the strategic target of 95% by 10%. The main issue that contributed to the underperformance is the difficulty in getting verification information. However, the Authority continues to establish partnerships with verification bodies.

## Evaluation of Qualifications by Country of Origin

The total number of applications for evaluation of external qualifications is 676. Most of the external qualifications were from the United Kingdom (27%) followed by South Africa (21%), India (13%). Zimbabwe (11%) and China (5%) and the rest were distributed sparingly across other parts of the world. Most qualifications are from the United Kingdom, South Africa and Zimbabwe because some local Education and Training Providers are affiliated to some Universities from the three (3) countries listed. The Universities in those countries award some qualifications for Learning Programmes offered by some of the local registered and accredited Education and Training Providers.

Figure 6: Number of Evaluated Qualifications by Countries of Origin







## QUALITY ASSURANCE IN EDUCATION AND TRAINING

During the reporting period, the quality assurance activities that were conducted included registration and accreditation of Education and Training Providers (ETPs), registration and accreditation of Awarding Bodies, accreditation of Higher Education and Technical and Vocational Education and Training sub-framework learning programmes.

### Registration and Accreditation of Education and Training Providers and Awarding Bodies

**Table 7.** Registration and Accreditation of Education and Training Providers and Awarding Bodies

Status of the Education and Training Providers	Higher Education Sub-Framework	Technical and Vocational Education and Training sub-framework
Number of Registered and Accredited Education and Training Providers	12	57
Number of Rejected Education and Training Providers	1	10
<b>TOTAL</b>	<b>13</b>	<b>67</b>

The Authority concluded eighty (80) applications for Registration and Accreditation of Education and Training Providers during the reporting period. Of the eighty (80), a total of twelve (12) were Higher Education ETPs while the remaining fifty-seven (57) were Technical and Vocational Education and Training ETPs. One (1) application for registration and accreditation of an awarding body was received in 2022/23 period. The Awarding Body was registered and accredited during the reporting period.

### Accreditation Of Learning Programmes

The Authority's other Quality Assurance service is the Accreditation of learning programmes. Information on the accredited learning programmes by sub-framework is presented in Table 8.

**Table 8.** Accreditation of learning programmes

Status of accreditation of Learning Programmes	Higher Education Sub-Framework	Technical and Vocational Education and Training sub-framework
Number of Accredited learning programmes	234	78
<b>Grant Total</b>	<b>234</b>	<b>78</b>

The total number of applications received during the reporting period was 312. Table 8 shows that out of the 312, a total of 234 were Higher Education Learning Programmes and 78 Technical and Vocational Education and Training Learning Programmes.

Table 9 shows that the learning programmes accredited during the reporting period were predominantly (30%) at Bachelor's Degree (Level 7) and Certificate V (26%). The total number of learning programmes at Post Graduate levels was 40.

**Table 9.** Accredited learning programmes by learning programme type

Learning Programme Type	Number of Accredited Learning Programmes
Doctoral degree	5
Master's Degree	27
Post Graduate Diploma	7
Bachelor's degree	96
Diploma	46
Certificate V	80
Certificate IV	1
Certificate III	49
Certificate I	1
<b>Grand Total</b>	<b>312</b>

Education and Training Providers transited learning programmes that were offered in the Legacy system to the National Credit and Qualifications Framework. Table 8 presents data on Legacy Learning Programmes which the Authority had expected to transit into the National Credit and Qualification Framework (NCQF).

**Table 10.** Transition of Legacy Learning Programmes

Category of Legacy Learning Programme	TVET	HE	Total
Total Legacy Learning Programmes	862	898	1760
Submitted Learning Programmes	131	200	331
Accredited Learning Programmes	78	76	116
Applications that were being processed	53	84	137
No Submission	731	699	1430

The total number of learning programmes that successfully transited into the NCQF during the reporting period was one hundred and sixteen (116). It is evident that from Table 8 that a significant number (81%) of Legacy Learning Programmes had not transited into the NCQF by 31st March 2023. This was because Public ETPs, which had a larger proportion of legacy learning programmes had not submitted applications for their learning programmes to be accredited.

The Authority has adopted the following principles regarding the enrolment of learners in the legacy learning programmes while the Authority works on clearing the backlog of applications.

Education and Training Providers will be allowed to enrol learners in:

- Learning Programmes in (i) Registered, (ii) Full Accreditation and (iii) Provisional Accreditation statuses.
- Learning Programmes in the Approved status, provided there is a qualification registered on the NCQF, and the application for accreditation of learning programmes leading to the registered qualification submitted to the Authority is still being processed.
- Learning Programmes leading to Professional Qualifications which are on (i) Registered, (ii) Full Accreditation and (iii) Provisional Accreditation status, provided the qualifications have been endorsed.



## QUALITY ASSURANCE IN EDUCATION AND TRAINING

- d. Learning Programmes for Franchised Qualifications provided the Education and Training Provider has a valid contractual agreement with the Awarding Body.
- e. Learning Programmes that were in the Approved status, and the Botswana Qualifications Authority had not completed processing the applications for either registration of qualifications or accreditation of learning programmes.
- f. Learning Programmes leading to professional qualifications which were on (i) Registered, (ii) Full Accreditation and (iii) Provisional Accreditation status, provided the qualification has been endorsed.

### Institutional Audit

BQA conducts monitoring audits of registered and accredited ETPs as well as Awarding Bodies to ensure continued compliance with the Quality Assurance Standards. The Authority has cumulatively registered and All ETPs accredited six hundred and twenty (620) ETPs up to 31st March 2023. Four hundred and sixty-nine (469) registered and accredited ETPs were under the category of Consultancies. Audit activities undertaken by the Authority of the Corrective Action Plan by ETPs. To enhance institutional quality focused only on the one hundred and fifty-one (151) conventional ETPs.

The target for auditing Registered and Accredited Education and Training

Providers was fifty-six (56). The Authority audited forty (40) ETPs out of the fifty-four (54) ETPs that were targeted for the year 2022-2023. During the reporting period, an average of 60% (21 out of 40) of the audited ETPs demonstrated satisfactory compliance to the Quality Assurance Standard for Registration and Accreditation. The common non-compliance detected from audit activities included failure to:

- a. Implement internal Quality Management Systems (QMS) Policy.
- b. Evaluate the effectiveness of structures, processes and procedures.
- c. Implement Assessment and Moderation policy.
- d. Implement Records Management System
- e. Adherence to the legislative requirements on Safety, Health and Environment.

All ETPs that had non-compliances were requested to submit Corrective Action Plans to ensure the implementation of recommendations from the audit findings. The Authority continues to monitor the implementation of the Corrective Action Plan by ETPs. To enhance institutional quality management, the Authority has produced a manual for Institutional Audit which has been designed to guide ETPs on the implementation of their internal quality management.





## STAKEHOLDER MANAGEMENT AND CORPORATE SOCIAL RESPONSIBILITY

### Stakeholder Relations

The Botswana Qualifications Authority's mandate can only be realized by working closely with stakeholders. Engaging employees, customers and strategic stakeholders as well as receiving feedback allows the Authority to have critical conversations that impact on its operations and shape how BQA executes its strategy and manage risks. It was in realization of this that the Authority had stakeholder engagement as one of the pillars of its EVOKE strategy.

Our key group of stakeholders include;

- Shareholder Ministry of Education and Skills Development (MOESD)
- Professional and Regulatory Bodies
- Learners
- Education and Training Providers (ETPs)
- BQA Staff
- Media

During the reporting period, the Authority had developed and implemented key crucial instruments to drive its communications and stakeholder management strategy. These instruments are the Communications and Public Relations Strategy and the Communications and Stakeholder Engagement Plan 2021/2022. The Authority used the instruments to systematically identify key stakeholders, analyzed their needs and expectations, and planned and implemented various tasks to engage with them.

The process involved providing customers with information about BQA products and services, creating awareness on development and value of the National Education and Training System. Stakeholder engagement activities were aligned to the EVOKE Strategy initiatives. The activities included workshops, consultative meetings and briefings, media releases, spot announcements, surveys, advertisements, advertorials as well as Radio coverage, public notices, and social media campaigns.

The Authority Stakeholder Engagement Strategy focused on, among other things, information exchange to align Standards of NCQF and Professional Bodies (PB), communicating the BQA processes, and expected interphase with Education and Training Providers (ETPs) and Professional Bodies, quality assurance requirements and submission of Professional Bodies endorsement of qualifications and Learning Programmes before consideration by BQA.

As of 31st March 2023, the Authority has engaged and signed a Memorandum of Understanding (MoU) with Engineers Registration Board (ERB) and Botswana Health Professionals Council (BHPC). The Authority is in consultation with Botswana Accountancy Oversight Authority (BAOA), Law Society of Botswana (LSB) and Quantity Surveyors Regulatory Council.

Some of the significant key activities in the reporting year included:

- Consultative Meetings and briefings at Ministerial level
- Consultative Meetings with Business Botswana
- Consultative meetings with Professional Bodies
- Consultative meetings with ETPS
- Consultative meetings with HRDC

- Consultative meetings with PPRA

The Authority also initiated dialogue on possible collaborations with entities that include;

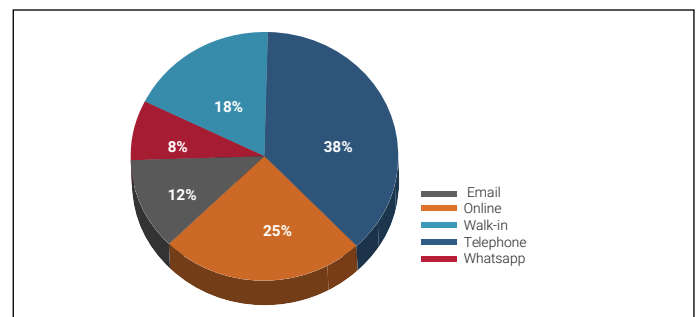
- the Canadian Delegation (University of Toronto)
- the UN Mission
- possible collaborations with Debswana

Regular updates to internal stakeholders via the use of the intranet resulted in improved communication internally and keeping staff updated on critical issues. The quarterly *Tekodiso* meeting played an essential role for assessing employee satisfaction, providing feedback, and defining expectations for both behavior and performance. In addition to this, the Departmental and Division Managers were encouraged to hold regular meetings and one-on-one interactions with their team members.

### Customer Service

In 2022/2023, the Authority received 4409 enquiries through the following communication channels; Telephone, Online, Walk-ins, Email and Social Media.

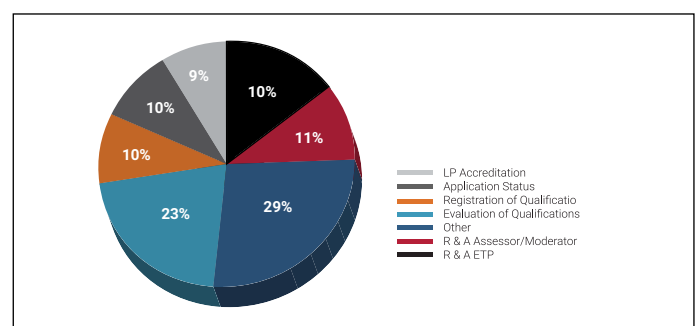
Figure 7: % of Enquiries by Mode of Communication



Most enquiries were received through telephone followed by online channels. There was an improvement in the usage of the online channel on the BQA website and social media platforms. This is positive as BQA promotes the use of online services. Public notices and promotions were used to disseminate information to customers and stakeholders through our digital media platforms. Traditional media such as radio and print were also used.

Enquiries received from customers relate to services offered by the Authority, and during the reporting period, the following numbers were recorded as grouped under categories outlined below.

Figure 8: % of Enquiries per Service Type







# STAKEHOLDER MANAGEMENT AND CORPORATE SOCIAL RESPONSIBILITY

*Continues...*

BQA has plans to improve its website to ensure it is well designed and maintained in line with international best practices. This will be a major platform for dissemination of information about the BQA activities and sharing resources of interest to the public and other stakeholders. The website will serve a knowledge management function as a repository and reference point for information and resources. The website will be optimised by interactive features such as discussion forums, media centre, social media links and Frequently Asked Questions section.

the Authority is currently developing its CSR Policy to guide and support the implementation of a Corporate Responsibility Programme. The policy will provide a link between BQA and the community in addressing social and environmental challenges in an endeavor to promote brand reputation and resonance. In the reporting year, BQA supported the Miss RADP Pageant and Mr. RADP Fashion Show 2022. This promoting cultural preservation, talent identification and empowerment of young men and women in remote area communities.

## Corporate Social Responsibility

In its quest to improve lives and adding value to the communities it serves,





# BQA Corporate Strategy 2022-2025



EVOKE STRATEGY 2022-2025

## MANDATE

The Authority was established to:

- Provide for, and maintain, the National Credit and Qualifications Framework (NCQF)
- Co-ordinate the lifelong education, training & skills development quality assurance system (i.e. from early childhood to tertiary) across all three (3) subsystems of education and training: General Education (GE), Technical and Vocational Education and Training (TVET) and Higher Education (HE).

## VISION

"To be a catalyst for the development of a world-class education and training environment for learners."

## MISSION

"We develop, implement and maintain the national credit and qualifications framework and co-ordinate Botswana's education, training and skills development quality assurance system for the benefit for all."

