



BOTSWANA
Qualifications Authority

ANNUAL REPORT 2019/2020

"Building a seamless Education and Training System"

Doctoral Degree

Doctoral Degree

Master's Degree

Master's Degree

Bachelor's degree
Honors

Bachelor's degree
Honors

Bachelor's Degree

Bachelor's Degree

Diploma

Diploma

Certificate

Certificate

A-Level

A-Level

BGCSE

BGCSE

Junior Certificate

Junior Certificate

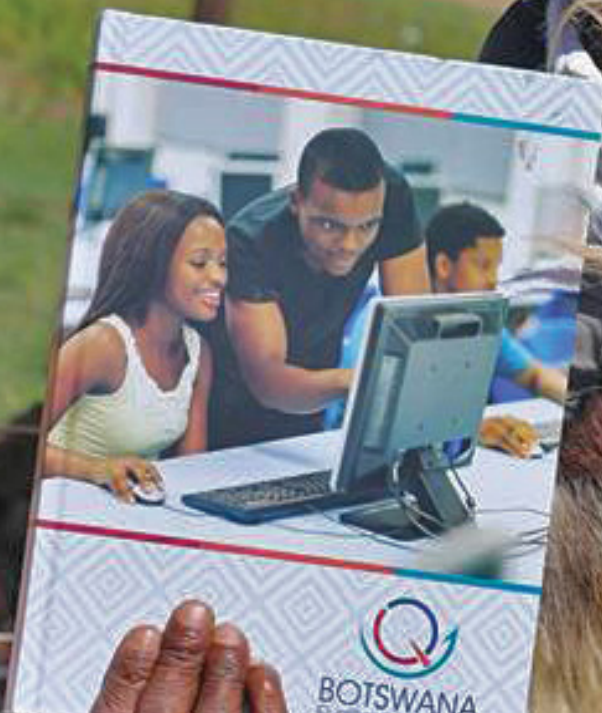
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BOTSWANA
Qualifications Authority

2019/20 ANNUAL REPORT



Vision

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

Mission

BQA ensures that all learners acquire quality assured awards through the implementation of a national quality assured system.

- Integrity
- Quality
- Performance
- Customer Focus
- Innovation

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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 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, Tender Committee, Quality Assurance Committee and Appeals Committee. To ensure efficiency in the execution of its mandate, BQA structure has two directorates and five departments. These are: Directorate of the Chief Executive Officer, Directorate of the Deputy Chief Executive Officer, Department of Finance and Administration, Department of Business Development, Department of Quality Assurance, Department of the National Credit and Qualifications Framework Services, and the Department of Human Resource.

The act stipulates that the funds of funds of the Authority shall consist of:

- monies as may be appropriated by the National Assembly for the purpose of the Authority;

- grants and donations as the Authority may receive;
- fees as may be charged for services rendered by the Authority; and
- any income that the Authority may receive from 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 to govern the Authority. The Board exercises its powers in accordance with the Act, the Board Charter and corporate governance best practices. The Board is responsible for policy and general oversight of the Authority.

The Minister appoints a maximum of 13 members with 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 are eligible for re-appointment for a further three-year term. The Minister can remove or suspend a member from office should he/she be declared bankrupt or 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.

2.2 Board Charter and Board Committee Charters

The adopted Board and Committee Charters are aligned to King III Report on Corporate Governance to guide it discharge its fiduciary duties.

2.3 Board Meetings

In 2019/20 the Board held four quarterly meetings as per the statutory requirement. The schedule of the quarterly Board meetings was communicated at the beginning of the financial year to assist Board members in their planning.

2.4 Declaration of Interest

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. All the disclosures are recorded in the minutes of the meeting and form part of the Board records. 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.

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 Code of Conduct and Ethics

The Board has a Code of Ethics that ensures commitment to the highest level of integrity in corporate decisions and the way in which the Authority conducts its entire business. The Board and employees of the Authority are required to always conduct themselves according to the highest ethical standards.

2.6 Board Remuneration

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

2.7 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 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 in accordance with the policies laid down by the Board.

2.8 Board Committees

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

The Chairperson and Vice-Chairperson of each Committee are appointed from 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 meet at least four times a year, except the Appeals Committee, which meets when there are appeals to consider. The Committees report and make recommendations to the Board.

Board Committees are comprised as follows:

2.8.1 Finance Committee

The Finance Committee (FC) provides the Board with objective advice and assurance regarding financial management and Information Communication Technology governance. The Committee also monitors internal financial controls, compliance with the relevant legislative requirements, and ensures integrity of integrated reporting, including management accounts and annual financial statements, that disclosures made by management portray the Authority's financial condition, results of operation and long-term commitments.

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 International Accounting Standards issued by the International Accounting Standards Committee (IASC).

2.8.2 Risk and Audit Committee

The Risk and Audit Committee (RAC) has oversight role with accountability to the Board. The Committee is constituted in terms of the principles of sound Corporate Governance as contained in King III and as provided for by the BQA Act, 2013.

The RAC assists the Board in discharging its duties through:

- **Financial Reporting** - which includes recommending to the Board the appointment of external auditors and assessing the fairness of external audit fees and making appropriate recommendations. The Committee ensures that there is cooperation and coordination between external and internal Audit, considers and recommends the draft annual financial statements and auditors' report and Management letter to the Board for approval.
- **Governance** - through the review of systems and policies 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. The Committee monitors and ensures that internal audit function is adequately resourced and has appropriate

standing within the Authority. It also reviews current/pending litigation or regulatory proceedings bearing on the Authority's governance and significant cases of employee conflict of interest, misconduct and fraud.

- **Risk Management and Internal Control** - including review of the Authority's risk management controls, policies and key risks inherent and emerging in the organisation's business as well as the system of internal control necessary to monitor such risks. The Committee reviews Management's steps to implement and maintain appropriate internal control procedures, including review of significant financial controls and adequacy of security of information, information systems and recovery plans.
- **Internal Audit** - through oversight over internal audit activities by recommending to the Board the appointment and/or removal of Head of Internal Audit. The Committee reviews the Internal Audit Charter and proposes amendments thereto for submission to the Board for approval, internal audit plans, reports, budgets, schedules, Management responses and corrective action plans from internal audit findings. It reviews policies and procedures with respect to employees' expense accounts, including the use of corporate assets.

2.8.3 Human Resource Committee

The primary responsibility of the Human Resource Committee (HRC) is to advise the Board on all matters pertaining to the strategic human resource management. The HRC assists the Board in ensuring that BQA attracts and retains competent and engaged employees and that it remunerates all employees fairly and responsibly. The HRC assists the Board in ensuring that BQA's disclosure on human resource management information is accurate, complete and transparent

2.8.4 Tender Committee

The Tender Committee provides oversight on procurement and asset management. The Committee ensures that all tenders are awarded in a transparent and procedural manner to enhance an effective control environment in the procurement processes. The Committee has delegated financial authority that is reviewed from time to time.

2.8.5 Quality Assurance Committee

The Quality Assurance Committee (QAC) provides the Board with objective advice and assurance regarding registration and accreditation of Education and Training Providers (ETPs) and learning programmes. The QAC considers, makes decisions and recommendations to the Board on applications for registration and accreditation of ETPs, awarding bodies and learning programmes presented by the Management Quality Assurance Committee, as per the delegation of Authority matrix. The QAC considers and makes recommendations for renewal/suspension/revocation/re-assessment of registration and accreditation of ETPs, awarding bodies and learning

programmes. The QAC also considers audit reports presented by the Management Quality Assurance Committee and reviews procedures, instruments, processes and systems, ensuring that they meet the set quality assurance service requirements and reflect best practice.

2.8.6 Qualifications Framework Maintenance Committee

The Qualifications Framework Maintenance Committee (QFMC) provides the Board with objective advice and assurance in the development and maintenance of the National Credit and Qualifications Framework (NCQF).

The QFMC considers and recommends to the Board for approval NCQF policies, instruments, qualifications and guidelines such as Articulation, Recognition of Prior Learning, Credit Accumulation and Transfer System (CATS) Policies.

2.8.7 Appeals Committee

The Appeals Committee acts as the internal appeals body for the Authority. The Committee discharges the responsibilities of the Board relating to decisions made against any governing structure of the Authority. The Committee does not have supervisory powers over the Board.

The reporting lines are clearly defined and provide for direct access to the Chairpersons of the Board and Board Committees.

2.9 Board Secretary

The Board Secretary facilitates 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, and advise the Board and Executive Management on their roles and responsibilities. The Board Secretary maintains the Authority's key corporate governance documents, and organises, attends and records all Board meetings. The office provides legal advice to Executive Management, Board and Board Committees.

2.10 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 and Board Committees Code of Conduct and Ethics	✓
Board and Board Committee Charters	✓
BQA Internal Audit Charter	✓
Whistleblowing Policy	✓
BQA Corporate Strategy	✓
BQA Quality Manual	✓
BQA Processes Manual	✓

3.0

BOARD OF DIRECTORS



Chairperson
Mr Charles Siwawa



Vice Chairperson
Mrs Mmatlala Dube



Member
Mr Tebogo Rapitsinyane



Member
Mr Barulaganyi Mogotsi



Member
Mr Joseph Matome



Member
Mr Mogapi Madisa



Member
Mr Pelotshweu Motlogelwa



Member
Mr Busie Moepi



Member
Mrs Yolinda Baletloa



Member
Mr Charles Coyne



Member
Mr Oupa Masesane



Member
Mr Bonface G. Mphetlhe



Member
Mr John D. Slater

4.0 BOARD AND COMMITTEE MEETINGS ATTENDANCE

Attendance of the Board meetings and those of its Committees is core to corporate governance. It demonstrates commitment and accountability of members to the organisation. Most members of the Board and Committees were able to attend at least two or more scheduled meetings. The Human Resource Committee had three scheduled meetings and the Appeals Committee sat twice in the year to attend to requests to reconsider decisions made by Management.

The tables below show membership of the Board and Board Committees, and record of attendance by members at statutory quarterly meetings of the Board and its Committees in 2019/20:

4.1 Board of Directors

Table 2: Board attendance 2019/20

Chairperson: Mr Charles Siwawa

NAME	MAY	AUG	NOV	FEB	TOTAL
Mr Charles Siwawa	P	P	P	P	4/4
Mrs Mmatlala Dube	P	P	P	P	4/4
Mr Barulaganye Mogotsi	P	P	P	P	4/4
Mr David Slater	P	P	P	P	4/4
Mr Joseph Matome	A	P	P	A	2/4
Mr Busie J Moepi	P	P	A	A	2/4
Mr Charles Coyne	P	P	P	P	4/4
Mr Mogapi Madisa	P	P	P	P	4/4
Mrs Yolinda Baletloa	A	A	P	P	2/4
Mr Boniface Mphetlhe	A	A	A	A	0/4
Mr Tebogo Rapitsenyane	P	P	P	P	4/4
Mr Pelotshweu Motlogelwa	A	A	A	P	1/4
Mr Oupa Masesane	P	A	A	P	2/4



A=Absent with Apology P=Present

In addition to the above, the Board and its Committees attended special meetings to facilitate BQA's ongoing transition. Table 3 shows attendance of special Board meetings.

Table 3: Board Special meetings 2019/20

Name	09 April 2019	02 May 2019	15 May 2019	14 Jun 2019	11 Jul 2019	02 Aug 2019	26 Sept 2019	04 Dec 2019	10 Dec 2019	16 Dec 2019	06 Mar 2020	Total
C.Siwawa	P	P	P	P	P	P	P	P	P	P	P	11
M.Dube	P	P	P	P	P	P	P	P	P	P	P	11
B.Mogotsi	P	P	P	P	P	P	P	P	P	P	P	11
O.Masesane	P	A	P	A	A	P	A	A	A	A	A	3
D.Slater	P	P	P	P	P	P	P	P	P	P	P	11
J.Matome	P	P	A	P	P	A	P	P	P	P	P	9
B.Moepi	P	P	P	P	P	P	A	P	P	P	P	10
C.Coyne	P	P	P	P	A	A	P	P	P	P	P	9
M.Madisa	A	P	P	P	P	P	A	P	P	P	P	8
B.Mphetlhe	P	A	A	A	A	A	P	A	A	A	P	3
P.Motlogelwa	A	A	P	P	P	P	P	P	P	P	P	9
Y.Baletloa	A	A	A	A	P	A	P	A	A	A	A	5
T.Rapitsenyane	P	P	P	P	P	P	P	P	P	P	P	11

A=Absent with Apology P=Present

During the year under review, the Board attended training on Director Code of Conduct and Conflict of Interest to upskill members on critical areas of corporate governance in execution of their oversight role. The Authority will continuously identify skills gaps which shall be addressed by undertaking training for members

4.2 Quality Assurance Committee

Table 4: Quality Assurance Committee attendance 2019/20

Chairperson: Mr Tebogo Rapitsenyane

NAME	MAY	JUL	NOV	FEB	TOTAL
Mr Tebogo Rapitsenyane	P	P	P	P	4/4
Mr Busie J Moepi	P	P	P	P	4/4
Mr Pelotshweu Motlogelwa	A	A	P	A	1/4
Mr Charles Coyne	P	A	P	P	3/4
Dr Olefile Molwane	P	P	P	A	3/4
Mrs Dorcas Phirie	A	A	A	P	1/4
Prof Frank Youngman	P	A	P	P	3/4
Mr Modiri Mogopa	P	P	P	P	4/4
Mr Tebogo Motswetla	P	P	P	P	4/4
Mr Joseph Moseki	P	P	P	P	4/4



A=Absent with Apology P=Present

4.3 Qualifications Framework Maintenance Committee

Table 5: Qualifications Framework Maintenance Committee attendance 2019/20

Chairperson: Mr Mogapi Madisa

NAME	MAY	AUG	NOV	FEB	TOTAL
Mr Mogapi Madisa	P	P	P	P	4/4
Mr David Slater	P	P	P	P	4/4
Mr Cassius Mmopelwa	P	P	A	P	3/4
Mrs Masego Marobela	P	A	P	P	3/4
Dr Oluka Silas	P	A	P	P	3/4
Mr Boatametse Dimeku	P	A	P	P	3/4
Mr Oupa Masesane	A	P	A	A	1/4



A=Absent with Apology P=Present

4.4 Risk & Audit Committee

Table 6: Risk & Audit Committee attendance 2019/20

Chairperson: Mrs Mmatlala Dube

NAME	MAY	JUL	OCT	FEB	TOTAL
Mrs Mmatlala Dube	P	P	P	P	4/4
Mr Boniface Mphetlhe	P	A	A	P	2/4
Mr Tlhobelo Moshodi	P	P	P	P	4/4
Ms Segametsi Mafa	A	P	A	P	2/4
Mr Motabaseyo Lesokola	P	P	P	P	4/4



A=Absent with Apology P=Present

4.5 Finance Committee

Table 7: Finance Committee attendance 2019/20

Chairperson: Mr Pelotshweu Motlogelwa

NAME	MAY	JULY	NOV	FEB	TOTAL
Mr Pelotshweu Motlogelwa	A	P	P	P	3/4
Mr Barulaganye Mogotsi	P	P	P	P	4/4
Mr Sanga Namoshe	P	P	P	P	4/4
Mr Emang Chibua	P	P	P	P	4/4
Ms Ontlametse Sebonego	P	P	A	A	2/4

