



# 2017/18 ANNUAL REPORT

Building a seamless Education and Training System



**BOTSWANA**  
Qualifications Authority



A smiling woman with short dark hair, wearing black-rimmed glasses and a headset with a microphone. She is wearing a white scarf with a repeating pattern of the Botswana Qualifications Authority logo, which consists of a stylized 'Q' in blue and red. She is also wearing a dark blazer. The background is a blurred office setting with a green partition and a window.

## Vision

- To make Botswana the nucleus of globally competitive knowledge and skills.

## Mission

- To ensure that all learners acquire quality assured awards through the implementation of a national quality assured system.

## Values

- Quality
- Performance
- Integrity
- Innovation
- Customer Focus

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## 1.0 Profile

Botswana Qualifications Authority (BQA) is a parastatal under the Ministry of Tertiary Education Research Science and Technology established by the Botswana Qualifications Authority Act, No 24 of 2013, to:

- a. provide for and maintain the National Credit and Qualifications Framework (NCQF);
- b. coordinate the education, training and skills development quality assurance system from early childhood to tertiary level (lifelong learning).

The governance structure of BQA provides for a 13 member Board of Directors chaired by an independent person. There are seven committees that deal with specific functions established to facilitate the work of the Board. These are the Qualifications Framework Maintenance Committee, Finance Committee, Risk and Audit Committee, Human Resource Committee, Board Tender Committee, Quality Assurance Committee and Appeals Committee .

To ensure efficiency in the execution of its mandate, the BQA structure has seven departments. These are the Directorate of the Chief Executive Office, Department of the Deputy Chief Executive Officer, Department of



Finance, Department of Business Development, Department of Quality Assurance, Department of the National Credit and Qualifications Framework Services, and the Department of Human Resource.

According to the BQA Act, the funds of the Authority shall consist of:

- a. such monies as may be appropriated by the National Assembly for the purpose of the Authority;
- b. such grants and donations as the Authority may receive;
- c. such fees as may be charged for services rendered by the Authority; and
- d. any income that the Authority may receive from its investments.

The Authority's financial year begins on 1st April of each year and ends on 31st March of the following year.





## 2.0 Corporate Governance

## 2.0 Corporate Governance Statement

### 2.1 Board Structure and its Composition

Section 5 of the BQA Act No.24 of 2013 establishes the Board of Directors which is mandated with governing the Authority. It exercises its powers in accordance with the Act, the Board Charter, and other corporate governance best practices. The Board is responsible for policy and general administration of the Authority including ensuring that good corporate governance is adhered to.

The Minister shall appoint a maximum of 13 members whom the Minister considers qualified due to their experience or expertise in the areas relevant to the objects and functions of the Authority. Members may hold office for a term not exceeding three years and shall be eligible for re-appointment for a further term of three years. The Minister can remove or suspend a member from office should he/she be declared bankrupt. The Minister may also suspend a member who has been convicted of any criminal offence within the period of 10 years immediately preceding the date of his or her appointment. BQA has never experienced any removal, suspension or disqualification of a Board member from office.

Upon appointment to the Board, members receive training in corporate governance by external experts in

the field to enhance their knowledge and leadership skills.

### 2.2 Board Charter and Board Committee Charters

To assist the Board and its Committees to function well and embrace best practice, the Board adopted the Board and Committee Charters as directed by the King III Report on Corporate Governance (2009) to guide them in the discharge of their fiduciary duties.

### 2.3 Board Meetings

The role of the Board is to establish the strategic direction, develop key policies, approve budgets, as well as implement and monitor the approved strategic direction through periodic reporting by Executive Management.

In a financial year the Board meets quarterly, but can meet as often as the business of the Authority may require. In 2017/2018 there were four quarterly meetings of the Board and its committees as per the statutory requirement. The schedule of the quarterly Board meetings is communicated to the Board at the beginning of the financial year to assist members in their planning.

### 2.4 Declaration of Interest

Board members are entrusted with public responsibilities and should strive to maintain a high standard of integrity and public confidence in the Board's activities. 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 in making and/or contributing to the decisions of the Board. A member who has declared interest shall not, unless the Board otherwise directs, 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 P2,000.00 or imprisonment for a term not exceeding six months, or both.

### 2.5 Board Remuneration

The Board is remunerated at rates prescribed by the Government of Botswana from time to time.

### 2.6 Delegation

The Board has delegated the day-to-day management of the affairs of the Authority to the Chief Executive Officer who consequently is accountable to the Board and reports on the performance of the Authority to the Board. The Executive Management team supports and assists the Chief Executive Officer in the proper administration and management of the functions and affairs of the Authority which shall be in accordance with the policies laid down by the Board.

### 2.7 Board Committees

The Board has delegated some of its duties and responsibilities to committees to ensure proper running of the Authority.

## 2.0 Corporate Governance Statement Continued.

The Chairperson and Vice-Chairperson of each Committee are appointed amongst members of the Board as per the BQA Act. The Chairperson of the Board is not a member of any Board Committee. The Committees report and make recommendations to the Board.

Board Committees are comprised as follows:

### 2.7.1 Finance Committee

The Finance Committee provides the Board with objective advice and assurance regarding the financial management of the Authority. It also monitors internal financial controls, compliance with the relevant legislative requirements, and ensures the integrity of integrated reporting including that of management accounts and annual financial statements, such that disclosures made by management portray the Authority's financial condition, results of operation and long term commitments. The Committee meets at least four times in a financial year.

The Committee's duties and responsibilities are to:

- consider and recommend to the Board the Authority's accounting policies in accordance with Generally Accepted Accounting Principles (GAAPs) such as the International Accounting Standards issued by the International Accounting Standards Committee (IASC);
- consider and recommend the draft budget estimates, final budget, and revised budget, to

the Board for approval at appropriate times;

- review and make recommendations to the Board regarding policy issues relating to operating budgets and capital expenditures;
- consider and recommend budgets and actual quarterly management reports to the Board for approval;
- review systems established by the Authority to ensure compliance with policies, budgets, strategic plan and/or plan of operation, procedures, as well as laws and regulations which may have significant impact on operations and internal audit reports;
- consider and review the selection of banks and bank accounts to be used by the Authority and recommend to the Board for approval;
- review and make recommendations to the Board regarding the approval of authorised signing officers in respect of all banking services;
- review and recommend investment management, if any, to the Board for approval;
- review compliance with applicable tax requirements;
- consider and recommend the Authority's employee loan schemes to the Board for approval, whether they are guaranteed or non-guaranteed; and

- review and make recommendations to the Board in respect of all proposed transactions regarding the leasing or disposal of real property.

### 2.7.2 Risk and Audit Committee

The Committee has an independent oversight role with accountability to the Board. The Committee is constituted in terms of the principles of sound Corporate Governance practices as contained in the King III Report on Corporate Governance (2009) and as provided for by the BQA Act. The Committee assists the Board in discharging its duties by:

#### Financial Reporting

- Recommending to the Board the appointment of external auditors;
- Assessing the fairness of external audit fees and making appropriate recommendations;
- Assessing the performance of external auditors and making recommendations to the Board as appropriate;
- Reviewing the annual external audit scope and plan as well as approving the Auditors' engagement letter;
- Reviewing and advising the Board with respect to conduct and reporting of the annual audit;
- Reviewing any significant unresolved accounting or auditing problems encountered during an external audit;

## 2.0 Corporate Governance Statement Continued.

- Reviewing and receiving assurance on the independence of external auditors;
- Ensuring there is cooperation and coordination between external and internal audit; and
- Considering and recommending the draft annual financial statements, auditors' report and Management letter to the Board for approval.

### Governance

- Reviewing the systems established by the Authority to ensure compliance with policies, budgets, strategic plan and/or plan of operation, procedures, as well as laws and regulations which may have significant impact on operations and reports;
- Monitoring and ensuring that internal audit function is adequately resourced and has appropriate standing within the Authority;
- Reviewing policies relating to compliance with the law, regulations, ethics, and conflict of interest rules, as well as investigation of misconduct and fraud;
- Reviewing current/pending litigations or regulatory proceedings bearing on the Authority's governance; and
- Reviewing significant cases of employee conflict of interest, misconduct and fraud.



### Risk Management and Internal Control

- Reviewing the Authority's risk management controls and policies;
- Annually reviewing the key risks inherent and emerging in the Authority's business as well as the system of internal control necessary to monitor such risks;
- Obtaining reasonable assurance that systems of internal controls are properly designed and effectively implemented;
- Reviewing Management's steps to implement

and maintain appropriate internal control procedures, including a review of significant financial controls;

- Reviewing the adequacy of security of information, information systems and recovery plans; and
- Considering and recommending the Authority's employee loan schemes to the Board for approval, whether they are guaranteed or non-guaranteed.

### Internal Audit

- Exercising an oversight role with respect to internal audit activities;
- Recommending to the Board for the approval,



## 2.0 Corporate Governance Statement Continued.

appointment and/or removal of Head of Internal Audit;

- Reviewing Internal Audit Charter and proposing amendment(s) thereto for submission to the Board for approval;
- Reviewing internal audit plans, budgets and schedules;
- Reviewing internal audit reports and any significant matters raised therein;
- Reviewing Management responses and corrective action plans from internal audit findings;
- Assigning the internal audit to undertake specific audit projects as the need may arise; and
- Reviewing policies and procedures with respect to employees' expense accounts, including the use of corporate assets.

The reporting lines are clearly defined and provide for direct access to the Chairpersons of the Finance Committee, Risk and Audit Committee, and the Board. The Committee meets at least four times in a financial year.

### 2.7.3 Human Resource Committee

The function of the Human Resource Committee is to consider and recommend to the Board the human resource strategy and supporting policies, manpower plans, remuneration policy and appointment of executive management positions. The Committee

meets at least 4 times in a financial year.

### 2.7.4 Board Tender Committee

The responsibility of the Tender Committee is to ensure that all tenders are awarded in a transparent and procedural manner in order to enhance an effective control environment in the procurement processes of the Authority. The Committee has delegated financial authority that is reviewed from time to time. The Committee meets at least 4 times in a financial year.

### 2.7.5 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 (ETPs). The committee assists the Board in discharging its duties by:

- considering and making recommendations to the Board on applications for registration and accreditation of Education and Training Providers presented by the Management Quality Assurance Committee;
- considering and making recommendations for renewal/suspension/revocation/re-assessment of registration and accreditation of Education and

Training Providers, and learning programmes;

- considering and making recommendations to the Board on applications for accreditation of learning programmes presented by the Management Quality Assurance Committee;
- considering audit reports presented by the Management Quality Assurance Committee;
- keeping under review quality assurance procedures and systems, ensuring that they meet the quality assurance service requirements and reflect best practice; and
- contributing to the review of the quality assurance instruments and processes within BQA.

The Committee meets at least four times in each financial year.

### 2.7.6 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). The committee assists the Board in discharging its duties by:

- overseeing the development and maintenance of the NCQF;

## 2.0 Corporate Governance Statement Continued.



- overseeing the implementation of the NCQF policies across the three sub-systems: General Education (GE), Technical and Vocational Education and Training (TVET), and Higher Education (HE);
- considering and recommending to the Board the approval of NCQF policies for the registration of qualifications, Recognition of Prior Learning (RPL), Credit Accumulation and Transfer System (CATS), evaluation of qualifications, and any other related policies;
- overseeing the implementation of the NCQF policies for the registration of qualifications, Recognition of Prior Learning (RPL), Credit

Accumulation and Transfer System (CATS), evaluation of qualifications, and any other related policies across the three sub-systems;

- considering and recommending to the Board for approval all instruments, guidelines and procedures for NCQF policy implementation; and
- advocating for the NCQF and advising the Board on matters concerning the Framework.

The Committee meets at least four times in a financial year.

### 2.7.7 Board Appeals Committee

In terms of Section 15 (1) of the BQA Act, “the Board may for purpose of performing its functions, establish

such committees as it considers appropriate and may delegate to any such committee such of its functions as it considers necessary”. In 2017/2018 the Board established the Board Appeals Committee to ensure 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 will discharge the responsibilities of the Board relating to decisions made against any governing structure of the Authority. The Committee shall not have supervisory powers over the Board but shall be expected to report regularly to the Board on the decisions made by the Committee.

### 2.8 Board Secretary

The Board Secretary facilitates the efficiency of the Board by ensuring that it executes its fiduciary duties effectively.

The key roles of the Board Secretary are to:

- ensure compliance with statutory and regulatory requirements;
- advise the Board and Executive Management on their roles and responsibilities;
- maintain the Authority’s key corporate documents and records;
- organise, attend and record all Board meetings; and
- provide legal advice to Executive Management, Board and Board Committees.

## 2.0 Corporate Governance Statement Continued.

### 2.9 Compliance

In terms of Section 25(1) of the BQA Act, the Authority shall within six months after the financial year, or within such longer period as the Minister may approve, submit the annual report.

### 2.10 Code of Conduct and Ethics

A Code of Ethics was considered and adopted by the Board. The Code is intended to ensure the Board's commitment in bringing the highest level of integrity in corporate decisions and in the way in which the Authority conducts its business. The Board and employees of the Authority are required to always conduct themselves according to the highest ethical standards.

### 2.11 BQA Governance Framework

The Board commits to providing reasonable assurance in compliance with applicable laws and regulations. It is further committed to the practice of good corporate governance and subscribes to the following:

**Table 1: Governance Checklist**

BQA Governance Checklist	Adherence
Botswana Qualifications Authority Act No. 24 of 2013	√
BQA Regulations	√
Board & Board Committees Code of Conduct and Ethics	√
Board & Board Committee Charters	√
BQA Internal Audit Charter	√
Whistleblowing Policy	√
BQA Corporate Strategy	√
BQA Quality Manual	√
BQA Processes Manual	√



## 3.0 Board Of Directors

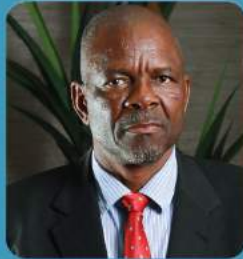


1. Charles Siwawa (*Chairperson*) | 2. Barulaganye Mogotsi (*Vice Chairperson*),  
3. Mmatlala Dube | 4. John D. Slater | 5. Yolinda Baletloa | 6. Boniface Mphetlhe | 7. Busie Moepi | 8. Joseph Matome | 9. Mogapi Madisa |  
10. Charles Coyne | 11. Tebogo Rapitsenyane | 12. Oupa Masesane | 13. Pelotshweu M. Motlogelwa | 14. Dorcus Phirie (*Alternate Member*)

## 4.0 Board Committees

This section shows membership of each Board committee.