Customer Focus

Innovation

Accountability

Inclusivity

Teamwork

## STRATEGIC GOALS

1. 100% registration of legacy qualifications for eligible learning programmes on to the NCQF in 12 months (by 31st March 2023)
2. Turnaround all properly completed applications in 14 Days

## STRATEGIC THEMES

### 1. Organisational Renewal

We will address the cultural issues, and put in place the requisite enablers, to develop a high-performing and engaged workforce.

### 2. Operational Efficiency

We will put in place the requisite processes, policies and technological enablers to ensure world-class (i.e. efficient and timely) service delivery for our stakeholders

### 3. Shaping BQA's Future

We will manage the uncertainty surrounding BQA's external environment and proactively engage with critical stakeholders in order to help shape the Authority's future.

## STRATEGIC OBJECTIVES

1. To enhance the performance culture
2. To improve leadership capability
3. To drive talent management

4. To create an open and consultative environment.
5. To improve service delivery through process and technology enhancement

6. To adhere to the annual performance plan
7. To play a proactive role in shaping BQA's future operating environment and conditions

"Building as seamless Education and Training System"





# CORPORATE STRATEGY



During the reporting period, the BQA Board of Directors in exercising their fiduciary and oversight responsibilities requested an independent review of the EVOKE Corporate Strategy (2021/2026) to ensure its full alignment with the organisation's mandate. The reviewed Strategic Plan (2022/2025) captures the direction that BQA will take in its quest to effectively deliver on its mandate and meet its intended objectives of the Shareholder. The strategy calls for a mindset change in its delivery. In order to deliver the mandate of the Authority and meet customer and stakeholder expectations, two (2) Big Hairy Audacious Goals (BHAG) were created. These are:

- 1. 100% registration of legacy qualifications for eligible learning programmes on to

the NCQF in 12 months.

- 2. Turnaround all properly completed applications in 14 Days.

To attain the above strategic goals, the strategy anchored on three (3) key themes, namely:

- 1. **Organisational Renewal** – this is to address the cultural issues and put in place the requisite enablers, to develop a high-performing and engaged workforce.
- 2. **Operational Efficiency**- this is to put in place the requisite processes, policies, and technological enablers to ensure world-class (i.e. efficient and timely) service delivery for our stakeholders
- 3. **Shaping BQA's Future** – this is about managing the uncertainties surrounding

BQA's external environment and proactively engaging with critical stakeholders to help shape the authority's future.

Eight (8) strategic projects were identified to deliver the three-year strategy. These projects are Norms and Standards Development; Business Process Enhancement; Talent Management and Succession Strategy and Plan; Enterprise Resource Planning (ERP)

Implementation; Implementation of Organisational Review Outcome; BQA Act and Regulations Review Project; Implementation of Cyber Security Framework and Auditing of Legacy Programs. These are big projects that will run into the second year of the Strategy.





# STRATEGIC PROJECTS HIGHLIGHTS

## Norms and Standards Development Project

The Authority embarked on the development of the Norms and Standards Project in 2022/23. Norms and Standards play a crucial role in the delivery of the Authority's mandate. The project is aligned with the national goals of RESET AGENDA and lays the foundation for a knowledge and technology-based economy. The objective of the Norms and Standards is to provide an important guide for the country, covering several areas including types of Education and Training Providers (ETPs), enrolment of students, public safety, and facilities. They provide thresholds and benchmarks that all ETPs should comply with to achieve the desired objectives for quality teaching and learning. They are a critical framework for the national education ecosystem to provide for governance and management of education service delivery in the public and private sectors. They will also provide an interface for engagement with other education service providers and Education qualifications Regulators outside Botswana by providing tools for benchmarking and evaluation for globally recognized quality systems.

## Business Process Enhancement Project

The attainment of the strategic goals (BHAGs) espoused in the core strategy revolves around the implementation of the Business Reengineering Project. This project aims to enhance the operational efficiency of the Authority to Improve the delivery of the mandate. It fundamentally aims to address the following: Strategy Implementation; Performance Management, Decision Making, Efficiency and Automation. The project entails reviewing existing processes and mapping their current state, analyzing the processes, identifying any process gaps, identifying improvement opportunities, and designing cutting-edge future-state process maps and models.

## Outsourcing of Auditing of Legacy Learning Programmes Project

The Authority embarked on a project to outsource the Auditing of Legacy Learning Programmes in October 2023. The main objective of this project is to conduct an audit of legacy learning programmes with enrolled learners to quality assure if the Education and Training Providers maintained or improved the quality standards post-accreditation. The BQA Act directs the Authority to monitor and carry out audits of resources, systems and documentation pertaining to the accredited learning programmes in accordance with criteria and guidelines set by the Authority (Regulation 13(2)).

## Review of the Botswana Qualifications Act and Regulations (2013) Project

The main objective of the project is to close some legislative gaps that have been identified in the implementation of the current Act. This is largely due to the fact that Botswana has evolved economically, socially, and technologically. The Review seeks to align with some institutions regulated by BQA that were also established in the same way as BQA by Acts of Parliament.

## Implementation of Cyber Security Framework Project

The Cybersecurity Framework project is aimed at improving service delivery by minimizing or eliminating risk occurrence. It Involves holistically addressing information security risks in today's IT environment where external and internal threats are on the rise. The project is the IT component of the Business Continuity Plan.





# RESEARCH ACTIVITIES

The Authority conducts research to support and inform evidence-based decision making on operations. It also contributes to the development of policies addressing broad education areas. The research projects conducted in the year 2022/23 were in areas relating to the mandate of the Authority. The Authority's research activities completed in the year 2022/2023 are explained below.

## BQA Act Review Survey

The Cabinet of Botswana approved the drafting of a bill to review Botswana Qualifications Authority Act, 2013 in a letter dated 25 November 2021. The purpose of the survey was to identify impeding elements of the BQA Act, a survey was conducted in the last financial year to inform the review. A total of 493 stakeholders complete responses were received from the 1488 stakeholders who received links by email. The survey attracted respondents from ages 18 to 65+ mostly with Master's degree level qualifications. It was recommended that the Authority should consider suggestions on the interpretation and other sections of the Act as suggested by participants. Also, to conduct further consultations with stakeholders to conclude the review process. Some of the areas to consider are in Table 11

Table 11: Suggested Areas for review in the BQA Act

###	Area of suggested for Review	Number of choices	Percentage
1	Objectives and Functions of BQA	35	35.71%
2	Interpretation	20	20.41%
3	Qualifications, removal, and suspension of members	13	13.27%
4	Board	7	7.14%
5	Confidentiality	6	6.12%
6	Disclosure of interest	3	3.06%
7	Chief Executive Officer	2	2.04%
8	Continuation of established of Authority	2	2.04%
9	Directions by the Minister	2	2.04%
10	Funds of the Authority	2	2.04%
11	Quorum and procedure at meetings	2	2.04%
12	Remuneration and allowances	1	1.02%
13	Appointment of Board Secretary	1	1.02%
14	Appointment of Senior Staff and Other Staff	1	1.02%
15	Filling of vacancy	1	1.02%
Total		98	

## Research Management in Higher Education Institutions

The Authority conducted a study on the management of research in higher education institutions. The study was prompted by the need to understand if higher education institutions satisfied the requirements for the "Research" criterion of the BQA Quality Assurance Standards. Given the country's transition towards a knowledge-based economy,

research in higher education institutions is very pivotal in preparing graduates to be well-equipped to meet the demands of the economy. Criterion 20 consists of eight (8) guidelines which outline what is required for ETPs to have a robust research centered environment. The study's findings revealed that some ETPs successfully met the requirements of criterion 20,there were others that fell short of in fully satisfying this criterion. The study recommended that BQA should consider including research management best practice into Quality Assurance Standard Criterion 20.

## Staff Engagement Survey

The Authority conducted a staff engagement survey with the aim of assessing the level of staff engagement. The survey also aimed at identifying areas that require management's attention to improve continued partnership with staff on delivering the BQA Corporate Strategy. The survey assessed engagement across various aspects including organizational leadership, operational effectiveness, workplace culture and job satisfaction. With a response rate of 63%, the engagement score across all dimensions was measured at 37%.The study identified challenges in supervisor effectiveness and internal communication. Furthermore, employees described the work culture of BQA as characterized by a poor work ethic, low morale, fear, and victimization. However, they positively rated administration of leave and performance management. The study recommended that BQA should focus on improving staff morale, staff welfare, and career development. Further recommendations included improvement in leadership as well as fairness and transparency.

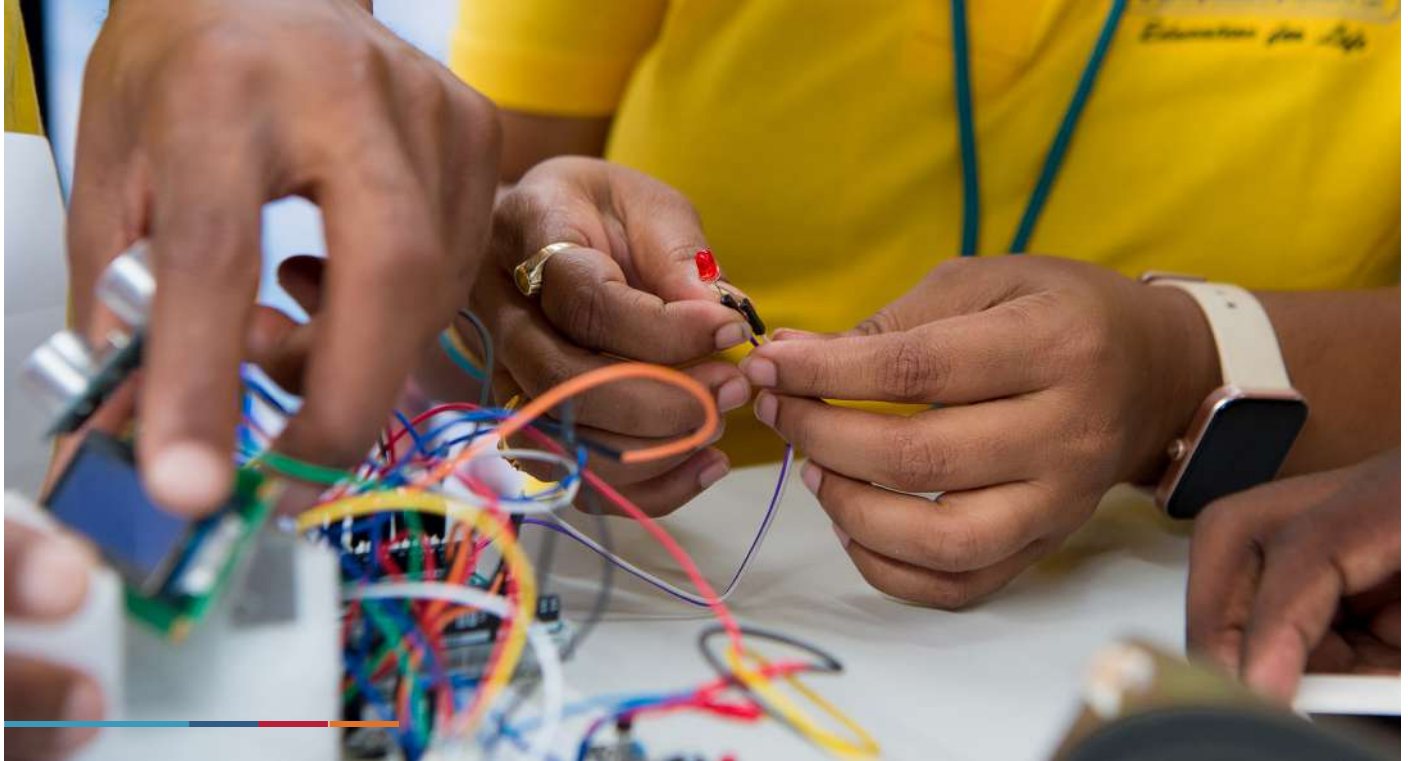
## Customer Satisfaction Survey (dipstick)

The Authority conducted a customer satisfaction survey for the year 2022/23 to measure the customer satisfaction level regarding service delivery. Previously, in 2020, a broader satisfaction measurement was conducted, revealing a satisfaction level of 38%. The results showed an average of 74% customer satisfaction level for some customers. Only two ETPs participated in the survey. So, their responses were excluded from the overall results. Customers provided feedback for areas of improvement. These areas encompassed enhancing turnaround times, communication, and customer engagement.



## RESEARCH ACTIVITIES

*Continues...*



**Table 12:** *Customer Satisfaction Level*

Service	Satisfaction Level (%)
Registration of Assessors and Moderators	83
Accreditation of Learning Programmes	67
Evaluation of Qualifications	74
Registration of Qualifications	28

The study could not definitively determine if submissions of early childhood qualifications were at an influx that might justify the suspension of accreditation of learning programmes by BQA. Nevertheless, the study put forth several recommendations to enhance the efficiency of BQA processes. The study proposed conducting a comprehensive audit of ECE qualifications offered by the different ETPs. Lastly, it advised on conducting a tracer study of ECE graduates to gain valuable insights into their outcomes and contributions to the field.