A=Absent with Apology P=Present



4.6 Tender Committee

Table 8: Tender Committee attendance 2019/20

Chairperson: Mr Busie J Moepi

NAME	MAY	AUG	NOV	FEB	TOTAL
Mr Busie J Moepi	P	P	P	P	4/4
Mr Joseph Matome	P	P	P	P	4/4
Mr Mogapi Madisa	P	P	P	P	4/4
Mr Manfred Kgari	P	A	A	P	2/4
Ms Priscilla Bodi	P	P	P	A	3/4
Ms Pholoso Mollentze	P	P	P	P	4/4

A=Absent with Apology P=Present



4.7 Human Resource Committee

Table 9: Human Resource Committee attendance 2019/20

Chairperson: Mrs. Yolinda Baletloa

NAME	AUG	OCT	FEB	TOTAL
Mrs. Yolinda Baletloa	P	A	P	2/3
Mr Tebogo Rapitsenyane	P	P	P	3/3
Mr Courtney Sethebe	P	A	P	2/3
Mrs. Poppy Sechele	P	P	P	3/3
Dr Mary Mabotho	P	P	P	3/3

A=Absent with Apology P=Present



4.8 Appeals Committee

Table 10: Appeals Committee attendance 2019/20

Chairperson: Mr Barulaganye Mogotsi

NAME	JUNE	FEB	TOTAL
Mr Barulaganye Mogotsi	P	P	2/2
Mr Tembo Lebang	P	P	2/2
Ms Mmamiki Kamanakao	P	P	2/2
Dr Onkemetse Tshosa	P	R	1/1
Mr Joseph Matome	N/A	P	1/1

A=Absent with Apology P=Present R=Resigned N/A=Not a member





BOTSWANA
Qualifications Authority

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5.0

BQA MANAGEMENT



Dr Botsalano T. Mosimakoko
Chief Executive Officer



Mrs Selebo A. Jobe
Deputy Chief Executive
Officer



Dr Justice Gaeonale
Director, NCQF



Mr Bakani Thothe
Director, Quality Assurance



Mrs. Ludo Sefako
Director, Business
Development



Mrs Magdaline T. Motswagole
Director, Finance and
Administration



Mrs. Leabaneng Moyo
Ag Director, Human
Resources



Ms. Boitumelo Mogaleemang
Manager, Internal Audit



**Mrs Selwana Pilatwe
- Koppenhaver**
Manager, Communications
and Public Relations



Mr. Kennedy Pheko
Board Secretary



Mrs. Chanda Mogobe
Manager, Strategy

6.0 CHAIRPERSON'S STATEMENT



Mr Charles Siwawa

The Annual Report 2019/20 is submitted in terms of Section 25(1) of the Botswana Qualifications Authority Act, 2013. I hope you find it insightful in providing update on the ongoing transition, challenges and mitigating strategies.

Botswana Qualifications Authority (BQA) coordinates a common quality assurance system across all the three sub-systems of education and training, being Higher Education (HE), Technical and Vocational Education and Training (TVET) and General Education (GE). The Authority has successfully taken over quality assurance of HE and TVET. BQA will in 2020/21 pilot quality assurance of the GE sub-system after completion of the due process of stakeholder engagement; and finalisation of tools and instruments to facilitate this. The peculiarities and demands of these sub-systems call for concerted efforts to ensure seamless transition across and between the sub-frameworks. I therefore appeal to all stakeholders to actively play their roles.

The Authority provides for and maintains the National Credit and Qualifications Framework (NCQF). The Framework is a new feature of the education and training system that will facilitate portability of local qualifications and ensure global competitiveness. It promotes articulation and progression of the individual learner and will address grey areas that existed in the legacy systems. Pleased as we may be about this development, it is not without challenges, including internal and external capacity. The lack of subject matter experts in some learning fields delays registration of qualifications. To mitigate this challenge, BQA has partnered with regional

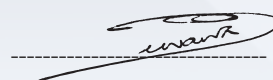
qualifications authorities to share human resources.

The BQA Strategy of 2016-21 comes to end in the next financial year. The Board and staff will introspect and come up with creative ways to make the most of the Authority's strengths and opportunities to improve quality of service. In its approach BQA will also reflect on the weaknesses and threats that may thwart the effectiveness of implementing its strategy. The midterm review of the current strategy has been very insightful. The strategic objectives are to deliver prioritised activities leveraging on Information Communication Technology to improve operational excellence. The Authority is aware of stakeholder perceptions and will implement a turnaround strategy to satisfy customers.

I would like to express my special appreciation to the Ministry of Tertiary Education, Research, Science and Technology, the Board, stakeholders, and BQA staff for the support afforded the Authority in the delivery of its mandate. The collective actions and dedication of these stakeholders saw BQA through this exciting yet challenging year.

We extend a warm welcome to the new Chief Executive Officer, Dr Botsalano Mosimakoko, and wish her well in her new role.

Thank you all.



Charles Siwawa

7.0 CHIEF EXECUTIVE OFFICER'S STATEMENT



Dr. Botsalano Mosimakoko

The financial year 2019/20 was another exciting year for Botswana Qualifications Authority (BQA). The BQA 2016-2021 Strategy was duly revised at midterm. Primarily the review aimed at evaluating BQA performance on key strategic objectives from the previous years, set priorities based on sector and economic needs and align resources to implement the Annual Corporate Plan. The key strategic consideration was the transition deadlines and their implication on the Education and Training System. The Authority will realign its possesses, human and financial resources with the demands and protocols of the COVID-19 pandemic.

The transition deadline for registration and accreditation of Higher Education (HE) and Technical and Vocational Education and Training (TVET) Providers, from the legacy systems, was 02 December 2018. A total of 42 HE and 104 TVET conventional, which is 146 ETPs, were eligible for registration and accreditation in the reporting period. Of these 99 (68 %) have been registered and

accredited under the new system. The process of registration and accreditation of ETPs is followed by registration of qualifications and subsequently accreditation of National Credit and Qualifications Framework (NCQF) based learning programmes.

The quality assurance processes will be reviewed in 2020/21 to address bottlenecks, where they may exist, and expedite conclusion of applications under consideration. The transition deadline for learning programmes from the legacy systems is 02 December 2020. BQA will engage as appropriate to facilitate this and communicate 2021 enrolment arrangements. Quality assurance of the General Education (GE) subsystem will commence in 2020/21 once the necessary consultations and preparatory work are concluded.

The development and maintenance of the NCQF took off in earnest in 2018/19. To date, 105 qualifications have been registered on the Framework in 11 of 14 learning fields in HE and TVET sub-frameworks. The process of pre-approval

of qualifications to proficiently register those that are of relevance to social and economic needs of the country will be introduced in 2020/21. This will minimise unnecessary influx, duplications and ensure alignment to industry skills needs. The legislative changes, over the years, have resulted in duplications and disharmony between BQA and other regulatory bodies. Therefore, there is need to review and align the Acts effective 2020/21.

I am happy to report that despite some challenges, uptake of the BQA mandate is going on well. In the coming financial year, BQA will continue stakeholder engagement to update our public on the reforms in education and training system, share challenges and mitigation initiatives. Monitoring and auditing of ETPs to ensure compliance to set quality assurance processes will be intensified to protect enrolled learners. A brand perception audit will be conducted in 2020/21 to solicit stakeholder

feedback with a view to further enhance quality of service.

Finally, I wish to extend my deep gratitude to the Ministry of Tertiary Education Research Science and Technology, BQA Board, stakeholders and staff for the warm welcome extended to me, and meaningful contribution in implementation of the Authority's mandate.

To you all, I pledge my full cooperation.

Thank you



Botsalano Mosimakoko (Ph.D.)

“

A total of 42 HE and 104 TVET conventional, which is 146 ETPs, were eligible for registration and accreditation in the reporting period. Of these 99 (68%) have been registered and accredited under the new system.

”

Botsalano Mosimakoko (Ph.D.)

8.0 ACHIEVEMENTS

“

A total of 33 HE ETPs out of 42 from the legacy system have so far been registered and accredited.

”



8.0 ACHIEVEMENTS

This section highlights the organisation's achievements in the year under review.

8.1 STRATEGIC ANNUAL PLAN PERFORMANCE

The 2016-2021 BQA Strategy is aligned to the Ministry of Tertiary Education, Research, Science and Technology (MoTE) Strategic Plan and to national priorities as set out in the National Human Resource Development Strategy (NHRDS) and National Development Plan 11 (NDP 11). The strategy was due for mid-term review and this was duly completed during the 2019/20 financial year. Implementation of the revised strategy continued during 2019/20 to:

- deliver on prioritised services
- satisfy customers and stakeholders
- establish and maintain partnerships to facilitate the quality assurance system
- improve operational excellence
- leverage ICT in service delivery
- ensure alignment of the NCQF and QA systems to international best practice
- improve adherence to corporate governance standards
- manage talent
- transform BQA into a high-performance organisation
- improve financial resources for delivery of BQA services

8.1.1 Performance of the Strategic Objectives

During 2019/20, implementation of the 2016-2021 BQA Strategy was in pursuit of 11 strategic objectives and 25 measures as detailed in the Annual Corporate Plan. Of

these, 9.1% (1) of objectives was achieved, 36.3% (4) was partially achieved, and 36.3% (4) was not achieved. Two (2) objectives, translating to 18.2% were on track and due for measurement in the next financial year.

The organisational performance, which is average of the achieved, partially achieved and not achieved, was 60%. During the strategy review, it was noted that the Authority needed to thoroughly interrogate the set targets to ensure that they are reasonable and attainable. This has been incorporated into the 2020/21 Strategy Plan.

8.2 CAPACITY BUILDING: TECHNICAL SUPPORT

The Education and Training Sector Strategic Plan (ETSSP) 2015-2020 advocates, amongst others, for the improvement of equitable access, development of new and alternative pathways to education as well as implementation of outcomes-based education and training approaches. The implementation of the National Credit and Qualifications Framework (NCQF) is part of the ongoing reformation of the education and training system of Botswana geared towards achieving globally competitive human capital. Building capacity by imparting knowledge, sharing information and development of skills of those entrusted with implementation of the reforms is pivotal to the success of these ambitious plans.

BQA has been intentional in building capacity through workshops aimed to achieve the following:

- assist stakeholders to understand the mandate and role of BQA in the education and training ecosystem,

- provide technical support to implement the NCQF concepts of outcomes-based education and training,
- educate on the principles of quality assurance, and its tools and instruments.

In the reporting period, preliminary sensitisation sessions were conducted for Technical and Vocational Education and Training (TVET), and Higher Education (HE) sub-systems. The Authority also undertook capacity building sessions for the General Education (GE) sub-system in public schools, specifically senior secondary schools. The intention is to sensitise all the levels of GE sub-system for public and private schools in 2020/21.

8.2.1 Capacity Building for Technical and Vocational Education and Training, and Higher Education Sub-Systems

The Authority continued to provide support to TVET and HE providers on quality assurance to understand the requirements for accreditation and registration. The support was mainly on understanding the NCQF, standards, and use of the BQA instruments designed and used to provide required information. This has improved the quality of submissions and reduced the initial reverts that contribute to the delay in completing the processing of applications. The increasing requests for BQA services have necessitated the development of an online Request for Capacity Building Form, to channel and facilitate quicker response to customers. The Form is accessible under the online submission tab, on the BQA website (www.bqa.org.bw).

8.2.2 General Education Sensitisation Workshops

The General Education (GE) Phase 1 sensitisation workshops conducted in the reporting period provided opportunities for the participants who included regional officers and teachers, to among others, establish a common understanding of how the existing education and training policies, and legislation articulate with each other. It also provided an opportunity to understand strategic goals and priorities addressed, regarding the ongoing transformation of the education and training system. The exercise was intended to ready the regional officers and teachers for the implementation of outcomes-based learning programmes and multiple pathways scheduled to commence in 2021.

A total of 4076 teachers, from 34 public senior secondary schools, were reached through workshops across the country. *Figure 1 shows highlights of the exercise.*

Figure 1: Highlights of General Education Capacity Sensitisation Workshops



Tables 11 and 12 indicate the number of schools and regions covered.

Table 11: Senior Secondary Schools and number of teachers reached

Name of School		Number of Teachers
1.	Francistown Senior Secondary School	127
2.	Gaborone Senior Secondary School	131
3.	Ghanzi Senior Secondary School	108
4.	Good Hope Senior Secondary School	154
5.	Kagiso Senior Secondary School	126
6.	Kgari Sechele Senior Secondary School	111
7.	Ledumang Senior Secondary School	133
8.	Letlhakane Senior Secondary School	120
9.	Lobatse Senior Secondary School	123
10.	Lotsane Senior Secondary School	122
11.	Madiba Senior Secondary School	119
12.	Mahupu Unified Secondary School	89
13.	Masunga Senior Secondary School	107
14.	Mater Spei College	127
15.	Matsha Senior Secondary School	101
16.	Matshekge Hill School	115
17.	Maun Senior Secondary School	131
18.	Mmadinare Senior Secondary School	125
19.	Moeding College	135
20.	Moeng College	91
21.	Mogoditshane Senior Secondary School	154
22.	Molefi Senior Secondary School	129
23.	Moshupa Senior Secondary School	122
24.	Naledi Senior Secondary School	132
25.	Nata Senior Secondary School	97
26.	Seepapitso Senior Secondary School	124
27.	Selebi Phikwe Senior Secondary School	113
28.	Shakawe Senior Secondary School	129
29.	Shashe River School	125
30.	Shoshong Senior Secondary School	100
31.	St Joseph's College	111
32.	Swaneng Hill School	122
33.	Tsabong Unified Secondary School	103
34.	Tutume McConnell College	120
TOTAL NUMBER OF TEACHERS		4076

Table 12: Regions and number of officers reached

Region	Number of Officers
1. Central Region (Serowe)	39
2. Chobe Region (Kasane)	23
3. Ghanzi Region (Ghanzi)	14
4. Kgalagadi Region (Tsabong)	15
5. Kgatleng Region (Mochudi)	20
6. Kweneng Region (Molepolole)	31
7. North East Region (Francistown)	18
8. North West Region (Maun)	20
9. South East Region (Gaborone)	17
10. South Region (Kanye)	33
TOTAL NUMBER OF OFFICERS	230

8.3 REGISTRATION AND ACCREDITATION OF EDUCATION AND TRAINING PROVIDERS AND AWARDING BODIES

This section highlights achievements for registration and accreditation of ETPs and awarding bodies, in Higher Education (HE) and Technical and Vocational Education and Training (TVET) sub-systems, which is Phase 1 of the transition. An ETP must be registered and accredited for it to submit qualifications for registration on the NCQF and later learning programmes for accreditation based on the NCQF registered qualifications.

8.3.1 Registration and Accreditation of Education and Training Providers in Higher Education (HE)

A total of 33 ETPs out of 42 from the legacy system have so far been registered and accredited. Three (3) ETPs have withdrawn from offering HE learning programmes and as a result 42 are eligible to transit. One (1) ETP has been rejected and can reapply at its convenience.

Table 13 shows a summary of the status of this exercise as at 31st March 2020.