### 4.1 Qualifications Framework Maintenance Committee



**CHAIRPERSON**  
Mr Mogapi Madisa

**VICE CHAIRPERSON**  
Mr Oupa Masesane

**Members**

Ms Dorcas M. Phirie  
Mr Busie J. Moepi  
Ms Ruth Monau  
Dr Oluca Silas  
Mr Cassius Mmopelwa  
Dr Lekoko Serumola  
Ms Masego B. Marobela  
Mr Boatametse Dimeku

### 4.2 Quality Assurance Committee



**CHAIRPERSON**  
Mr Tebogo Rapitsenyane

**VICE CHAIRPERSON**  
Mr Busie Moepi

**Members**

Ms Dorcas Phirie  
Mr Modisaotsile Hulela  
Mr Modiri Mogopa  
Dr Olefile B. Molwane  
Mr Clement Matswagothata  
Mr Tebogo Motswetla  
Prof Frank Youngman  
Mr Joseph Moseki

### 4.3 Risk & Audit Committee



**CHAIRPERSON**  
Ms Mmatlala Dube

**VICE CHAIRPERSON**  
Mr Pelotshweu Motlogelwa

**Members**

Ms Charles Coyne  
Mr Tlhobelo Moshodi  
Mr Julian Letlole  
Ms Segametsi Mafa

### 4.4 Human Resource Committee



**CHAIRPERSON**  
Mr Barulaganye Mogotsi

**VICE CHAIRPERSON**  
Mr Busie Moepi

**Members**

Ms Lekono Phiri  
Ms Poppy Sechele  
Ms Mary Mabotho  
Mr Jowitt Mbongwe  
Mr Courtney Sethebe



## 4.0 Board Committees Continued.

### 4.5 Board Tender Committee



**CHAIRPERSON**  
Mr Boniface Mphetlhe  
(term of office ended on 15 Sep 2017)

**VICE CHAIRPERSON**

Mr John D. Slater

**Members**

Mr Mmetla Masire  
Ms Polokelo Molentze  
Mr Manfred Kgari  
Ms Priscilla Bodi

### 4.6 Finance Committee



**CHAIRPERSON**  
Mr Joseph Matome

**VICE CHAIRPERSON**

Mr Charles Coyne

**Members**

Mr Boniface Mphetlhe  
(term of office ended on 15 Sep 2017)  
Mr Sanga Namoshe  
Ms Blessed Davids  
(resigned on the 13th March 2018.)  
Mr Emang Chibua  
Ms Ontlametse Sebonego

### 4.7 Board Appeals Committee



**CHAIRPERSON**  
Mr Mogapi Madisa

**VICE CHAIRPERSON**

Mr Chales Coyne

**Members**

Mr Dr Onkabetse Tshosa  
Ms Mmamiki Kamanakao  
Mr Tembo Lebang



## 5.0 BQA Management



Mr Ezekiel Thekiso  
**Acting Chief Executive Officer**  
(Until 31<sup>st</sup> March 2018)



Ms Selebo A. Jobe  
**Director: Quality Assurance**



Dr Justice Gaeonale  
**Director: NCQF**



Dr Andrew Molwane  
**Director: Development Services**



Ms Magdaline T. Motswagole  
**Director: Finance and Administration**



Mr Josius Maluzo  
**Director: Human Resource**



Mr Kennedy Pheko  
**Board Secretary**



Mr Samuel Segotso  
**Internal Audit Manager**



Ms Botho Bayendi  
**Strategy Manager**

## 6.0 Board Chairperson's Statement



Botswana Qualifications Authority Act (2013) established the Authority to provide for the design, development, implementation and maintenance of the overarching National Credit and Qualifications Framework (NCQF) and the coordination of a common quality assurance platform for the Education, Training and Skills Development System for all qualifications. The main objective is to develop, implement and coordinate a seamless quality education and training system to produce a human resource that is robust and competent to meet the needs of both local

and international industries.

The implementation of the BQA Corporate Strategy 2016-2021 commenced in 2016/17 and was in its second year. This year, the focus was implementation of the gazetted Regulations which effected in January 2017. There was, however, concern over fees and transition periods. These have since been revised and it is expected that the number of applications will improve to ensure a smooth transition.

The transition has three phases: registration and accreditation of Education and Training Providers, the registration of qualifications on the NCQF, as well as the learning programme accreditation. Higher Education and TVET providers are expected to have transited by 2nd December 2018. This process has begun in earnest and is currently progressing well despite challenges such as capacity. Some ETPs had started submitting qualifications for registration on the NCQF. Though the actual registration had hitherto not started, the ground for implementation was prepared by establishing the necessary instruments, tools and personnel. Applications that were submitted under the old legislative requirements were processed in the current reporting period. Stakeholder engagement remained a critical component during the transition to bring various people on-board and to ensure public buy-in.

**“ Applications that were submitted under the old legislative requirements were processed in the current reporting period.”**

An appeals structure was put in place at Board level to ensure transparency and fairness of the registration and accreditation decisions. Strategic beneficial partnerships, particularly with experts, were established both nationally and outside the country to ensure international competitiveness, mobility of learners and portability of qualifications.

The Authority experienced changes in the composition of the Board of Directors and Executive Management. The Board is grateful to the founding Chief Executive Officer Mr Abel Modungwa, for his foresight and capable leadership during the organisation's formative stage. Mr Modungwa retired in December 2017,

I would like to express my special appreciation to the Ministry of Tertiary Education, Research, Science and Technology, BQA Board, stakeholders, management and staff for support during the transition. It is my pleasure to note that various stakeholders and staff accepted the transitional arrangements in spite of the associated challenges. BQA is committed to continue engagement with stakeholders on this journey.

A handwritten signature in black ink, appearing to read 'Charles Siwawa', written over a horizontal line.

**Charles Siwawa**



## 7.0 Chief Executive Officer's Statement

This report covers the Authority's performance during the second year of the implementation of its 5 year Strategic Plan, which covers the period 2016-2021. During the year under review, a number of strategic assumptions that were made at the beginning of the plan were tested for sustainability, feasibility and achievability of the new National Credit and Qualifications Framework (NCQF) system. Since the education and training sector was learning to operate in the new regulatory environment, there were challenges associated with embracing this change amongst some stakeholders.

The Authority had to be sensitive and responsive to the concerns of the customers and stakeholders while maintaining the regulatory position that despite the teething problems experienced during implementation



Selebo A. Jobe

***“Customer satisfaction index based on feedback from walk-in clients and stakeholder engagement sessions was 91%.”***



## 7.0 Chief Executive Officer's Statement Continued..

***"The Authority structured Capacity Building and Communication initiatives to reach out to different stakeholders."***

of the new Regulations, the mandate remained an integral part of the desired knowledge based economy. The Authority structured Capacity Building and Communication initiatives to reach out to different stakeholders. The main concerns raised by stakeholders were the transition deadline, which was the 31st December 2017; the schedule of fees; and the turnaround times for the delivery of

services by BQA. A further concern that was raised was the precedence of the legacy systems and how they affected some stakeholders, such as learners.

In response to stakeholder concerns, the transition period for the different sub-systems was extended. This extension was gazetted on 1st December 2017, while the schedule of fees was reviewed and gazetted on 16th February 2018.

The Authority introduced an online submission platform for efficiency and convenience as costs associated with application submission were reduced.

Learner Protection Guidelines were drafted to protect the interests of enrolled learners. Education and Training Providers (ETPs) are expected to submit Learner Protection Policies at the learning programme accreditation phase, which is intended to assure learners of an opportunity to complete a learning programme leading to the qualifications or part qualifications that they enrolled into.

I am pleased to report a positive improvement in our strategic performance, which was predominantly focused on putting in place the right systems, processes, tools and instruments for transition. The

key process steps are registration and accreditation of ETPs, registration of qualifications, registration and accreditation of assessors and moderators, as well as registration and accreditation of learning programmes. There has been a delay in the registration of qualifications, which will be resolved in the next reporting period.

I am happy to report overwhelmingly positive customer feedback. Customer satisfaction index based on feedback from walk-in clients and stakeholder engagement sessions was 91%. More will be done to enhance service delivery.

I take this opportunity to thank the Government, Minister of Tertiary Education, Research, Science and Technology, BQA Board, management, and staff for the level of responsiveness in addressing the concerns of stakeholders during the initial stage of transition.



**Selebo A. Jobe**

Acting Chief Executive Officer

## 8.0 Achievements

**The Authority conducted a total of 48 Phase I workshops and 7 Phase II workshops for HE providers, and 6 regional workshops for TVET**



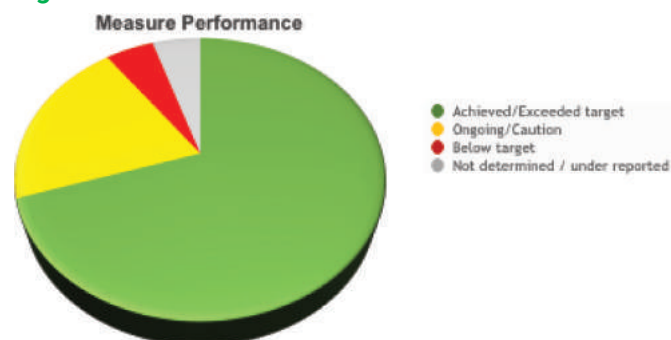
## 8.0 Achievements

*This section highlights achievements in the year under review.*

### 8.1 Strategic Annual Plan Performance

The 2017/18 Annual Plan performance shows some improvement, compared to the 2016/17 reporting period. While 50% of the measures had performed (green) last year in 2016/2017, the green measures increased to 70% this year, which indicates improved performance. Underreported measures (grey) were reduced from 25% last year to just 5%, which indicates improvement in portfolio of measurement. Underperforming measures (red) also went down from 25% to 5%, as indicated in Figure 1.

**Figure 1: Measure Performance**



### 8.2 Framework Development and Maintenance

The Authority is mandated to provide for and maintain an integrated NCQF. BQA quality assures qualifications across the three sub-systems being General Education (GE), Technical and Vocational Education and Training (TVET), and Higher Education (HE).

The process of quality assuring qualifications for registration on the Framework involves several critical stages, such as:

- Auditing for compliance with the criteria for registration of qualifications as set by the Authority;
- Validation of the qualifications through engagement of external experts coming from the education and training sector, as well as from respective industry for which the qualifications are developed;
- Endorsement by the relevant industry sector for which the qualification is developed; and
- Approval for registration by the BQA Board.

#### 8.2.1 Registration of Qualifications

A total of 92 applications from 12 ETPs were received through the online application platform. Of these, 48 qualifications met the criteria and were audited. The 48 audited qualifications will be validated by experts before they are registered on the NCQF in the next financial

year. The remaining 44 were sent back for additional information.

The Authority trained 55 experts on the validation of qualification principles and processes. This was meant to create a national database since none was readily available. More experts will be trained to a target of 140 in the next financial year to cater for the diverse fields and sub-fields.

### 8.3 Recognition of Prior Learning and Credit Accumulation and Transfer

Section 4 (2f) of the BQA Act No. 24 of 2013, directs the Authority to develop policy and criteria for the Recognition of Prior Learning (RPL) and the Credit Accumulation and Transfer (CAT) systems. During the reporting period, activities were geared towards the Recognition of Prior Learning (RPL) activities. RPL is a process aimed at recognising that individuals may have acquired learning through many different ways, and in different contexts. It consists of identifying, assessing, and certifying all learning, however acquired – either formal, non-formal or informal.

**“Recognition”** has two significant meanings in this context. Firstly, it relates to the recognition by an assessor. In this instance the assessor considers whether, RPL candidates possess learning that meets pre-defined standards and directly comparable with formal learning



## 8.0 Achievements Continued.

and can be validated once assessed. It is also the recognition by the society, primarily the employers and the labour market, that qualifications and credits awarded to successful RPL applicants have value.

An awareness campaign is critical for the acceptance and success of RPL. An RPL Communications Strategy has been drawn. It outlines the advocacy campaign for RPL/CAT in Botswana. RPL will also be available in Setswana so as not to disadvantage those who might not be proficient in English. The activations will be done in the next financial year.

### 8.3.1 The Development of RPL and CATs Policies

The Authority started the development of the RPL and CAT policies during the year under review. The process included piloting the policies with Education and Training Providers who had expressed interest in the process. The National RPL Policy has been drafted and will be launched during the 2018/19 financial year after stakeholder consultations.

The pilot project also sought to test the capability of the country's education and training providers to adequately implement RPL. Nine entities were identified to participate in the pilot exercise. The piloting exercise entailed conducting RPL assessments. The identified entities were:

1. Botswana University of Agriculture and Natural Resources (BUAN).
  2. Construction Industry Trust Fund (CITF)
  3. Gaborone University College of Law and Professional Studies
  4. Gaborone Technical College
  5. Orapa Technical College
  6. Africa Creations
  7. Wilderness Safaris
  8. Botswana College of Engineering and Technology
  9. Sefalana Cash and Carry
- a) This draft RPL policy is in line with the National Human Resource Development Strategy (NHRDS 2009-2022), successive National Development Plans, and other important initiatives. According to the NHRDS, "The platform for building Botswana's strategic human resource potential has to be based on the current level of educational attainment of its people and the labour market in which they are employed". The NHRDS draws on a life-cycle analysis, which points to areas of concern in lifelong learning (LLL) in Botswana where RPL would make a critical contribution such as, but not limited to:

- a) limited levels of opportunity;
- b) highly selective, restrictive access due to lack of facilities and opportunities especially in non-urban areas;
- c) lack of personal commitment and recognition of the need for self-development; and
- d) lack of appreciation that learning is a lifelong activity.

The policy is designed to bring discipline and focus to an approach to qualifications that supports the quest for flexibility, freedom, and human dignity. The RPL Policy responds to many provisions in Botswana's various education, skills development, and human resources policies. The policy reflects experiences gained in several pilot projects championed by BQA in partnership with selected ETPs, both public and private. Further stakeholder engagement on RPL is planned to continue in 2018/19.

### 8.4 Capacity Building

The Authority continued advocacy activities to promote stakeholder buy-in and uptake of the NCQF and outcomes-based education and training system. These activities are a critical component of the drive to implement the envisaged reforms in Botswana's education and training system. Considering the scope of work and resource implications associated with the provision of support services to ETPs and assessment centres across all



## 8.0 Achievements Continued.

sub-systems of the education and training system, the Authority adopted a cascade model. According to the cascade model the target audience was limited to curriculum development and assessment bodies, regional education authorities, as well as lead staff including relevant management representatives, heads of departments, training coordinators, programme leaders, curriculum development, and assessment coordinators from public and private ETPs. Such entities were expected to organise and conduct guidance and support activities for other staff members.

The Authority started with Higher Education providers and strategic partners such as the Department of Curriculum Development and Evaluation, Department of Teacher Training and Technical Education, Botswana Examinations Council, and the Ministry of Employment, Labour Productivity and Skills Development. This approach considered the work they do, their collaboration and strategic partnerships with other entities such as General Education, TVET ETP's and industry. This will provide an avenue for cascading of information about the system and enhancing efforts made by the Authority to achieve nationwide advocacy.

The capacity building activities were categorised into two phases as described below:

- a. Stakeholder sensitisation: This was a preliminary phase which took the form of advocacy, with the aim of developing a common understanding of the NCQF, associated policy and legislative framework, and their implications for qualifications, programme architecture, assessment design, and application.
- b. Post-sensitisation capacity building: This phase was conducted at stipulated fees for interested entities, which, after the initial capacity building activities, needed further support in outcomes-based qualifications, as well as programme design and development.

The Authority conducted a total of 48 Phase I workshops and seven Phase II workshops for HE providers, and six regional workshops for TVET providers.

### 8.4.1 Capacity Building Impact Indicators

A total of 12 Higher Education providers submitted a total of 92 qualifications for registration on the NCQF during the year under review.

### 8.5 Evaluation of Qualifications

The Evaluation of Qualifications is a process of analysing external qualifications in terms of their country of origin context and points of difference and/or similarity, in relation to local qualifications and contexts. The process

leads to Recognition, where recognition is the formal acceptance of the appropriateness of a qualification for a specific purpose.

The evaluation is conducted against criteria to determine significance, and to confirm the legality, validity, and credibility of qualification documents submitted and the qualification to which the documents refers. These qualifications are kept in a register and serve as precedents. The evaluation of qualifications promotes access and progression within education and training and the world of work. It is intended that the transparency of information underlying evaluation and recognition should promote collaboration among those involved in recognition of qualifications. It should benefit the qualification holder hoping to study or work in or outside Botswana and those who aspire to seek employment outside Botswana. Most importantly, the evaluation of qualifications assists learners and workers in articulation and mobility.

The Authority has developed standards for the recognition of external qualifications as per Section 4(2) (h) of the BQA Act, 2013. These Standards were benchmarked from the systems used by other competent verification bodies as well as Conventions specific to qualifications recognition, such as the Lisbon Convention of 1997 and the Addis Convention of 2014.

In the review period, a total of 855 qualifications were

## 8.0 Achievements Continued.

evaluated. The applicants' reasons for evaluation included: further studies, employment and immigration, among other reasons.

Table 2 indicates the number of local and external qualifications evaluated per quarter.

**Table 2: Number of local and external qualifications evaluated per quarter**

	Local	External	Total
Quarter 1	5	293	298
Quarter 2	13	248	261
Quarter 3	46	118	164
Quarter 4	3	129	132
<b>TOTAL</b>	<b>67</b>	<b>788</b>	<b>855</b>

The figures indicate that the Authority received more applications for evaluation of external qualifications than verifications of local qualifications this year. Last year, the Authority evaluated 576 local and 497 external qualifications.