### Proliferation of Early Childhood Education Qualifications

A desktop research conducted aimed at assessing the need, if any, for continued registration of early childhood education qualifications on the framework, and accreditation of qualifications learning programmes. As at end of January 2023 there were twelve (12) early childhood qualifications registered on the Framework, of these four (4) were diploma qualifications, three (3) bachelor's degree qualifications, three (3) master's degree qualifications. Additionally, there was one (1) doctoral degree qualification, and one (1) certificate level V qualification registered on the Framework. Concurrently, during the

mentioned period, there were twenty-four (24) accredited ECE learning programme, with most of these learning programme being at certificate level V and diploma level 6.

### Stakeholder Satisfaction Survey

A stakeholder satisfaction survey was conducted to obtain feedback from internal and external stakeholders of the Authority. The purpose of the study was to establish the satisfaction level of BQA stakeholders. The survey participants included learner members of the BQA and Board of Directors, suppliers, media houses, and various Government entities including parastatals. The survey achieved a response rate 60% organization (84%) with professional staff (74%). However, challenges were identified in areas such as customer services, implementation of the mandate, as well as areas of organisational structure. Learners, who constituted a large portion of the sample, revealed that they were not aware of BQA services. The report concluded that there was need to maintain and improve areas of concern for stakeholders.





# PERFORMANCE REPORT

Table 13: Performance Report

Objectives	Measures	Target	Unreported	Achieved	Ongoing	Not Achieved
<b>Strategic Objective 1</b>  To enhance the performance culture.	Staff Engagement Survey	80%	0%	34%	0%	46%
	Avg. Staff Performance (all)	75%	0%	82%	0%	
	Org Performance	75%	0%	51%	0%	24%
<b>Strategic Objective 2</b>  To improve leadership capability.	360° Feedback	65%	0%	25%	0%	40%
	Avg. Staff Performance (management)	75%	0%	79%	0%	
<b>Strategic Objective 3</b>  To drive talent management	High-performer turnover	80%	0%	20%	0%	60%
	Internal hiring rate	28%	0%	27%	0%	1%
<b>Strategic Objective 4</b>  To create an open and consultative environment	Staff Engagement Survey	70%	0%	34%	0%	36%
<b>Strategic Objective 5</b>  To improve service delivery through process and technology enhancement	Customer satisfaction survey	70%	0%	60%	10%	
	Adherence to SLAs	95%	0%	10%	0%	85%
	Adherence to annual budget (income)	95%	0%	85%	0%	10%
<b>Strategic Objective 6</b>  To adhere to the annual performance plan	Adherence to annual budget (expenditure)	95%	0%	72%	0%	23%
	% of approved projects implemented	100%	0%	78%	0%	22%
<b>Strategic Objective 7</b>  To play a proactive role in shaping BQA's future operating environment and conditions	% of proposed amendments accepted	75%	0%	0%	0%	75%
	% BQA staff Retention	TBD	100%			

Indicator	Achieved	Not Achieved	Ongoing	Unreported
Below 70%	5	-	-	-
71% - 89%	4	-	-	-
90% and above	5	-	-	-
	-	-	-	2

## Legend

Item	No
Qualifications registered on the NCQF	297
No. of ETP Registered and Accredited	30
No. of Accredited Learning Programmes	313
Number of evaluated Qualifications	1019
Number of Registered & Accredited Assessors and Moderators	655



# HUMAN RESOURCES

In line with Corporate Strategic Plan 2022-2025, for the period ending 31st March 2023, the following activities were undertaken to improve human resource:

## Staff Complement

The number of staff complement at the close of the year was one hundred and ten (110), against a staff establishment of one hundred and fifty-five (155). The number of vacancies was forty-five (45), thus 29% vacancy rate.

## Gender Distribution

Out of the one hundred and ten (110) staff members, seventy-three (73) were female while thirty-seven (37) were male.

## Staff Recruitment

Out of the forty-five (45) vacant positions, the Authority had nine (9) vacancies which were prioritized for recruitment in the year 2022/23. These were Director Human Resource, Director National Credit and Qualifications Framework Services, Director Quality Assurance, Board Secretary, Manager Procurement-Oversight, Manager Qualifications, and Instrument

Development, Legal Officer, Human Resource Officer-Employee Relations, Communications and Public Relations Officer.

Out of the nine (9) positions, three (3) were filled, thus, Manager Qualifications and Instrument Development, Board Secretary and Legal Officer and Manager Qualifications, and Instrument Development position were filled by internal candidates. Overall recruitment for vacant positions were done on a critically need basis.

## Staff Separation

During Financial Year 2022/23, nineteen (19) employees exited the employment of BQA. Out of the nineteen (19); eleven (11) were resignations, seven (7) were end of employment contract and one (1) was a dismissal. Of the eleven (11) who resigned; one (1) was from the core business and ten (10) were from the support functions. For end of contract, five (5) were from the core business and two (2) were from support, while one (1) who was dismissed was from the core business.

Out of the nineteen (19) vacant positions, two (2) positions were filled by internal candidates, while others remained vacant.

## Staff Capacity Development

In its never-ending quest to continuously build capacity in the workforce, the Authority organized the following staff trainings in the year:

### Executive Management Training

All Executive Management Leadership went through a three (3) day Leadership Workshop from 2nd – 4th May 2022. The workshop was aimed to help participants develop a deeper understanding of their leadership style, identify areas for improvement, and provide practical tools and techniques to enhance their leadership skills. The leadership workshop also emphasized problem solving skills, attitude, vision, and self-discipline. The training was conducted by Pinnalead.

### Middle Management Leadership Capacitation

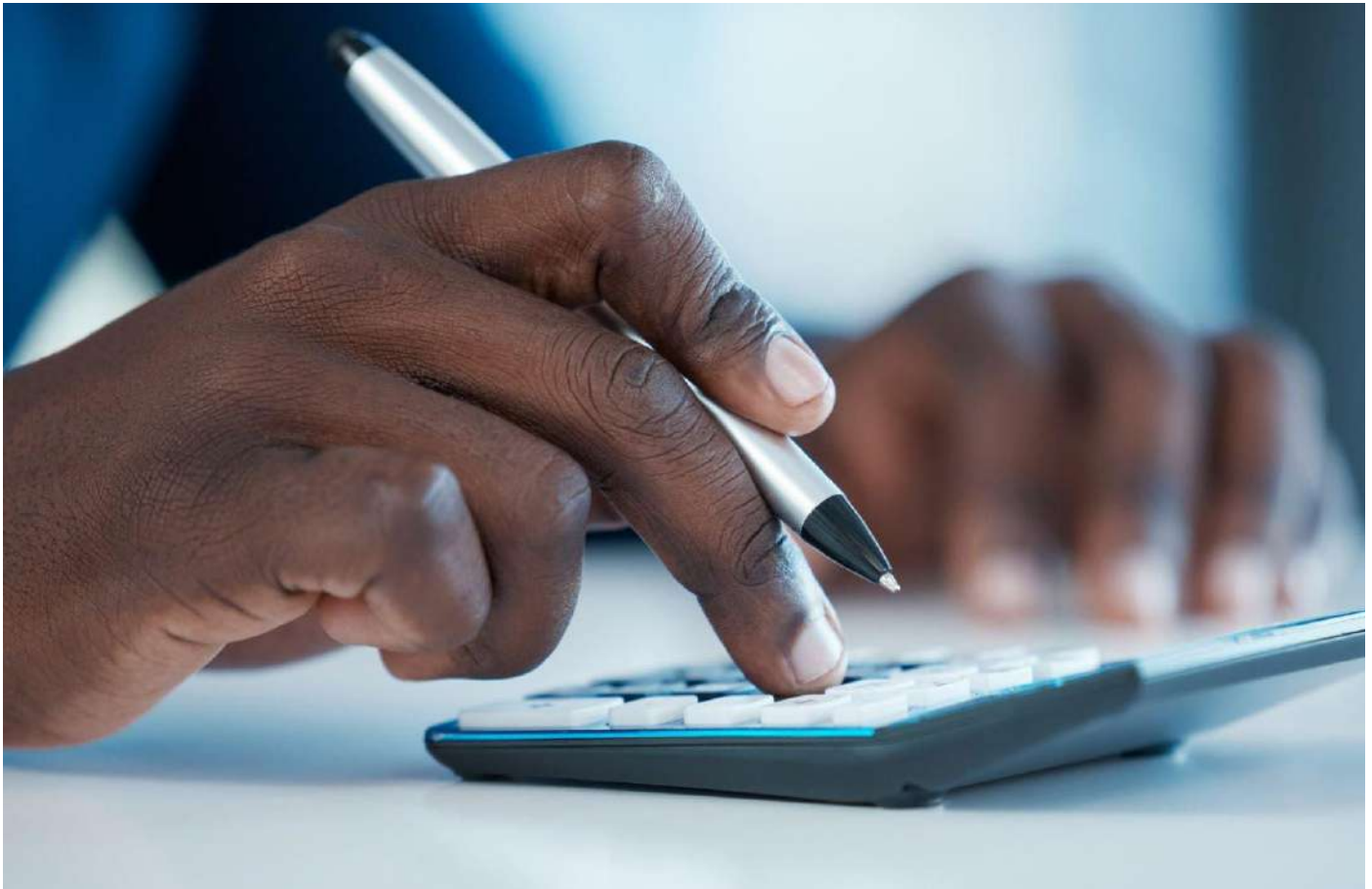
The Authority conducted a three (3) day Middle Management Leadership Capacitation Workshop from 23rd – 25th November 2022, facilitated by Pinnalead. The training was conducted to enhance the leadership skills of mid-level managers within the Authority. The training program focused on providing participants with the tools and techniques to become effective leaders and help achieve organizational goals. The program covered several topics, including Leadership Styles, Communication Skills, Decision-making, Conflict Resolution, and Performance Management. Participants also learned how to motivate and engage their teams, build trust and credibility, and foster a positive work

culture. Further, the team learnt about the diverse personalities and what drives the different behaviours, and their strength, and weaknesses, and what they needed to do to build successful relationships.





# INTERNAL AUDIT AND RISK MANAGEMENT



## Internal Audit Activities

The Internal Audit function provides independent assurance to the Board that risk management, governance and internal control processes are operating effectively. The function reports to the Risk and Audit Committee (RAC), at minimum quarterly.

The following are the key activities achieved in the year 2022/23:

The following are key activities achieved in the year 2022/23:

- 80% implementation of the Annual Internal Audit Plan.
- Supervision of statutory audit activities to ensure timely completion of the audit.
- Monthly monitoring and reporting of management's implementation of Corrective Action Plans.
- Monitoring and reporting on the Whistleblowing Ethics Hotline activities
- Development of the Quality Assurance Improvement Programme (QAIP) Framework

Implementation of the QAIP will improve compliance with International Standards for the Professional Practice of Internal Auditing, which inform the internal audit activities.

## Risk Management

The Authority did not have a risk function. However, the Board understands its roles and responsibilities regarding the governance of risk.

During the year the establishment of the risk function was therefore prioritised and implementation is targeted for the coming year. The function will assist the Risk and Audit Committee to effectively discharge its duties of risk management and advise the Board on the governance of risk. This will also assist Management to improve performance across the organisation.





# FINANCIAL STATEMENT

(Established under the Botswana Qualifications Authority Act No. 24 of 2013)

Annual Financial Statements  
For The Year Ended 31 March 2023



## AUTHORITY INFORMATION

Domicile, legal form and principal business activity:

The Botswana Qualifications Authority (BQA) is a body corporate domiciled in Botswana. It was established under the Botswana Qualifications Authority Act No. 24 of 2013 to provide for and maintain a National Credit and Qualifications Framework and to coordinate the Education, Training and Skills development quality assurance system.

Physical address                      Plot 66450, Block 7  
Gaborone

Members of the Board	Name and Surname	Date Appointed	Date Resigned
	Chairperson – Mr Gabaake Gokatweng Gabaake	21 November 2021	
	Ms Susan Makgothi	22 July 2021	
	Professor Alinah Segobye	22 July 2021	12 January 2023
	Professor Richie Moalosi	22 July 2021	
	Dr Boitumelo Kgarebe	22 July 2021	
	Ms Mercy Conlon	22 July 2021	
	Ms Mahali Morolong	22 July 2021	
	Dr Hilda Molate	01 February 2022	
	Mr Baalakani Macheke	25 February 2022	
	Ms Kgomotso Kereng	25 February 2022	
	Mr Mlungisi Jackalas	25 February 2022	10 January 2023
<b>Acting Board Secretary</b>	Ms Amogelang Makutu	01 May 2022	
<b>Chief Executive Officer</b>	Professor Botsalano Mosimakoko	02 September 2019	
<b>Postal address:</b>	Private Bag B0340 Gaborone		
<b>Auditors:</b>	Mazars		
<b>Bankers:</b>	First National Bank of Botswana Limited Stanbic Bank Botswana Limited		



CONTENTS

	Page
Statement of Responsibility by the Members of the Board	49
Independent Auditors Report	50 – 52
Statement of Profit and Loss	53
Statement of Financial Position	54
Statement of Changes in Funds	55
Statement of Cash Flows	56
Notes and Accounting Policies to the Financial Statements	57 – 89
Detailed Income Statement	Annexure I





## STATEMENT OF RESPONSIBILITY BY THE BOARD OF DIRECTORS

For the year ended 31 March 2023

The Board of Botswana Qualifications Authority are responsible for the annual financial statements and all other information presented therewith. Their responsibility includes the maintenance of true and fair financial records and the preparation of annual financial statements in accordance with International Financial Reporting Standards and in the manner required by the Botswana Qualifications Authority Act, No 24 of 2013.