Table 13: Status of HE ETPs from legacy system as at 31 March 2020

Status	Private	Public	Total
Registered and accredited	17	16	33
Rejected	0	1	1
In process	2	5	7
Not submitted	1	0	1
ETP discontinued under HE subsystem	0	3 ^{*1}	3
TOTAL	20	25	45

*NOTES

*1 Three (3) ETPs: Deborah Retief School of Nursing, Francistown College of Technical Education and Maun Technical College no longer offer Diploma level learning programmes and are therefore classified under TVET.

This implies that a high level of continuity from the legacy to the new system will be achieved. The requirements for the new system are more rigorous and therefore some ETPs took longer to transit, mostly due to failure to meet the desired state of physical facilities.

The seven (7) ETPs that are in progress will be concluded in 2020/21.

A total of 18 applications was received for new HE ETPs registration and accreditation. The status of these applications is as shown in Table 14.

Table 14: Status of new HE ETPs

Status	Private	Public	Total
Registered and accredited	13	1	14
In process	2	0	2
Rejected	2	0	2
TOTAL	17	1	18

Overall, the total number of registered and accredited HE providers is 47. Seven (4 public and 3 private) are universities.

8.3.2 Registration and Accreditation of TVET Providers

The Authority has so far received a total of 420 TVET applications as detailed below.

a) Conventional TVET ETPs

A total of 104 Conventional TVET ETPs applications has so far been received, and their statuses are shown in Table 15.

Table 15: Status of Conventional TVET ETPs

Status	Private	Public	*NGOs	Total
Registered and accredited	33	30	3	66
In process	14	13	2	29
Rejected	6	2	1	9
TOTAL	53	47	6	104

*NGO- Non-Governmental Organisation

A total of 22 ETPs were concluded in 2018/19. The 29 ETPs that are in progress will be concluded in 2020/21.

Performance of this activity was greatly impacted by the challenge of most ETPs failing to meet some of the requirements, particularly in relation to infrastructure. The Authority had to allow more time for the ETPs to close the identified gaps and this prolonged the process.

b) Consultancies

A total of 290 TVET Consultancies applications was received, and their statuses are as detailed in Table 16.

Table 16: Status of TVET Consultancies

Status	Private	Public	Total
Registered and accredited	197	3	200
In process	71	2	73
Rejected	16	1	17
	284	6	290

A total 101 consultancies were registered and accredited in 2019/20. In 2018/19, 99 Consultancies were registered and accredited. Therefore, the cumulative total is 200.

The number of Consultancies registered and accredited has grown significantly from the previous reporting year. While the rate of registration and accreditation does not necessarily translate to increased training, improved number of providers in this category may result in more options available to employers and thereby positively impact upskilling and retooling of human resource to meet industry needs.

c) Workplaces

A total of 26 TVET Workplace applications had been received as at 31 March 2020, and their statuses are as shown in Table 17.

Table 17: Cumulative Status of Workplaces

Status	Private	Public	Total
Registered and accredited	11	1	12
In process	11	0	11
Rejected	3	0	3
TOTAL	25	1	26

Six (6) workplace providers were registered and accredited last year. The number of workplace training providers that have submitted is lower than other categories. This may be attributed to the fact that most employers prefer to outsource training. A significant number of workplaces had challenges meeting requirements, which resulted in delays. The Authority will continue to review standards and processes and build stakeholder capacity to facilitate uptake by workplace ETPs.

8.3.3 Registration and accreditation or Recognition of Awarding Bodies.

The Authority has received a cumulative number of seven (7) applications for registration and accreditation of local awarding bodies, and five (5) have been concluded. In addition, the Authority received a total of twelve (12) applications for recognition of external awarding bodies. The total number of applications for awarding bodies was 18.

Table 18: Status of Awarding Bodies

STATUS	ACCREDITATION		RECOGNITION	TOTAL
	Private	Public		
Registered and Accredited /Recognised	2	4	9	15
In process	0	1	3	4
TOTAL	2	5	12	19

Four (4) of the six (6) registered and accredited local awarding bodies solely exist as awarding bodies while the other two (2) are also ETPs intending to award for others.

There is a significant number of awarding bodies of external origin that have partnered with local ETPs to award qualifications registered in their countries. The Authority requirements provide for these arrangements to promote internationalisation and allow the local providers to grow their capacity to global standards.

8.3.4 Quality Assurance of General Education

Implementation of General Education Quality Assurance Model could not be completed during financial year 2019/20 as it required extensive consultations. Furthermore, it is apparent that more time will be needed to transit all the GE ETPs; pre-schools, primary schools and secondary schools. A Technical Committee involving key stakeholders from BQA, Ministry of Basic Education (MoBE), Botswana Examinations Council (BEC) and Private ETPs in the sub-system has been established to work on a comprehensive GE Quality Assurance Framework.

In the meantime, the Authority has developed an interim model for quality assurance of public senior secondary schools for implementation in 2020/21 and its readiness for rolling out of the multiple pathways system. Some sampled private secondary schools will also be processed. The Authority will further process applications for recognition of external GE Awarding Bodies. Most of the local private schools depend on these for awarding of qualifications.

8.4 REGISTRATION OF QUALIFICATIONS ON THE NATIONAL CREDIT AND QUALIFICATIONS FRAMEWORK

The National Credit and Qualifications Framework (NCQF) provides a single integrated national framework for learning achievement from early childhood to tertiary education and training. It promotes access, mobility and progression within education, training and career pathways. The NCQF promotes portability of local qualifications and recognition of internationally quality assured qualifications.

The Framework will enable individuals to have all their learning (formal, non-formal and informal) recognised and be able to move with that learning across education and training sub-systems and between countries in the region and beyond. The NCQF would be characterised, inter alia, by facilitating Lifelong Learning, promoting Credit Accumulation and Transfer, ensuring relevance and quality as well as being linked to other relevant and related national policies, particularly those related to human resource development.

The NCQF is organised into three Sub-Frameworks: General Education (GE), Technical and Vocational Education and Training (TVET), and Higher Education (HE). BQA is responsible for regulation of the Sub-Frameworks without any formal intermediary quality assurance bodies. Although each qualification type may be awarded in more than one Sub-Framework, there is only one variant of each type, and compliance with the NCQF level descriptors is necessary, irrespective of the Sub-Framework in which the qualification is awarded.

8.4.1 Registration of Qualifications

The establishment and maintenance of the NCQF is done through registration of quality assured qualifications which are developed by industry players who may be ETPs, awarding bodies, Industry or through Cooperative Development of Qualifications (CDQ). CDQ is a process through which BQA promotes collaboration amongst both public and private ETPs, who are interested in developing similar qualifications, to jointly develop qualifications for registration on the NCQF as opposed to developing them individually.

The benefits of CDQ are, among others, to:

- promote sharing of resources and expertise,
- enhance ownership and quality of the product,
- minimise unnecessary proliferation of qualifications on the framework.

The NCQF Regulations define a qualification as “a formal outcome of an assessment and validation process which is obtained when an assessor and moderator determine that an individual has achieved learning outcomes to given standards”. In the review period, the Authority registered a total of 84 qualifications on the NCQF. This brings the cumulative total of registered qualifications to 105. This is Phase 2 of the transition.

Table 19: Registered qualifications by learning fields as at 31 March 2020

Learning Field	Number of registered qualifications	Number of qualifications per sub-framework	
		HE	TVET
Field 2: Business, Commerce and Management Studies	63	58	5
Field 3: Culture, Arts and Crafts	3	0	3
Field 4: Education and Training	13	12	1
Field 6: Health and Social Services	8	7	1
Field 7: Humanities and Social Sciences	2	2	0
Field 8: Information and Communication Technology	7	7	0
Field 9: Law and Security	3	1	2
Field 10: Manufacturing, Engineering and Technology	1	0	1
Field 14: Services	5	5	0
TOTAL	105	92	13

The majority (60%) of registered qualifications are in the Business, Commerce and Management Studies learning field. A total of 92 qualifications are in the Higher Education sub-framework, while 13 are in the TVET sub-framework. There is currently no registered qualification in the General

Education sub-framework and in the following fields of learning:

- Field 1: Agriculture and Nature Conservation
- Field 5: Generic Skills
- Field 11: Mining
- Field 12: Natural, Mathematics and Life Sciences

- Field 13: Physical Planning and Construction

The Authority continues to work closely with industry regulatory bodies as well as subject matter panels for quality assurance of qualifications. A total of 40 subject matter experts were trained on the validation of qualifications process during the review period. In total, the Authority has trained 205 subject matter experts in ten (10) fields of learning as shown in Table 20.

Table 20: Number of trained Subject Matter Experts by fields of learning as at 31 March 2020

Field of learning	Number of trained subject matter experts
Field 1: Agriculture and Nature Conservation	21
Field 2: Business, Commerce and Management Studies	93
Field 3: Culture, Arts and Crafts	6
Field 4: Education and Training	28
Field 6: Health and Social Services	12
Field 7: Humanities and Social Sciences	10
Field 8: Information and Communications Technology	14
Field 9: Law and Security	4
Field 10: Manufacturing, Engineering and Technology	9
Field 14: Services	8
TOTAL	205

The Authority will train more experts in these fields and others to facilitate development of the NCQF, in the financial year 2020/21.

8.4.2 Registration and accreditation of Assessors and Moderators

The Authority registers and accredits Assessors and Moderators for a defined scope of assessment and moderations. A total of 275 (45 from last year and 230 new) applications for registration and accreditation of assessors and moderators were received, and 263 were processed in the reporting period. The remaining 12 will be processed in the next financial year.

Table 21: Number of registered and accredited assessors and moderators

Category	Registered and accredited in 2019/20	Cumulative total
Assessors	162	310
Moderators	101	145
Total	263	455

8.4.3 Development of NCQF Guiding Instruments

BQA developed more instruments to improve guidance of the National Credit and Qualifications Framework implementation in 2019/20. These include, amongst others:

- The National Credit and Qualifications Framework Policy,

- Recognition of Prior Learning (RPL) Policy,
- Credit Accumulation and Transfer System (CATS) Policy,
- Articulation Policy,
- Referencing Policy and
- Sub-Fields of Learning Guide

The guiding instruments are at different stages of development. The RPL and CATS Policies are the most advanced. They have been submitted for approval to the Minister of Tertiary Education, Research, Science and Technology. The others are still at wider stakeholder consultation, except for the Articulation Policy, which is at drafting stage. These guiding instruments, once concluded, will improve implementation and maintenance of the NCQF.

8.5 ACCREDITATION OF LEARNING PROGRAMMES

The Authority has so far received 38 applications for accreditation of learning programmes (LPs) based on the NCQF Qualifications. This is Phase 3 of the transition. A learning programme is accredited based on a registered qualification.

A total of 18 learning programmes have been accredited, one (1) rejected and 19 are in process.

The number of learning programmes submitted for accreditation is dependent on available registered qualifications on the NCQF. The number of submitted learning programmes, however, was low relative to the number of registered qualifications.

The transition deadline for accreditation of learning programmes from the legacy systems is 02 December 2020. Delays in submissions could result in the resources of the Authority being overstretched and ultimately affecting the transition of learning programmes into the new system. The Authority will put in place initiatives to facilitate timely submissions.

8.5.1 Recognition of Non-Credit Bearing Short Courses

A total of 621 (215 from the previous year) applications for recognition of Non-Credit Bearing Short Courses (NCBSCs) was submitted. These are not based on the NCQF, and they are submitted by all ETPs, including Conventional HE and TVET ones. The consultancy ETPs, however, account for most of the submissions at 62%. Of all the courses submitted, 344 have been recognised, 15 have been rejected and 262 were in progress at the end of the reporting period.

The applications received exceed the level of resources available, which results in a delay in processing. The Authority is working at strategies that will help in timely processing of applications.

The high volumes of submission of NCBSCs could signify a high demand for skills training. The NCBSCs continue to play an important role in the development and upskilling of human resource.

Table 22: Status of NCQF based learning programmes as at 31 March 2020.

Status	LPs from Private ETPs	LPs from Public ETPs	Total
Accredited	18	0	18
In process	19	0	19
Rejected	1	0	1
TOTAL	38	0	38

8.6 INSTITUTIONAL AUDITS

The Authority undertakes monitoring and auditing of registered and accredited ETPs to ensure continued compliance with a set of Quality Assurance Standards. During the review period, twenty-nine (29) ETPs were audited:

- Twenty-two (22) of these were for verification of Corrective Action Plans,
- Five (5) were initial audits for continuous compliance to set quality standards,
- Two (2) were audited for purposes of addressing customer complaints.

The general observation indicated adherence to the set quality standards. However, there were gaps identified in certain key areas for some ETPs. These, amongst others, included:

- failure to establish Quality Management Systems,
- challenges in assessment and certification,
- compromised learning programme delivery, specifically the use of unqualified lecturers and lack of teaching and learning resources) and
- failure to maintain health and safety standards.

Two (2) of the audited ETPs were issued with notices of intent to revoke accreditation because their compliance levels were unsatisfactory. The notices had not been withdrawn at the end of the financial year. The Authority picked six (6) non-compliances from media advertisements. All the six (6) non-compliances were resolved.

8.7 EVALUATION OF QUALIFICATIONS

Evaluation of Qualifications (EQ) is a process of analysing qualifications in terms of their country of origin, context and points of difference and/or similarity in relation to qualifications on the NCQF. It is a paid-for service as prescribed in the Fees Regulations. The Authority has standards for recognition of external qualifications in accordance with section 4(2) (h) of the BQA Act, 2013. The standards determine the significance of the qualifications, confirm authenticity, validity and credibility of qualifications' documents submitted. They were developed through regional and international benchmarking with more established and mature verification systems to align to best practices. The development entailed referring to and adopting recommendations made at international and regional conventions specific to recognition of qualifications such as the Global Convention on the Recognition of Qualifications for Higher Education and the Addis Convention. This ensured that the Authority applies relevant and best practice approaches in the evaluation of qualifications.

The standards for the evaluation of qualifications ensure that the process is transparent, coherent, reliable and consistent. The process of evaluation of qualifications is done for both local and external qualifications. A local qualification refers to one that was awarded by an awarding body in Botswana. On the other hand, an external qualification is that which originates from another country. The evaluated qualifications are maintained in a register which serves as a reference to guide subsequent and similar evaluations. The evaluated qualifications facilitate several activities and access to opportunities such as: mobility of graduates for employment,

study and immigration.

The following section provides information on the process of evaluation of qualifications and noteworthy achievements during the financial year.

8.7.1 Evaluation of Qualifications Process

Evaluation of qualifications is a process of verification and comparability to inform the final decision for recognition or non-recognition of a qualification. The evaluation of local qualifications involves the verification process only, whereas external qualifications undergo both verification and comparability. The processes are as follows:

8.7.1.1 Verification

This is a process to ascertain the legitimacy of the qualification holder against the qualification as well as the legitimacy of the ETP and awarding body. In addition, the authenticity of the documentations related to the qualification is investigated. This establishes whether:

- the awarding body is recognised in its country of origin,
- the recognised awarding body (if it is) is authorised to award the qualification,
- the ETP is accredited, if that is a requirement in the qualification's country of origin,
- the learning programme that led to the qualification is accredited, if that is a requirement in the qualification's country of origin,
- the documents submitted are legitimate, and
- the holder of the qualification is legitimate.