**Table 3: Evaluated Qualifications by Country of Origin**

Country	Q1	Q2	Q3	Q4	Total	%
Australia	2	4	4	4	14	1.6
Bangladesh	0	0	0	1	1	0.1
Botswana	5	13	46	3	67	7.8
Canada	1	0	6	0	7	0.8
China	14	13	2	12	41	4.8
Cuba	0	1	0	0	1	0.1
Cyprus	0	1	0	1	2	0.2
DRC	0	0	0	2	2	0.2
Ethiopia	0	0	1	0	1	0.1
France	1	5	0	0	6	0.7
Germany	4	1	0	1	6	0.7
Ghana	1	0	0	1	2	0.2
Grenada	0	0	0	1	1	0.1
India	50	41	8	23	122	14.3

## 8.0 Achievements Continued.

Country	Q1	Q2	Q3	Q4	Total	%
Iran	1	1	0	0	2	0.2
Ireland	0	2	1	0	3	0.4
Japan	0	0	1	1	2	0.2
Kenya	3	2	3	0	8	1.0.
Malawi	1	0	1	0	2	0.2
Malaysia	0	0	0	1	1	0.1
Namibia	1	0	0	0	1	0.1
Netherlands	0	0	0	1	1	0.1
New Zealand	0	0	0	2	2	0.2
Nigeria	2	1	1	2	6	0.7
Norway	0	0	0	1	1	0.1
Philippines	4	1	0	1	6	0.7
Romania	1	2	3	0	6	0.7
Russia	0	0	2	0	2	0.2
Serbia	0	0	0	1	1	0.1
South Africa	48	47	22	15	132	15.4
South Korea	8	19	4	5	36	4.2
Sri Lanka	7	1	0	0	8	0.9
Swaziland	0	0	0	1	1	0.1
Sweden	0	1	1	0	2	0.2
Taiwan	0	1	0	0	1	0.1
Tanzania	0	0	1	0	1	0.1
Thailand	0	0	1	0	1	0.1
Uganda	1	0	2	0	3	0.4
Ukraine	0	0	1	0	1	0.1
United Kingdom	75	53	30	32	190	22.2
USA	8	13	10	9	40	4.7
Zambia	7	6	1	1	15	1.8

## 8.0 Achievements Continued.

Zimbabwe	53	32	12	10	107	12.5
<b>Totals</b>	<b>298</b>	<b>261</b>	<b>164</b>	<b>132</b>	<b>855</b>	<b>100</b>

**Table 4: Number of Qualifications per SADC Member States and other countries**

Country	Botswana	DRC	Malawi	Namibia	South Africa	Swaziland	Tanzania	Zambia	Zimbabwe	SADC	Other Africa	Other	TOTAL
<b>No.of Quals</b>	67	2	2	1	132	1	1	15	107	328	20	507	<b>855</b>
<b>%</b>	7.8	0.2	0.2	0.1	15.4	0.1	0.1	1.8	12.5	38.4	2.3	59.3	<b>100</b>

328 out of 855 of the evaluated qualifications were from the Southern African Development Community (SADC) region, with the highest numbers received from South Africa (132) followed by Zimbabwe (107). Other evaluated qualifications were from other African countries (20) and from outside the continent (507).

There were fewer qualifications evaluated this year. In the last year (2016/2017), 1073 qualifications were evaluated.



## 8.0 Achievements Continued.

### 8.6 Quality Assurance

The Authority registers and accredits ETPs, awarding bodies, learning programmes, assessors, and moderators to build and maintain a common quality assurance platform within the three subsystems of GE, TVET, and HE. The quality assurance transition is in three phases as follows:

- a) Phase 1: Registration of ETPs,
- b) Phase 2: Registration of Qualifications on the NCQF, and
- c) Phase 3: Registration and Accreditation of learning programmes.

The focus of Quality Assurance activities during this reporting period was on registration and accreditation of ETPs, which is Phase 1 of the transition, with focus on TVET and Higher Education subsystems. The transition for General Education subsystem is yet to start as consultations on commencement of its regulation are ongoing.

#### 8.6.1 Technical and Vocational Education and Training

The Technical and Vocational Education and Training sub-system covers education and training which provides knowledge, skills, and competencies relevant to employment and self-employment. It also covers short courses which address skills gaps due to emerging industry needs.

##### 8.6.1.1 Registration and Accreditation of ETPs and Learning Programmes

Registration and accreditation was carried out in accordance with the Botswana Qualifications Authority (Registration and Accreditation of Education and Training Providers) Regulations, 2016. Implementation of the Regulations commenced in January 2017.

Section 22 of the afore-mentioned Regulation provides that “an ETP who, at the coming into operation of these Regulations, has been carrying on the business or activity of Education and Training, shall within 12 months of the coming into operation of these Regulations, comply with the provisions of these Regulations”. The transition period deadline was December 2017, which has been extended by 24 months, changing the deadline to 2<sup>nd</sup> December 2018.

This requires all ETPs that were registered and accredited under the old system to transit to the new one.

A total of 788 TVET ETPs, the majority of which were Consultancies, were registered and accredited under the old system by the end of the financial year 2016-2017. 413 out of this 788 were consultancies and have expired. They may reapply for registration and accreditation. This affected the number of learning programmes which were reduced from 6366 to 4320. A total of 375 TVET ETPs are still valid. Of these, 45 transited to be registered and accredited in the new system in the current reporting period. The slow uptake may be attributed to initial lack of readiness of ETPs to transit, coupled with the initial Schedule of Fees, which stakeholders said were high. Following stakeholder consultations, the fees were reviewed. The amended Botswana Qualifications Authority (Fees) Regulations were published in February 2018.

ETPs which were yet to be registered and accredited under the new system and their licences were still valid, had their learning programmes saved by the extension and are valid for offer during the transition. Learners enrolled in registered, approved, provisionally accredited, fully accredited or deferred accreditation learning programmes leading to qualifications that commenced before the coming into effect of the new BQA Regulations shall complete their studies and their

## 8.0 Achievements *Continued.*

qualifications will be recognised.

It should, however, be noted that there were submissions that were made under the old system, and were processed during the review period. A total of 223 learning programmes were accredited in this financial year, bringing the total number of TVET learning programmes to 4,543.

### 8.6.2 Higher Education

The Higher Education sub-system covers learning programmes from Diploma to Doctoral level, which is Level 6 to 10 on the NCQF.

Unlike the old regulatory framework for HE, which did not subject Public ETPs to the accreditation processes, BQA Regulations for Registration and Accreditation of ETPs make no exceptions and exemptions. The new system requires both Public and Private ETPs to comply with the registration and accreditation requirements.

Out of a possible 46 Higher Education ETPs, 17 transited and were registered and accredited in this financial year. Out of this, 15 are Private and two are Public. The low uptake by Public ETPs can be attributed to the fact that the process of accreditation is new to them, and they needed to be capacitated.

As with the TVET subsystem, there were submissions for learning programmes accreditation that were made under the old system, and were duly processed during the year under review. A total of 33 learning programmes from Private HE providers were accredited during the year under review, bringing the total number of Private HE learning programmes to 343. A total of 546 learning programmes are valid for offer by Public HE providers during the transition.

### 8.6.3 Registration and Accreditation of Awarding Bodies

The Authority registers and accredits local awarding bodies and recognises external awarding bodies which have been accredited in their countries of origin. This is a new requirement in the country's quality assurance system.

Five applications for Registration and Accreditation or Recognition of awarding bodies were received by the Authority and will be considered in the next financial year since instruments and tools for the same had to be developed in consultation with stakeholders. This process has since been concluded.

### 8.6.4 Registration and Accreditation of Assessors and Moderators

To ensure credibility of the assessment processes, ETPs are required to engage accredited assessors and moderators. To this extent, the Authority accredits assessors and moderators. A total of 73 applications for assessors' registration and accreditation were received, 49 were proceeded and 24 will be concluded in the next financial year. A total of 14 applications for registration of moderators were received, one was proceeded and 13 are in process. A total of 1970 assessors, who at the coming into operation of the Regulations, were registered and accredited with the Authority, shall continue to practice until the expiration of their certificates. Assessors who wish to continue practising after expiration of their certificates are required to apply to the Authority for registration and accreditation.

The BQA Act does not provide for the registration and accreditation of trainers. However, the 10,891 trainers who, at the coming into operation of the Regulations, were registered and accredited with the Authority, shall continue to practise until the expiration of their certificates. Trainers who wish to continue practising after expiration of their certificate will not be registered and accredited. They will still be assessed as a key resource when the Authority evaluates applications for accreditation of learning programmes. ETPs would

## 8.0 Achievements Continued.

include in the application for learning programme accreditation, Evaluation of Qualifications Reports for teacher/trainer(s) to facilitate validation and verification of their suitability to teach the programme and level.

### 8.6.5 Monitoring and Auditing of Accredited ETPs

The Authority undertakes monitoring and auditing of accredited ETPs to ensure continued compliance with the requirements. During the review period, 61 ETPs were audited. Two ETPs were audited for the purpose of migration to the new system, one was audited following closure of a satellite campus, while the rest were audited for purposes of addressing customer complaints against ETPs registered and accredited with the Authority.

### 8.6.6 Appeals

BQA has established a Board Appeals Committee to deal with appeals against decisions made by the Board. However, this is not the final stage of the appeals process, since there is yet another structure set up by the Ministry of Tertiary Education, Research, Science and Technology.

Eighteen (18) appeals were received, and seven (7) were concluded. The appeals were mainly for

programmes that had been granted provisional or deferred accreditation.

### 8.7 Partnerships and Networks

BQA worked with various business partners to ensure effective and inclusive implementation of its mandate. The objective was to ensure a smooth transition and overall improvement of the quality, relevance, equity, and accessibility of the Education and Training System.

#### 8.7.1 Partnerships with associations and professional bodies

- a) BQA signed a Memorandum of Agreement with Botswana Health Professionals Council and Engineers Registration Board.

The objectives of were to:

- I. Structure partnership between BQA and these professional bodies to ensure that learning programmes in their respective sectors meet industry standards and requirements and consequently address mismatch of skills in the job market;
- II. Share expertise for learning programme accreditation;
- III. Assist BQA in monitoring for compliance with

the applicable laws and regulations.

The partnerships will ensure that learning programmes submitted to BQA for accreditation are first validated by the professional bodies.

- b) BQA met regularly with Student Representative Councils and the Botswana Union of Students to update them on transition, discuss challenges and mitigating strategies. This was to facilitate understanding of the transition and to promote ownership of the process. The student leaders in turn engaged the student community.
- c) The Authority established a working task committee with Botswana Association of Private Tertiary Providers and Business Botswana's Education Sector Committee to discuss the transition. The most urgent aspect was the accreditation of the learning programmes which had two stages under the old system. It should however be noted that the learning programmes were saved for offer during the transition. The need to continually engage with different stakeholders to ensure readiness on both sides to transition and protection of enrolled learners remain key priorities.



## 8.0 Achievements Continued.

### 8.7.2 Participation in the SADC Qualification Framework Development

The SADC Qualification Framework was launched in 2017. Its implementation consists of six areas which are implemented simultaneously by the Technical Committee on Accreditation and Certification (TCCA) and championed by some Member States. The Framework addresses the following areas:

- i) Governance;
- ii) Development and alignment of NQFs to SADC QF (South Africa);
- iii) Verifications of Qualifications (Swaziland);
- iv) Quality Assurance (Botswana);
- v) Articulation and Recognition of Prior Learning (RPL) and Credit Accumulation and Transfer (CATS) (Namibia); and
- vi) Communication and Advocacy (Zambia);

**Table 5: Status of Implementation**

Area	Status
Governance	Botswana participates in the TCCA activities as part of the Executive Committee.
Development and Alignment	The National Alignment Committee has been established. BQA has prepared the draft alignment report. The National Draft Report will be presented at the TCCA meeting of the Executive Committee of TCCA in November 2018.
Verification of Qualifications	Botswana submitted Report on Verified Qualifications for 2016/17.
Quality Assurance	Botswana has developed the alignment framework for Quality Assurance project in line with the SADC Quality Assurance Guidelines. Botswana has submitted the Quality Assurance Alignment report.
Articulation and Recognition of Prior Learning (RPL) and Credit Accumulation and Transfer (CATS)	BQA is developing the National Recognition of Prior Learning Policy. Country-wide stakeholder consultations have been completed. The policy is to be launched by 31 December 2018.
Communication and advocacy	Information on the Botswana Education and Training Providers has been availed to all SADC countries through links to in-country websites.

## 8.0 Achievements Continued.

### 8.8 Knowledge Management and Research

BQA coordinates, conducts and commissions research on quality assurance system and manages knowledge through the in-house Information Resource Centre.

#### 8.8.1 Information Resource Centre (IRC)

The Information Resource Centre (IRC) is a multi-functional, focal point for BQA staff as a Research and Learning Centre. It is central for implementing, enriching and supporting the research conducted in response to the BQA Regulations and Standards. The IRC provides access to print and electronic resource collection.

The Information Resource Centre collection consists of books, journals, online resources, Reading and Workspace Area, Multimedia Services and ICT support, study space, desktop computers, wireless access, as well as printing, scanning and photocopying facility.

The Authority installed 3M Library Management Security System to deter book theft in 2016/17 and this has proved to be quite useful.

#### 8.8.2 Libwin Library Management System

Libwin is a highly efficient and effective automated system for libraries. It covers accessioning, labelling, and contacting an errant borrower. The automation includes the cataloguing of media items and

borrowers, and the management of these two parties by means of transactions (loans, returns and renews). The management modules provide ease-of-use in the areas of inventory (stock-taking), receiving and control of periodicals, simplified ordering, as well as reporting functions. Libwin was availed on BQA Intranet on Open Access platform where staff can access and search collection and make requests online and it continued to yield the desired results.

#### 8.8.3 Research

The Authority developed an overarching Research Strategy which gives direction on the execution of research, drawing from the organisational strategic plan. The Strategy presents an overview of the strategic priority areas over 2017-2022 within the framework of BQA's mission and vision. Within each goal in the Research Strategy, a set of objectives are presented which explain how each goal is to be achieved.

In order to support the research conducted by the Authority, an implementation plan was also developed in line with the strategy to guide how research findings will be implemented for studies commissioned by the Authority. The aim of the Plan is to promote the uptake of the research findings within the Authority. It lays a roadmap for translating research findings into practice.

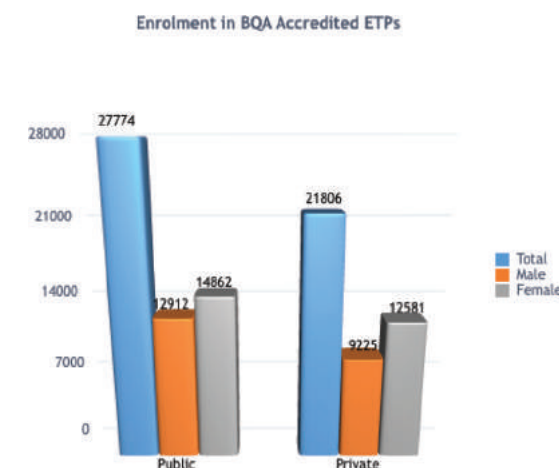
#### 8.8.3.1 Study Conducted

One study was conducted.

##### a) Enrolment Survey

BQA collects data on enrollment on a yearly basis. The data is collected to meet the demand for statistical data concerning learners enrolled in BQA accredited ETPs. The exercise produced current enrolments by gender and year of study. A total of 73 ETPs took part in the exercise, 16 of which were Private ETPs and 57 were public. Public ETPs included 22 Higher Education Providers and 35 Technical and Vocational Education and Training Providers. The total number of enrolled learners was 49 580, out of which 22 137 were males and 27 443 were females.

Figure 2: 2017/18 Enrolment Summary



## 8.0 Achievements Continued.

### 8.9 CUSTOMER SERVICE

Customer focus is one of the strategic values of BQA. The Authority continuously looks for innovative ways to improve its service. In this reporting period, BQA introduced an Online Submission Portal. The system allows registered users to create accounts and submit application documents online. Applicants are no longer required to submit printed copies of documents but upload them to the system in digitised format. The system is accessed through the BQA website. Through this initiative, clients are able to submit applications from wherever they are and BQA is able to update them on the progress of their applications.

Services that are accessed through online submission platform include applications for:

- Registration and Accreditation of Education and Training Providers and Awarding Bodies
- Registration of Qualifications
- Accreditation of Learning Programmes
- Evaluation of Qualifications
- Registration and Accreditation of Assessors and Moderators

Online submission has helped the Authority to provide

a quicker and more responsive service. The initiative has been well received by clients for its convenience as it reduces printing, postage and travel costs.

The Authority continuously monitors customer satisfaction to ensure that the services it provides meet and surpass customer expectations. The One Stop Customer Service Centre provides a platform to create and maintain a customer focused culture.