The Botswana Qualifications Authority ("BQA"/ "Authority") maintains systems of internal control, which are designed to provide reasonable assurance that the records accurately reflect its transactions and to provide protection against serious misuse or loss of Authority's assets. The directors are also responsible for the design, implementation, maintenance and monitoring of these systems of internal financial control. These controls are mandatory throughout the Authority and all employees are required to maintain the highest ethical standards in ensuring that the Authority's business is conducted in a manner that in all reasonable circumstances is above reproach. Nothing has come to the attention of Directors to indicate that any significant breakdown in the functioning of these systems has occurred during the year under review.

The going concern basis has been adopted in preparing the annual financial statements (Note 12). The members of the Board have no reason to believe that the Authority will not be a going concern in the foreseeable future, based on the continuous support from the Government of Botswana through the Ministry of Education and Skills Development.

The directors have reviewed the Authority's cashflow forecast for the year 2023/24 and in light of this review and its current ratio, they are satisfied that the Authority is able to meet its obligations when they become due.

Our external auditors conduct an examination of the financial statements in conformity with International Standards on Auditing, which include tests of transactions and selective tests of internal accounting controls. Regular meetings are held between management and our external auditors to review matters relating to internal controls and financial reporting. The external auditors have unrestricted access to the Authority's financial records and members of the Board.

The annual financial statements on pages 53 to 89 and supplementary information were authorised for issue by the Board on 28 June 2023 and are signed on its behalf by:

**Chairperson**  
**Mr Gabaake Gabaake**

**Board Member**  
**Ms Mercy Conlon**



## INDEPENDENT AUDITOR'S REPORT

To the Members of Botswana Qualifications Authority

### Report on the Audit of the Annual Financial Statements

#### Opinion

We were engaged to audit the annual financial statements of Botswana Qualifications Authority set out on pages 53 to 89, which comprise the statement of financial position as at March 31, 2023, and the statement of comprehensive income, statement of changes in funds and statement of cash flows for the year then ended, and notes to the annual financial statements, including a summary of significant accounting policies.

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of Botswana Qualifications Authority as at March 31, 2023, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Botswana Qualifications Authority Act, 2013.

#### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Annual Financial Statements section of our report. We are independent of the Authority in accordance with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts A and B) (IESBA Code) and other independence requirements applicable to performing audits of financial statements in Botswana. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and in accordance with other ethical requirements applicable to performing audits in Botswana. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the annual financial statements of the current period. However, for the current period, we have determined that there are no Key Audit Matters to communicate in our report.

#### Other information

The members of the Board are responsible for the other information. The other information comprises the Authority Information, the Statement of responsibility by the members of the Board and the Detailed Income Statement as required by the Botswana Qualifications Authority Act of Botswana, which we obtained prior to the date of this report, and the Botswana Qualifications Authority Annual Report for financial year ended March 31, 2023, which is expected to be made available to us after that date. Other information does not include the annual financial statements and our auditor's report thereon.



Our opinion on the annual financial statements does not cover the other information and we do not and will not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the annual financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the annual financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Responsibilities of the Board for the Annual Financial Statements**

The Board of Botswana Qualifications Authority is responsible for the preparation and fair presentation of financial statements in accordance with International Financial Reporting Standards and in the manner required by the Botswana Qualifications Authority Act and for such internal control as the Board determine is necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual financial statements, the Board is responsible for assessing the Authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board either intend to liquidate the authority or to cease operations, or have no realistic alternative but to do so.

## **Auditor's Responsibilities for the Audit of the Annual Financial Statements**

Our responsibility is to conduct an audit of the Authority's financial statements in accordance with International Standards on Auditing and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.





- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the authority to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### Report on Other Legal and Regulatory Requirements

The Authority has not complied with the Botswana Qualifications Authority Act 2013 Part VI S.25. The report for the year ended March 31, 2022 was submitted on May 5, 2023. It is mandatory for the Authority to submit within a period of six months after the financial year, an annual report which includes a comprehensive report of its operations during that year together with the auditor's report and audited accounts.

**Mazars**  
**Certified Auditors**  
**Practicing member: Shashikumar Velambath (CAP 0022 2023)**

**Date**.....10.07.2023  
**Gaborone**



## STATEMENT OF PROFIT OR LOSS

For the year ended 31 March 2023

	Note	2023 P	2022 P
<b>Income</b>			
Government Grants	1	44,309,839	75,528,338
Quality assurance services	1	17,673,673	13,608,566
		61,983,512	89,136,904
Amortisation of capital grants	5.3	3,003,969	2,903,203
Amortisation of project funds	5.4	948,791	-
Other income and miscellaneous items	2.1	2,999,500	1,093,315
<b>Total income</b>		68,935,772	93,133,422
<b>Expenditure</b>			
Amortisation of intangible assets		(288,549)	(256,421)
Advertising and promotion		(379,795)	(73,457)
Audit fees		(287,317)	(284,136)
Computer expenses		(3,982,030)	(3,349,277)
Depreciation of property, plant and equipment		(2,715,420)	(2,646,781)
Depreciation right of use		(193,507)	(177,483)
Maintenance and running costs		(1,044,823)	(888,702)
Lease liability interest fair value adjustment		(189,187)	(24,221)
Accreditation and Registration Expert fees		(227,783)	(965,990)
Research and consultancy		(799,516)	(1,676,905)
Staff costs	2.2.1	(64,979,890)	(70,892,166)
Travel and accommodation expenses		(374,541)	(166,903)
Workshops and conferences		(247,988)	(214,335)
Movement in expected credit loss	4.1.1	(3,809,161)	187,460
Other operating expenses	2.2	(6,304,019)	(5,424,333)
<b>Total expenditure</b>	2.2	(85,823,526)	(86,853,651)
<b>(Deficit) / Surplus for the year</b>		(16,887,754)	6,279,771

**STATEMENT OF FINANCIAL POSITION****As at 31 March 2023**

	Note	2023 P	2022 P
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	5.1	30,860,611	31,277,477
Right of Use Asset	5.1.1	207,499	403,370
Intangible Assets	5.2	778,362	1,066,911
		<b>31,846,472</b>	<b>32,747,758</b>
<b>Current Assets</b>			
Receivables and Prepayments	4.1	2,018,110	1,831,336
Cash and Cash Equivalents	4.2	72,698,466	77,672,334
<b>Total Current Assets</b>		<b>74,716,576</b>	<b>79,503,670</b>
<b>TOTAL ASSETS</b>		<b>106,563,047</b>	<b>112,251,428</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Accumulated Funds	6.1	959,118	17,846,871
<b>Non-Current Liabilities</b>			
Capital Grants	5.3	28,596,899	28,796,651
Lease Liability	5.3.1	-	220,939
Project Funds	5.4	7,775,000	-
		<b>36,371,899</b>	<b>29,017,590</b>
<b>Current liabilities</b>			
Capital Grant	5.3	3,003,969	2,903,203
Lease Liability	5.3.1	220,978	192,272
Projects Funds	5.4	32,855,911	22,034,267
Deferred revenue	5.6	15,356,416	13,040,341
Trade and Other Payables	4.3	6,769,243	7,806,653
Employee Benefit Obligations	5.5	11,025,513	19,410,231
<b>Total Current Liabilities</b>		<b>69,232,030</b>	<b>65,386,967</b>
<b>Total Liabilities</b>		<b>105,603,930</b>	<b>94,404,557</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>106,563,047</b>	<b>112,251,428</b>





# STATEMENT OF CHANGES IN FUNDS

For the year ended 31 March 2023

		Accumulated funds P
Note		
<b>For the year ended 31 March 2022</b>		
Balance at 1 April 2021		11,567,100
Surplus for the year		<u>6,279,771</u>
<b>Balance at 31 March 2022</b>		<b><u>17,846,871</u></b>
<b>For the year ended 31 March 2023</b>		
Balance at 1 April 2022		17,846,871
Deficit for the year	6.1	<u>(16,887,754)</u>
<b>Balance at 31 March 2023</b>		<b><u>959,118</u></b>



## STATEMENT OF CASH FLOWS

For the year ended 31 March 2023

	Notes	2023	2022
		P	P
<b>Cash flows from operating activities</b>			
(Deficit) / Surplus for the year		(16,887,754)	6,279,771
<i>Adjustment for non cash items:</i>			
Amortisation of deferred capital grants	5.3	(3,003,969)	(2,903,203)
Depreciation of property, plant and equipment	5.1	2,715,420	2,646,781
Amortisation of intangible assets	5.2	288,549	256,421
Depreciation on Right of Use Assets	5.1.1	193,617	177,483
Effects of changes in VAT on lease liability	5.1.1	2,253	
Interest on lease liability	5.3.1	16,986	24,221
Interest income	2.1	(2,968,349)	(1,086,291)
<i>Changes in working capital</i>			
Trade and other receivables		(186,774)	(946,698)
Employee benefit obligations		(8,384,719)	4,339,554
Trade and other payables		(1,037,410)	3,056,464
Movement in work in process		(38,105)	
Contract liability (deferred income)		2,316,075	(513,445)
<b>Net cash generated from operating activities</b>		<b>(26,974,179)</b>	<b>11,331,059</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	5.1	(2,420,031)	(1,108,693)
Purchase of Intangible Asset	5.2	-	(681,134)
Interest received	2.1	2,968,349	1,086,291
<b>Net cash used in investing activities</b>		<b>548,318</b>	<b>(703,536)</b>
<b>Cash flows from financing activities</b>			
Subvention- capital grant	5.3	577,910	1,145,292
Subvention- project funds	5.4	22,794,613	18,189,426
Amortisation of project funds - operating expenses	5.4	(948,791)	-
Capital grants for computer expenses	5.4	(374,022)	-
BQA transfer to HRDC	5.4	(388,500)	-
Payment of lease liability	5.3.1	(209,219)	(191,862)
<b>Net cash from financing activities</b>		<b>21,451,992</b>	<b>19,142,856</b>
<b>Net movement in cash and cash equivalents</b>		<b>(4,973,868)</b>	<b>29,770,378</b>
Cash and cash equivalents at beginning of year		77,672,334	47,901,955
<b>Cash and cash equivalents at end of year</b>	4.2	<b>72,698,466</b>	<b>77,672,334</b>



## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

### 1 Income

#### 1.1 Government grants

Government subvention  
Less: amount transferred to capital grants (Note 5.3)  
Add: capital grants adjustment (Note 5.3)  
Less: amount transferred to BQA Projects (Note 5.4)

2023	2022
P	P
67,522,890	94,768,960
(577,910)	(1,145,292)
159,583	94,096
(22,794,613)	(18,189,426)
44,309,839	75,528,338

#### 1.2 Quality assurance services

Income recognised from deferred revenue (Note 5.6.4)  
Annual Registration and Accreditation fees  
Capacity building fees

2023	2022
P	P
14,295,473	12,768,566
3,343,200	840,000
35,000	-
17,673,673	13,608,566

### 2 Other income and expense items

#### 2.1 Other income and miscellaneous items

Interest received on short term investments  
Miscellaneous income  
Loss on sale of assets

2023	2022
P	P
2,968,349	1,086,291
31,151	22,493
-	(15,469)
2,999,500	1,093,315

#### 2.2 Administration expenses

Amortisation of intangible assets (Note 5.2)  
Advertising and promotion  
Computer expenses  
Depreciation of property, plant and equipment (Note 5.1)  
Depreciation right of use  
Maintenance and running costs  
Lease liability interest fair value adjustment  
Accreditation and Registration Expert fees  
Consultancy expenses  
Staff costs (Note 2.2.1)  
Travel and accommodation expenses  
Workshops and conferences  
Auditor's remuneration  
Movement in expected credit loss

##### Operating expenses

Board fees and expenses  
Insurance  
Printing and stationery  
Legal expenses  
Security  
Water and Electricity  
Rates  
Other expenses

##### Other operating expenses

##### Total administrative expenses

2023	2022
P	P
(288,549)	(256,421)
(379,795)	(73,457)
(3,982,030)	(3,349,277)
(2,715,420)	(2,646,781)
(193,507)	(177,483)
(1,044,823)	(888,702)
(189,187)	(24,221)
(227,783)	(965,990)
(799,516)	(1,676,905)
(64,979,890)	(70,892,166)
(374,541)	(166,903)
(247,988)	(214,335)
(287,317)	(284,136)
(3,809,161)	187,460
(79,519,507)	(81,429,318)
(1,353,716)	(1,196,705)
(772,902)	(718,288)
(297,977)	(213,920)
(606,361)	(659,880)
(312,860)	(361,272)
(813,088)	(890,735)
(441,082)	-
(1,706,033)	(1,383,533)
(6,304,019)	(5,424,333)
(85,823,526)	(86,853,651)





## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

### 2.2.1 Breakdown of Staff Costs

Salaries and wages  
 Gratuity  
 Pension  
 Medical expenses  
 Leave pay  
 Other staff costs

2023	2022
P	P
<b>48,358,803</b>	54,674,998
<b>8,359,692</b>	8,312,737
<b>2,278,306</b>	2,227,682
<b>1,872,835</b>	1,729,951
<b>2,384,985</b>	2,822,848
<b>1,725,269</b>	1,123,950
<b>64,979,890</b>	70,892,166
<b>116</b>	119

Number of Employees

### 3 Income tax

No provision for taxation is made as the Authority is exempt from taxation in terms of the second schedule of the Income Tax Act (Chapter 52:01).