8.7.1.2 Comparability

This entails comparing external qualifications with NCQF qualifications. It brings the external qualification to the Botswana context to determine the extent to which they are similar or dissimilar. Where there are substantial differences, the qualifications are not comparable and when the differences are not significant then they are comparable. The comparability is currently made at qualification type level and not to specific NCQF registered qualifications. The process is guided by NCQF level descriptors, level of the qualification, learning outcomes, qualification type, workload, Quality Assurance (QA) of the qualifications and other issues such as Credit Accumulation and Transfer (CAT), and Recognition of Prior Learning (RPL).

8.7.2 Recognition and Non-Recognition of Evaluated Qualifications

A recognition decision is a formal acknowledgement of the validity of a qualification. The decision means the authenticity of the following elements has been established from the qualification: country of origin, the qualification, learning programme leading to the qualification, accreditation/recognition/registration status of the provider where the qualification was offered, the awarding body and the legitimacy of qualification holder.

A non-recognition decision means the validity and authenticity of the qualification cannot be established; therefore, the qualification is not acceptable in the local context. Where a qualification is not recognised in its country of origin, BQA cannot recognise it because its quality cannot be assured. Factors leading to non-recognition of a qualification include, but

are not limited to, the following:

- non-recognition of the awarding body in its country of origin.
- the awarding body may be recognised but not authorised to award the qualification.
- non-recognition of the teaching institution in its country of origin (depending on whether that is a requirement in the qualification's country of origin).
- misrepresented documents.
- illegitimate qualification holder, e.g. the qualification not rightfully awarded to the holder.
- incomplete qualification.

8.7.3 Evaluated Qualifications in 2019/20

BQA had 1649 applications for evaluation of qualifications to process in this reporting period. A total of 1027 applications were concluded: 688 external, and 339 local qualifications.

The evaluated qualifications are from different countries throughout the world. This indicates mobility of qualifications into Botswana for various purposes. The highest number of external evaluated qualifications is from United Kingdom (159) followed by South Africa (108). This may be due to an observation that several local ETPs offer learning programmes leading to qualifications awarded by awarding bodies in United Kingdom and South Africa.

A total of 935, of the 1027 evaluated qualifications, were recognised and 92 were not.

This translates to 91% recognised and 9% non-recognised evaluated qualifications. Of the 935 recognised qualifications, 608 (65 %) were external and 327 (35 %) were local. A total of 80 (87%) of the non-recognised 92 were external qualifications.

Figure 2 shows the proportion of recognised to non-recognised local and external evaluated qualifications

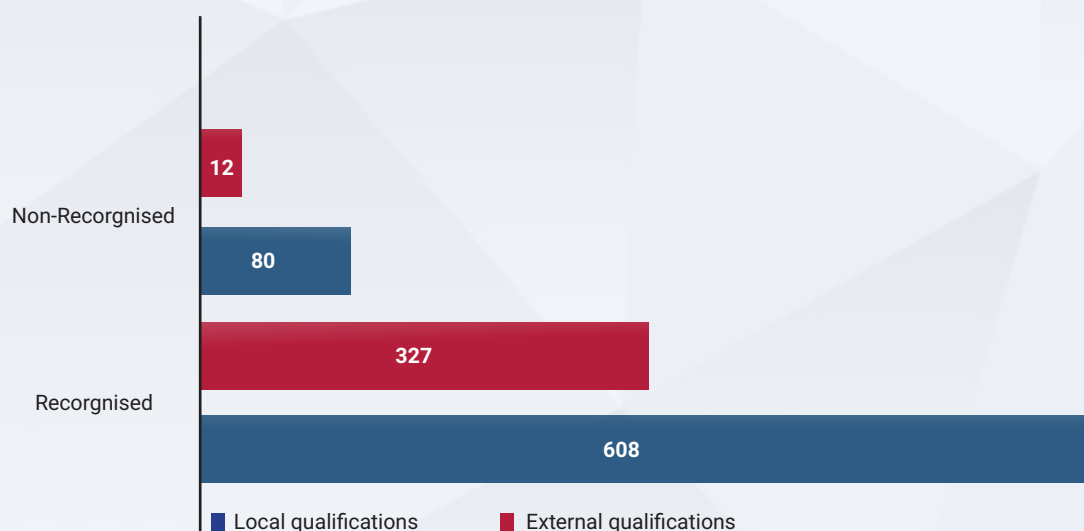
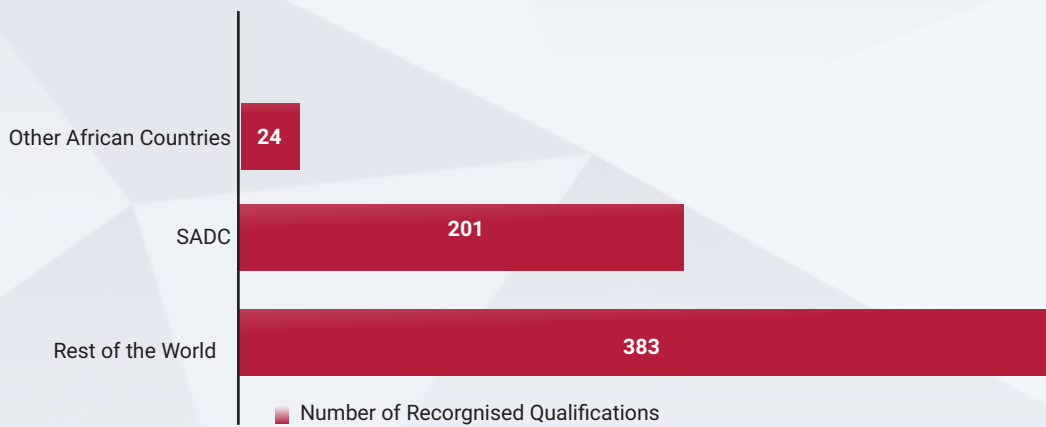


Figure 3: Number of recognised evaluated external qualifications by region



8.7.4 Non-Recognised qualifications

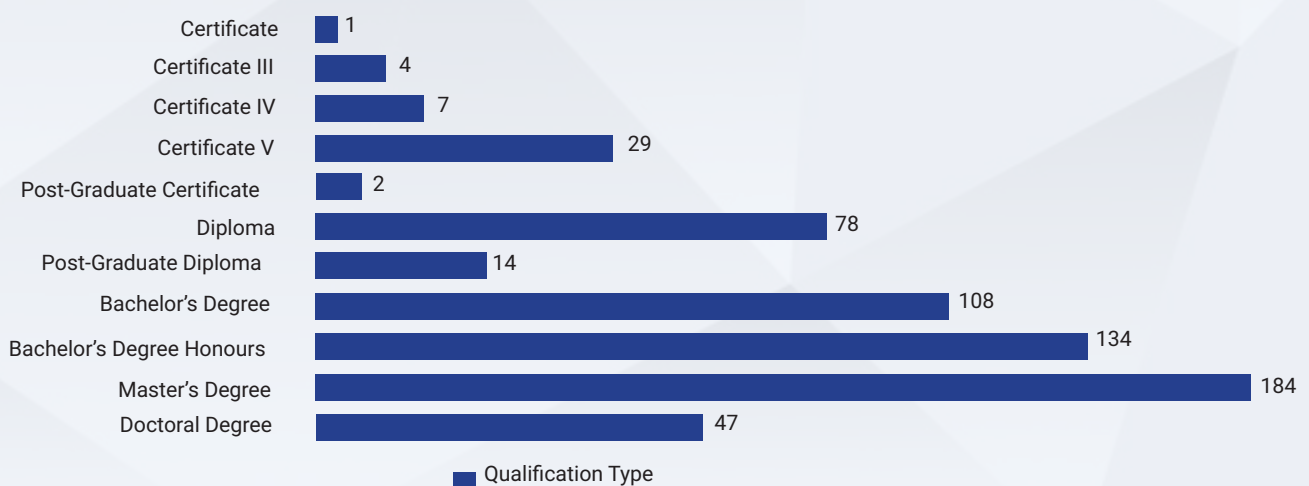
The Authority did not recognise 92 qualifications due to:

- misrepresentation of qualifications
- incomplete applications
- unauthentic qualifications, i.e. not recognised in their countries of origin.

8.7.5 Recognised external qualifications by type

The evaluated external qualifications ranged from Certificate II to Doctoral Degree as shown in figure 4.

Figure 4: Recognised external qualification by comparable NCQF qualification type



8.8 PARTNERSHIPS AND NETWORKS

BQA maintains networks and partnerships, both locally and internationally, for education, training and skills development, resource sharing, development of the NCQF, quality assurance best practices and other key components of human resource development. Listed below are some of the noteworthy partnerships:

8.8.1 Partnership with Professional Bodies

The Authority continued working with professional bodies such as Botswana Accountancy Oversight Authority, Botswana Health Professions Council, and Engineers Registration Board in the processes of registration and accreditation. All qualifications submitted for registration in each field were submitted to the relevant professional body for endorsement before registration on the NCQF. This is to ensure relevance of qualifications to industry needs, registration of graduates and mobility of qualifications.

8.8.2 Implementation of the Southern African Development Community Qualifications Framework.

The Authority is responsible for ensuring international recognition of national qualifications. Therefore, BQA participates in the implementation of SADCQF which is undertaken through the SADC Technical Committee for Certification and Accreditation (SADC TCCA). BQA serves as a member of the Executive Committee of SADC TCCA. SADCQF is a regional structure set up to ensure comparability and recognition of qualifications, credit accumulation and transfers in the SADC region. The SADCQF covers all sub-frameworks of education and training; General Education, Technical and Vocational Education and Training (TVET), and Higher Education. This includes out-of-school or non-formal education. It gives attention to modes of teaching and learning including but not limited to face-to-face, distance and online learning.

The implementation of the SADCQF project is carried out under six programmes, coordinated as detailed in Table 23.

Table 23: SADC QF Implementation Project

Name of Programme	Coordinator	Update on programme
1. Strengthening of Governance	SADC Secretariat	During the 2019/20 financial year, the Authority provided secretariat services. Botswana participated in all scheduled activities as well as the Meeting of Ministers responsible for education, research, technology and innovation held in Windhoek, Namibia in June 2019.
2. Quality Assurance	Botswana (through Botswana Qualifications Authority)	<p>The Authority assessed the extent of implementation of the SADC Quality Assurance Guidance for eight(8) member states, participating in the SADCQF Pilot Project and presented the final report at the TCCA meeting of November 2019. The Authority organised capacity building sessions for the pilot countries as follows:</p> <ul style="list-style-type: none"> Capacity building workshop for the pilot member states in Lusaka, Zambia in April 2019. This was done in collaboration with UNESCO Regional Office in Harare. Training for 31 candidates from six (6) member states. The training ran between April and July 2019 and it included a face-to-face session hosted by Botswana. This was done in collaboration with UNESCO International Institute for Educational Planning (UNESCO IIEP), Academic Exchange Service (DAAD) and Southern African Quality Assurance Network.
3.Verification of Qualifications	Eswatini (through Eswatini Higher Education Council)	The Authority continues to support the recognition of qualifications and annually submits a report on the qualifications verified to Eswatini. The Authority participated in the project aimed at developing a SADC Manual for Recognition of Qualifications. The activities are coordinated under the SADC Qualifications Verification Network (SADCQVN).
4. Recognition of Prior Learning (RPL) and Credit Accumulation and Transfer (CAT) Systems	Namibia (through Namibia Qualifications Authority)	The process of development of the regional RPL and CATS Guidelines is ongoing. To expedite the uptake of the NCQF the Authority has completed the development of the national policies for RPL and CATS. Once the SADC Guidelines have been approved, BQA will align accordingly. This will ensure that it advances in the implementation of the SADCQF.
5. Alignment of NCQF to SADCQF	South Africa (through South African Qualifications Authority)	The process of alignment of the NCQF to the SADCQF is ongoing. In 2019/20, the Authority focused on the uptake of the NCQF by its regulated entities. The plan is to complete the alignment process in the 2020/21 financial year.
6. Advocacy	Zambia (through Zambia Qualifications Authority)	All advocacy activities for the Authority included assuring the nation that the NCQF is aligned to the SADCQF. Locally, the Authority, through its marketing and promotions initiatives, informed stakeholders about the SADCQF.

8.8.3 The Commonwealth of Learning (COL) Community of Practice 2 Employability Project

To ensure contribution to international competency frameworks, the Authority is part of a regional Community of Practice (COP) for quality assurance in Southern Africa, which was established in April 2018 through the Higher Education Project of Commonwealth of Learning. The Community of Practice 2 (COP2) developed a total of 10 skills which were identified as essential for enhanced employability of graduates. COP2 further developed guidelines for Higher Education ETPs to integrate the concept of employability in quality assurance at institutional level. COL also expected national agencies to pilot the guidelines in their respective areas of jurisdiction, explore opportunities and identify challenges for integrating these guidelines in the national quality frameworks. The Authority will infuse the guidelines in its quality assurance instruments.

8.8.4 Membership to regional and international networks for evaluation of qualifications

Botswana is a member of regional networks such as the Southern African Development Community Qualifications Verifications Network. (SADCQVN) and continental networks, including the African Qualifications Verification Network (AQVN). BQA also subscribes to databases for international verification bodies to ensure that standards for recognition of external qualifications meet international standards. This has assisted in providing information and sharing of expertise for verification and comparability of external qualifications to NCQF qualifications.

Botswana serves as the Vice Chair of the AQVN. The activities for 2019/20 under AQVN included 2019 Conference and

Annual General Meeting (AGM) from the 28th – 29th October 2019 in Johannesburg, South Africa. The Theme of the Conference was: *Qualification Recognition beyond Borders: Collaboration to Ease Verification of Qualifications in Africa.*

8.8.5 Membership to regional and international networks for evaluation of qualifications

BQA is a member and served as secretariat, until December 2019, of Southern African Quality Assurance Network (SAQAN). The Network facilitates sharing and exchange of experiences, approaches and strategies to improve quality of teaching and learning in higher education. It assists in identifying and overcoming barriers to regional harmonisation. SAQAN will to a greater extent facilitate the internalisation of qualifications and promote mobility of graduates.

8.9 CUSTOMER SERVICE

BQA is a customer-focused organisation and strives to delight customers and give them experience and service that meet or exceed expectations. Customer Service promotes BQA values and is key to business processes.