During the review period, average customer satisfaction level decreased by 2% to 91% as compared to 93% in 2016/17. Despite this decrease, the set target of 87 % was still exceeded by 4%.

**Table 6. Customer satisfactory levels in 2017/18**

	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total Average
Target	87%	87%	87%	87%	87%
Achieved	93%	85%	93%	93%	91%

The Authority continues to receive complaints and some have been resolved successfully. Adherence to turnaround time for complaint resolution is low given the complex nature of some of the complaints lodged. Complaints raised against ETPs were investigated through unscheduled audits. An average 58% of complaints were resolved on time against a set target of 55% thus exceeding target by 3%. The turnaround times and process for handling customer complaints will be revised to cater for emerging issues which are complex and need more time and resources to address.

### 8.10 Communications and Public Relations

Since the Authority had entered into the transitional period, there was need for an aggressive communication plan. Key to this was to keep both internal and external stakeholders informed of what is changing, how, when, where, why and to develop and push targeted messages. The main objective was to build brand reputation and promote stakeholder buy-in.



## 8.0 Achievements Continued.

A contextual communication plan was developed and implemented to create awareness, solicit stakeholder buy-in and build integrity of the education, training and skills development system. The key messages were aligned to Botswana Qualifications Authority's implementation of its new Regulations. The sub messages were:

- Stakeholder engagements (internal & external)
- Transitional arrangements and timelines
- Communicating milestones and challenges
- Six months accreditation plan

The Authority engaged stakeholders including student leaders, community leaders, parents, Parent Teacher Associations, Ntlo ya Dikgosi, District Councils, management of Private Higher Education Providers, student communities, media and others to clarify the transitional arrangements.

BQA conducted 14 Consultative Workshops with various stakeholders: Human Resource Development Council (HRDC), Botswana National Union of Students (BONUS), Business Botswana, Botswana Association of Private Education Providers (BAPTEP), Ministry of Tertiary Education, Research, Science and Technology (MoTE), Botswana Examinations Council (BEC), as

well as Private and Public ETPs. These workshops were mainly aimed at sensitising stakeholders about the BQA mandate.

BQA was also able to reach out to the political leadership through briefings in 15 out of 16 District Councils. Quarterly briefing sessions were held with media houses to keep them abreast with all developments during the transition period.

BQA in collaboration with Business Botswana and Botswana National Union of Students conducted Consultative Workshops throughout May 2017. The Regional Workshops were conducted in nine (9) areas: Gaborone, Ghanzi, Tsabong, Jwaneng, Kanye, Francistown, Selebi-Phikwe, Palapye and Maun. The main objective was to educate ETPs, learners, dikgosi, Regional Education Officers, Village Development Committees, Parent Teacher Associations, District Council Chairpersons, Mayors, and District Administration Offices around the country on reforms in education and training and their roles in the transition.

BQA also conducted roadshows around the country. These included kgotla meetings in the mornings and street activations in the afternoons. This was meant to cater for general public in the afternoons except for

Gaborone, Francistown, Selebi-Phikwe and Lobatse which had two street activations a day each and three (3) in Gaborone, instead of kgotla meetings. The roadshows were divided into two Phases. Phase I covered 12 areas; Ramotswa, Lobatse, Gaborone, Goodhope, Moshupa, Kanye, Tsabong, Kang, Ghanzi, Shakawe, Maun and Francistown.

Phase II covered eight (8) areas being Letlhakane, Tutume, Masunga, Tonota, Bobonong, Selebi-Phikwe, Serowe and Mahalapye.

In January 2018, the Authority also participated in Country Tours organised by MoTE, where nine (9) villages in Southern District were covered in the Mmathethe Constituency; Gasita, Segwagwa, Digawana, Mmathethe, Molapowabojang, Gathwane, Mogojojo, Maokane and Magoriapitse. Another MoTE tour was done in Shashe West Constituency. It covered Marapong, Marobela, Mathangwane, Sebina, Nshakashokwe, Borolong and Chadibe. The attendance and participations at these fairs were very good.

During the period of April 2017 – March 2018, the media was also used as the main channel to reach out to a variety of stakeholders. Both print and electronic media platforms were used to share the List of

## 8.0 Achievements Continued.

Accredited Learning Programmes, List of Registered Qualifications, public notices, press releases as well as Adverts for tenders and vacancies.

The BQA Facebook page and Twitter handle were revamped, and regularly used to communicate various transitional activities and developments. The Facebook page was made to be very interactive for clients to forward some of their queries through Facebook Messenger.

The BQA website also was live and constantly updated. The lists of BQA registered ETPs and their learning programmes were periodically updated to ensure that learners make informed decisions when they enrolled.

The Authority established partnerships with local organisations to further facilitate understanding of the BQA mandate and services. These partnerships were made with two broad groups, namely Professional Bodies and the media. On the media side, BQA entered into partnerships with Duma FM and Yarona FM. These partnerships went a long way in making stakeholders understand the BQA mandate and the services provided by the Authority.

### 8.10 .1 Corporate Social Responsibility

BQA and the Out of School Education and Training Unit (OSET) continued the maintenance of four sites in Lehututu, Mambo, Mopipi and Takatokwane which were built under the Memorandum of Understanding between the two parties to roll out the Hole-in-the-Wall Education and Learning (HiWEL) project. Other sites, which were built in partnership with Botho University and Construction Industry Trust Fund are in Maun, Shakawe and Gaborone. A new site was built in Bobonong in partnership with Stepping Stones International and Botho University. The Authority and the respective partners currently have eight (8) sites and these are maintained and updated on a regular basis.

HiWEL is a concept that was conceived in India by the National Institute for Information Technology (NIIT) through conducting educational experiments on children aged between six and 16 years. These experiments revealed that semi-literate children could quickly teach themselves the rudimentary basics of computers and internet. The partnership with OSET absorbs both child and adult learners.

The key concept was that the basic computing skills could be acquired by any group of children through incidental learning, provided they were given access to a suitable computing facility with entertaining and motivating content, and with minimal guidance. This learning process is also known by the name Minimal Invasive Education (MIE). The sites in Old Naledi in Gaborone and Moremi Primary School in Maun also remain operational.

BQA participated in a cleaning campaign in Block 7, in partnership with Peolwane Police Post. Members of staff joined Block 7 residents in a de-bushing exercise in the area. Furthermore, the Authority has volunteered to offer graphic design and marketing expertise in the Peolwane Police Post Project.

The Authority sponsored and participated in BEC Excellence Awards, Fairs and Exhibitions, My Star, Diacore Marathon, Lady Khama Charity Trust Half Marathon, Super 5 Five A Side soccer tournament, Botswana Life Up Kgale Challenge, Debate without Borders, and BOT 50+1 celebration, amongst others.

## 8.0 Achievements Continued.

### 8.11 Management Systems

#### 8.11.1 Quality Management System

The Authority's Quality Management System (QMS) continued to be maintained through internal audits, external audits, and Management reviews as required by the BOS ISO 9001: 2008 standard. The purpose of the audits was to verify continued compliance with the standard and the Authority's documented system. During the reporting period, the Authority also embarked on a project to transition its QMS to the new standard BOS ISO 9001:2015, which was published in September 2016. Some of the project milestones included training internal auditors on the new standard, training and awareness activities for staff, conducting gap analysis and risk assessment activities, development/alignment of QMS documentation including the Quality Manual, conducting internal audits on the new system. It also included submitting application to the Botswana Bureau of Standards (BOBS) for recertification against the new standard. The recertification audit was envisaged for the next financial year.

#### 8.11.2 Records Management System

Records Management continues to play a pivotal role in the management, creation, capture, circulation and control of BQA's corporate records for continued support of its business functions and activities. This is done in accordance with the BOS ISO 9001:2015 standard requirements.

The HP Records Manager System is instrumental in the efficient and timeous distribution of corporate records. The system was upgraded to the latest version being the HP Content Manager and will be rolled out in the next financial year.

BQA received a high volume of records in the past five (5) years due to rationalisation. This resulted in an offsite storage facility being sought and the project will be implemented in due course. The records will be subjected to appraisal before transfer.

The online applications submissions improved tracking of applications in the process of registration and accreditation. The online system has improved services as most of the mail sent out is done via email through the same system, making it possible for customers to receive feedback on time as opposed to

the traditional postal mail. The Authority opened a new set of files for 65 ETPs that applied for registration and accreditation under the new system as existing or new entrants into the system.

### 8.12. Human Capital Management

Human capital is a crucial element to achieve the mandate of the Authority. The Authority implemented the new regulations during the reporting period and this required greater human capital capacity to implement the new system. Accordingly, in the 2017/2018 financial year, the human capital management focus was on three key areas: staff recruitment; staff development; and the continued implementation of the revamped Performance Management System (PMS).

#### 8.12.1 Recruitment of Employees

As of 1<sup>st</sup> April 2017, the Authority's establishment was 127 compared to a staff complement of 110. This means that there were 17 vacancies to be recruited and filled. By 31<sup>st</sup> March 2018, 13 vacancies were filled - eight (8) by internal candidates and five (5) by external candidates. This increased the staff complement from 110 to 115. However, seven (7) employees left the

## 8.0 Achievements Continued.

Authority during the financial year, resulting in a staff compliment of 108 as of 31<sup>st</sup> March 2018.

### 8.12.2 Employee Development

As in the previous year, staff development was focused on addressing current and emerging organisational and individual needs to implement the BQA mandate. Sity-seven (67) long-term and short-term programmes were approved for implementation during the year under review. Employee development achievements are summarised in Table 6.

**Table 6: Employee development achievements**

Programme	Number approved	Completed	Continuing	Officer(s) Resigned	Deferred
Short-term Courses	28	6	10	N/ A	12
Long-term Courses	39	5	17	2	15
<b>Total</b>	<b>67</b>	<b>11</b>	<b>27</b>	<b>2</b>	<b>27</b>

Of the 28 short-term courses, six (6) were successfully completed by the end of the financial year, 10 were ongoing, and 12 were deferred due to transitional challenges. From the 39 long-term programmes, five (5) were successfully completed, 17 will continue into the next financial year, two (2) officers who were on the training plan resigned, and 15 were deferred due to time constraints caused by demands of the transition.

### 8.12.3 Performance and Management System

The Authority continued the implementation of its revamped Performance Management System to promote a high performance culture. It is also important to note that BQA continued to face performance challenges related to transition, for example a change in priorities in response to amendments in the legislative framework. Regardless of this challenge, an overall employee performance score of 97% was achieved against a set target of 90%. This means that 97% of employees met their performance expectations.

### 8.12.4 Staff Retention

In spite of the challenges associated with transitioning from legacy organisations to BQA, such as the delay in implementation of the new salary structure and establishment of the pension fund, BQA achieved 96% staff retention against a target of 95%.

### 8.12.5 Change Management

As part of the five-year strategic plan, BQA has a change management plan to sustain staff during transition. The interventions were based on the results of the change readiness assessment which reflected that the change was complex, with wide impact.

During the implementation of the plan, 104 out of 108 employees and seven temporary officers, enrolled for the "Investment in Excellence" programme. The programme was meant to specifically assist the leadership team to effectively lead individuals and teams through the complexities of the transitions where both customers and employees were learning the new system. The programme was geared towards creating change-ready individuals, teams and ultimately a change-ready BQA.



## 8.0 Achievements Continued.

To ensure continuous improvement, the Authority conducted a climate survey during the transition. This was a test of resilience to reflect work health during the transition. Staff expressed issues such as delayed decision-making and other management practices as impediments to their optimal productivity levels. These, along with other recommendations of the study, will be mitigated as per the 2018/19 Change Management Plan.

BQA was in its second year of transition. Although there has been noticeable progress, the organisation continues to experience challenges that needed to be mitigated to ensure a smooth transition.



## 9.0 CHALLENGES

## 9.0 Challenges

### 9.1. Transitional challenges

The following transitional challenges were experienced:

- a. The transition period was initially one year for ETPs in all the sub-systems, qualifications, assessors, moderators and learning programmes. After consultations with stakeholders, the transition periods were amended in December 2017 for the different sub-systems, ETPs, qualifications and learning programmes.
- b. Few applications were submitted and this may be attributed to the initial fee structure and lack of capacity to meet the new requirements. The fees were reviewed in February 2018. An extensive stakeholder engagement plan was implemented to build ETPs capacity to meet the various requirements. Support and guidance in the BQA One Stop Customer Service Centre was also reinforced.
- c. BQA staff readiness to implement change – staff training and development activities were implemented throughout the year
- d. Incomplete tools and instruments e.g. to register qualifications – these have since been finalised for use by applicants.

### 9.2. Financial and other resources

As reported in the last financial year, the allocated financial resources were inadequate. The Authority was not able to raise adequate budget through subventions from Government and other sources of income to support its planned activities. The Authority had to operate at a rationalised minimal budget as was the case in 2016/2017 financial year.

The Authority has had to take a phased-in approach in addressing the challenges mentioned above.

### 9.3. Quality Assurance

There has been a delay in terms of registration and accreditation of ETPs. The delay can be attributed to shortage of subject matter experts and the engagement of international experts who are shared amongst countries in the region. A database of experts was enhanced by inviting more, through a public notice, to register. The use of international experts will be continued to ensure the international competitiveness of the local education and training system. Where possible, memoranda of understanding will be signed with professional bodies and associations to structure the exercise.





# ANNUAL FINANCIAL STATEMENT

For the year ended 31 March 2018



**BOTSWANA QUALIFICATIONS AUTHORITY**  
**(Established under the Botswana Qualifications Authority Act No. 24 of 2013)**

**ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2018**

### 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. The Botswana Qualifications Authority Act was effected on 8 November 2013.

#### Registered address:

Plot 66450, Block 7, Gaborone

#### Members of the Board:

Chairperson – Mr Charles Siwawa

Vice Chairperson – Mr Barulaganye Mogotsi

Mr Oupa Masesane

Ms Dorcas Phirie (Alternate)

Mr David Slater

Mr Joseph M Matome

Mr Mogapi E Madisa

Mr Charles I Coyne

Mr Tebogo Rapitsenyane

Ms Mmatlala Dube

Mr Busie J Moepi

Mr Pelotshweu Motlogelwa

Ms Yolinda Baletloa

Mr Boniface Mphetlhe

#### Secretary

Mr Kennedy O Pheko

#### Chief Executive Officer

Mr Abel Modungwa (retired in December 2017)

Mr Ezekiel Thekiso

#### Postal address:

Private Bag BO340 , Gaborone

#### Auditors:

PricewaterhouseCoopers, Gaborone

#### Bankers:

First National Bank of Botswana Limited

Stanbic Bank Botswana Limited

## ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2018

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### STATEMENT OF RESPONSIBILITY BY THE MEMBERS OF THE BOARD for the year ended 31 March 2018

The members of 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 members of the board are also responsible for the design, implementation, and maintenance and monitoring of these systems of internal financial control. Nothing has come to the attention of members of the board 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. 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 by the Government of Botswana through the Ministry of Tertiary Education Research Science and Technology.

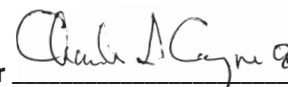
Our external auditors conduct an examination of the financial statements in conformity with International Standards on Auditing, which include tests of transactions and selective tests of internal accounting controls. Regular meetings are held between management and our external auditors to review matters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

The annual financial statements on pages 47 to 87 and supplementary information were authorised for issue by the members of the board on 13/09/2018 and are signed on its behalf by:

Member



Member







## INDEPENDENT AUDITOR'S REPORT

### TO THE MINISTER OF TERTIARY EDUCATION, RESEARCH SCIENCE AND TECHNOLOGY

Report on the audit of the financial statements.

#### *Our opinion*

In our opinion, the financial statements give a true and fair view of the financial position of Botswana Qualifications Authority (the "Authority") as at 31 March 2018, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRS").

#### **What we have audited**

Botswana Qualifications Authority's financial statements set out on pages 48 to 88 comprise:

- the statement of financial position as at 31 March 2018;
- the statement of comprehensive income for the year then ended;
- the statement of changes in funds for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

#### *Basis for opinion*

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Independence**

We are independent of the Authority in accordance with the Botswana Institute of Chartered Accountants Code of Ethics (the "BICA Code") and the ethical requirements that are relevant to our audit of financial statements in Botswana. We have fulfilled our other ethical responsibilities in accordance with these requirements and the BICA Code. The BICA Code is consistent with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (Parts A and B).

#### *Key audit matters*

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We communicate the key audit matter that relates to the audit of the financial statements of the current period in the table below.