### 4 Financial assets and financial liabilities

The Authority holds the following financial instruments:

Financial assets	Notes	Financial assets at amortised cost P	Total P
<b>At 31 March 2023</b>			
Trade and other receivables	4.1	<b>1,204,403</b>	<b>1,204,403</b>
Cash and cash equivalents	4.2	<b>72,698,466</b>	<b>72,698,466</b>
		<b>73,902,869</b>	<b>73,902,869</b>
<b>At 31 March 2022</b>			
Trade and other receivables*	4.1	1,417,510	1,417,510
Cash and cash equivalents	4.2	77,672,334	77,672,334
		79,089,844	79,089,844

\*excluding prepayments



## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

### 4 Financial assets and financial liabilities (continued)

Financial liabilities	Notes	Liabilities at amortised cost P
<b>At 31 March 2023</b>		
Other payables	4.3	<b>6,769,243</b>
<b>At 31 March 2022</b>		
Other payables	4.3	7,806,653

The Authority's exposure to various risks associated with financial instruments is discussed in Note 8. The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of financial assets mentioned above. The carrying amounts of all short term financial assets and liabilities carried at amortised cost approximate to their fair value. (IFRS 7.29(a)).

#### 4.1 Receivables and Prepayments

	2023 P	2022 P
Trade receivables	4,817,527	1,264,719
Less: Provision for impairment (Note 4.1.1)	(3,967,390)	(158,229)
	850,137	1,106,490
Interest receivable from money market and fixed deposit	211,388	84,505
Prepayments	813,707	413,826
Other receivables	142,878	226,515
	<b>2,018,110</b>	1,831,336

##### 4.1.1 Provision for impairment on receivables

	2023 P	2022 P
Balance at the beginning of the year	158,229	345,689
Movement in expected credit lossess	3,809,161	(187,460)
<b>Balance at end of the year</b>	<b>3,967,390</b>	158,229



## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

### 4.2 Cash and cash equivalents

Bank balances  
Cash on hand

2023	2022
P	P
72,692,466	77,666,334
6,000	6,000
<b>72,698,466</b>	<b>77,672,334</b>

#### (i) Reconciliation to cash flow statement

The above figures reconcile to the amount of cash shown in the statement of cash flows at the end of the financial year as follows:

Stanbic Bank Botswana Limited  
Stanbic Bank Botswana Limited Fixed Deposit  
First National Bank of Botswana  
IPRO Botswana Limited  
Cash on hand

2023	2022
P	P
33,250	177,752
20,132,329	30,000,000
33,629,080	29,721,071
18,897,807	17,767,511
6,000	6,000
<b>72,698,466</b>	<b>77,672,334</b>

#### (ii) Classification as cash equivalents

Term deposits are presented as cash equivalents if they have a maturity of three months or less from the date of acquisition and are repayable with 48 hours notice with no loss of interest. See Note 14.5 for the Authority's other accounting policies on cash and cash equivalents.

### 4.3 Trade and other payables

#### Current liabilities

Audit fees accrual  
Accruals  
Suppliers payments

2023	2022
P	P
287,317	284,136
5,924,399	7,407,816
557,527	114,701
<b>6,769,243</b>	<b>7,806,653</b>

The other payables comprise amounts owing for general supplies, utilities and accruals for ongoing expenses. The members of the board considered that carrying amounts of trade and other payables approximate their fair value.





## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

### 5 Non-financial assets and liabilities

#### 5.1

Property, plant and equipment	Land and buildings	Plant and machinery	Motor vehicles	Furniture and fittings	Office equipment	Computer equipment	Library books	Work in progress	Total
	(cost)	(cost)	(cost)	(cost)	(cost)	(cost)	(cost)	(cost)	
	P	P	P	P	P	P	P	P	P
<b>Cost/valuation</b>									
Balance at 1 April 2021	29,071,068	4,941,924	3,252,658	7,581,977	1,498,720	6,603,784	395,716	-	53,345,847
Additions	-	-	18,920	117,164	138,293	189,781	-	644,535	1,108,693
Disposal	-	-	-	-	(9,408)	(445,494)	-	-	(454,902)
<b>Balance at 31 March 2022</b>	<b>29,071,068</b>	<b>4,941,924</b>	<b>3,271,578</b>	<b>7,699,141</b>	<b>1,627,605</b>	<b>6,348,071</b>	<b>395,716</b>	<b>644,535</b>	<b>53,999,638</b>
Additions		337,106	1,284,328	109,038	136,322	553,237	-	-	2,420,031
WIP addition								38,106	38,106
Transfer		644,535						(644,535)	-
Disposal		-	(365,680)	-	-	(8,690)	-	-	(374,370)
<b>Balance at 31 March 2023</b>	<b>29,071,068</b>	<b>5,923,565</b>	<b>4,190,226</b>	<b>7,808,179</b>	<b>1,763,927</b>	<b>6,892,619</b>	<b>395,716</b>	<b>38,106</b>	<b>56,083,405</b>
<b>Accumulated depreciation</b>									
Balance at 1 April 2021	7,498,611	2,707,278	1,039,461	3,055,416	1,208,303	4,536,302	390,814	-	20,436,185
Charge for the year	823,802	-	557,673	575,729	89,069	600,316	191	-	2,646,781
Disposal	-	-	-	-	(9,314)	(351,491)	-	-	(360,805)
<b>Balance at 31 March 2022</b>	<b>8,322,413</b>	<b>2,707,278</b>	<b>1,597,135</b>	<b>3,631,146</b>	<b>1,288,058</b>	<b>4,785,126</b>	<b>391,005</b>	<b>-</b>	<b>22,722,161</b>
Charge for the year	579,176	279,397	616,351	582,232	107,649	550,544	87	-	2,715,420
Disposal	-	-	(208,651)	-	-	(6,136)	-	-	(214,787)
<b>Balance at 31 March 2023</b>	<b>8,901,589</b>	<b>2,986,675</b>	<b>2,004,835</b>	<b>4,213,378</b>	<b>1,395,707</b>	<b>5,329,534</b>	<b>391,092</b>	<b>-</b>	<b>25,222,794</b>
<b>Carrying amount</b>									
At 31 March 2022	20,748,655	2,234,647	1,674,443	4,067,995	339,547	1,562,945	4,711	644,535	31,277,477
<b>At 31 March 2023</b>	<b>20,169,479</b>	<b>2,936,891</b>	<b>2,185,391</b>	<b>3,594,801</b>	<b>368,220</b>	<b>1,563,084</b>	<b>4,624</b>	<b>38,106</b>	<b>30,860,611</b>



## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

### 5.1 Property, plant and equipment (continued)

#### *(i) Depreciation methods and useful lives*

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives or, in the case of leasehold improvements and certain leased plant and equipment, the shorter of the lease term as follows:

Leasehold land and buildings	50 years
Plant and machinery	20 years
Motor vehicles	6 years
Furniture and fittings	10 years
Office equipment	6 years
Computer equipment	6 years
Library books	2 years

See note 14.6 for other accounting policies relevant to property, plant and equipment.



# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

## 5.1.1 Right of Use Asset - Leased Photocopiers

<b>Cost</b>	<b>P</b>
Balance at 1 April 2021	-
Additions	580,852
Balance at 31 March 2022	580,852
Balance at 1 April 2022	580,852
Additions	-
<b>Balance at 31 March 2023</b>	<b>580,852</b>
<b>Accumulated Depreciation</b>	
Balance at 1 April 2021	-
Charge for the year	177,483
Balance as 31 March 2022	177,483
Balance at 1 April 2022	177,483
Charge for the year	193,617
Effect of changes in VAT	2,253
<b>Balance as 31 March 2023</b>	<b>373,353</b>
<b>Carrying amount</b>	
At March 2022	403,369
<b>At March 2023</b>	<b>207,499</b>

The Authority has leased six photocopier machines for a period of three (3) years effective 01 April 2021. Depreciaition is calculated using straight line method over the lease period.





## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

### 5.2 Intangible assets

#### Cost

	P
Balance at 1 April 2021	4,385,680
Additions	681,134
Balance at 31 March 2022	5,066,814
Balance at 1 April 2022	5,066,814
Additions	-
<b>Balance at 31 March 2023</b>	<b>5,066,814</b>

#### Accumulated amortisation

Balance at 1 April 2021	3,743,482
Amortisation charge	256,421
Balance as 31 March 2022	3,999,903
Balance at 1 April 2022	3,999,903
Amortisation charge	288,549
<b>Balance as 31 March 2023</b>	<b>4,288,452</b>

#### Carrying amount

At 31 March 2022	1,066,911
<b>At 31 March 2023</b>	<b>778,362</b>

Intangible assets consists of computer software which is a purchased asset. There were no individual assets that are material to the annual financial statement of the Authority as a whole.

Amortisation is calculated using the straight-line method to allocate the cost (net of their residual values) over their estimated useful lives

Computer software	4 years
-------------------	---------



## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

### 5.3 Capital grants

#### Balance at 1 April

Purchase of property, plant and equipment from Government subvention

Purchase of property, plant and equipment from deferred project funds

BQA transfer from WIP

Property, plant and equipment disposed

PPE amortisation during the year

Intangible assets amortisation during the year

#### Balance at 31 March

The non-current and current split of capital grants are:

To be amortised within one year

To be amortised thereafter

2023	2022
P	P
31,699,854	33,551,860
577,910	1,145,292
1,842,121	-
644,535	-
(159,583)	(94,096)
(2,715,420)	(2,646,781)
(288,549)	(256,421)
<b>31,600,868</b>	<b>31,699,854</b>
3,003,969	2,903,203
28,596,899	28,796,651
<b>31,600,868</b>	<b>31,699,854</b>

The portion of the grants recognised as income during the year relates to the depreciation of property, plant and equipment and amortisation of intangible assets which were funded by the capital grants. The total amortisation during the period amounted to P3,003,969.00

#### 5.3.1 Lease liabilities

Balance at 1 April

Lease payment

Lease liability interest fair value adjustment

Balance at 31 March

The current and non current split of lease liability is

To be amortised within one year

To be amortised thereafter

2023	2022
P	P
413,211	580,852
(209,219)	(191,862)
16,986	24,221
<b>220,978</b>	<b>413,211</b>
220,978	192,272
-	220,939
<b>220,978</b>	<b>413,211</b>

The Authority has a three year photocopier lease contract with Altron Botswana which commenced on 01 April 2021. The lease contract will expire on 31 March 2024.



## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

### 5.4 Project funds

#### Balance at 1 April

Amortisation of project funds - operating expenses

BQA transfer to HRDC

Capital grants for computer expenses

BQA transfer to capital grants

BQA transfer from WIP to capital grants

BQA deferred capital projects

#### Balance at 31 March

2023	2022
P	P
22,034,267	3,844,841
(948,791)	-
(388,500)	-
(374,022)	-
(1,842,121)	-
(644,535)	-
22,794,613	18,189,426
40,630,911	22,034,267

#### Closing balance relates to deferred grants received in respect to:

Office building maintenance

Implementation of General Education System

Tour guides prior learning assessment

Accreditation of Learning programme project

Legacy Learning programme audit

Information Technology Systems

Enterprise Resource Planning System (ERP)

Procurement of vehicles

Information Technology Hardware

Organisational Review

Business Process Enhancement

Norms and Standards

BQA Act Review

#### Balance at 31 March

2023	2022
P	P
1,328,696	2,173,543
2,228,264	2,228,264
-	388,500
1,653,747	6,647,538
4,045,000	-
739,500	1,675,000
7,775,000	7,225,000
-	1,296,422
-	400,000
20,000,000	-
906,400	-
1,492,640	-
461,665	-
40,630,911	22,034,267



# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

## General Education System Project

The Authority received the sum of P5,000,000.00 from the Ministry of Basic Education in 2017-18 for capacity building in the General Education System. Implementation started in June 2019 and as of 31 March 2023, there was a balance of P2,228,264.00 to continue with the implementation of the project.

## Office Building Maintenance

Botswana Government on the 16th January 2014 authorised the Authority to use the P3,177,729.00 which remained during the construction of the office building for maintenance purposes. In 2021-22 additional P945,465.00 was deferred for office refurbishment, and P844, 847.00 was utilised during the financial year 2022-23 resulting in a closing balance of P1,328,696.00 as of 31 March 2023.

## Learning Programme Project

The Authority launched a project for the accreditation of learning programmes in December 2021. The approved project budget was P6,795,588.00. As of 31 March 2023, there was a balance of P1,653,747.00, to continue with accreditation of learning programmes.

## BQA Deferred Projects

For the financial year 2022-23, the Authority deferred an amount of P20,000,000 for Organisational Restructuring, P7,775,000.00 for Enterprise Resource Planning System, P739,500.00 for procurement of Information Technology System P4,045,000.00 for Auditing of Legacy Learning Programmes, P906,400.00 for Business Process Enhancement, P1,492,640.00 for Development of Norms and Standards and P461,665.00 for Act Review.





## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

### 5.5 Employee benefit obligations

	Severance pay P	Leave pay P	Gratuity P	Total P
<b>Balance at beginning of the year</b>	73,624	5,422,064	13,914,544	<b>19,410,231</b>
Provisions for the year	124,671	2,384,985	9,357,234	<b>11,866,890</b>
Payments during the year	177,284	(5,322,591)	(14,197,418)	<b>(19,697,293)</b>
Advances	-	-	(554,315)	<b>(554,315)</b>
<b>Balance at end of the year</b>	<b>21,011</b>	<b>2,484,457</b>	<b>8,520,045</b>	<b>11,025,513</b>

#### Gratuity

Employees receive terminal gratuities in accordance with their contracts of employment. An accrual is made for the estimated liability towards such employees up to the end of the reporting period. With effect from 1 April 2005, annual provisions for gratuity for officers of autonomous organisations funded by the Government are required to be placed in trust funds that cannot be spent on any other activity, including bridging finance. In order to comply with this requirement the Authority has opened a money market investment with IPRO Botswana for employee obligations. The account has a balance of P18,897,807.00 (2022: P 47,767,511.00).

#### Leave pay

Leave provision is calculated based on accrued leave days not taken during the year. The entire amount of the obligation of P 2,484,457.00 (2022: P 5,422,064.00) is presented as current, since the Authority does not have an unconditional right to defer settlement of this obligations.

The provisions in respect of the gratuity and leave pay are in accordance with the conditions of employment. The obligations are payable on the date of termination of employment or the end of the contract of service, whichever is earlier. These calculations are based on management assessment as of the reporting date. Management has assumed that all employees may request their dues within 12 months, hence the entire provisions are classified as a current liability.

### 5.6 Deferred revenue from contracts with customers

	2023 P	2022 P
Balance at 1 April	<b>13,040,341</b>	13,553,786
Received during the year	<b>16,611,548</b>	12,255,121
Recognised during the year	<b>(14,295,473)</b>	(12,768,566)
Balance at 31 March	<b>15,356,416</b>	13,040,341

Deferred revenue comprises fees received in advance for services provided by the Authority. All service contracts are fixed price and short-term. The nature of the Authority's performance obligation is at a specific point in time. The Authority sends a written response at a specific point in time when an application has gone through decision-making.

#### 5.6.1 Disaggregation of deferred revenue from contracts with customers - Type of service

	2023 P	2022 P
Registration and Accreditation of Education and Training Providers (ETPs)	483,500	1,192,800
Registration and Accreditation of Awarding Bodies	106,733	96,423
Accreditation of Learning Programmes	14,029,600	10,440,400
Approval of Short Courses	93,700	89,300
Evaluation of Qualifications	377,373	777,170
Registration and Accreditation of Assessors and Moderators	195,210	325,948
Institutional Audits	60,300	60,300
Capacity building fees	-	38,000
Appeals	10,000	20,000
<b>Balance at 31 March - Aggregate amount of transaction price allocated to unsatisfied obligations</b>	<b>15,356,416</b>	13,040,341



## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

### 5.6.2 Disaggregation of deferred revenue from contracts with customers - Type of customer

Awarding body	
Education Training Provider	
Individuals	
<b>Balance at 31 March - Aggregate amount of transaction price allocated to unsatisfied obligations</b>	

2023 P	2022 P
106,733	96,423
14,677,100	11,840,800
572,583	1,103,118
<b>15,356,416</b>	<b>13,040,341</b>

### 5.6.3 Disaggregation of deferred revenue Expected dates of discharging the unsatisfied performance obligation

2022-2023	
2023-2024	
<b>Balance at 31 March - Aggregate amount of transaction price allocated to unsatisfied obligations</b>	

2023 P	2022 P
-	13,040,341
15,356,416	-
<b>15,356,416</b>	<b>13,040,341</b>

As of 31 March 2023, the Authority had P15,356,416.00 allocated to unsatisfied performance obligations. The Authority expects to satisfy the obligations and recognise revenue during the financial year 2023-24. The transaction prices are as defined in the BQA fees regulations of 2016 and 2018.

### 5.6.4 Disaggregation of revenue recognised during the year from contract liability - Type of service

Registration and Accreditation of Education and Training Providers (ETPs)	
Registration and Accreditation of Awarding Bodies	
Accreditation of Learning Programmes	
Approval of Short Courses	
Evaluation of Qualifications	
Registration and Accreditation of Assessors and Moderators	
Capacity building fees	
Appeals	
<b>Balance at 31 March</b>	

2023 P	2022 P
976,900	1,649,050
-	167,210
10,341,955	4,123,656
77,200	2,757,200
1,958,918	3,644,638
854,500	416,812
71,000	10,000
15,000	-
<b>14,295,473</b>	<b>12,768,566</b>

### 5.6.5 Disaggregation of revenue recognised during the year from contract liability- Type of customer

Awarding body	
Education Training Provider	
Individuals	
<b>Balance at 31 March</b>	

2023 P	2022 P
3,830,000	3,282,410
7,652,055	6,278,034
2,813,418	3,208,122
<b>14,295,473</b>	<b>12,768,566</b>

### 5.6.6 Disaggregation of revenue recognised during the year from contract liability - Date when funds was received

2018-2019	
2019-2020	
2020-2021	
2021-2022	
2022-2023	
<b>Balance at 31 March</b>	

2023 P	2022 P
341,200	1,831,895
370,600	3,209,609
1,190,400	5,031,540
5,991,256	2,695,522
6,402,017	-
<b>14,295,473</b>	<b>12,768,566</b>

## 6 Reserves

### 6.1 Accumulated Funds

Balance 1 April	
surplus for the year	
Balance 31 March	

2023 P	2022 P
<b>17,846,871</b>	11,567,100
<b>(16,887,754)</b>	6,279,771
<b>959,118</b>	<b>17,846,871</b>

The Authority's Statement of Financial Position under capital and reserves consists of accumulated funds from prior years. The objective is to manage capital and safeguard its ability to continue as going concern in order to implement its core mandate.



## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

### 7 Critical accounting estimates and judgments

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Authority's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be wrong. Detailed information about each of these estimates and judgements is included in notes 1 to 6 together with information about the basis of calculation for each affected line item in the financial statements.

#### 7.1 Significant estimates and judgements

The areas involving significant estimates or judgements are:

##### 7.1.1 Measurement of the expected credit loss allowance – Note 4.1

The measurement of the Expected Credit Loss (ECL) allowance for financial assets measured at amortised cost is an area that requires the use of models and significant assumptions about future economic conditions and credit behavior (e.g the likelihood of customers defaulting and the resulting losses). A number of significant judgements are also required in applying the accounting requirements for measuring ECL, such as:

- Choosing appropriate models and assumptions for the measurement of ECL;
- Establishing groups of similar financial assets for the purposes of measuring ECL.

##### 7.1.2 Residual value and useful lives of property, plant and equipment

The Authority follows the guidance of IAS 16 (revised) and determines the residual values and useful lives of assets at each reporting date. This determination requires significant judgement. In making this judgement management evaluates amongst other factors, the purpose for which the respective asset is acquired, market conditions at the reporting date and the practice adopted by similar organisations. Residual values are based on current estimates of the value of these assets at the end of their useful lives. Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

##### 7.1.3 Useful lives of intangible assets

The Authority follows the guidance of IAS 38 and determines the useful lives of assets at each reporting date. This determination requires significant judgement. In making this judgement management evaluates amongst other factors, the purpose for which the respective asset is developed, market conditions at the reporting date and the practice adopted by similar organisations.

##### 7.1.4 Treatment of grants received from Government (Note 1)

Taking into account its nature and substance, the Authority considers amounts that it receives from the Government to fall within the scope of IAS 20 Accounting for Government Grants and Disclosure of Government Assistance. In reaching this conclusion, the Authority considers the terms attached to each of the grants received and the current practice adopted by other parastatals in Botswana. Accordingly, the Authority recognises the amounts received in accordance with the accounting policy as included in note 14.3.

##### 7.1.5 Treatment of leases (Note 5.3.1)

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension or termination option. The assessment is reviewed if a significant event or change in circumstances occurs which affects this assessment. During the current financial year, there was no material financial effect of revising lease terms to the effect of exercising extension or termination options



## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

### 8 Financial risk management

This note explains the Authority's exposure to financial risks and how these risks could affect the Authority's future financial performance. Current year surplus and deficit information has been included where relevant to add further context.

Risk	Exposure arising from	Measurement	Management	
Market risk -interest rate	Deposits at variable rates	Sensitivity analysis	Assets/liabilities matched to the extent possible by holding assets earning variable rates of interest.	
Credit risk	Cash and cash equivalents and trade receivables	Aging analysis Credit ratings	Diversification of bank deposits, credit limits and active debtor management.	
Liquidity risk	Deferred revenue and other Liabilities	Cash flow forecasts	Matching of cash and cash equivalents to commitments and liabilities.	

The Authority's risk management is carried out by Management under policies approved by the Board of Directors. The Board provides principles for overall risk management, as well as policies covering specific areas, such as interest rate risk, credit risk and investment of excess liquidity.

#### 8.1 Market risk

##### (i) Cash flow and fair value interest rate risk

Financial instruments that are sensitive to interest rate risk are bank balances on call. The Authority invests excess cash resources in call deposit accounts which earn interest on a daily basis. Interest earned on the call deposit accounts is at market rates from commercial banks. A 0.5% increase in interest rates would result in an increase in interest received on short-term investments for the year by P14,842.00 (2022: P5,431.00), while a decrease in interest rates by a similar margin would result in the equal and opposite effect on the investments for the year. A 0.5% variation is considered the most likely movement in interest rates based on the past interest rate adjustments announced by the Bank of Botswana.

##### (ii) Foreign exchange risk

The Authority did not have any foreign exchange risk exposure during the financial year 2022-23.

##### (iii) Price risk

The Authority did not have any price risk exposure during the financial year 2022-23.





## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

### (iv) Cash equivalent

Stanbic Bank Botswana Limited  
Stanbic Bank Botswana Limited Fixed Deposit  
First National Bank of Botswana  
IPRO Botswana Limited

2023	2022
P	P
<b>33,250</b>	177,752
<b>20,132,329</b>	30,000,000
<b>33,629,080</b>	29,721,071
<b>18,897,807</b>	17,767,511
<b>72,692,466</b>	77,666,334

The Authority only deposit cash with financial institutions regulated by the Bank of Botswana and the Non-Bank Financial Institutions Regulatory Authority (NBFIRA). The Authority have deposits with Stanbic Bank Botswana, First National Bank of Botswana Limited and IPRO Botswana Limited. The banks are listed companies and have reported sound financial results and continued compliance with minimum capital adequacy requirements by the Bank of Botswana and the Non-Bank Financial Institutions Regulatory Authority (NBFIRA). Fully performing financial assets have not been re-negotiated during the year.

Stanbic Bank Botswana Limited is a long-established bank in Botswana and a subsidiary of Standard Bank of South Africa. Standard Bank of South Africa is listed on the Johannesburg Stock Exchange and has a credit rating of F1 for short-term credits (Fitch rating) which indicates the strongest intrinsic capacity for timely payment of financial commitments.

First National Bank of Botswana Limited is listed on the Botswana Stock Exchange and is a subsidiary of First Rand Bank Limited, a Bank listed on the Johannesburg Stock Exchange. The long-term credit rating assigned to the bank by Moody's is Baa3 (stable). The long-term credit rating assigned to the bank by Standard & Poor's is BB (strong capacity to meet its financial commitments). First Rand Bank rating reflects the bank's strong market position as one of the big four banks in South Africa as well as its focused strategy, good core profitability, financial flexibility, robust risk management and sound capitalisation.

IPRO Botswana is a Botswana based Investment Management Company, registered and licensed with the NBFIRA. It commenced operations in 2007.



## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

### 8.2 Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Authority. As of 31 March 2023, the Authority's maximum exposure to credit risk which will cause a financial loss due to failure to discharge an obligation by the counterparties arises from the carrying amount of the respective recognised financial assets as stated in the Statement of Financial Position.

In order to minimise credit risk, the Authority has adopted appropriate policies and procedures to ensure that follow-up action is taken to recover overdue debts. Furthermore, the Authority reviews the recoverable amount of each trade debt on an individual basis at the end of each reporting period to ensure that adequate loss allowance is made for irrecoverable amounts. The Authority does not hold any collateral or other credit enhancements to cover the credit risks associated with its financial assets.

Financial assets of the Authority, which are subject to credit risk, consist mainly of trade and other receivables and cash resources. The Authority holds cash deposits with reputable financial institutions.

The Authority applies the simplified approach to providing for expected credit losses prescribed by IFRS 9, which permits the use of the lifetime expected loss provision for all short-term receivables. To measure the expected credit losses, short-term receivables have been grouped based on shared credit risk characteristics and the days past due. The probability of default (PD) approach has been used to derive PDs and the default is set at 180 days past due. The model has taken into consideration the debt recovery rate and the Loss given default (LGD) is expected to be 100% of the debt due over 180 days. The loss allowance as at 31 March 2023 is determined as follows:

#### Trade Receivables: Expected Credit loss Default Rates(%)

Date	Current	1-30 Past due	61-90 Past Due	91-180 Past due	Over 180 past due
1-Apr-22	13.37%	0.00%	0.00%	0.00%	11.42%
31-Mar-23	57.74%	69.76%	69.76%	88.05%	100.00%

#### Trade Receivables: Gross Carrying Amounts (Pula)

Date	Current	1-30 Past due	61-90 Past Due	91-180 Past due	Over 180 past due	Total
1-Apr-22	737,919	-	-	-	526,800	1,264,719
31-Mar-23	1,566,900	462,000	119,000	102,000	2,567,627	4,817,527

#### Trade Receivables: Expected Credit Losses (Pula)

Date	Current	1-30 Past due	61-90 Past Due	90-180 Past due	Over 180 past due	Total
1-Apr-22	98,093	-	-	-	60,136	158,229
31-Mar-23	904,672	322,273	83,010	89,807	2,567,627	3,967,389



## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

### 8.3 Liquidity risk

The Authority's capital and operational expenditure is funded by the Government of Botswana in the form of a subvention. The Authority's substantial financial liabilities will be settled within twelve months after year-end. Employee obligations are funded from a 48hrs money market investment account that has been set up as disclosed in Note 5.5.