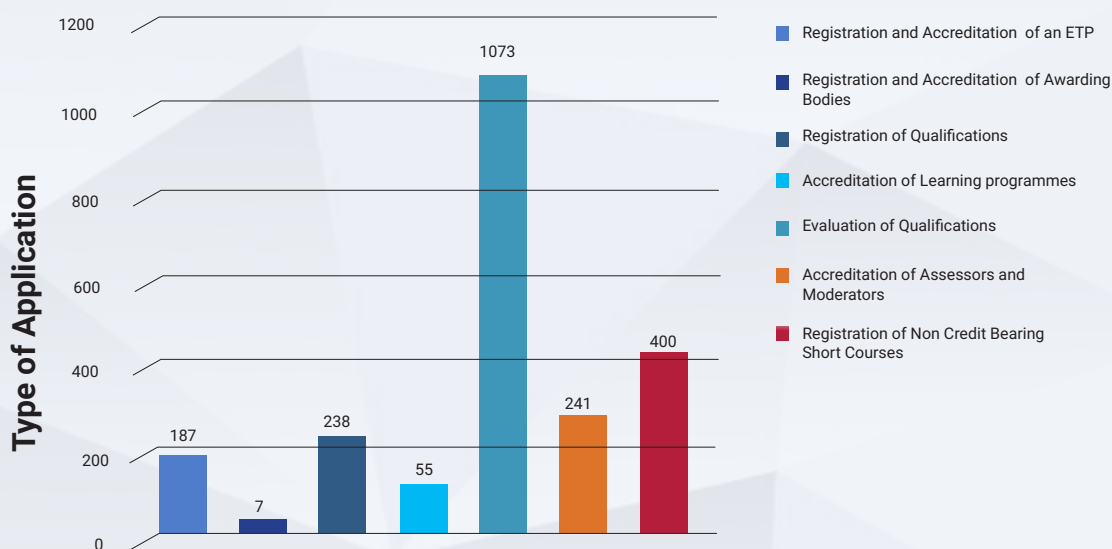
The Authority continued to receive several applications in 2019/2020 through the Online Submission Portal, which provides convenience and flexibility that customers need. Most (1073) applications were for evaluation of qualifications, followed by recognition of NCBSCs (406).

The number of applications for accreditation of NCQF based learning programmes increased from nine (9) in 2018/2019 to 64 in 2019/2020. This may be due to an increase in the number of registered qualifications.

The applications are assessed for completeness at Customer Service and only complete applications are assigned to the different departments for processing.

Figure 5 shows number of applications by type, received in the year 2019/2020.

Figure 5: Applications received in 2019/20



8.9.1 Complaints Resolution

In this reporting period, BQA received 19 customer complaints: 13 were resolved, one (1) was withdrawn and five (5) were still ongoing at end of the reporting period. Complaints received were mostly on issues of assessments and learning programme delivery.

8.9.2 Customer Satisfaction

The Authority recognises the significance of customer feedback and continuously collects such feedback quarterly online using survey monkey. The results showed a decline in satisfaction level as compared to 2018/19.

The average satisfaction level for this year is 47% compared to 59% recorded in the previous year. The decline may be attributed to challenges related to the ongoing transition. The Authority is committed to addressing areas highlighted by customers to achieve the desired customer experience.

8.10 STAKEHOLDER RELATIONS

Stakeholder engagement has been pivotal in ensuring that there is constant and up-to-date sharing of information with Education and Training Providers, awarding bodies, professional bodies and associations, student leaders, news media and other stakeholders. The objectives of the engagements highlighted transition milestones, challenges and mitigating strategies. This was to raise awareness on the BQA mandate and solicit stakeholder buy-in. This year, key messages were on, amongst others, BQA requirements, registered and accredited ETPs, registered qualifications, NCQF-based accredited learning programmes, 2020 enrolments and evaluation of qualifications. Actively engaging stakeholders led to better understanding of the BQA mandate and provided feedback on service delivery. These engagements were on a quarterly basis using different platforms.

Further efforts to promote the BQA mandate included traditional and non-traditional communication methods to effectively and efficiently educate the public about BQA services. The Authority participated in various annual events such as fairs and exhibitions to create awareness and provide face-to-face interaction with the general public. BQA maintained its collaborative partnerships with Business Botswana Education Sector, Student Representative Councils and media houses to improve information dissemination.

BQA continued to use digital technology to deliver instant and fast-paced communication with customers through its website and social media platforms. The social media platforms such as Facebook, WhatsApp and Skype are used to

provide real time responses. Other social media platforms such as Twitter and LinkedIn are also used to advertise and communicate with clients. This has improved the accessibility of services and made communication convenient for learners, who are the primary stakeholders.

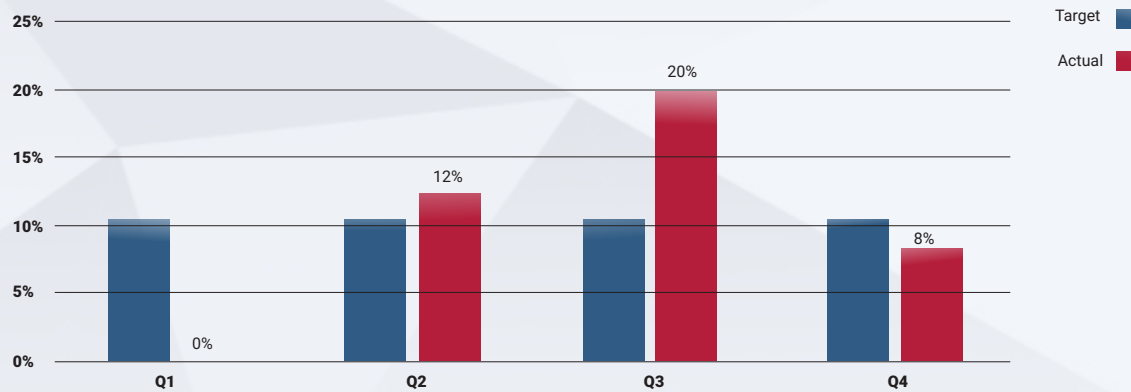
BQA has received positive coverage from the media with average negative media mentions at 10% against a set target of 10%. There was a 3% reduction in negative media mentions compared to 2018/19. This was made possible by the inclusion of the media in all stakeholder consultations with ETPs and SRCs as it provides them with a fair representation of what is happening on the ground

"COP2 developed a total of 10 skills which were identified as essential for enhanced employability of graduates."



Figure 6 shows negative mentions per quarter.

Figure 6: Negative media mentions per quarter



There were eight (8) media mentions in Quarter 1; 2 positive and 6 neutral. In Quarter 2 there were 25 media mentions; 17 positive, 5 neutral and 3 negative. Two of the three negative mentions were on quality assurance services, specifically accreditation, and one was a social commentary on Facebook, which was duly rebutted. There were 25 media mentions in Quarter 3: 13 positive, 7 neutral and 5 negative. The negative mentions were on appeals and non-compliance to set quality assurance standards by some ETPs, which implied failure by the Authority to play its regulatory role. There were 13 media mentions in Quarter 4; 8 positive, 4 neutral and 1 negative. The negative mention questioned human resource management practices at BQA. The Authority takes this as valuable feedback and will continue to engage the media and other stakeholders to enhance its reputation.

A brand perception audit will be conducted in 2020/21 to gauge stakeholder satisfaction levels and inform engagement initiatives.

8.11 MANAGEMENT SYSTEMS

8.11.1 Quality Management System

During the reporting period, the Authority continued with its ISO 9001: 2015 transition activities which, due to a few challenges, could not be concluded in the previous year. The transition followed a revised project plan which commenced in May 2019 with refresher workshops for staff and auditors, and re-alignment of documentation. Internal QMS audits and a Management Review were conducted in August 2019. Following submission of application to the Botswana Bureau of Standards (BOBS), a successful Stage 1 audit (desk review) was conducted in October 2019, followed by a Stage 2 audit (site audit) in November 2019. At the close of the year, implementation of corrective action plans for audit recommendations was ongoing.

Though certification to the standard is optional, BQA sees value in it to standardise processes, monitor adherence and for continual improvement.

3%

Reduction in
negative media
mentions compared
to 2018/19

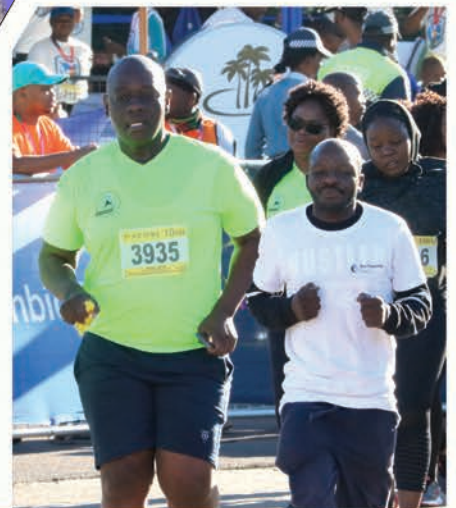


BOTSWANA
Qualifications Authority

2019/20 ANNUAL REPORT

BOTSWANA QUALIFICATIONS AUTHORITY

"Building a seamless Education and Training System"



8.11.2 Records Management System

The Authority generates a significant amount of data and receives and uses records during execution of its mandate. In this regard, it is responsible for providing efficient, reliable, safe, and environmentally sensitive records that are viable and sustainable. BQA implements a system that ensures integrity and authenticity of records. The Records Retention and Disposal Policy and Schedule were developed to guide the management of non-current records. The Schedule is a direct result of the need to ensure that records are retained only for as long as they are needed for business purposes and when no longer required necessary documentation is done for the records to be disposed of, in a timely and appropriate manner.

"The Records Retention and Disposal Policy and Schedule were developed to guide the management of non-current records. ."

The HP Enterprise Content Manager System continues to be an important asset in managing the Authority's electronic records. This system is useful in managing the records from creation to disposal and is built in accordance with the International Standard for Records Management, ISO15489-1:2016. The use of the system has resulted in improved service delivery because information is accessed and retrieved to users and the reports prepared monthly to indicate response level which is tied to Service Level Standards (SLAs) to monitor compliance. The

94%
retention of
staff in critical
positions

81%
Employee
Development
Programmes
completed

Authority will archive the processed applications in the Online Application Submission Platform (BITRIX) in the financial year 2020/21 to ensure safety and security of its records.

The Authority will continue to benchmark and upgrade its Records Management System to accommodate the expansion of services and trends in this area in consideration of feedback from users and customers.

8.12 HUMAN RESOURCE MANAGEMENT

Human Resource Management is key to achieving the mandate of the Authority. During the reporting period, BQA continued implementation of a common quality assurance system. This required human resource capacity to drive implementation of the new system informed by the resource needs of the corporate strategy. The focus continued to be on three key areas of staff recruitment and retention, staff development and performance management.

8.12.1 Staff recruitment and retention

The Authority achieved 94% retention of staff in critical positions against a target of 90%. The Authority was also able to recruit for 30 out of 47 vacancies (64%). The staff complement was 133 against an establishment of 155 at the end of the reporting period. Recruitment for the 22 vacancies will be done in the next financial year. The Authority continues to work on initiatives to improve staff attraction and retention.

8.12.2 Staff development

During the year under review, staff development was geared towards addressing current and emerging organisational and individual needs for effective implementation of the BQA

mandate. The Authority implemented 81% of its employee development programmes against a target of 90%. A comprehensive skills audit exercise will be conducted in the next financial year to further inform staff development initiatives.

"The Authority continues to review its processes and criteria so that they are user-friendly and efficient."

8.12.3 Change Management

The focus of the Change Management Programme was working with core business function to identify work cultures that needed intervention to ensure improved service delivery. One of the key deliverables was a review of processes to reduce bottlenecks and promote service excellence. This project will continue in 2020/21 with the aim to improve quality of service and customer satisfaction.

The teams managed to significantly reduce applications backlog. Initiatives to promote a culture of High Performance commenced this year and will be continued to build the desired performance culture.

9.0 CHALLENGES

Challenges experienced in implementation of the BQA mandate include, amongst others:

9.1 Internal and External Capacity to Uptake the BQA services

The Authority has capacity challenges to adequately deliver its services in areas such as evaluation of qualifications, registration of qualifications and quality assurance. Lack of capacity delays processing and conclusion of applications. There is also the issue of quality of applications which do not

meet the BQA requirements. Key processes in core functions will be reviewed in 2020/21 to minimise bottlenecks and improve efficiency. Recruitment of staff to reach the 155 Staff Establishment will be done in the first two quarters of next financial year to improve capacity. Stakeholder engagements, both internal and external, to build capacity will be undertaken for the specific problem areas. Partnerships and networks will be maintained, or developed, to improve capacity and facilitate information sharing to ensure global competitiveness of Botswana's education and training system.

9.2 Limited Pool of Subject Matter Experts

The Authority engages subject matter experts to evaluate applications for registration and accreditation of ETPs, validation of qualifications, accreditation of learning programmes and recognition of Non-Credit Bearing Short Courses. The lack of experts for certain disciplines poses a challenge to the Authority since it slows down the processing of applications. The Authority will train more experts in different sub-fields and domains to augment the current pool.

9.3 Misalignments of the Acts

As Botswana evolves economically, socially and technologically there are changes in the legislative framework in some sectors that impact on the education and training sector. The legislative changes have resulted in duplications and disharmony between the sectors of economy and BQA. This has led to dissatisfaction among some BQA stakeholders. The Authority will continue to engage the different stakeholders to address these challenges pending the review of the identified Acts.

9.4 Inadequate Financial Resources

Inadequate financial resources impede the Authority from adequately implementing its broad mandate, which affects implementation of the corporate strategy. BQA will continue to explore alternative funding sources, prioritise projects and come up with effective cost saving measures.

9.5 Failure to meet turnaround times

The Authority continues to face challenges to meet turnaround times for most of the service areas. This is mainly due inadequate human resource, processes and standards. The Authority continues to review its processes and criteria so that they are user-friendly and efficient. Further, the Authority will in the next financial year conduct an organisation review to ensure that the different functional areas are adequately resourced for the execution of the mandate.



10.0 ANNUAL FINANCIAL **STATEMENTS**

FOR THE YEAR ENDED 31 MARCH 2020

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

Annual Financial Statements

For The Year Ended 31 March 2020

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 – Mrs Mmatlala Dube
Mr Barulaganye J Mogotsi
Mr Oupa Masesane
Mr David J Slater
Mr Joseph M Matome
Mr Mogapi E Madisa
Mr Charles I Coyne
Mr Tebogo Rapitsenyane
Mr Busie J Moepi
Mr Pelotshweu Motlogelwa
Ms Yolinda Baletloa
Mr Boniface G Mphetlhe

Board Secretary Mr Kennedy O Pheko

Chief Executive Officer Dr Botsalano Mosimakoko

Postal address: Private Bag BO340, Gaborone

Auditors: Mazars

Bankers: First National Bank of Botswana Limited
Stanbic Bank Botswana Limited

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Independent Auditors Report	48 – 51
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Statement of Financial Position	53
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Accounting Policies and Notes to the Financial Statements	55 – 93
Detailed Income Statement	Annexure I

STATEMENT OF RESPONSIBILITY BY THE BOARD OF DIRECTORS

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

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

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

The annual financial statements on pages 52 to 93 and supplementary information were authorised for issue by the Board of Directors on 09-09-2020 and are signed on its behalf by:


Chairperson


Director



INDEPENDENT AUDITOR'S REPORT

To the Members of Botswana Qualifications Authority

Report on the Audit of the Annual Financial Statements

Opinion

We have audited the annual financial statements of Botswana Qualifications Authority set out on 52 to 93, which comprise the statement of financial position as at March 31, 2020, and the statement of comprehensive income, statement of changes in funds and statement of cash flows for the year then ended, and notes to the annual financial statements, including a summary of significant accounting policies.

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of Botswana Qualifications Authority as at March 31, 2020, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Botswana Qualifications Authority Act, 2013.