PricewaterhouseCoopers, Plot 50371, Fairground Office Park, Gaborone, P O Box 294, Gaborone, Botswana  
T: (267) 395 2011, F: (267) 397 3901, [www.pwc.com/bw](http://www.pwc.com/bw)

### Valuation of land and building

The Authority accounts for land and building at fair value less accumulated depreciation. Management assesses the fair value of land and building at the end of each reporting period in order to evaluate whether there is a significant change in the fair value thereof. The Authority obtains independent valuations for the land and building at least every third year.

The carrying value of land and building of the Authority at 31 March 2018 amounted to P40,300,000.

The fair value loss adjustment recorded in other comprehensive income in respect of land and building amounted to P13,620,987.

At 31 March 2018, the Authority's valuation of land and building was based on a valuation carried out by an independent valuer.

The fair value of land and building was determined using the income approach.

We considered the valuation of the land and building to be a matter of most significance to our current year audit due to the following:

- The magnitude and significance of the balance; and
- The judgements and assumptions applied by the independent valuer engaged by management in determining the fair value of the land and building which included the determination of an appropriate rental yield (capitalisation rate) and the rent per square metre used in determining the net cash flows.

The disclosures relating to fair value assessments are set out in the financial statements in the following notes;

Note 5.2 Recognised fair value measurements (Page 59)

Note 7.1.1 Estimation of fair value of land and building (Page 65).

We assessed the objectivity, competence and experience of the independent valuer used by management by assessing their qualifications and past experience and by obtaining written confirmation from the valuer that:

- all professional staff involved in the valuation process are in good standing with relevant professional bodies;
- the valuer is free from any financial interest in the Authority which may impact on his independence;
- the Authority did not place any restrictions on the valuation processes; and
- the valuer is not aware of any information relevant to the valuations, which had been withheld by the Authority.

We found the valuer used by management to be independent, objective and to have the appropriate qualifications and experience to perform the valuation of land and building.

We obtained the valuation report and an understanding of the methodology and assumptions used by the independent valuer. We assessed the appropriateness of the methodology and the reasonableness of the assumptions applied by the independent valuer by performing the following procedures:

- We compared the valuation approach used by the independent valuer to the requirements of IFRS 13 *Fair Value Measurement* and industry norms. We found the valuation methodology applied by the independent valuer to be comparable and in line with those typically used for land and buildings in the industry;
- We assessed the reasonableness of the data inputs used by the independent valuer in the valuation of land and building, including net cash flows by comparing them to rental income and repair and maintenance costs of similar properties. We found the data inputs used by the independent valuer to be reasonable and in line with our expectations; and
- We compared the capitalisation rate used by the independent valuer in the valuation to the capitalisation rates generally used in the market as well as other general market factors such as comparable rental yield rates. We found the capitalisation rate used by the independent valuer to be within a reasonable range.

We recalculated the fair value adjustments made by management and we did not identify any material differences.

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### *Other information*

The members of the board are responsible for the other information. The other information comprises the information included in the Botswana Qualifications Authority Annual Financial Statements for the year ended 31 March 2018, which includes Authority Information, the Statement of Responsibility by the Members of the Board and the Detailed Income Statement, which we obtained prior to the date of this auditor's report, and the Botswana Qualifications Authority Annual Report 2017-18, which is expected to be made available to us after that date. Other information does not include the financial statements and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, 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 Members of the Board for the financial statements*

The members of the board are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards and in the manner required by the Botswana Qualifications Authority Act, 2013, and for such internal control as the members of the board determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the members of the board are 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 members of the board either intend to liquidate the Authority or to cease operations, or have no realistic alternative but to do so.

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### *Auditor's responsibilities for the audit of the financial statements*

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

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for 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 Authority's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the members of the board.
- Conclude on the appropriateness of the members of the board's 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 Authority'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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the members of the board 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.

From the matters communicated with the members of the board, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

---

### *Report on other legal and regulatory requirements*

In accordance with Section 23(3) of the Botswana Qualifications Authority Act, 2013 (the "Act"), we confirm that:

- We have received all information and explanations which, to the best of our knowledge and belief, were necessary for the performance of our duties;
- The accounts and related records of the Botswana Qualifications Authority have been properly kept;





- The Botswana Qualifications Authority has complied with all the financial provisions of the Act; and
  - Financial statements prepared by the Botswana Qualifications Authority were prepared on a basis consistent with that of the preceding year except for the adoption of new and revised International Financial Reporting Standards as stated in Note 13.1 to the financial statements.
- 

A handwritten signature in black ink, appearing to read 'Kosala Wijesena'.

**Individual practicing member: Kosala Wijesena**

**Membership number: 20000110**

**Gaborone**

**28 September 2018**

**STATEMENT OF COMPREHENSIVE INCOME***for the year ended 31 March 2018*

	Note	2018 P	2017 P
<b>Income</b>			
Government subvention		54,470,686	33,948,759
Project fund		-	6,306,952
BOTA office project fund		-	1,113,872
Ministry of Tertiary Education Research Science and Technology		2,755,983	-
Human Resource Development Fund contributions		31,120,620	28,106,842
Registration fees		8,562,492	3,616,084
	1	96,909,781	73,092,509
Amortisation of capital grants	5.4	2,326,799	2,026,704
Other income	2.1	198,390	472,225
<b>Total income</b>		<b>99,434,970</b>	<b>75,591,438</b>
<b>Expenditure</b>			
Amortisation of intangible assets		(190,634)	(119,190)
Advertising and promotion		(3,661,088)	(2,766,167)
Computer expenses		(3,315,574)	(3,366,823)
Depreciation of property, plant and equipment		(2,657,794)	(2,189,370)
Maintenance and running costs		(1,257,754)	(2,524,156)
Research and consultation		(5,912,010)	(4,957,128)
Staff costs		(65,217,638)	(54,111,998)
Travelling and accommodation		(1,269,420)	(1,410,519)
Workshops and conferences		(2,096,390)	(1,776,624)
Other operating expenses		(6,507,681)	(6,204,282)
<b>Total expenditure</b>	2.2	<b>(92,085,983)</b>	<b>(79,426,257)</b>
Finance income	2.3	120,719	230,175
<b>Surplus / (deficit) for the year</b>		<b>7,469,706</b>	<b>(3,604,644)</b>
<b>Other comprehensive income</b>			
<i>Item that will not be reclassified to income statement</i>			
Revaluation loss on property, plant and equipment	5.1	(13,620,987)	-
<b>Total comprehensive loss for the year</b>		<b>(6,151,280)</b>	<b>(3,604,644)</b>

**STATEMENT OF FINANCIAL POSITION***as at 31st March 2018*

	Note	2018 P	2017 P
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5.1	48,511,018	63,542,359
Intangible assets	5.3	1,069,969	1,057,659
		<b>49,580,987</b>	<b>64,600,018</b>
<b>Current assets</b>			
Trade and other receivables	4.1	8,611,196	7,940,444
Cash and cash equivalents	4.2	51,994,374	28,966,042
Total current assets		<b>60,605,570</b>	<b>36,906,486</b>
<b>Total assets</b>		<b>110,186,557</b>	<b>101,506,504</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Capital grants	5.4	(32,826,398)	(33,702,813)
<b>Current liabilities</b>			
Projects funds	5.5	(6,757,414)	(1,757,414)
Deferred income	6.3	(2,785,100)	-
Trade and other payables	4.3	(8,683,215)	(3,674,323)
Employee benefit obligations	5.6	(23,469,321)	(20,555,564)
Total current liabilities		<b>(41,695,050)</b>	<b>(25,987,301)</b>
<b>Total liabilities</b>		<b>(74,521,448)</b>	<b>(59,690,114)</b>
<b>Net assets</b>		<b>35,665,109</b>	<b>41,816,390</b>
<b>Funds and reserves</b>			
Accumulated funds	6.1	15,178,930	7,709,224
Revaluation reserve	6.2	20,486,179	34,107,166
<b>Total funds</b>		<b>35,665,109</b>	<b>41,816,390</b>

**STATEMENT OF CHANGES IN FUNDS***for the year ended 31 March 2018*

	Notes	Accumulated funds P	Revaluation reserve P	Total equity P
<b>For the year ended 31 March 2017</b>				
Balance at 1 April 2016		11,313,868	34,107,166	45,421,034
Deficit for the year		(3,604,644)	-	(3,604,644)
<b>Balance at 31 March 2017</b>		<b>7,709,224</b>	<b>34,107,166</b>	<b>41,816,390</b>
<b>For the year ended 31 March 2018</b>				
Balance at 1 April 2017		7,709,224	34,107,166	<b>41,816,390</b>
Surplus for the year		7,469,706	-	<b>7,469,706</b>
<i>Other comprehensive income</i>				
Revaluation loss		-	(13,620,987)	<b>(13,620,987)</b>
<b>Balance at 31 March 2018</b>		<b>15,178,930</b>	<b>20,486,179</b>	<b>35,665,109</b>



**STATEMENT OF CASH FLOWS***for the year ended 31 March 2018*

	Notes	2018 P	2017 P
<b>Cash flows from operating activities</b>			
Surplus / (deficit) for the year		7,469,706	(3,604,644)
Adjustment for non cash items:			
• Amortisation of deferred capital grants	5.4	(2,326,799)	(2,026,704)
• Depreciation of property, plant and equipment	5.1	2,657,794	2,189,370
• Amortisation of intangible assets	5.3	190,634	119,190
• Loss on disposal of property, plant and equipment		-	(139,195)
Interest income	2.3	(120,719)	(230,175)
Changes in working capital			
Trade and other receivables		(670,752)	1,498,228
Employee benefit obligations		2,913,757	11,003,096
Trade and other payable		5,008,892	(3,817,922)
Deferred income	6.3	2,785,100	-
<b>Net cash inflow from operating activities</b>		<b>17,907,613</b>	<b>4,991,244</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	5.1	(1,247,440)	(3,386,628)
Purchase of intangible assets	5.3	(202,944)	(652,227)
Interest received	2.3	120,719	230,175
Proceeds from sale of property, plant and equipment		-	140,484
<b>Net cash outflow from investing activities</b>		<b>(1,329,665)</b>	<b>(3,668,196)</b>
<b>Cash flows from financing activities</b>			
Capital grants received	5.4	1,450,384	3,846,541
Projects funds received	5.5	5,000,000	388,500
Transfer to Government Subvention	5.5	-	(6,306,952)
<b>Net cash outflow from financing activities</b>		<b>6,450,384</b>	<b>(3,185,783)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>		<b>23,028,332</b>	<b>(1,862,735)</b>
Cash and cash equivalents at beginning of year		28,966,042	30,828,777
<b>Cash and cash equivalents at end of year</b>	4.2	<b>51,994,374</b>	<b>28,966,042</b>

**NOTES TO THE FINANCIAL STATEMENTS***for the year ended 31 March 2018*

<b>1</b>	<b>Income</b>	<b>2018 P</b>	<b>2017 P</b>
	Government subvention	55,921,070	37,795,300
	Less: amount transferred to capital grants (Note 5.4)	(1,450,384)	(3,846,541)
		<b>54,470,686</b>	33,948,759
	Project fund (Note 5.5)	-	6,306,952
	BOTA office project fund (Note 5.5)	-	1,113,872
	Ministry of Tertiary Education Research Science and Technology	2,755,983	-
	Contribution from the Human Resource Development Fund	31,120,620	28,106,842
	Registration fees	8,562,492	3,616,084
		<b>96,909,781</b>	73,092,509
<b>2</b>	<b>Other income and expense items</b>		
<b>2.1</b>	<b>Other income</b>	<b>2018 P</b>	<b>2017 P</b>
		198,390	472,225
	Miscellaneous income	198,390	472,225
<b>2.2</b>	<b>Administration expenses</b>	<b>2018 P</b>	<b>2017 P</b>
	Amortisation of intangible assets (Note 5.3)	(190,634)	(119,190)
	Advertising and promotion	(3,661,088)	(2,766,167)
	Computer expenses	(3,315,574)	(3,366,823)
	Depreciation of property, plant and equipment (Note 5.1)	(2,657,794)	(2,189,370)
	Maintenance and running costs	(1,257,754)	(2,524,156)
	Research and consultancy	(5,912,010)	(4,957,128)
	Staff costs	(65,217,638)	(54,111,998)
	Travel and accommodation expenses	(1,269,420)	(1,410,519)
	Workshops and conferences	(2,096,390)	(1,776,624)
	Auditor's remuneration:		
	- current year	(350,000)	
	- prior year underprovision	(72,576)	
		<b>(422,576)</b>	(333,289)
	Board fees and expenses	(1,040,738)	(431,309)
	Insurance	(833,737)	(1,087,401)
	Printing and stationery	(1,011,462)	(1,446,420)
	Examination and allied expenses	(264,191)	(414,809)
	Legal fees	(393,120)	(108,985)
	Security	(320,526)	(389,675)
	Water and electricity	(677,193)	(638,132)
	Other expenses	(1,544,138)	(1,354,262)
	Total administrative expenses	<b>(92,085,983)</b>	(79,426,257)

**NOTES TO THE FINANCIAL STATEMENTS***for the year ended 31 March 2018***2.2 Breakdown of expenses by nature (continued)**

	2018 P	2017 P
<b>Staff costs</b>		
Salaries and wages	48,322,782	38,809,313
Gratuity	12,615,363	10,749,701
Medical expenses	1,232,763	993,345
Leave pay	1,732,152	2,000,203
Other staff costs	1,280,547	1,534,235
Severance pay	34,031	25,201
	<b>65,217,638</b>	<b>54,111,998</b>
	2018 P	2017 P
<b>2.3 Finance income</b>		
<i>Finance income</i>		
Interest received on short term investments	120,747	230,175
Exchange loss on cash and cash equivalents	(28)	-
	<b>120,719</b>	<b>230,175</b>

The interest income relates to interest earned on short-term deposits maintained with the banks.

**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	Assets at fair value through profit or loss P	Financial assets at amortised cost P	Total P
<b>At 31 March 2018</b>				
Trade and other receivables*	4.1	-	7,696,118	7,696,118
Cash and cash equivalents	4.2	-	51,994,374	51,994,374
		-	<b>59,690,492</b>	<b>59,690,492</b>
<b>At 31 March 2017</b>				
Trade and other receivables*	4.1	-	6,960,320	6,960,320
Cash and cash equivalents	4.2	-	28,966,042	28,966,042
		-	<b>35,926,362</b>	<b>35,926,362</b>

\*excluding prepayments

**NOTES TO THE FINANCIAL STATEMENTS***for the year ended 31 March 2018***4 Financial assets and financial liabilities (continued)**

<b>Financial liabilities</b>	<b>Notes</b>	<b>Liabilities at amortised cost P</b>
<b>At 31 March 2018</b>		
Other payables*	<b>4.3</b>	<b><u>8,683,215</u></b>
<b>At 31 March 2017</b>		
Other payables*	<b>4.3</b>	<b><u>3,674,323</u></b>

\*excluding non-financial liabilities

Authority's exposure to various risks associated with the 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.

<b>4.1 Trade and other receivables</b>	<b>2018 P</b>	<b>2017 P</b>
Trade receivables	<b>96,446</b>	208,363
Less: Provision for impairment (Note 8.2)	<b>(73,770)</b>	(105,920)
	<b>22,676</b>	102,443
Contributions receivable from Human Resource Development Fund	<b>7,374,551</b>	6,517,659
Prepayments	<b>915,078</b>	980,124
Other receivables	<b>298,891</b>	340,218
	<b><u>8,611,196</u></b>	<u>7,940,444</u>

Trade and other receivables are receivable within a year. Since impact of discounting is not significant, the fair value of trade and other receivables equals the carrying amount.

As of 31 March 2018, trade receivables of P 5,000 (2017: 9,100) were fully performing.



**NOTES TO THE FINANCIAL STATEMENTS***for the year ended 31 March 2018***4.1 Trade and other receivables (continued)**

As at 31 March 2018, trade receivables of P 17,676 (2017: P93,820) were past due and not impaired. These relates to number of independent customers for whom there is no history of default. The aging analysis of these receivables is as follows;

Age analysis of past due and not impaired debtors:

Between 31 and 60 days

2018 P	2017 P
17,676	93,820
<b>17,676</b>	<b>93,820</b>

All other asset classes do not contain impaired assets.