#### Maturities of current assets and current liabilities '31 March 2023

	0-6 month P'000	6 - 12 months P'000	More than 12 months P'000	Total P'000
<b>Current Assets</b>				
Cash and Cash Equivalents	72,698,466	-	-	72,698,466
<b>Total</b>	<b>72,698,466</b>	<b>-</b>	<b>-</b>	<b>72,698,466</b>
<b>Current Liabilities</b>				
Deferred capital grants and funds	(35,859,880)	-	-	(35,859,880)
Deferred revenue	(15,356,416)	-	-	(15,356,416)
Trade and other payables	(6,769,243)	-	-	(6,769,243)
Employee Benefit Obligations	(11,025,513)	-	-	(11,025,513)
Lease Liability	(121,017)	(99,962)	-	(220,978)
<b>Total</b>	<b>(69,132,068)</b>	<b>(99,962)</b>	<b>-</b>	<b>(69,232,030)</b>
<b>Net liquidity gap</b>	<b>3,566,398</b>	<b>(99,962)</b>	<b>-</b>	<b>3,466,436</b>
<b>Cumulative liquidity gap</b>	<b>3,566,398</b>	<b>3,466,436</b>	<b>3,466,436</b>	

#### 'As of 31 March 2022

	0-6 month P'000	6 - 12 months P'000	More than 12 months P'000	Total P'000
<b>Current Assets</b>				
Cash and Cash Equivalents	77,672,334	-	-	77,672,334
<b>Total</b>	<b>77,672,334</b>	<b>-</b>	<b>-</b>	<b>77,672,334</b>
<b>Current Liabilities</b>				
Deferred capital grants and funds	(24,937,470)	-	-	(24,937,470)
Deferred revenue	(13,040,341)	-	-	(13,040,341)
Trade and other payables	(7,806,653)	-	-	(7,806,653)
Employee Benefit Obligations	(19,410,231)	-	-	(19,410,231)
Lease Liability	(94,882)	(97,389)	(220,939)	(413,210)
<b>Total</b>	<b>(65,289,577)</b>	<b>(97,389)</b>	<b>(220,939)</b>	<b>(65,607,905)</b>
<b>Net liquidity gap</b>	<b>12,382,757</b>	<b>(97,389)</b>	<b>(220,939)</b>	<b>12,064,429</b>
<b>Cumulative liquidity gap</b>	<b>12,382,757</b>	<b>12,285,368</b>	<b>12,064,429</b>	

### 8.4 Capital risk management

The Authority's capital comprises accumulated funds. The Authority's objective when managing its capital During the period under review, the Authority did not have borrowings.



## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

### 9 Contingent liabilities

#### Staff car loan scheme

The Authority has guaranteed WesBank, a division of First National Bank of Botswana Limited, to a maximum of 80% of the total exposure, in respect of loans given to its staff members under the staff car loan scheme.

#### Staff house loan scheme

The Authority has guaranteed staff home loans from Botswana Building Society, the liability of the Authority is the portion of the loan which is above 90% of the Society's market valuation of the property at any given time.

#### Litigations

The contingent liabilities are for former employees who alleged that they were unfairly dismissed. The matter is ongoing, hearing was scheduled to be held in May, however at the time of reporting the hearing was postponed and the Authority is awaiting new court date. There is probable loss of P239,100.00

#### Contingent liabilities

Rates  
Legal fees

2023	2022
P	P
-	247,371
239,100	
<u>239,100</u>	<u>247,371</u>

### 10 Capital commitments

The Authority did not have capital commitments as of 31 March 2023

BQA Vehicles  
Information Technology Systems  
Information Technology Hardware  
BQA Office structural assessment  
Office Renovation and Porter cabin

2023	2022
P	P
-	1,296,422
-	8,900,000
-	400,000
-	400,000
-	545,465
<u>-</u>	<u>11,541,888</u>





## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

### 11 Related party transactions and balance

The Authority maintains a relationship with the Government of Botswana which is the sole shareholder. The Government of Botswana provides significant income to the Authority through subventions. Transactions directly with the Government of Botswana are treated as related party transactions. The Authority is a parastatal under the Ministry of Education and Skills Development.

#### 11.1 Subvention from Botswana Government (Ministry of Education and Skills Development):

	2023 P	2022 P
Subvention received from the Government (Note 1)	67,522,890	94,768,960

#### 11.2 Transactions with Board and Committee Members

Transactions consist of short-term benefits paid to Board and Committee Members as sitting allowances during the financial year.

	2023 P	2022 P
Board sitting allowances	662,670	478,350
Committee sitting allowances	396,000	541,305
Board fees and Committee Members	1,058,670	1,019,655

#### 11.3 Key Management Personnel Compensation:

Key personnel remuneration consists of short term employee benefits and post employment benefits paid to for the Authority has been defined as Executive Management and the Board Secretary.

	2023 P	2022 P
<b>Short-term benefits</b>		
Salaries and Allowances	7,852,295	6,165,381
Gratuity pay	2,600,013	866,430
Leave pay	727,558	-
	11,179,867	7,789,414
<b>Post Employment benefits</b>		
Leave	271,284	757,603
Gratuity	1,322,883	2,370,684
	12,774,033	10,160,098
Advances against gratuity	256,953	286,473

Like any other employee of the Authority, key management personnel become eligible for an advance against gratuity when they have served a minimum of two (2) years on their current employment contract. The advance against gratuity is recovered from the employee's gratuity at the end of their contract.



# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

## 12 Going Concern Assessment

The Authority's ability to continue as a going concern is dependent on the Government of Botswana for support. As guided by continual engagement, the Ministry of Education and Skills Development has shown commitment to support the national credit and qualifications framework maintenance and the quality assurance services now and in the foreseeable future because they believe the BQA mandate is still valid.

The Government of Botswana through Ministry of Education and Skills Development in its letter dated 10 March 2023, reference MESD 3/4/1 I (35) FM confirmed the approval of P90,030,512.00 as Subvention for 2023/24.

The 2022-23 annual financial statements have been prepared on a going concern basis. This basis presumes that support from the Ministry of Education and Skills Development in the form of funds will continue to be available to finance the Authority's operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.



## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

### 13 Subsequent Events

The Authority is not aware of any material events which occurred after reporting date and up to the date of this report that would require adjustments to or disclosure in these financial statements.



## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

### 14. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. Unless otherwise stated, these policies have been consistently applied to all the years presented.

#### 14.1 Basis of preparation

The annual financial statements of the Authority have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and in the manner required by the Botswana Qualifications Authority Act, 2013. The annual financial statements have been prepared on a historical cost basis and are presented in Botswana Pula which is the functional currency. All values are rounded to the nearest one pula.

Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 7.

#### New Accounting Standards and Interpretation

##### Standards and interpretations adopted during the year.

##### Amendments to IAS 16 'Property, Plant and Equipment on Proceeds before Intended Use

The amendment to IAS 16 prohibits an entity from deducting from the cost of an item of PPE any proceeds received from selling items produced while the entity is preparing the asset for its intended use (for example, the proceeds from selling samples produced when testing a machine to see if it is functioning properly). The proceeds from selling such items, together with the costs of producing them, are recognised in profit or loss.

The amendment has no impact on prior and current periods of the Authority.

##### Amendments to IAS 37 'Provisions, Contingent Liabilities and Contingent Assets' on Onerous Contracts—Cost of Fulfilling a Contract

The amendment clarifies which costs an entity includes in assessing whether a contract will be loss-making. This assessment is made by considering unavoidable costs, which are the lower of the net cost of exiting the contract and the costs to fulfil the contract. The amendment clarifies the meaning of 'costs to fulfil a contract'. Under the amendment, costs to fulfil a contract include incremental costs and the allocation of other costs that relate directly to fulfilling the contract.

The amendment has no impact on prior and current periods of the Authority.

##### Standards and interpretations adopted during the year – continued

##### Fees in the '10 per cent' test for derecognition of financial liabilities

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. There is no similar amendment proposed for IAS 39.





## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

An entity applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.

The amendment has no impact on prior and current periods of the Authority.

### Standards and interpretation issued but not yet effective

#### Definition of Accounting Estimates – Amendments to IAS 8

In February 2021, the Board issued amendments to IAS 8, in which it introduces a new definition of 'accounting estimates'.

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates. The amended standard clarifies that the effects on an accounting estimate of a change in input or a change in a measurement technique are changes in accounting estimates if they do not result from the correction of prior period errors.

The previous definition of a change in accounting estimate specified that changes in accounting estimates may result from new information or new developments. Therefore, such changes are not corrections of errors. This aspect of the definition was retained by the Board. The amendments include two illustrative examples to help stakeholders understand how to apply the new definition of accounting estimates. The amendments are intended to provide preparers of financial statements with greater clarity as to the definition of accounting estimates, particularly in terms of the difference between accounting estimates and accounting policies.

Although the amendments are not expected to have a material impact on entities' financial statements, they should provide helpful guidance for entities in determining whether changes are to be treated as changes in estimates, changes in policies, or errors. The amendments apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of the effective date. Effective for annual periods beginning on or after 1 January 2023. The Authority will adopt the amendments on 1 April 2023.

The amendment is not expected to have a material impact on the Authority.

### Standards and interpretation issued but not yet effective

#### Lease Liability in a Sale and Leaseback – Amendments to IFRS 16

In September 2022, the Board issued Lease Liability in a Sale and Leaseback (Amendments to IFRS 16). The amendment to IFRS 16 specifies the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

After the commencement date in a sale and leaseback transaction, the seller-lessee applies paragraphs 29 to 35 of IFRS 16 to the right-of-use asset arising from the leaseback and paragraphs 36 to 46 of IFRS 16 to the lease liability arising from the leaseback. In applying paragraphs 36 to 46, the seller-

lessee determines 'lease payments' or 'revised lease payments' in such a way that the seller-lessee would not recognise any amount of the gain or loss that relates to the right of use retained by the seller-lessee. Applying these requirements does not prevent the seller-lessee from recognising, in profit or loss, any gain or loss relating to the partial or full termination of a lease,



## NOTES TO THE FINANCIAL STATEMENTS

### For the year ended 31 March 2023

as required by paragraph 46(a) of IFRS 16. The amendment does not prescribe specific measurement requirements for lease liabilities arising from a leaseback. The initial measurement of the lease liability arising from a leaseback may result in a seller-lessee determining 'lease payments' that are different from the general definition of lease payments in Appendix A of IFRS 16. The seller-lessee will need to develop and apply an accounting policy that results in information that is relevant and reliable in accordance with IAS 8.

#### **Transition**

A seller-lessee applies the amendment to annual reporting periods beginning on or after 1 January 2024. Earlier application is permitted, and that fact must be disclosed. A seller-lessee applies the amendment retrospectively in accordance with IAS 8 to sale and leaseback transactions entered into after the date of initial application (i.e., the amendment does not apply to sale and leaseback transactions entered into prior to the date of initial application). The date of initial application is the beginning of the annual reporting period in which an entity first applied IFRS 16. Effective for annual periods beginning on or after 1 January 2024. The Authority will adopt the amendments on 1 April 2024.

The amendment is not expected to have a material impact on the Authority.

#### **Standards and interpretation effective but not yet effective – Continued**

##### **Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2**

In February 2021, the Board issued amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements (the PS), which provides guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by:

- Replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies; and
- Adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures

**Replacement of the term 'significant' with 'material'** In the absence of a definition of the term 'significant' in IFRS, the Board decided to replace it with 'material' in the context of disclosing accounting policy information. 'Material' is a defined term in IFRS and is widely understood by the users of financial statements, according to the Board.

In assessing the materiality of accounting policy information, entities need to consider both the size of the transactions, other events or conditions and the nature of them. Examples of circumstances in which an entity is likely to consider accounting policy information to be material have been added. Disclosure of standardised information - Although standardised information is less useful to users than entity-specific accounting policy information, the Board agreed that, in some circumstances, standardised accounting policy information may be needed for users to understand other material information in the financial statements. In those situations, standardised accounting policy information is material, and should be disclosed.

The amendments to the PS also provide examples of situations when generic or standardised information summarising or duplicating the requirements of IFRS may be considered material accounting policy information. Effective for annual periods beginning on or after 1 January 2023. The Authority will adopt the amendments on 1 April 2023.

The amendments may impact the accounting policy disclosures of the Authority. The full impact is still being assessed.



## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

### Standards and interpretation effective but not yet effective – Continued

#### Classification of Liabilities as Current or Non-current - Amendments to IAS 1

The amendments were originally effective for annual reporting periods beginning on or after 1 January 2022, however, their effective date was initially delayed to 1 January 2023. This is further delayed until 1 January 2024.