Basis for Opinion

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

Material Uncertainty Related to Going Concern

Management prepared these annual financial statements on the basis that the Authority is a going concern. Management included their assessment, and the associated uncertainties they have identified, in basis of preparation. We draw attention to the Statement of Comprehensive Income in the annual financial statements, which indicates that the Authority incurred a deficit of BWP 17.7 million (2019: BWP 10.5 million) during the year ended 31 March 2020, and the Statement of Changes in Funds which shows accumulated deficit of BWP 13.1 million (2019: BWP 4.6 million-Accumulated Surplus), and as at that date, the Authority's current liabilities exceeded its current assets by BWP 10.9 million (2019: current assets exceeded current liabilities by BWP 7.1 million). As stated in Note 13, these events or conditions, along with other matters as set forth, indicate that a material uncertainty exists that may cast significant doubt on the Authority's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the annual financial statements of the current period. These matters were addressed in the context of our audit of the annual financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



Matter	Audit response
<p>Valuation of Land and Buildings</p> <p>Land and buildings are accounted for at fair value less accumulated depreciation. The Authority obtains independent valuation for land and building at least every three years. The last independent valuation was done in the year 2018. This was carried out by an independent valuer. In addition, management assesses the fair value of land and building at the end of each reporting period in order to evaluate and account for any necessary changes.</p> <p>The carrying value of land and building of the Authority at 31 March 2020 amounted to BWP40,300,000. There was no change in fair value of the Land and Buildings this year as per management assessment. The fair value has therefore remained the same as it was in prior year.</p> <p>Income approach was used in determining the fair value of land and building.</p> <p>We considered this valuation to be a matter of most significance to our current year audit due to the following reasons</p> <p>The significance of the balance; and</p> <p>The judgments and assumptions applied by the management in determining the fair value of the land and building.</p> <p>The disclosures relating to fair value assessments are set out in the annual financial statements in the following notes</p> <p>Note 5.2 Recognized fair value measurements. Note 7.1.1 Estimation of fair value of land and building.</p>	<p>We assessed the competence and experience used by management and we can confirm that;</p> <ul style="list-style-type: none"> ➤ Management were involved in the valuation process and they were found to be in good standing with the relevant professional bodies; ➤ Management had appropriate experience and is deemed to be competent to perform the valuation assessment of Land and buildings; ➤ Management is not aware of any information relevant to the valuations, which had been withheld by the Authority <p>We obtained the valuation report and an understanding of the methodology and assumptions used by Management. We assessed the appropriateness of the methodology and the reasonableness of the assumptions applied by management by performing the following procedures:</p> <ul style="list-style-type: none"> ➤ We compared the valuation approach used by the management to the requirements of IFRS 13, Fair Value Measurement and industry norms. We found the valuation methodology applied by the management to be comparable and in line with those in the industry. ➤ We assessed the reasonableness of the data used by the management, including net cash flows by comparing them to rental income and repair and maintenance costs of similar properties. We found the data to be reasonable and in line with our expectations; and ➤ We compared the capitalization rate used by the management in the valuation to the capitalization rates generally used in the market as well as other general market factors such as comparable rental yield rates. We found the capitalization rate used by management to be within a reasonable range



<p>Impact of COVID 19 Pandemic on the Authority's Operations.</p> <p>Since the balance sheet date there has been a global pandemic from the outbreak of COVID-19.</p> <p>The potential impact of COVID-19 is causing widespread disruption to normal patterns of business activity across the world, including Botswana.</p> <p>The disclosure associated with COVID-19 is set out in the financial statements on the following notes.</p> <p>Note 11 Events after reporting date:</p> <p>Due to the impact of COVID-19 and the uncertainty surrounding the final impact of COVID-19 on the Authority, it was judged to be a key audit matter.</p>	<p>We assessed management's conclusion that the matter be treated as a non-adjusting post balance sheet event and that the impact of the outbreak of COVID-19 would not affect the preparation of the consolidated and separate financial statements on the going concern basis. We considered:</p> <ul style="list-style-type: none"> ➤ The timing of the development of the outbreak across the world and in Botswana; and ➤ How the financial statements and operations of the Authority might be impacted by the disruption. <p>We received an assessment performed by management, which included, inter alia the following:</p> <ul style="list-style-type: none"> ➤ We reviewed management's going concern assessment incorporating the impact of COVID-19 implications. We made enquiries of management to understand the period of assessment considered by them; ➤ We evaluated the key assumptions in the assessment prepared by management and assessed the reasonableness of assumptions used given the information existing at the date of the audit procedures; ➤ We examined the cash flow forecasts and evaluated whether management's conclusion regarding going concern is appropriate; and ➤ We evaluated the adequacy and disclosure in respect of COVID-19 implications, disclosures within principal risks and uncertainties, post balance sheet events and going concern. <p>We have assessed and evaluated the presentation and disclosure of the above matter, as set out in the note 11 (Events after reporting date)</p>
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Other information

The members of the board are responsible for the other information. The other information comprises the Authority Information, the Statement of responsibility by the members of the board and the Detailed Income Statement as required by the Botswana Qualifications Authority Act of Botswana, which we obtained prior to the date of this report, and the Botswana Qualifications Authority Annual Report for financial year ended 31 March 2020, which is expected to be made available to us after that date. Other information does not include the annual financial statements and our auditor's report thereon.

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

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the Authority to express an opinion on the annual financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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



Responsibilities of the Directors for the Annual Financial Statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with International Financial Reporting Standards and for such internal control as the directors determine is necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual financial statements, the directors are responsible for assessing the company'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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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

Our objectives are to obtain reasonable assurance about whether the annual 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 annual 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 annual financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Authority to express an opinion on the annual financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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


Mazars
Certified Auditors
Practicing member: Shashikumar Velambath
Membership number: 19980076

Date...10-09-2020...
Gaborone

STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 March 2020

	Note	2020 P	2019 P
Income			
Government subvention	1	67,789,298	73,315,145
Quality assurance fees	1	7,978,442	3,769,750
		75,767,740	77,084,895
Amortisation of capital grants	5.4	2,502,282	1,917,172
Other income	2.1	665,227	46,712
Decrease in allowance for credit losses	4.1.1	-	35,439
Total income		78,935,249	79,084,218
Expenditure			
Amortisation of intangible assets		(221,234)	(222,107)
Advertising and promotion		(978,147)	(2,456,952)
Audit fees		(226,589)	(230,317)
Computer expenses		(4,783,478)	(4,266,437)
Depreciation of property, plant and equipment		(2,665,696)	(2,293,202)
Maintenance and running costs		(1,544,774)	(1,169,237)
Research and consultation		(7,229,161)	(5,016,969)
Staff costs	2.2.1	(70,149,789)	(62,227,544)
Travelling and accommodation		(1,093,658)	(2,142,948)
Workshops and conferences		(1,418,943)	(1,983,236)
Increase in allowance for credit losses	4.1.1	(80,016)	-
Other operating expenses	2.2	(7,352,615)	(7,765,565)
Total expenditure	2.2	(97,744,100)	(89,774,514)
Finance income	2.3	1,021,551	185,922
Deficit for the year		(17,787,300)	(10,504,375)
Other comprehensive income			
Item that will not be reclassified to income statement			
Revaluation gain on property, plant and equipment	6.2	-	704,337
Total comprehensive loss for the year		(17,787,300)	(9,800,038)

STATEMENT OF FINANCIAL POSITION

as at 31 March 2020

	Note	2020 P	2019 P
ASSETS			
Non-current assets			
Property, plant and equipment	5.1	52,477,768	48,291,273
Intangible assets	5.3	863,433	1,084,667
		53,341,201	49,375,940
Current assets			
Trade and other receivables	4.1	575,185	3,014,332
Cash and cash equivalents	4.2	44,181,915	55,459,520
Total current assets		44,757,100	58,473,852
Total assets		98,098,301	107,849,793
LIABILITIES			
Non-current liabilities			
Capital grants	5.4	(34,362,777)	(30,597,979)
Current liabilities			
Amortisation of capital grants	5.4	(2,502,282)	(1,917,172)
Projects funds	5.5	(3,883,125)	6,634,497
Contract liability	6.3	(9,909,225)	(7,493,338)
Trade and other payables	4.3	(3,474,552)	(5,843,212)
Employee benefit obligations	5.6	(35,898,952)	(29,508,907)
Total current liabilities		(55,668,135)	(51,397,125)
Total liabilities		(90,030,912)	(81,995,105)
Net assets		8,067,389	25,854,688
Funds and reserves			
Accumulated funds	6.1	(13,123,127)	4,664,172
Revaluation reserve	6.2	21,190,516	21,190,516
Total funds		8,067,389	25,854,688

STATEMENT OF CHANGES IN FUNDS

for the year ended 31 March 2020

	Accumulated funds P	Revaluation reserve P	Total equity P
For the year ended 31 March 2019			
Balance at 1 April 2018	15,178,930	20,486,179	35,665,109
IFRS 9 transitional impairment	(10,383)	-	(10,383)
Deficit for the year	(10,504,375)	-	(10,504,375)
<i>Other comprehensive income</i>			
Revaluation gain	-	704,337	704,337
Balance at 31 March 2019	4,664,172	21,190,516	25,854,688
For the year ended 31 March 2020			
Balance at 1 April 2019	4,664,172	21,190,516	25,854,688
Deficit for the year	(17,787,300)	-	(17,787,300)
Balance at 31 March 2020	(13,123,127)	21,190,516	8,067,389

STATEMENT OF CASH FLOWS

for the year ended 31 March 2020

	Notes	2020 P	2019 P
Cash flows from operating activities			
Deficit for the year		(17,787,300)	(10,504,375)
<i>Adjustment for non cash items:</i>			
Amortisation of deferred capital grants	5.4	(2,502,282)	(1,917,172)
Depreciation of property, plant and equipment	5.1	2,665,696	2,293,202
Amortisation of intangible assets	5.3	221,234	222,107
Interest income	2.3	(1,021,551)	(185,922)
<i>Changes in working capital</i>			
Trade and other receivables		2,439,147	5,596,864
Non cash - IFRS 9 Adjustment relating to transitional impairment		-	(10,383)
Employee benefit obligations		6,390,045	6,039,585
Trade and other payables		(2,368,660)	(2,840,004)
Contract liability (deferred income)	6.3	2,415,887	4,708,238
Net cash (used in)/generated from operating activities		(9,547,784)	3,402,141
Cash flows from investing activities			
Purchase of property, plant and equipment	5.1	(7,131,772)	(1,369,120)
Purchase of intangible assets	5.3	-	(236,805)
Interest received	2.3	1,021,551	185,922
Net cash used in investing activities		(6,110,221)	(1,420,003)
Cash flows from financing activities			
Capital grants received	5.4	7,131,772	1,605,925
Payment for BQA project	5.5	(2,751,372)	(122,917)
Net cash from financing activities		4,380,400	1,483,008
Net (decrease)/increase in cash and cash equivalents		(11,277,605)	3,465,146
Cash and cash equivalents at beginning of year		55,459,520	51,994,374
Cash and cash equivalents at end of year	4.2	44,181,915	55,459,520

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2020

1	Income	2020	2019
	1.1 Government grants	P	P
	Government subvention	74,921,070	74,921,070
	Less: amount transferred to capital grants (Note 5.4)	(7,131,772)	(1,605,925)
		67,789,298	73,315,145
1.2	Revenue from services	2020	2019
		P	P
	<i>Performance obligation satisfied at a specific point in time</i>		
	<i>Quality assurance fees</i>	7,978,442	3,769,750
2	Other income and expense items		
2.1	Other income	2020	2019
		P	P
	Miscellaneous income	665,227	46,712
		665,227	46,712
2.2	Administration expenses	2020	2019
		P	P
	Amortisation of intangible assets (Note 5.3)	(221,234)	(222,107)
	Advertising and promotion	(978,147)	(2,456,952)
	Computer expenses	(4,783,478)	(4,266,437)
	Depreciation of property, plant and equipment (Note 5.1)	(2,665,696)	(2,293,202)
	Maintenance and running costs	(1,544,774)	(1,169,237)
	Research and consultancy	(7,229,161)	(5,016,969)
	Staff costs	(70,149,789)	(62,227,544)
	Travel and accommodation expenses	(1,093,658)	(2,142,948)
	Workshops and conferences	(1,418,943)	(1,983,236)
	Auditor's remuneration:	(226,589)	(230,317)
	Operating expenses	(90,311,469)	(82,008,949)
	Board fees and expenses	(1,516,150)	(1,540,531)
	Insurance	(967,998)	(774,991)
	Printing and stationery	(726,812)	(1,606,174)
	Examination and allied expenses	(125,369)	(460,907)
	Legal fees	(840,131)	(353,971)
	Security	(417,728)	(377,772)
	Water and electricity	(772,811)	(801,589)
	Other expenses	(2,065,632)	(1,849,630)
	Other operating expenses	(7,432,631)	(7,765,565)
	Total administrative expenses	(97,744,100)	(89,774,514)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2020

2.2.1 Breakdown of Staff Costs

	2020 P	2019 P
Salaries and wages	51,203,526	46,165,308
Gratuity	11,264,439	8,599,133
Pension	1,641,792	1,347,401
Medical expenses	1,545,416	1,368,555
Leave pay	2,725,530	1,972,652
Other staff costs	1,627,801	2,681,191
Severance pay	141,285	93,303
	70,149,789	62,227,543

2.3 Finance income

Finance income

Interest received on short term investments
Exchange loss on cash and cash equivalents

	2020 P	2019 P
Interest received on short term investments	1,021,551	197,941
Exchange loss on cash and cash equivalents	-	(12,019)
	1,021,551	185,922

The interest income relates to interest earned on short-term investments maintained with banks and IPRO Money Market investment.

3 Income tax

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

4 Financial assets and financial liabilities

The Authority holds the following financial instruments:

Financial assets	Notes	Financial assets at amortised cost P	Total P
At 31 March 2020			
Trade and other receivables*	4.1	348,977	348,977
Cash and cash equivalents	4.2	44,181,915	44,181,915
		44,530,892	44,530,892
At 31 March 2019			
Trade and other receivables*	4.1	438,960	438,960
Cash and cash equivalents	4.2	55,459,520	55,459,520
		55,898,480	55,898,480

*excluding prepayments

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2020

4 Financial assets and financial liabilities (continued)

Financial liabilities	Notes	Liabilities at amortised cost P
At 31 March 2020		
Other payables*	4.3	<u>3,474,552</u>
At 31 March 2019		
Other payables*	4.3	<u>5,843,212</u>

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.