Maximum exposure to credit at the reporting date was the fair value of each asset class of receivable mentioned above. Authority does not hold any collateral as security.

**(i) Classification as trade and other receivables**

Trade receivables are amounts due from customers for services performed in the ordinary course of business. If collection of the amounts is expected in one year or less they are classified as current assets. The Authority's impairment and other accounting policies for trade and other receivables are outlined in Notes 7.2 and 13.6 respectively.

**(ii) Other receivables**

These amounts generally arise from transactions outside the usual operating activities of the Authority.

**(iii) Fair values of trade and other receivables**

Fair value of trade receivables as at 31 March 2018 amount to P 126,446 ( 2017: P 208,363).

Due to the short-term nature of the other receivables, their carrying amount is considered to be the same as their fair value.

**(iv) Impairment and risk exposure**

Information about the impairment of trade and other receivables and the Authority's exposure to credit risk and interest rate risk can be found in Note 8.

**NOTES TO THE FINANCIAL STATEMENTS***for the year ended 31 March 2018***4.2 Cash and cash equivalents**

Bank balances  
Cash on hand

2018 P	2017 P
51,991,749	28,964,840
2,625	1,202
<b>51,994,374</b>	<b>28,966,042</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:

Bank balances  
Cash on hand

2018 P	2017 P
51,991,749	28,964,840
2,625	1,202
<b>51,994,374</b>	<b>28,966,042</b>

The carrying amounts of the bank balances are dominated in the following foreign currencies:

South African Rands

2018 P	2017 P
<b>51,356</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 24 hours notice with no loss of interest. See Note 13.5 for the Authority's other accounting policies on cash and cash equivalents.

**4.3 Other payables****Current liabilities****Accruals**

Other payables - staff salaries migration cost  
- suppliers payments  
- miscellaneous  
- SAQAN Project

2018 P	2017 P
2,722,120	1,130,766
3,653,995	-
1,274,328	2,465,516
866,135	78,041
166,637	-
<b>8,683,215</b>	<b>3,674,323</b>

**NOTES TO THE FINANCIAL STATEMENTS***for the year ended 31 March 2018***4.3 Other payables (continued)**

The Southern African Quality Assurance Network (SAQAN) is a regional body with membership from countries and institutions in the SADC Region of which Botswana Qualifications Authority (BQA) is a member. The main objectives of the Network is to improve quality assurance in higher education and harmonise quality assurance systems in the region. Membership is voluntary and members pay joining fees and annual subscriptions fees. BQA is currently the Secretariat of the Network for a period of 5 years from 2015 when the Network was established. The SAQAN project amount above relates to annual subscription fees from members.

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

**NOTES TO THE FINANCIAL STATEMENTS***for the year ended 31 March 2018***5 Non-financial assets and liabilities**

<b>5.1 Property, plant and equipment</b>	<b>Land and buildings (valuation) P</b>	<b>Plant and machinery (cost) P</b>	<b>Motor vehicles (cost) P</b>	<b>Furniture and fittings (cost) P</b>	<b>Office equipment (cost) P</b>	<b>Computer equipment (cost) P</b>	<b>Library books (cost) P</b>	<b>Total P</b>
<b>Cost/valuation</b>								
Balance at 1 April 2016	55,800,000	4,857,667	2,251,750	2,985,407	1,804,622	3,394,249	367,330	71,461,025
Additions	192,314	-	1,763,435	654,338	86,583	668,322	21,636	3,386,628
Disposals	-	-	(301,970)	(29,991)	(669,392)	(160,871)	-	(1,162,224)
Balance at 31 March 2017	55,992,314	4,857,667	3,713,215	3,609,754	1,221,813	3,901,700	388,966	73,685,429
<b>Additions</b>	25,877	-	13,652	99,796	132,252	970,868	4,995	1,247,440
Revaluation	(13,620,987)	-	-	-	-	-	-	(13,620,987)
Reversal on revaluation of land and buildings	(2,097,204)	-	-	-	-	-	-	(2,097,204)
<b>Balance at 31 March 2018</b>	<b>40,300,000</b>	<b>4,857,667</b>	<b>3,726,867</b>	<b>3,709,550</b>	<b>1,354,065</b>	<b>4,872,568</b>	<b>393,961</b>	<b>59,214,678</b>
<b>Accumulated depreciation</b>								
Balance at 1 April 2016	-	(1,490,764)	(1,601,935)	(1,918,531)	(1,760,865)	(2,016,829)	(325,711)	(9,114,635)
Charge for the year	929,800	242,883	221,121	340,003	39,802	379,305	36,456	2,189,370
Disposals	-	-	(301,970)	(29,950)	(668,144)	(160,871)	-	(1,160,935)
Balance at 31 March 2017	929,800	1,733,647	1,521,086	2,228,584	1,132,523	2,235,263	362,167	10,143,070
<b>Charge for the year</b>	<b>1,167,404</b>	<b>242,883</b>	<b>415,395</b>	<b>354,807</b>	<b>27,793</b>	<b>421,742</b>	<b>27,770</b>	<b>2,657,794</b>
Reversal on revaluation of land and buildings	(2,097,204)	-	-	-	-	-	-	(2,097,204)
<b>Balance at 31 March 2018</b>	<b>-</b>	<b>(1,976,530)</b>	<b>(1,936,481)</b>	<b>(2,583,391)</b>	<b>(1,160,316)</b>	<b>(2,657,005)</b>	<b>(389,937)</b>	<b>(10,703,660)</b>
<b>Carrying amount</b>								
At 31 March 2017	55,062,514	3,124,020	2,192,129	1,381,170	89,290	1,666,437	26,799	63,542,359
<b>At 31 March 2018</b>	<b>40,300,000</b>	<b>2,881,137</b>	<b>1,790,386</b>	<b>1,126,159</b>	<b>193,749</b>	<b>2,215,563</b>	<b>4,024</b>	<b>48,511,018</b>

An independent valuation of the Authority's land and buildings was performed by MG Properties to determine the value of land and buildings as at 31 March 2018.

**NOTES TO THE FINANCIAL STATEMENTS***for the year ended 31 March 2018***5.1 Property, plant and equipment (continued)****(i) Disclosure of depreciation in the statement of comprehensive income**

Depreciation charge for the year has been classified in the statement of comprehensive income as follows:

	2018 P	2017 P
Depreciation of property, plant and equipment	<b>2,657,794</b>	2,189,370

**(ii) Revaluation, depreciation methods and useful lives**

Land and buildings are recognised at fair value based on periodic, but at least triennial valuations by external independent valuers, less subsequent depreciation for land and buildings. A revaluation surplus is credited to other reserves (Note 6.2). All other property, plant and equipment is recognised at historical cost less accumulated depreciation.

Depreciation is calculated using the straight-line method to allocate their cost or revalued amounts, 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	Over the lease period
Plant and machinery	20 years
Motor vehicles	6-10 years
Furniture and fittings	10 years
Office equipment	6 years
Computer equipment	6 years
Library books	2 years

See note 13.8 for other accounting policies relevant to property, plant and equipment.

**(iii) Significant estimates – valuations of land and buildings**

Information about the valuation of land and buildings are provided in Note 7.1.1.



**NOTES TO THE FINANCIAL STATEMENTS***for the year ended 31 March 2018***5.1 Property, plant and equipment (continued)***(iv) Carrying amounts that would have been recognised if land and buildings that were revalued were stated at cost*

If the land and building were carried at cost before the above revaluation adjustment, the respective carrying amounts would be as follows;

	<b>Cost P</b>	<b>Accumulated depreciation P</b>	<b>Net book amount P</b>
<b>At 31 March 2017</b>			
Land	112,219	(29,175)	83,044
Building	28,958,849	(5,148,240)	23,810,609
	<u>29,071,068</u>	<u>(5,177,415)</u>	<u>23,893,653</u>
<b>At 31 March 2018</b>			
Land	112,219	(31,419)	80,800
Building	28,958,849	(5,727,417)	23,231,432
	<u>29,071,068</u>	<u>(5,758,836)</u>	<u>23,312,232</u>

**5.2 Recognised fair value measurements***(i) Fair value hierarchy*

The Authority has classified its non-financial assets and liabilities into the three levels prescribed under the accounting standards.

<b>Non-recurring fair value measurements</b>	<b>NOTES</b>	<b>LEVEL 1 P</b>	<b>Level 2 P</b>	<b>Level 3 P</b>	<b>Total P</b>
<b>At 31 March 2018</b>					
Land and building	5.1	-	-	40,300,000	40,300,000
<b>At 31 March 2017</b>					
Land and building	5.1	-	-	55,800,000	55,800,000

The Authority's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

There were no transfers between levels during the year.

**NOTES TO THE FINANCIAL STATEMENTS***for the year ended 31 March 2018***5.2 Recognised fair value measurements (continued)****(ii) Valuation techniques used to determine level 3 fair values**

The Authority obtains independent valuations for its land and building at least every three years.

At the end of each reporting period, Management updates their assessment of the fair value of land and building taking into account the most recent independent valuations. Management determines values within a range of reasonable fair value estimates.

The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available the members of the board consider information from a variety of sources including:

- current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences;
- capitalised net income projections based upon a property's estimated net market income, and a capitalisation rate derived from an analysis of market evidence.

Land and building were revalued as at 31 March 2018 by MG Properties based on the open market value at P 40,300,000.

See below for the analyses for non-financial assets carried at fair value, by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is unobservable inputs) (Level 3).

**Fair value measurements using significant unobservable inputs (Level 3) - Land and buildings**

	<b>2018 P</b>	<b>2017 P</b>
Opening balance at 1 April	<b>55,062,514</b>	55,800,000
Additions	<b>25,877</b>	192,314
Revaluation loss	<b>(13,620,987)</b>	-
Depreciation on revaluation	<b>(1,167,404)</b>	(929,800)
Closing balance at 31 March	<b>40,300,000</b>	55,062,514

**NOTES TO THE FINANCIAL STATEMENTS***for the year ended 31 March 2018***5.2 Recognised fair value measurements (continued)***(iii) Valuation processes*

The external valuations of the land and buildings have been performed using net income approach. The valuations have been performed using unobservable inputs. Accordingly, the fair value measurement has been classified under level 3. The external valuer, in discussion with the management of BQA has determined these inputs based on the size, age and condition of the land and building, the state of the local economy and comparable prices.

*Information about fair value measurements using significant unobservable inputs (Level 3)*

Description	Fair value as at 31 March 2018	Valuation technique	Unobservable inputs	Range of unobservable inputs	Relationship of unobservable inputs to fair value
Plot 66450, Gaborone	40,300,000	Income approach	Rent per m2	P 70 - P 75	Higher the rental, higher the fair value
			Rental yield	9% - 9.5%	Lower yield, higher the fair value

**NOTES TO THE FINANCIAL STATEMENTS***for the year ended 31 March 2018***5.3 Intangible assets****Cost**

Balance at 1 April 2016	3,293,704
Additions	652,227
Disposals	-
Balance at 31 March 2017	3,945,931

Balance at 31 March 2017	3,945,931
Additions	202,944

<b>Balance at 31 March 2018</b>	<b>4,148,875</b>
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**Accumulated amortisation**

Balance at 1 April 2016	2,769,082
Amortisation charge	119,190
Disposals	-
Balance as 31 March 2017	2,888,272

Balance as 31 March 2017	2,888,272
Amortisation charge	190,634

<b>Balance as 31 March 2018</b>	<b>3,078,906</b>
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**Carrying amount**

At 31 March 2017	1,057,659
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<b>At 31 March 2018</b>	<b>1,069,969</b>
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Intangible assets consists of computer software which is a purchased asset and also that there were no individual asset that is material to the annual financial statement of the Authority as a whole.

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

Computer software	7 years
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**NOTES TO THE FINANCIAL STATEMENTS***for the year ended 31 March 2018***5.4 Capital grants**

	2018 P	2017 P
Balance at 1 April	<b>33,702,813</b>	31,690,662
Purchase of property, plant and equipment from Government subvention	<b>1,247,440</b>	3,194,314
Purchase of intangible assets from Government subvention	<b>202,944</b>	652,227
Purchase of property, plant and equipment from BOTA project funds	-	192,314
Amortisation during the year	<b>(2,326,799)</b>	(2,026,704)
<b>Balance at 31 March</b>	<b>32,826,398</b>	33,702,813

Capital grants represent grants from the Government utilised for capital expenditure (Note 5.1 and 5.3).

The portion of the grants recognised as income during the year relates to the depreciation of property, plant and equipment which was funded by the capital grants.

**5.5 Project funds**

	2018 P	2017 P
Balance at 1 April	<b>1,757,414</b>	8,982,052
Projects funds received during the year	<b>5,000,000</b>	388,500
Capital expenditure during the year	-	(192,314)
BQA Project operating expenses	-	(1,113,872)
Transfer to Government Subvention	-	(6,306,952)
<b>Balance at 31 March</b>	<b>6,757,414</b>	1,757,414

As at 31 March 2017 the Authority received funds amounting to P388,500.00 from the Human Resource Development Council to support the Tour Guides Recognition of Prior Learning Assessment Project. The Project is ongoing and delayed due to logistics. As at 31 March 2018 the Authority also received the sum of P5,000,000.00 for capacity building in the General Education Sector. Implementation is planned to take place in the financial year 2018/2019.

Funds received for both capital and non-capital projects are maintained in a call account. Interest earned on surplus funds is directly credited to the Authority in the statement of comprehensive income.

**5.6 Employee benefit obligations**

	Leave pay P	Gratuity P	Total P
Balance at beginning of the year	3,722,920	16,832,644	<b>20,555,564</b>
Provisions for the year	1,732,153	12,645,775	<b>14,377,928</b>
Payments during the year	(2,961,598)	(3,513,880)	<b>(6,475,478)</b>
Gratuity advances	-	(4,988,692)	<b>(4,988,692)</b>
<b>Balance at end of the year</b>	<b>2,493,474</b>	<b>20,975,847</b>	<b>23,469,321</b>



**NOTES TO THE FINANCIAL STATEMENTS***for the year ended 31 March 2018***5.6 Employee benefit obligations (continued)****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 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 birding financing. In order to comply with this requirement the Authority has opened a 32-day notice bank account with Stanbic Bank Botswana Limited for its staff gratuity accrual. The account has a balance of P 18,127,498 (2017: P 16,832,644).

**Leave pay**

Leave pay accrual represents annual leave accrued net of annual leave advanced to employees. The current portion of this liability includes all of the accrued annual leave. The entire amount of the obligation of P 2,493,473.80 (2017 - P 3,722,920) 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 end of contract of service, whichever is earlier. These calculations are based on managements valuation as at the reporting date. Management has assumed that all employees may request their dues within the 12 months, hence the entire provisions are classified as a current liability.

**6.1 Accumulated funds**

Balance 1 April

Comprehensive income / (deficit) for the year

Balance 31 March

2018 P	2017 P
<b>7,709,224</b>	11,313,868
<b>7,469,706</b>	(3,604,644)
<b>15,178,930</b>	7,709,224

**6.2 Other reserves**

At 1 April 2016

Revaluation - gross (Note 5.1)

At 31 March 2017

At 1 April 2017

Revaluation - gross (Note 5.1)

**At 31 March 2018**

The revaluation reserve arises as a result of revaluation of land and building.

**Revaluation  
reserve  
P**

34,107,166

-

**34,107,166**

34,107,166

(13,620,987)

**20,486,179****6.3 Deferred income**

Deferred income

Deferred income comprises of registration fees and programme evaluation fees received in advance.

**2,785,100**

-

**NOTES TO THE FINANCIAL STATEMENTS***for the year ended 31 March 2018***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 Estimation of fair values of land and buildings – Notes 5.2**

Land and buildings are valued at least triennially as the assets do not experience significant and volatile changes in fair value, thus negating the necessity for annual revaluation.

The fair value of the Authority's land and buildings were determined by independent valuers based on following methods.

Land and buildings were revalued as at 31 March 2018 by an independent valuer based on income approach. Please refer Note 5.2 for the valuation techniques used to determine the fair value of land and buildings.

**7.1.2 Impairment provision on trade receivables – Note 4.1**

A provision for impairment of trade receivables is established when there is objective evidence that the Authority will not be able to collect all amounts due according to the original terms of the receivables.

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the statement of comprehensive income. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited in the statement of comprehensive income.

**NOTES TO THE FINANCIAL STATEMENTS***for the year ended 31 March 2018***7 Critical accounting estimates and judgments (continued)****7.1.3 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.