The amendments result from a request received by the IASB to clarify the criteria for the classification of a liability as either current or non-current. In particular, the IASB was asked to clarify how having an unconditional right to defer settlement (specified in IAS 1:69(d)) reconciled with having the discretion to refinance or roll over an obligation (specified in IAS 1:73). This is because having an unconditional right to defer settlement was seen as a much higher hurdle than having the discretion to defer settlement.

The IASB decided to address this conflict by proposing amendments to IAS 1 in Exposure Draft ED/2015/1 Classification of Liabilities. The IASB decided to finalise these proposals with additional clarifications, but no fundamental changes.

The Authority will adopt the amendments on 1 April 2024.

The amendment is not expected to have a material impact on the Authority.

### 14.2 Foreign currency translation

The Authority's presentation and functional currency is the Botswana Pula ("P").

#### (i) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Botswana Pula, which is the Authority's functional and presentation currency.

#### (ii) Transactions and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income. Such monetary assets and liabilities are translated at the exchange rates prevailing at year-end.

Changes in the fair value of monetary securities denominated in foreign currency classified as available for sale are analysed between translation differences resulting from changes in the amortised cost of the security and other changes in the carrying amount of the security.

Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets measured at fair value, such as equities classified as available for sale, are included in other comprehensive income.



## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

### 14.3 Revenue recognition

#### (i) Government subvention and grants

Government grants are recognised at their fair value where there is a reasonable assurance that the grants will be received, and the Authority has complied with all attached conditions.

Capital grants are recognised in the statement of financial position on receipt as deferred income and are released to the statement of comprehensive income on a basis matching the depreciation charge on the assets purchased using the grant.

#### (ii) Interest income

Interest income is recognised in the statement of comprehensive income as it accrues, considering the effective yield on the asset.

#### (iii) Quality Assurance fees (Registration, Accreditation and Audit Services)

The Authority provides registration, accreditation, and auditing in order to provide qualifications framework services. The Authority receive fees in advance for the provision of registration, accreditation and audit services. All contracts are fixed price and short-term. The Authority sends a written response at a specific point in time when an application has gone through decision-making. Consequently, revenue is recognised at a specific point when the application has been fully processed.

Revenue is measured based on the consideration to which the Authority expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties.

Revenue recognition follows a five-step model framework as follows:

- Step 1: Identify the contract(s) with a customer.
- Step 2: Identify the performance obligations in the contract.
- Step 3: Determine the transaction price.
- Step 4: Allocate the transaction price to the performance obligations in the contract.
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.

### 14.4 Impairment of non-financial assets

Non-financial assets are reviewed annually for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period date.

As a minimum, Management considers the existence of the following external and internal indicators at the end of each reporting period date which individually or collectively may indicate impairment on non-financial assets.

#### External sources of information

- An unexpected significant decline in the market value of an asset.
- A significant change in the technological, market, economic or legal environment within which the Authority operates or in the market to which an asset has been dedicated, that adversely affects the Authority.





## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

- Market interest rates or other market rates of return on investments have increased during the period, and those increases are likely to affect the discount rate used in calculating an asset's value in use and decrease the asset's recoverable amount materially.
- The carrying amount of the net assets of the Authority is more than its market capitalisation.

### Internal sources of information

- Evidence is available of obsolescence or physical damage of an asset.
- Significant changes with an adverse effect on the Authority have taken place during the period or are expected to take place soon, in the extent to which, or manner in which, an asset is used or is expected to be used.
- Evidence is available from internal reporting that indicates that the economic performance of an asset is, or will be, worse than expected.

## 14.5 Financial Assets and Liabilities

### Measurement methods

#### Amortised cost and effective interest rate

The amortised cost is the amount at which the financial asset or financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any loss allowance.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset (i.e., its amortised cost before any impairment allowance) or to the amortised cost of a financial liability. The calculation does not consider expected credit losses and includes transaction costs, premiums or discounts and fees and points paid or received that are integral to the effective interest rate, such as origination fees.

When the Authority revises the estimates of future cash flows, the carrying amount of the respective financial assets or financial liability is adjusted to reflect the new estimate discounted using the original effective interest rate. Any changes are recognised in profit or loss.

#### Interest income

Interest income is calculated by applying the effective interest rate to the gross carrying amount of financial assets and is recognised on an accrual basis.

#### Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument.

At initial recognition, the Authority measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are incremental and directly attributable to the acquisition or issue of the financial asset or financial liability, such as fees and commissions. Transaction costs of financial assets and financial liabilities carried at fair value through profit or loss are expensed in profit or loss. Immediately after initial recognition, an expected credit loss allowance (ECL) is recognised for financial assets measured at amortised cost which results in an accounting loss being recognised in profit or loss when an asset is newly originated.

When the fair value of financial assets and liabilities differs from the transaction price on initial recognition, the Authority recognises the difference as follows:



## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

- (a) When the fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e., a Level 1 input) or based on a valuation technique that uses only data from observable markets, the difference is recognised as a gain or loss.
- (b) In all other cases, the difference is deferred, and the timing of recognition of deferred day one profit or loss is determined individually. It is either amortised over the life of the instrument, deferred until the instrument's fair value can be determined using market observable inputs or realised through settlement.

### ***Classification and subsequent measurement***

The classification requirements for debt measured at amortised cost are described below:

#### ***Cash and Cash Equivalent***

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

#### ***Trade receivables and prepayments***

Trade and other receivables excluding prepayments are classified as financial assets recognised initially at fair value and subsequently measured at amortised cost less provision for impairment.

Trade receivables are amounts due from customers for services performed in the ordinary course of operation. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

#### ***Impairment of financial assets***

The Authority recognises a loss allowance for expected credit losses (ECL) on investments in debt instruments that are measured at amortised cost which include lease receivables, trade receivables and contract assets. The amount for expected credit losses is updated at each reporting date to reflect changes in credit risk since the initial recognition of the respective financial instrument.

The Authority always recognises lifetime ECL for trade receivables, contract assets and lease receivables. The expected credit losses on these financial assets are estimated using a simplified ECL model based on the provision matrix. The ECL model considers Authority's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions, and an assessment of both the current as well as the forecast direction of conditions at the reporting date. Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument.

#### ***Derecognition of financial assets***

The Authority derecognises a financial asset only when the contractual rights to the cash flow from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Authority neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Authority recognises its retained interest in the asset and an associated liability for amounts it may have to pay.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.



## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

### Financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

### Derecognition of financial liabilities

The Authority derecognises financial liabilities when, and only when, the Authority's obligations are discharged, cancelled, or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

### Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

## 14.6 Property, plant, and equipment

The Authority's accounting policy for land and buildings, plant and machinery, motor vehicles, furniture & fittings, office equipment, computer equipment, computer software and library books are explained in Note 5.1. All assets are stated at historical cost less accumulated depreciation and accumulated impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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 Authority and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced.

All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

The depreciation methods and periods used by the Authority are disclosed in note 5.1.

The assets' residual values and useful lives are reviewed and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amounts. These are included in profit or loss.

## 14.7 Intangible assets

### Computer Software

Intangible assets comprise computer software. Costs associated with maintaining computer software programmes are recognised as an expense incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Authority are recognized as intangible assets when the following criteria are met:



## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

- it is technically feasible to complete the software product so that it will be available for use.
- management intends to complete the software product and use or sell it.
- it can be demonstrated how the software product will generate probable future economic benefits:
- adequate technical, financial, and other resources to complete the development and to use or sell the software product are available; and
- the expenditure attributable to the software products during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software product include the software development employee's costs and an appropriate portion of relevant overheads. Computer software costs recognised as assets are amortized over their useful life on a straight-line basis.

Other development expenditures that do not meet these criteria are recognised as an expense incurred. Development costs previously recognized as an expense are not recognized as an asset in a subsequent period.

### 14.8 Trade and other payables

These amounts represent liabilities for goods and services provided to the Authority prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

### 14.9 Projects and capital grants

Capital grants comprise grants received from the Government of the Republic of Botswana (Government) and other donors to finance major capital projects. Funds received are initially credited to the Projects Fund. Expenditure incurred on the capital projects is capitalised and an equivalent amount is transferred to capital grants. Expenditure incurred on non-capital projects is charged to the statement of comprehensive income. All other capital and non-capital expenditure are financed through the annual subvention from the Government.

An amount equivalent to the depreciation charge of property, plant and equipment funded by the capital grants is recognised as income in the statement of comprehensive income. Subsequent movement of property, plant, and equipment in terms of sale and impairment are treated accordingly in the capital grants.

### 14.10 Provisions

Provisions for legal claims, service warranties and make-good obligations are recognised when the group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are several similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Where the effect of discounting to present value is material, provisions are adjusted to reflect the time value of money.

### 14.11 Employee benefits





## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

The Authority provides gratuity and severance benefits to employees on fixed-term contracts in line with the employment act chapter 47:01 and the relevant employment contracts. Provision for terminal payments has been made in these financial statements. Employee entitlement to annual leave, contractual gratuity and severance are recognised when they accrue to employees because of services rendered by employees up to the statement of financial position date.

The Authority operates a defined contribution pension Authority for its permanent employees. The Authority contributes 16% of the pensionable earnings of the members to the Authority, and the employees contribute an additional 4% of their pensionable earnings. The Authority's contributions are charged to the statement of comprehensive income in the year in which they accrue. The management of the pension fund has been outsourced to Alexander Forbes.

The Authority recognise employees' right to annual leave accrued as of the reporting date. The recognition is made each year and is calculated based on accrued leave days not taken during the year.

### 14.12 Related parties

Related parties are defined as those parties:

- (a) directly, or indirectly through one or more intermediaries, the party that:
  - (i) controls are controlled by or are under common control with, the entity.
  - (ii) has an interest in the entity that gives it significant influence over the entity; or
- (b) that are members of the key management personnel of the entity.

All dealings with related parties are transacted on normal commercial terms and conditions and accordingly included in profit or loss for the year.

### 14.13 IFRS 16 leases

#### ***Authority as the lessee***

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases of low-value assets; and
- Leases with a duration of twelve months or less.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the Authority's incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term.

Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability also includes:

- Amounts expected to be payable under any residual value guarantee.
- The price of any purchase option granted in favour of the Authority if it is reasonably certain to assess that option.
- Any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis that the termination option is being exercised.

Right-of-use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:



## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

- Lease payments made at or before the commencement of the lease;
- Initial direct costs incurred; and
- The amount of any provision recognised where the Authority is contractually required to dismantle, remove, or restore the leased asset (typically leasehold dilapidations)

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

When the Authority revises its estimate of the term of any lease (because, for example, it re-assesses the probability of a lessee extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which is discounted at the same discount rate that applied at the lease commencement. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised. In both cases, an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortized over the remaining (revised) lease term.



## DETAILED INCOME STATEMENTS

For the year ended 31 March 2023

### Income

Government subvention  
Quality assurance fees

Amortisation of deferred capital grants  
Amortisation of deferred project funds

### Other income

Miscellaneous  
Loss on sale of assets

### Finance income

### Total income

### Total Expenditure

### Operating (Deficit) / Surplus for the year

### Expenditure

Accreditation and Registration Expert fees  
Advertising and promotion  
Amortisation charge  
Archiving  
Audit fees  
Bank charges  
Board fees and expenses  
Casual labour  
Computer expenses  
Depreciation of property, plant and equipment  
Depreciation right of use  
Entertainment expenses  
Gardening services  
Rates  
Movement in allowance for credit losses  
Insurance  
Legal fees  
Library books and materials  
Loss on foreign exchange  
Maintenance and running costs  
Lease liability interest fair value adjustment  
Motor vehicle expenses  
Office cleaning  
Postage and courier  
Printing and stationery  
Protective clothing  
Consultancy expenses  
Security  
Staff costs  
Subscriptions  
Telephone and fax  
Travel and accommodation  
Water and electricity  
Workshops and conferences

### Operating (Deficit) / Surplus for the year

2023 P	2022 P
44,309,839	75,528,337
17,673,673	13,608,566
61,983,512	89,136,903
3,003,969	2,903,203
948,791	-
31,151	22,493
-	(15,469)
31,151	7,024
2,968,349	1,086,291
68,935,772	93,133,421
(85,823,526)	(86,853,651)
(16,887,754)	6,279,770
(227,783)	(965,990)
(379,795)	(73,457)
(288,549)	(256,421)
(35,886)	(25,917)
(287,317)	(284,136)
(195,108)	(128,437)
(1,353,716)	(1,196,705)
(13,358)	(10,385)
(3,982,030)	(3,349,277)
(2,715,420)	(2,646,781)
(193,507)	(177,483)
(15,531)	(12,533)
(18,889)	(9,928)
(441,082)	-
(3,809,161)	187,460
(772,902)	(718,288)
(606,361)	(659,880)
-	(2,938)
(16,986)	-
(1,044,823)	(888,702)
(189,187)	(24,221)
(286,856)	(244,741)
(486,767)	(486,772)
(41,169)	(45,200)
(297,977)	(213,920)
(35,834)	-
(799,516)	(1,676,905)
(312,860)	(361,272)
(64,979,890)	(70,892,166)
(229,450)	(61,892)
(330,199)	(354,790)
(374,541)	(166,903)
(813,088)	(890,735)
(247,988)	(214,335)
(85,823,526)	(86,853,651)
(16,887,754)	6,279,770



## Notes

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.





## Notes



## Notes

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.



Blank lined paper with a faint geometric pattern in the bottom left corner.