4.1 Trade and other receivables

	2020 P	2019 P
Trade receivables	278,894	218,105
Less: Provision for impairment (Note 8.1)	(128,730)	(48,714)
	150,164	169,391
Interest receivable from money market investment	80,601	42,988
Prepayments	226,208	2,575,372
Other receivables	118,212	226,581
	<u>575,185</u>	<u>3,014,332</u>

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2020

4.1.1 Reconciliation of provision for impairment loss

Description	2020 P	2019 P
Opening impairment allowance calculated under IFRS 9 as at 1 April	48,714	84,153
Increase/(Decrease) in receivable loss allowance recognised in profit or loss during the period	80,016	(35,439)
Closing balance at 31 March	128,730	48,714

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2020

4.2 Cash and cash equivalents

Bank balances

Cash on hand

2020 P	2019 P
44,175,915	55,455,737
6,000	3,783
44,181,915	55,459,520

(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

2020 P	2019 P
44,175,915	55,455,737
6,000	3,783
44,181,915	55,459,520

The carrying amounts of bank balances dominated in foreign currency:

United States Dollar

2020 P	2019 P
186,607	137,469

(ii) Classification as cash equivalents

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

4.3 Other payables

Current liabilities

Audit fees accrual

Accruals

Other payables - staff salaries migration cost

- suppliers payments

- miscellaneous

- SAQAN Project

2020 P	2019 P
233,929	220,000
1,468,310	831,214
-	789,893
740,881	3,031,695
845,456	833,572
185,976	136,838
3,474,552	5,843,212

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2020

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.

5 Non-financial assets and liabilities										
5.1 Property, plant and equipment										
	Land and buildings (valuation)	Plant and machinery (cost)	Motor vehicles (cost)	Furniture and fittings (cost)	Office equipment (cost)	Computer equipment (cost)	Library books (cost)	Work in progress (cost)	Total	
	P	P	P	P	P	P	P	P	P	P
Cost/valuation										
Balance at 1 April 2018	40,300,000	4,857,667	3,726,867	3,709,550	1,354,065	4,872,568	393,961	-	59,214,678	
Additions	-	84,257	-	72,150	120,614	1,005,674	1,755	84,670	1,369,120	
Disposals	-	-	-	(17,408)	(119,707)	(288,526)	-	-	(425,640)	
Revaluation	-	-	704,337	-	-	-	-	-	704,337	
Reversal on revaluation of land and buildings	-	-	(2,351,875)	-	-	-	-	-	(2,351,875)	
Balance at 31 March 2019	40,300,000	4,941,924	2,079,329	3,764,293	1,354,972	5,589,716	395,716	84,670	58,510,620	
Additions										
Capitalised	-	-	1,393,594	4,702,985	29,720	1,005,474	-	-	7,131,772	
Disposals	-	-	-	84,670	-	-	-	(84,670)	-	
Balance at 31 March 2020	40,300,000	4,941,924	3,252,658	7,576,265	1,384,692	6,595,189	395,716	(0)	64,446,444	
Accumulated depreciation										
Balance at 1 April 2018	-	1,976,530	1,936,481	2,583,391	1,160,316	2,657,005	389,937	-	10,703,660	
Charge for the year	-	960,697	415,395	340,982	45,303	530,616	209	-	2,293,202	
Reversal on revaluation	-	-	(2,351,875)	-	-	-	-	-	(2,351,875)	
Reversal on disposal	-	-	-	(17,408)	(119,707)	(288,526)	-	-	(425,640)	
Balance at 31 March 2019	-	2,937,227	0	2,906,966	1,085,912	2,899,095	390,146	-	10,219,346	
Charge for the year	-	963,825	519,447	454,499	58,634	668,956	334	-	2,665,696	
Reversal on revaluation	-	-	-	-	-	-	-	-	-	
Reversal on disposal	-	-	(23,180)	(893,186)	-	-	-	-	(916,366)	
Balance at 31 March 2020	-	(3,901,053)	(496,267)	(2,468,279)	(1,144,546)	(3,568,050)	(390,480)	-	(11,968,676)	
Carrying amount										
At 31 March 2019	40,300,000	2,004,697	2,079,329	857,327	269,060	2,690,621	5,570	84,670	48,291,274	
At 31 March 2020	40,300,000	1,040,872	2,756,391	5,107,986	240,145	3,027,139	5,236	(0)	52,477,768	

An independent valuation of the Authority's land and buildings was performed in 2017/2018 by MG Properties. The next valuation would be done in 2020/2021. Fair value assessment on other assets was carried out by Management.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2020

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:

	2020 P	2019 P
Depreciation of property, plant and equipment	2,665,696	2,293,202

(ii) Revaluation, depreciation methods and useful lives

Land and buildings are revalued 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 revaluation 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	50 years
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 14.6 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 2020

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 revaluation adjustment, the respective carrying amounts would be as follows;

	Cost P	Accumulated depreciation P	Net book amount P
At 31 March 2020			
Land	112,219	-	112,219
Building	28,958,849	(6,919,434)	22,039,415
	29,071,068	(6,919,434)	22,151,634
At 31 March 2019			
Land	112,219	-	112,219
Building	28,958,849	(6,340,257)	22,618,592
	29,071,068	(6,340,257)	22,730,811

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.

Non-recurring fair value measurements	Notes	Level 3 P	Total P
At 31 March 2020			
Land and building	5.1	40,300,000	40,300,000
At 31 March 2019			
Land and building	5.1	40,300,000	40,300,000

The Authority's policy is to recognise transfers into and transfers out of revalued 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 2020

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 once 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.

See below for the analysis 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

Opening balance at 1 April
Closing balance at 31 March

2020 P	2019 P
40,300,000	40,300,000
40,300,000	40,300,000

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2020

5.2 Recognised fair value measurements (continued)

(iii) Valuation processes

The external valuations of the land and buildings were performed using net income approach as at 31 March 2018. The valuations were 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 2020	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	The higher the rental, the higher the fair value
			Rental yield	9% - 9.5%	The Lower the yield, the higher the fair value
Motor Vehicles	2,756,391	Average of trade in value and retail value	Regional popularity, supply, demand, conditions of use and operation	N/A	The higher the trade in and retail value, the higher the fair value

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2020

5.3 Intangible assets

Cost	P
Balance at 1 April 2018	4,148,875
Additions	236,805
Balance at 31 March 2019	<u>4,385,680</u>
Balance at 1 April 2019	4,385,680
Additions	-
Balance at 31 March 2020	<u>4,385,680</u>
Accumulated amortisation	
Balance at 1 April 2018	3,078,906
Amortisation charge	222,107
Balance as 31 March 2019	3,301,013
Balance at 1 April 2019	3,301,013
Amortisation charge	221,234
Balance as 31 March 2020	<u>3,522,247</u>
Carrying amount	
At 31 March 2019	<u>1,084,667</u>
At 31 March 2020	<u>863,433</u>

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

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

Computer software	7 years
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NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2020

5.4 Capital grants

Balance at 1 April	
Purchase of property, plant and equipment from Government subvention	
Purchase of intangible assets from Government subvention	
Property, plant and equipment disposed	
Amortisation during the year	
Balance at 31 March	

2020 P	2019 P
32,515,151	32,826,398
7,131,772	1,369,120
-	236,805
(279,582)	-
(2,502,282)	(1,917,172)
36,865,059	32,515,151

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

To be amortised within one year
To be amortised thereafter

2,502,282	1,917,172
34,362,777	30,597,979
36,865,059	32,515,151

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

Balance at 1 April	
Projects funds received during the year	
BQA Project operating expenses	
Balance at 31 March	

2020 P	2019 P
6,634,497	6,757,414
-	-
(2,751,372)	(122,917)
3,883,125	6,634,497

General Education Sector Project

The Authority received the sum of P5,000,000.00 from the Ministry of Basic Education in 2017-2018 for capacity building in the General Education Sector. Implementation started in June 2019 and as at 31 March 2020 there was a balance of P2,263,628 to continue with implementation of the project.

Office Building Maintenance

The Government authorised the Authority to use the P3,177,728.78 which remained during construction of the office building for maintenance purposes. As at 31 March 2020 there was a balance of P1,230,997.

Tour Guides Project

The Authority received funds amounting to P388,500 in 2016-2017 from the Human Resource Development Council to support the Tour Guides Recognition of Prior Learning Assessment Project. The Authority had a project on Recognition of Prior Learning for Tour Guides in 2016 for purposes of awarding them qualification on the then Botswana National Vocational Qualifications Framework. The Tour Guides Project was aimed at capacitating the candidates for assessments and was scheduled to run from 2017 to 2019. The Project was suspended as the Botswana Guides Association objected to the qualifications. The Authority is currently engaging with stakeholders namely Human Resource Development Council and Department of Wildlife and National Parks on the implementation plan. The plan will include mapping the qualifications on the National Credit Qualifications Framework.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2020

5.6 Employee benefit obligations

	Leave pay	Gratuity	Total
	P	P	P
Balance at beginning of the year	2,914,719	26,594,188	29,508,907
Provisions for the year	2,737,337	11,649,234	14,386,571
Payments during the year	(443,152)	(1,878,406)	(2,321,558)
Advances	-	(5,674,968)	(5,674,968)
Balance at end of the year	5,208,904	30,690,048	35,898,952

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 and a money market investment with IPRO Botswana for its staff gratuity accrual. The accounts have a balance of P 34,947,067 (2019: P 23,395,050).

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 5,208,903 (2019 - P 2,914,719) 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 Reserves**6.1 Accumulated Surplus/(Deficit)**

	2020	2019
	P	P
Balance 1 April	4,664,172	15,178,930
IFRS 9 Transitional impairment	-	(10,383)
Restated opening balance at 01 April 2019	4,664,172	15,168,547
Comprehensive deficit for the year	(17,787,300)	(10,504,375)
Balance 31 March	(13,123,127)	4,664,172

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2020

6.2 Revaluation Reserve

	P
At 1 April 2018	20,486,179
Revaluation - gross (Note 5.1)	704,337
At 31 March 2019	<u>21,190,516</u>
At 1 April 2019	21,190,516
Revaluation - gross (Note 5.1)	-
At 31 March 2020	<u>21,190,516</u>

The revaluation reserve arises as a result of revaluation of property, plant and equipment

6.3 Contract liability		2020	2019
Nature of contract balances	Nature of performance obligation	P	P
Balance at 1 April		7,493,338	2,785,100
Received during the year		10,394,329	8,477,988
Recognised during the year		(7,978,442)	(3,769,750)
Balance at 1 March	Specific point in time	<u>9,909,225</u>	<u>7,493,338</u>

Contract liability comprises of fees received in advance for registration, accreditation and for conducting audit of Education Training Providers.

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2020

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.

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

7.1.2 Measurement of the expected credit loss allowance – Note 4.1

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

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

7.1.3 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.

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2020

7.1.4 Useful lives of intangible assets

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

7.1.5 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 14.3.

7.1.6 Estimation of fair values of Motor vehicles – Notes 5.2

Motor vehicles are valued as they experience significant and volatile changes in fair value, thus making the regular revaluation necessary.

Motor vehicles were revalued as at 31 March 2019 by an independent valuer taking into consideration the following; Regional popularity, supply, demand, conditions of use and operation, which could have a varying effect on the value of the vehicle.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2020

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.

Risk	Exposure arising from	Measurement	Management
Market risk -interest rate	Deposits at variable rates	Sensitivity analysis	Assets/liabilities matched to the extent possible by holding assets earning variable rates of interest.
Credit risk	Cash and cash equivalents and trade receivables	Aging analysis Credit ratings	Diversification of bank deposits 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 Management under policies approved by the Board of Directors. The Board provides principles for overall risk management, as well as policies covering specific areas, such as interest rate risk, credit risk and investment of excess liquidity.

8.1 Market risk**(i) Cash flow and fair value interest rate risk**

Financial instruments that are sensitive to interest rate risk are bank balances on call. The Authority invests excess cash resources in call deposit accounts which earn interest on a daily basis. Interest earned on the call deposit accounts is at market rates from commercial banks.

A 1% increase in interest rates would result in an increase in the surplus for the year of P 10, 216 (2019: P 1,859), 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 and a 48hrs money market investment account that have been set up as disclosed in Note 5.6.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2020

(iii) Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Authority. As at 31 March 2020, the Authority's maximum exposure to credit risk which will cause a financial loss due to failure to discharge an obligation by the counterparties arises from the carrying amount of the respective recognised financial assets as stated in the statement of financial position.

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

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

The Authority applies the simplified approach to providing for expected credit losses prescribed by IFRS 9, which permits the use of the lifetime expected loss provision for all short-term receivables. To measure the expected credit losses, short-term receivables have been grouped based on shared credit risk characteristics and the days past due. The loss allowance as at 31 March 2020 is determined as follows:

Trade Receivables: Expected Credit loss Default Rates(%)					
Date	Current	1-30 Past due	61-90 Past due	91-180 Past due	Over 180 Past due
1-Apr-19	8.41%	13.78%	23.83%	73.48%	100%
31-Mar-20	28.95%	39.85%	41.24%	59.48%	100%

Trade Receivables: Gross Carrying Amounts (Pula)						
Date	Current	1-30 Past due	61-90 Past due	91-180 Past due	Over 180 Past due	TOTAL
1-Apr-19	82,300	83,600	25,905	8,300	18,000	218,105
31-Mar-20	119,394	-	111,200	-	48,300	278,894

Trade Receivables: Expected Credit Losses (Pula)						
Date	Current	1-30 Past due	61-90 Past due	91-180 Past due	Over 180 Past due	TOTAL
1-Apr-19	6,920	11,522	6,173	6,098	18,000	48,713
31-Mar-20	34,566	-	45,863	-	48,300	128,729

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2020

(iv) Cash equivalent

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

2020	2019
P	P
14,024,346	4,905,048
9,220,152	30,567,670
20,931,451	20,000,000
44,175,949	55,472,718

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, First National Bank of Botswana Limited and IPRO 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 F1 for short term credits (Fitch rating)

First National Bank of Botswana Limited is listed on the Botswana Stock Exchange and is a subsidiary of First Rand Bank Limited, a Bank listed on the Johannesburg Stock Exchange. Long-term credit rating assigned to the bank by Moody's is Baa3. Long-term credit rating assigned to the bank by Standard & Poor's is BB (strong capacity to meet its financial commitments). First Rand Bank rating 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.

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

(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. 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 United State Dollar (USD).

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 USD and BWP (Botswana Pula) in which it operates. A significant change in the currency exchange rate between USD and BWP could have a material effect on the Authority's surplus.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2020

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

31 March 2020	USD	BWP
Cash and Cash equivalents	16,093	186,607
Foreign currency rates used for conversion at reporting date:	1.000	11.5956

The strengthening of USD against the BWP by 10% at 31 March 2020 would have an approximate impact of P18,661 on the Authority's surplus, with all the other variables held constant. A 10% weakening of the USD would have equal but opposite effect.

31 March 2019	USD	BWP
Cash and Cash equivalents	13,602	137,469
Foreign currency rates used for conversion at reporting date:	1.00	0.79346

The strengthening of USD against the BWP by 10% at 31 March 2019 would have an approximate impact of P13,747 on the Authority's surplus, with all the other variables held constant. A 10% weakening of the USD would have equal but opposite effect.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2020

(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 Liquidity risk**As at 31 March 2020**

Liabilities	Less than six months P	Between six and twelve months P	More than one year P	Total P
Trade and other payables	3,474,552	-	-	3,474,552
Total	3,474,552	-	-	3,474,552

As at 31 March 2019

Liabilities	Less than six months P	Between six and twelve months P	More than one year P	Total P
Trade and other payables	5,843,212	-	-	5,843,212
Total	5,843,212	-	-	5,843,212

8.3 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 Board of Directors. 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.