**7.1.4 Useful lives of intangible assets (Note 5.3)**

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.

**7.1.5 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 13.3.

**NOTES TO THE FINANCIAL STATEMENTS***for the year ended 31 March 2018***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 profit and loss information has been included where relevant to add further context.

<b>Risk</b>	<b>Exposure arising from</b>	<b>Measurement</b>	<b>Management</b>
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 and credit limits.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities

The Authority's risk management is carried out by the Finance Department under policies approved by the Members of the Board. 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 1% increase in interest rates would result in an increase in the surplus for the year of P 1,207 (2017: P 2,301), while a decrease in interest rates by a similar margin would result in equal and opposite effect on the surplus for the year. A 1% variation is considered the most likely movement in interest rates based on the past interest rates adjustments announced by the Bank of Botswana.

**(ii) Liquidity risk**

The Authority's capital and operational expenditure is funded by the Government of Botswana in the form of revenue and capital grants. The Authority's substantial financial liabilities will be settled within three months after year end except for leave pay and gratuity accruals. Gratuity payments are funded from a 32-day notice bank account that has been set up as disclosed in Note 5.6.

**(iii) Credit risk**

The Authority does not engage in any material trading activities. Human Resource Development Fund contributions are the significant receivables. In this regard the credit risk associated with accounts receivable is not considered to be material to the financial statements.

**NOTES TO THE FINANCIAL STATEMENTS***for the year ended 31 March 2018***8 Financial risk management (continued)**

Reputable financial institutions are used for investing and cash handling purposes. All money market instruments and cash equivalents are placed with financial institutions registered in Botswana. Banks in Botswana are not rated but each of the banks concerned are subsidiaries of major South African or United Kingdom registered financial institutions.

**(iv) Cash at bank**

	<b>2018</b>	<b>2017</b>
	<b>P</b>	<b>P</b>
Stanbic Bank Botswana Limited	<b>19,639,075</b>	11,103,645
First National Bank of Botswana Limited	<b>32,352,674</b>	17,861,195
	<b>51,991,749</b>	28,964,840

The Authority only deposit cash with major banks with high quality credit standing and limits exposure to any one counter-party. The Authority have deposits with Stanbic Bank Botswana and First National Bank of Botswana Limited. There are no credit ratings available in Botswana. The banks are listed companies and have reported sound financial results and continued compliance with minimum capital adequacy requirements. None of the financial assets that are fully performing have 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 F2 for short term credits (Fitch rating)

First National Bank of Botswana Limited is listed on the Botswana Stock Exchange and is a subsidiary of FirstRand Bank Limited, a Bank listed on the Johannesburg Stock Exchange. Long-term credit rating assigned to the bank by Moody's is Baa2. Long-term credit rating assigned to the bank by Standard & Poor's is BB+ (strong capacity to meet its financial commitments). FirstRand Bank rating reflect 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.

**(v) Foreign exchange risk**

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Authority is exposed to foreign exchange risk arising from various currency exposures, primarily the South African Rand. Foreign exchange risk arise from commercial transactions. Management has set up a policy to manage foreign exchange risk against the functional currency.

The Authority transacts with other Networking members of Southern African Quality Assurance Network (SAQAN) in the SADC region and is exposed to foreign exchange risk arising from various currencies, primarily the South African Rand (ZAR).

The Authority's risk management objective is to manage cash flow risk related to foreign denominated cash flows. The Authority is exposed to currency risk related to changes of exchange between ZAR and BWP (Botswana Pula) in which it operates. A significant change in the currency exchange rate between ZAR and BWP could have a material effect on the Authority's surplus.



**NOTES TO THE FINANCIAL STATEMENTS***for the year ended 31 March 2018***8 Financial risk management (continued)**

The Authority is exposed to currency risk through FNB account denominated in ZAR

<b>31 March 2018</b>	<b>ZAR</b>	<b>BWP</b>
<b>Assets</b>		
Cash and cash equivalents	<u>64,724</u>	<u>51,356</u>

**Foreign currency rates used for conversion at reporting date:**

	<b>ZAR</b>	<b>BWP</b>
31 <sup>st</sup> March 2018	1.000	0.79346

The strengthening of ZAR against the BWP by 10% at 31 March 2018 would have an approximate impact of P5,148 (2017 : 0) on the Authority's surplus, with all the other variables held constant. A 10% weakening of the ZAR would have equal but opposite effect.

**(vi) Price risk**

The Authority has no equity securities and the Authority's income and operating cash flows are substantially independent of changes in equity price risk.

**8.2 Impaired trade receivables**

Receivables for which an impairment provision was recognised are written-off against the provision when there is no expectation of recovering additional cash.

Impairment losses are recognised in profit or loss within administration expenses. Subsequent recoveries of amounts previously written off are credited against administration expenses.

The ageing of these impaired trade receivables is as follows:

	<b>Carrying amounts</b>	
	<b>2018 P</b>	<b>2017 P</b>
Over 120 days	<u><b>73,770</b></u>	<u><b>105,920</b></u>

**NOTES TO THE FINANCIAL STATEMENTS***for the year ended 31 March 2018***8 Financial risk management (continued)**

Movements in the provision for impairment of trade receivables that are assessed for impairment collectively are as follows:

	<b>2018</b>	<b>2017</b>
	<b>P</b>	<b>P</b>
At 1 April	<b>105,920</b>	-
(Reversal) / charge during the year	<b>(32,150)</b>	105,920
At 31 March	<b>73,770</b>	105,920

*Past due and not impaired*

As at 31 March 2018, trade receivables of P 17, 676 (2017: P 93, 820) were past due and not impaired. These relate to a number of independent customers for whom there is no recent history of default. The ageing analysis of these trade receivables is as follows:

	<b>2018</b>	<b>2017</b>
	<b>P</b>	<b>P</b>
Between 31 to 60 days	<b>17,676</b>	93,820
	<b>17,676</b>	93,820

The other receivables do not contain impaired assets and are not past due. Based on the credit history of these other classes, it is expected that these amounts will be received when due. The Authority does not hold any collateral in relation to these receivables.

**8.3 Liquidity risk**

Surplus cash is invested in interest bearing call accounts and time deposits. At the reporting date, the Authority held liquid assets of P 51,994,374 (2017: P 28,966,042) that are expected to readily generate cash inflows for managing liquidity risk.

The table below analyses the Authority's financial liabilities based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

**NOTES TO THE FINANCIAL STATEMENTS***for the year ended 31 March 2018***As at 31 March 2018**

<b>Liabilities</b>	<b>Less than six months P</b>	<b>Between six and 12 months P</b>	<b>More than one year P</b>	<b>Total P</b>
Trade and other payables	8,683,215	-	-	<b>8,683,215</b>
<b>Total</b>	<b>8,683,215</b>	<b>-</b>	<b>-</b>	<b>8,683,215</b>

**As at 31 March 2017**

<b>Liabilities</b>	<b>Less than six months P</b>	<b>Between six and 12 months P</b>	<b>More than one year P</b>	<b>Total P</b>
Trade and other payables	3,674,321	-	-	<b>3,674,321</b>
<b>Total</b>	<b>3,674,321</b>	<b>-</b>	<b>-</b>	<b>3,674,321</b>

**8.4 Capital risk management**

There was no active capital risk management process in place primarily because the Authority was established under the Botswana Qualifications Authority Act No. 24 of 2013. Under this Act, the Government provides grants for both capital and operational expenditure based on detailed budgets submitted by the Members of the Board. The Authority's objective when managing its capital include ensuring a sufficient combination of positive operating cash flows and equity financing in order to meet its capital programs in a way that maximizes the shareholder return given the assumed risks of the operations while, at the same time, safeguarding the Authority's ability to continue as a going concern.

The capital of the Authority comprises accumulated funds as disclosed in the statement of changes in funds. During the period under review, the Authority did not have borrowings as it is government owned.

**NOTES TO THE FINANCIAL STATEMENTS***for the year ended 31 March 2018***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.

The Board members confirm that there were no contingent liabilities which required disclosure other than the above and that the exposure of the Authority to the liability is remote.

**10 Commitments**

There were no capital expenditures contracted for at the statement of financial position date but not yet incurred.

**11 Events after reporting period**

There were no events that occurred after the reporting date which would require adjustments to or disclosures in the financial statements.

**12 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 capital grants and operational subventions. The Government has statutory representation on the Board of the Authority. Transactions directly with the Government of Botswana and Human Resource Development Council which administers the Human Resource Development Fund are treated as related party transactions.

**a) Ministry of Tertiary Education Research Science and Technology (Ministry) - The Authority is a parastatal under the Ministry.**

	2018 P	2017 P
Subvention received from the Government (Note 1)	55,921,070	37,795,300
Other contribution from Ministry of Tertiary Education Research Science and Technology (Note 1)	2,755,983	-

**NOTES TO THE FINANCIAL STATEMENTS***for the year ended 31 March 2018***12 Related party transactions and balance (continued)****b) Human Resource Development Council (HRDC)**

The Authority receives contribution from the HRDC to support quality assurance activities at 10% of the collections. The Fund is administered by the Human Resource Development Council on behalf of the Ministry.

	<b>2018 P</b>	<b>2017 P</b>
10% Contribution	<b>31,120,620</b>	28,106,842
Receivable	<b>7,374,551</b>	6,517,659
<b>c) Key Management personnel expenditure:</b>	<b>2018 P</b>	<b>2017 P</b>
Remuneration	<b>7,531,179</b>	6,169,242
<b>Benefits accruals:</b>		
Leave pay accrual	<b>218,955</b>	484,625
Gratuity accrual	<b>2,506,497</b>	2,191,722
	<b>2,725,452</b>	2,676,347
<b>d) Sitting allowance</b>	<b>2018 P</b>	<b>2017 P</b>
Sitting allowance paid to Members of the Board	<b>486,900</b>	78,170
Sitting allowance payable to Members of the Board	<b>33,750</b>	22,926



**NOTES TO THE FINANCIAL STATEMENTS***for the year ended 31 March 2018***13. Summary of significant accounting policies**

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

**13.1. Basis of preparation**

The annual financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations issued by the IFRS Interpretations Committee (IFRS IC) applicable to companies reporting under IFRS and in the manner required by the Botswana Qualifications Authority Act, 2013. The financial statements comply with IFRS as issued by the International Accounting Standards Board (IASB). The financial statements have been prepared under the historical cost convention, as modified by the revaluation of land and buildings.

The preparation of financial statements in conformity with IFRS requires the use of certain accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Although these estimates are based on Management's best knowledge of the current events and actions, actual results may ultimately differ from those estimates. It also requires Management to exercise its judgment in the process of applying the Authority's accounting policies.

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.

**(i) Adoption of standards in the current financial year**

New and amended standards adopted by the Authority

The following new standards, amendments and interpretations to existing standards have been adopted for the Authority's accounting periods beginning on or after 1 January 2017.

- Amendment to IAS 7 – Cash flow statements - In January 2016, the International Accounting Standards Board (IASB) issued an amendment to IAS 7 introducing an additional disclosure that will enable users of financial statements to evaluate changes in liabilities arising from financing activities (effective from 1 January 2017).

The amendment responds to requests from investors for information that helps them better understand changes in an entity's debt. The amendment will affect every entity preparing IFRS financial statements. However, the information required should be readily available. Preparers should consider how best to present the additional information to explain the changes in liabilities arising from financing activities.

**NOTES TO THE FINANCIAL STATEMENTS***for the year ended 31 March 2018***13.1. Basis of preparation (continued)****(i) Adoption of standards in the current financial year (continued)**

New and amended standards applicable to the current period but not relevant to the Authority

Management assessed the relevance of the following amendments and interpretations with respect to the Authority's operations and concluded that they are not relevant to the Authority.

- Amendment to IAS 12, 'Income taxes' - Recognition of deferred tax assets for unrealised losses. The amendment was issued to clarify the requirements for recognising deferred tax assets on unrealised losses. The amendment clarifies the accounting for deferred tax where an asset is measured at fair value and that fair value is below the asset's tax base. It also clarifies certain other aspects of accounting for deferred tax assets. The amendment clarifies the existing guidance under IAS 12. It does not change the underlying principles for the recognition of deferred tax assets (for annual periods beginning on or after 1 January 2017).
- Amendment to IFRS 12, 'Disclosure of interests in other entities' regarding clarification of the scope of the standard. The amendment clarified that the disclosures requirement of IFRS 12 are applicable to interest in entities classified as held for sale except for summarised financial information (para B17 of IFRS 12). Previously, it was unclear whether all other IFRS 12 requirements were applicable for these interests. These amendments should be applied retrospectively for annual periods beginning on or after 1 January 2017.

**(ii) Adoption of standards in future financial periods****New standards, amendments and interpretations which are relevant to the Authority's operations but not yet effective**

The following new standards, amendments and interpretations to existing standards are relevant for the Authority's accounting periods beginning after 1 January 2018. These have not been early adopted by the Authority.

- IFRS 9 – Financial Instruments (2009 & 2010)
- Financial liabilities
- Derecognition of financial instruments
- Financial assets
- General hedge accounting

This standard replaces the guidance in IAS 39. It includes requirements on the classification and measurement of financial assets and liabilities; it also includes an expected credit losses model that replaces the current incurred loss impairment model. (Effective 1 January 2018).

IFRS 15 – Revenue from contracts with customers- The FASB and IASB issued their long awaited converged standard on revenue recognition on 29 May 2014. It is a single, comprehensive revenue recognition model for all contracts with customers to achieve greater consistency in the recognition and presentation of revenue. Revenue is recognised based on the satisfaction of performance obligations, which occurs when control of good or service transfers to a customer.(for annual periods beginning on or after 1 January 2018.

**NOTES TO THE FINANCIAL STATEMENTS***for the year ended 31 March 2018***13.1. Basis of preparation (continued)****(ii) Adoption of standards in future financial periods****New standards, amendments and interpretations which are relevant to the Authority's operations but not yet effective.**

The Authority expects to adopt the standard for the first time in the 2019 annual statements.

The impact of the standard is currently being assessed.

Management is currently assessing the impact of the application of these new standards, amendments and interpretations on the Authority's financial statements in the period of initial application. At this time, the adoption of these standards and interpretations is only expected to have an impact on the classification and disclosure of items in the Authority's financial statements.

**New standards, amendments and interpretations which are not relevant to the Authority's operations and not yet effective**

Management assessed the relevance of the following new amendments and improvements with respect to the Authority's operations and concluded that they are not relevant to the Authority:

- Amendments to IFRS 2 – 'Share-based payments' - This amendment clarifies the measurement basis for cash-settled, share-based payments and the accounting for modifications that change an award from cash-settled to equity-settled. It also introduces an exception to the principles in IFRS 2 that will require an award to be treated as if it was wholly equity-settled, where an employer is obliged to withhold an amount for the employee's tax obligation associated with a share-based payment and pay that amount to the tax authority (effective from 1 January 2018).
- Amendment to IFRS 9 -'Financial instruments', - on general hedge accounting - The IASB has amended IFRS 9 to align hedge accounting more closely with an entity's risk management. The revised standard also establishes a more principles-based approach to hedge accounting and addresses inconsistencies and weaknesses in the current model in IAS 39 (effective 1 January 2018).
- Amendment to IFRS 9 -'Financial instruments', - on prepayment features with negative compensation and modification of financial liabilities. The narrow-scope amendment covers two issues:

The amendments allow companies to measure particular prepayable financial assets with so-called negative compensation at amortised cost or at fair value through other comprehensive income if a specified condition is met—instead of at fair value through profit or loss. It is likely to have the biggest impact on banks and other financial services entities (effective 1 January 2018).

**NOTES TO THE FINANCIAL STATEMENTS***for the year ended 31 March 2018***13.1. Basis of preparation (continued)****(ii) Adoption of standards in future financial periods (continued)****New standards, amendments and interpretations which are not relevant to the Authority's operations and not yet effective**

How to account for the modification of a financial liability. The amendment confirms that most such modifications will result in immediate recognition of a gain or loss. This is a change from common practice under IAS 39 today and will affect all kinds of entities that have renegotiated borrowings (effective from 1 January 2019).

- IFRS 16 – Leases - This standard replaces the current guidance in IAS 17 and is a far reaching change in accounting by lessees in particular.

Under IAS 17, lessees were required to make a distinction between a finance lease (on balance sheet) and an operating lease (off balance sheet). IFRS 16 now requires lessees to recognise a lease liability reflecting future lease payments and a 'right-of-use asset' for virtually all lease contracts. The IASB has included an optional exemption for certain short-term leases and leases of low-value assets; however, this exemption can only be applied by lessees.

For lessors, the accounting stays almost the same. However, as the IASB has updated the guidance on the definition of a lease (as well as the guidance on the combination and separation of contracts), lessors will also be affected by the new standard.

At the very least, the new accounting model for lessees is expected to impact negotiations between lessors and lessees. Under IFRS 16, a contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

IFRS 16 supersedes IAS 17, 'Leases', IFRIC 4, 'Determining whether an Arrangement contains a Lease', SIC 15, 'Operating Leases – Incentives' and SIC 27, 'Evaluating the Substance of Transactions Involving the Legal Form of a Lease' (effective from 1 January 2019).

- IFRS 4, 'Insurance contracts' - Regarding the implementation of IFRS 9, 'Financial instruments' - These amendments introduce two approaches: an overlay approach and a deferral approach. The amended standard will:
  - Give all companies that issue insurance contracts the option to recognise in other comprehensive income, rather than profit or loss, the volatility that could arise when IFRS 9 is applied before the new insurance contracts standard is issued; and
  - Give companies whose activities are predominantly connected with insurance an optional exemption from applying IFRS 9 until 2021. The entities that defer the application of IFRS 9 will continue to apply the existing financial instruments standard – IAS 39 (effective from 1 January 2018).

**NOTES TO THE FINANCIAL STATEMENTS***for the year ended 31 March 2018***13.1. Basis of preparation (continued)****(ii) Adoption of standards in future financial periods (continued)****New standards, amendments and interpretations which are not relevant to the Authority's operations and not yet effective**

- IAS 40, 'Investment property' - Transfers of investment property - These amendments clarify that to transfer to, or from, investment properties there must be a change in use. To conclude if a property has changed use there should be an assessment of whether the property meets the definition. This change must be supported by evidence (effective from 1 January 2018).
- IFRS 1, 'First-time adoption of IFRS', regarding the deletion of short term exemptions for first-time adopters regarding IFRS 7, IAS 19, and IFRS 10 effective 1 January 2018.
- IAS 28, 'Investments in associates and joint ventures' – long term interests in associates and joint ventures. The amendments clarified that companies account for long term interests in an associate or joint venture, to which the equity method is not applied, using IFRS 9. The amendments are effective from 1 January 2019, with early application permitted.
- IAS 28, 'Investments in associates and joint ventures' regarding measuring an associate or joint venture at fair value. IAS 28 allows venture capital organisations, mutual funds, unit trusts and similar entities to elect measuring their investments in associates or joint ventures at fair value through profit or loss (FVTPL). The Board clarified that this election should be made separately for each associate or joint venture at initial recognition. Effective 1 January 2018.
- IFRS 10, 'Consolidated financial statements' and IAS 28, 'Investments in associates and joint ventures' on sale or contribution of assets - The postponement applies to changes introduced by the IASB in 2014 through narrow-scope amendments to IFRS 10 'Consolidated Financial Statements' and IAS 28 'Investments in Associates and Joint Ventures'. Those changes affect how an entity should determine any gain or loss it recognises when assets are sold or contributed between the entity and an associate or joint venture in which it invests. The changes do not affect other aspects of how entities account for their investments in associates and joint ventures.

The reason for making the decision to postpone the effective date is that the IASB is planning a broader review that may result in the simplification of accounting for such transactions and of other aspects of accounting for associates and joint ventures (effective date postponed).

- IFRS 17, 'Insurance contracts' - The IASB issued IFRS 17, 'Insurance contracts', and thereby started a new epoch of accounting for insurers. Whereas the current standard, IFRS 4, allows insurers to use their local GAAP, IFRS 17 defines clear and consistent rules that will significantly increase the comparability of financial statements. For insurers, the transition to IFRS 17 will have an impact on financial statements and on key performance indicators.

**NOTES TO THE FINANCIAL STATEMENTS***for the year ended 31 March 2018***13.1. Basis of preparation (continued)****(ii) Adoption of standards in future financial periods (continued)****New standards, amendments and interpretations which are not relevant to the Authority's operations and not yet effective**

Under IFRS 17, the general model requires entities to measure an insurance contract at initial recognition at the total of the fulfilment cash flows (comprising the estimated future cash flows, an adjustment to reflect the time value of money and an explicit risk adjustment for non-financial risk) and the contractual service margin. The fulfilment cash flows are remeasured on a current basis each reporting period. The unearned profit (contractual service margin) is recognised over the coverage period.

Aside from this general model, the standard provides, as a simplification, the premium allocation approach. This simplified approach is applicable for certain types of contract, including those with a coverage period of one year or less.

For insurance contracts with direct participation features, the variable fee approach applies. The variable fee approach is a variation on the general model. When applying the variable fee approach, the entity's share of the fair value changes of the underlying items is included in the contractual service margin. As a consequence, the fair value changes are not recognised in profit or loss in the period in which they occur but over the remaining life of the contract (effective from 1 January 2021).

- IFRS 3, 'Business combination' - a company remeasures its previously held interest in a joint operation when it obtains control of the business (effective from 1 January 2019).
- IFRS 11, 'Joint arrangements', - a company does not remeasure its previously held interest in a joint operation when it obtains joint control of the business (effective from 1 January 2019).
- IAS 12, 'Income taxes' - The amendment clarified that the income tax consequences of dividends on financial instruments classified as equity should be recognised according to where the past transactions or events that generated distributable profits were recognized (effective 1 January 2019).
- IAS 23, 'Borrowing costs' - a company treats as part of general borrowings any borrowing originally made to develop an asset when the asset is ready for its intended use or sale (effective from 1 January 2019).
- IFRIC 22, 'Foreign currency transactions and advance consideration' - This IFRIC addresses foreign currency transactions or parts of transactions where there is consideration that is denominated or priced in a foreign currency. The interpretation provides guidance for when a single payment/receipt is made as well as for situations where multiple payment/receipts are made. The guidance aims to reduce diversity in practice (effective 1 January 2018).



**NOTES TO THE FINANCIAL STATEMENTS***for the year ended 31 March 2018***13.1 Basis of preparation (continued)****(ii) Adoption of standards in future financial periods (continued)****New standards, amendments and interpretations which are not relevant to the Authority's operations and not yet effective**

- IFRIC 23, 'Uncertainty over income tax treatments' – This IFRIC provides a framework to consider, recognise and measure the accounting impact of tax uncertainties. The Interpretation provides specific guidance in several areas where previously IAS 12 was silent. The Interpretation also explains when to reconsider the accounting for a tax uncertainty. Most entities will have developed a model to account for tax uncertainties in the absence of specific guidance in IAS 12. These models might, in some circumstances, be inconsistent with IFRIC 23 and the impact on tax accounting could be material. Management should assess the existing models against the specific guidance in the Interpretation and consider the impact on income tax accounting (effective from 1 January 2019).

**13.2 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 the presentation currency.

**(ii) Transactions and balances**

Foreign currency transactions are translated into the 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 the year end.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in profit or loss within "finance income or cost". All other foreign exchange gains and losses are presented in profit or loss within cost of sales.

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 related to changes in amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in other comprehensive income.

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 2018***13.3 Revenue recognition****(i) Government subvention and grants**

Government grants are assistance by government in the form of transfers of resources to the Authority in return for compliance with certain conditions relating to the operating activities of the Authority.

Government subventions relating to a particular period are recognised in the statement of comprehensive income in the respective period when there is a reasonable assurance that the subventions will be received.

Grants from the Government are initially recognised to unspent grants under current liabilities in the statement of financial position, once there is reasonable assurance that the Authority will comply with the conditions attaching to them (as applicable) and it is reasonably assured that the grant will be received.

Grants received for specific expenses are recognised in the statement of comprehensive income over the period necessary to match with the expenses they are intended to compensate. Grants received for which the related expense have not been incurred remain included in current liabilities as unspent grants received from Government.

Grants received for the acquisition of property, plant and equipment ("capital assets") are transferred from unspent grants to capital grants in the statement of financial position in the period in which the underlying asset is bought. Grants, for which the underlying asset has been bought, is subsequently recognised in the statement of comprehensive income to match the depreciation of the related assets, as other income. Grants received for which assets have not been purchased, remain included in current liabilities as unspent grants received from Government.

**(ii) Interest income**

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

**(iii) Sale of services**

Registration, accreditation and audit fees comprises of fees payable by institutions, trainers and assessors. These fees are recognised on accrual basis.

**13.4 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.

**NOTES TO THE FINANCIAL STATEMENTS***for the year ended 31 March 2018***13.4 Impairment of non-financial assets (continued)**

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 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.
- 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 in the near future, 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.

**13.5 Cash and cash equivalents**

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.

**13.6 Trade receivables**

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.

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

**NOTES TO THE FINANCIAL STATEMENTS***for the year ended 31 March 2018***13.7 Investments and other financial assets****(i) Classification**

The Authority classifies its financial assets in the following categories:

- financial assets at fair value through profit or loss, and
- loan and receivables

The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

**(ii) Recognition and derecognition**

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Authority commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Authority has transferred substantially all the risks and rewards of ownership.

**(iii) Measurement**

At initial recognition, the Authority measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

**(iv) Impairment**

The Authority assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Assets carried at amortised cost

For loans and receivables, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in profit or loss. If a loan or held-to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the Authority may measure impairment on the basis of an instrument's fair value using an observable market price.

**NOTES TO THE FINANCIAL STATEMENTS***for the year ended 31 March 2018***13.7 Investments and other financial assets (continued)**

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the income statement.

Impairment testing of trade receivables is described in Note 8.2.

**(v) Income recognition**

Interest income is recognised using the effective interest method.

**13.8 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 is explained in Note 5.1. All assets except for land and buildings are stated at historical cost less accumulated depreciation. 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.

Increase in the carrying amount arising on revaluation of land and buildings is credited to other comprehensive income and shown as revaluation reserve in statement of changes in equity. Decreases that off-set previous increases of the same assets are charged against revaluation reserve; all other decreases are charged to profit or loss. The revaluation surplus included in equity in respect of an item of property, plant and equipment is transferred directly to retained earnings when the asset is derecognised.

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 amount. These are included in profit or loss. When revalued assets are sold, it is Authority policy to transfer any amounts included in other reserves in respect of those assets to retained earnings.

**NOTES TO THE FINANCIAL STATEMENTS***for the year ended 31 March 2018***13.9 Intangible assets****Computer Software**

Intangible assets comprise of computer software.

Costs associated with maintaining computer software programmes are recognised as an expense as 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:

- 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. The computer software have a finite useful life of 7 years.

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

**13.10 Financial liabilities**

Financial liabilities are recognised when the Authority becomes a party to the contractual provisions of the instrument.

*Initial recognition and measurement*

All the Authority's financial liabilities within the scope of IAS 39 consist of trade and other payables. The Authority determines the classification of its financial liabilities on initial recognition. The financial liabilities are measured at fair value, net of directly attributable transaction costs.



**NOTES TO THE FINANCIAL STATEMENTS***for the year ended 31 March 2018***13.10 Financial liabilities (continued)***Subsequent Measurement*

Subsequent to initial recognition the financial liabilities are classified as trade and other payables and measured at amortised cost using the effective interest rate method. Gains and losses are recognised in the statement of comprehensive income.

*Derecognition*

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on different terms or the terms substantially modified, such an exchange is treated as derecognition of the original liability and recognition of a new liability.

**13.11 Trade and other payables**

These amounts represent liabilities for goods and services provided to the Authority prior to the end of 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.

**13.12 Project funds 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 projects funds. Expenditure incurred on the capital projects is capitalised and an equivalent amount is transferred to capital grants. Expenditure incurred on the non-capital projects are charged to the statement of comprehensive income.

All other capital and non-capital expenditure are financed through the annual subvention from the Government. Assets acquired from the subvention are capitalised and an equivalent amount is transferred to capital grants.

An amount equal 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.

**NOTES TO THE FINANCIAL STATEMENTS***for the year ended 31 March 2018***13.13 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 a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. 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 time value of money.

**13.14 Employee benefits**

Liabilities for wages and salaries, including non-monetary benefits and accumulating leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the statement of financial position.

Employees of the Authority are on contract and are eligible for gratuity at the rate of 30% (2017: 30%) of basic pay at the end of the contract. Provision for terminal payments have been made in these financial statements. Employee entitlement to annual leave and contractual gratuity are recognised when they accrue to employees as a result of services rendered by employees up to the statement of financial position date.

**13.15 Related parties**

Related parties are defined as those parties:

- (a) directly, or indirectly through one or more intermediaries, the party that:
  - (i) controls, is controlled by, or is 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 or its parent including close members of the family.

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

**DETAILED INCOME STATEMENT***for the year ended 31 March 2018***Annexure I**

	<b>2018 P</b>	<b>2017 P</b>
<b>Revenue</b>		
Government subvention	<b>54,470,686</b>	41,369,583
Ministry of Tertiary Education Research Science and Technology	<b>2,755,983</b>	-
Human Resource Development Fund contributions	<b>31,120,620</b>	28,106,842
Registration fees	<b>8,562,492</b>	3,616,084
	<b>96,909,781</b>	73,092,509
Amortisation of deferred capital grants	<b>2,326,799</b>	2,026,704
<b>Other income</b>		
Miscellaneous	<b>198,390</b>	472,225
	<b>198,390</b>	472,225
<b>Total income</b>	<b>99,434,970</b>	75,591,438
<b>Total Expenditure</b>	<b>92,085,983</b>	79,426,257
<b>Operating surplus / (deficit) for the year</b>	<b>7,348,987</b>	3,834,819

This detailed income statement does not form part of the financial statements covered by the audit opinion on pages 42 to 46

**DETAILED INCOME STATEMENT***for the year ended 31 March 2018***Annexure I Continued..**

	<b>2018 P</b>	<b>2017 P</b>
<b>Expenditure</b>		
Advertising and promotion	<b>(3,661,088)</b>	(2,766,167)
Amortisation charge	<b>(190,634)</b>	(119,190)
Audit fees - external	<b>(422,576)</b>	(333,289)
- internal	<b>(3,664)</b>	(5,702)
Bad debts	-	(109,920)
Bank charges	<b>(59,466)</b>	(49,327)
Board fees and expenses	<b>(1,040,738)</b>	(431,309)
Computer expenses	<b>(3,315,574)</b>	(3,366,823)
Depreciation of property, plant and equipment	<b>(2,657,794)</b>	(2,189,370)
Entertainment expenses	<b>(3,845)</b>	(14,228)
Examination and allied expenses	<b>(264,191)</b>	(414,809)
Gardening services	<b>(66,942)</b>	(52,097)
Insurance	<b>(833,737)</b>	(1,087,401)
Legal fees	<b>(393,120)</b>	(108,985)
Library books and materials	<b>(17,550)</b>	(116,271)
Maintenance and running costs	<b>(1,257,754)</b>	(2,524,156)
Motor vehicle expenses	<b>(270,886)</b>	(352,776)
Office cleaning	<b>(392,601)</b>	(138,380)
Postage and courier	<b>(48,218)</b>	(46,371)
Printing and stationery	<b>(1,011,462)</b>	(1,446,420)
Protective clothing	<b>(12,393)</b>	(8,913)
Research and consultation	<b>(5,912,010)</b>	(4,957,128)
Security	<b>(320,526)</b>	(389,675)
Staff costs	<b>(65,217,638)</b>	(54,111,998)
Subscriptions	<b>(376,051)</b>	(55,476)
Telephone and fax	<b>(292,522)</b>	(404,801)
Travelling and accommodation	<b>(1,269,420)</b>	(1,410,519)

**This detailed income statement does not form part of the financial statements covered by the audit opinion on pages 42 to 46**

**DETAILED INCOME STATEMENT***for the year ended 31 March 2018*

Water and electricity

Workshops and conferences

**Annexure I Continued..**

<b>2018 P</b>	<b>2017 P</b>
<b>(677,193)</b>	(638,132)
<b>(2,096,390)</b>	(1,776,624)
<b>(92,085,983)</b>	(79,426,257)

This detailed income statement does not form part of the financial statements covered by the audit opinion on pages 42 to 46.

**NOTES**

*for the year ended 31 March 2018*



## NOTES

*for the year ended 31 March 2018*



**BOTSWANA**  
Qualifications Authority



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