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 2020

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 Capital Commitments and contingencies

Capital commitments

Capital expenditures authorised by the Board and contracted for as at 31 March 2020 but not yet incurred were as follows:

	2020 P	2019 P
Furniture and Fittings	-	2,870,000
Motor vehicles	-	551,000
	-	3,421,000
Operational commitments	1,875,569	2,607,777

The Authority has operational commitments for contracts which are valid in the next twelve months.

Contingent liabilities

Rates and taxes	-	247,371
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The Authority has been allocated plot 66450 measuring 6205 square meters and the property will be included in the rate roll for 2021. Rates charge is expected to commence after inclusion in the rate roll, therefore currently there are no rates accrued or charged for plot 66450.

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2020

11 Events after reporting period Coronavirus Pandemic (COVID 19)

In December 2019, a novel strain of coronavirus (COVID 19) was reported in Wuhan, China. The World Health Organization has declared the outbreak to constitute a "Public Health Emergency of International Concern." This Coronavirus was also first reported in Botswana in March 2020, and has spread to more than 212 countries worldwide covering Europe, the United States, Russia and even our neighbouring countries, South Africa, Zimbabwe and Zambia.

On 31 March 2020, the President of Botswana declared a "State of Emergency" in Botswana and from 02 April 2020 up to now all non-essential businesses have been closed to curb the spread of COVID 19. As a result of this, numerous sectors of the economy in Botswana are suffering damage and the long-term economic and business consequences remain unknown. Business disruptions and other economic consequences have been observed.

Considering International Financial Reporting Standards requirements to account for adjusting and non-adjusting events occurring after year end, Management performed an assessment following IAS10 guidelines and definitions. It became apparent that as at year end, 31 March 2020, there were no events or conditions in Botswana, or within the Authority's business that were brought about by COVID 19. However, after year end some measures taken by the Government of Botswana, as highlighted in the paragraph above, are expected to have an impact on the Authority's operations such as stakeholder engagement on activities like policy development, capacity building, information dissemination through workshops. Registration and Accreditation services such as physical visits to customers for validations will be affected due to movement restrictions and other COVID-19 protocols.

From this assessment, Management has concluded that any effects, or financial conditions COVID 19 may bring after year end, are all none adjusting events, except if these events affect the going concern assumption.

The extent of the impact of COVID-19 on the Authority's operational and financial performance will depend on new developments, including the duration and spread of the outbreak, the length of social distancing protocols, impact on our customers, employees and suppliers all of which are still uncertain and cannot be predicted.

As at 25 May 2020, the Cabinet made a decision to withdraw 5% from the Authority's budgeted subvention for 2020/21. At this point, the full extent to which COVID-19 may impact the Authority's financial condition or results of operations is still uncertain.

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

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2020

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 are treated as related party transactions.

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

	2020 P	2019 P
Subvention received from the Government (Note 1)	<u>74,921,070</u>	<u>74,921,070</u>

b) Key Management personnel expenditure:

Remuneration

Benefits accruals:

Leave pay accrual

Gratuity accrual

	2020 P	2019 P
	<u>7,151,475</u>	<u>9,681,982</u>
	<u>803,360</u>	<u>483,008</u>
	<u>4,596,480</u>	<u>4,601,662</u>
	<u>5,399,839</u>	<u>5,084,670</u>

c) Sitting allowance

Sitting allowance paid to Members of the Board

Sitting allowance payable to Members of the Board

	2020 P	2019 P
	<u>410,850</u>	<u>792,450</u>
	<u>13,050</u>	<u>26,100</u>

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2020

13 Going Concern Assessment

Botswana Qualifications Authority wishes to draw attention to the fact that as at 31 March 2020, the Authority had accumulated deficit of P13,123,127 over the past two financial years and that negatively impacted the Authority's liquidity position.

The Authority's ability to continue as a going concern is dependent on the Government of Botswana for support. As guided by continual engagement, the parent Ministry of Tertiary Education, Research, Science & Technology, has shown commitment to support the registration and accreditation services now and in the foreseeable future because they believe the BQA mandate is still valid.

"The Authority approached the Ministry of Tertiary Education, Research, Science & Technology, and this resulted in the subvention for 2020/21 being increased by P30 million. The increase in subvention enabled the Authority to approve 2020/21 Budget with a surplus of P9.8 million. The budgeted surplus is now expected to reduce to P4.8 million following the Government of Botswana decision to cut 2020/21 Budget by 5%. The Authority expects to have fully reversed the accumulated deficit by end of financial year 2022/23.

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

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2020

14 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.

14.1 Basis of preparation

The annual financial statements have been prepared on a going concern basis, 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.

Adoption of standards in the current financial year

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

IFRS 16 - Leases

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.

The application of the amendments had no impact on the Authority's financial statements.

Amendments to IFRS 9 Prepayment Features with Negative Compensation

The amendments to IFRS 9 clarify that for the purpose of assessing whether a prepayment feature meets the Solely Payments of Principal and Interest (SPPI) condition, the party exercising the option may pay or receive reasonable compensation for the prepayment irrespective of the reason for prepayment. In other words, prepayment features with negative compensation do not automatically fail SPPI.

The amendment applies to annual periods beginning on or after 1 January 2019, with earlier application permitted.

There are specific transition provisions depending on when the amendments are first applied, relative to the initial application of IFRS 9.

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2020

The application of the amendments had no impact on the Authority's financial statements.

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

Amendments to The Conceptual Framework for Financial Reporting

Effective immediately for the IASB and the IFRS IC. For preparers who develop accounting policies based on the Conceptual Framework, it is effective for annual periods beginning on or after 1 January 2020.

The revised Conceptual Framework for Financial Reporting (the Conceptual Framework) is not a standard, and none of the concepts override those in any standard or any requirements in a standard. The purpose of the Conceptual Framework is to assist the Board in developing standards, to help preparers develop consistent accounting policies if there is no applicable standard in place and to assist all parties to understand and interpret the standards.

The IASB issued the Conceptual Framework in March 2018. It sets out a comprehensive set of concepts for financial reporting, standard setting, guidance for preparers in developing consistent accounting policies and assistance to others in their efforts to understand and interpret the standards. The Conceptual Framework includes some new concepts, provides updated definitions and recognition criteria for assets and liabilities, and clarifies some important concepts. It is arranged in eight chapters, as follows:

- Chapter 1 – The objective of financial reporting
- Chapter 2 – Qualitative characteristics of useful financial information
- Chapter 3 – Financial statements and the reporting entity
- Chapter 4 – The elements of financial statements
- Chapter 5 – Recognition and derecognition
- Chapter 6 – Measurement
- Chapter 7 – Presentation and disclosure
- Chapter 8 – Concepts of capital and capital maintenance

The Conceptual Framework is accompanied by a Basis for Conclusions. The Board has also issued a separate accompanying document, Amendments to References to the Conceptual Framework in IFRS Standards, which sets out the amendments to the affected standards to update references to the Conceptual Framework. In most cases, the standard references are updated to refer to the Conceptual Framework. There are exemptions in developing accounting policies for regulatory account balances for two standards, namely, IFRS 3 and for those applying IAS 8.

The changes to the Conceptual Framework may affect the application of IFRS in situations where no standard applies to a particular transaction or event.

Amendments to IAS 1 and IAS 8 - Definition of Material

Effective for annual periods beginning on or after 1 January 2020.

In October 2018, the IASB issued amendments to IAS 1 Presentation of Financial Statements

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2020

and IAS 8 to align the definition of 'material' across the standards and to clarify certain aspects of the definition. The new definition states that, 'Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity.'

The amendments clarify that materiality will depend on the nature or magnitude of information, or both. An entity will need to assess whether the information, either individually or in combination with other information, is material in the context of the financial statements.

The amendments explain that information is obscured if it is communicated in a way that would have a similar effect as omitting or misstating the information. Material information may, for instance, be obscured if information regarding a material item, transaction or other event is scattered throughout the financial statements or disclosed using a language that is vague or unclear. Material information can also be obscured if dissimilar items, transactions, or other events are inappropriately aggregated, or conversely, if similar items are inappropriately disaggregated.

The amendments replaced the threshold 'could influence', which suggests that any potential influence of users must be considered, with 'could reasonably be expected to influence' in the definition of 'material'. In the amended definition, therefore, it is clarified that the materiality assessment will need to consider only reasonably expected influence on economic decisions of primary users.

The current definition refers to 'users' but does not specify their characteristics, which can be interpreted to imply that an entity is required to consider all possible users of the financial

statements when deciding what information to disclose. Consequently, the IASB decided to refer to primary users in the new definition to help respond to concerns that the term 'users' may be interpreted too widely.

The definition of material in the Conceptual Framework and IFRS Practice Statement 2:

Making Materiality Judgements were amended to align with the revised definition of material in IAS 1 and IAS 8.

The amendments must be applied prospectively. Early application is permitted and must be disclosed. Although the amendments to the definition of material is not expected to have a significant impact on an entity's financial statements, the introduction of the term 'obscuring information' in the definition could potentially impact how materiality judgements are made in practice, by elevating the importance of how information is communicated and organised in the financial statements.

Amendments to IAS 1, 'Presentation of financial statements' – Classification of liabilities as current or non-current

Effective for annual periods beginning on or after 1 January 2022, retrospectively in accordance with IAS 8.

On 23 January 2020, the IASB issued a narrow-scope amendment to IAS 1 to clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. The amendment requires the following:

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2020

- Liabilities are classified as non-current if the entity has a substantive right to defer settlement for at least 12 months at the end of the reporting period. The amendment no longer refers to unconditional rights, since loans are rarely unconditional (for example, because the loan might contain covenants).
- The assessment determines whether a right exists, but it does not consider whether the entity will exercise the right. So, management's expectations do not affect classification.
- The right to defer only exists if the entity complies with any relevant conditions at the reporting date. A liability is classified as current if a condition is breached at or before the reporting date and a waiver is obtained after the reporting date. A loan is classified as non-current if a covenant is breached after the reporting date.
- Settlement' is defined as the extinguishment of a liability with cash, other economic resources, or an entity's own equity instruments. There is an exception for convertible instruments that might be converted into equity, but only for those instruments where the
- conversion option is classified as an equity instrument as a separate component of a compound financial instrument.

The amendment changes the guidance for the classification of liabilities as current or non-current. It could affect the classification of liabilities, particularly for entities that previously considered management's intentions to determine classification and for some liabilities that can be converted into equity. All entities should reconsider their existing classification in the light of the amendment and determine whether any changes are required.

The directors do not expect material impact to the financial statements on adoption of this standard.

14.2 Foreign currency translation

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

(i) Functional and presentation currency

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

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

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

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2020

14.3 Revenue recognition

(i) Government subvention and grants

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

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

(ii) Interest income

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

(iii) Registration, Accreditation and Audit Services

The Authority provides registration, accreditation and audit services relating to education. The directors assessed that the provision of registration, accreditation and audit services constitutes performance obligations that are discharged over time because the services are performed by an indeterminate number of acts over a specified time frame. Consequently, revenue is recognised on a straight-line basis over the specified time frame unless there is evidence that some other method better represents the stage of completion. When a specific act is much more significant than any other acts, the recognition of revenue is postponed until the significant act is executed.

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

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

Step 1: Identify the contract(s) with a customer

Step 2: Identify the performance obligations in the contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

14.4 Impairment of non-financial assets

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

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

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2020

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.

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2020

14.5 Financial Assets and Liabilities

Measurement methods

Amortised cost and effective interest rate

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

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

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

Interest income

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

Initial recognition and measurement

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

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

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

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

Classification and subsequent measurement

From 1 April 2018, the Authority has applied IFRS 9 and classifies its financial assets as amortised cost.

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

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2020**Debt instruments**

Debt instruments are those instruments that meet the definition of a financial liability from the issuer's perspective, such as loans, government and corporate bonds and trade receivables purchased from clients in factoring arrangements without recourse

Classification and subsequent measurement of debt instruments depend on:

- (i) the Authority's business model for managing the asset; and
- (ii) the cash flow characteristics of the asset.

Based on these factors, the Authority classifies its debt instruments as amortised cost as follows:

Amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest ('SPPI'), and that are not designated at FVPL, are measured at amortised cost. The carrying amount of these assets is adjusted by any expected credit loss allowance recognised and measured using the simplified expected loss model. Interest income from these financial assets is included in 'Interest and similar income' using the effective interest rate method.

Business model

The business model reflects how the Authority manages the assets to generate cash flows. That is, whether the Authority's objective is solely to collect the contractual cash flows from the assets or is to collect both the contractual cash flows and cash flows arising from the sale of assets. If neither of these is applicable (e.g. financial assets are held for trading purposes), then the financial assets are classified as part of 'other' business model and measured at FVPL.

Factors considered by the Authority in determining the business model for a group of assets include past experience on how the cash flows for these assets were collected, how the asset's performance is evaluated and reported to key management personnel, how risks are assessed and managed and how managers are compensated. For example, the liquidity portfolio of assets, which is held by the Authority as part of liquidity management and is generally classified within the hold to collect and sell business model. Securities held for trading are held principally for the purpose of selling in the near term or are part of a portfolio of financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking. These securities are classified in the 'other' business model and measured at FVPL.

Cash and Cash Equivalent

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

Trade receivables

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 2020

Impairment of financial assets

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

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

Derecognition of financial assets

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

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

Financial liabilities

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

Derecognition of financial liabilities

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

14.6 Property, plant, and equipment

The Authority's accounting policy for land and buildings, plant and machinery, motor vehicles, furniture & fittings, office equipment, computer equipment, computer software and library books are explained in Note 5.1. All assets 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

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2020

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.

14.7 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.

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.

14.8 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.

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2020

14.9 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.

14.10 Provisions

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

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

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

14.11 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 who are on fixed term contract and are eligible for gratuity at the rate of 30% (2019: 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 because of services rendered by employees up to the statement of financial position date.

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

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2020

14.12 Related parties

Related parties are defined as those parties:

(a) directly, or indirectly through one or more intermediaries, the party that:

(i) controls are controlled by, or 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.

Annexure I

DETAILED INCOME STATEMENT
for the year ended 31 March 2020

Revenue

Government subvention
Quality assurance fees

Amortisation of deferred capital grants

Other income

Miscellaneous
Decrease in allowance for credit losses

Finance income

Total income

Total Expenditure

Operating deficit for the year

Expenditure

Advertising and promotion
Amortisation charge
Audit fees
Archiving
Bank charges
Board fees and expenses
Computer expenses
Depreciation of property, plant and equipment
Disposal costs
Entertainment expenses
Examination and allied expenses
Gardening services
Insurance
Legal fees
Library books and materials
Maintenance and running costs
Motor vehicle expenses
Office cleaning
Postage and courier
Printing and stationery
Protective clothing
Quality Management System expenses
Research and consultation
Security
Staff costs
Subscriptions
Telephone and fax
Travelling and accommodation
Water and electricity
Workshops and conferences
Increase in allowance for credit losses

Operating (deficit) / surplus for the year

2020 P	2019 P
67,789,298	73,315,145
7,978,442	3,769,750
75,767,740	77,084,895
2,502,282	1,917,172
665,227	46,712
-	35,439
665,227	82,150
1,021,551	185,922
79,956,800	79,270,139
(97,744,100)	(89,774,514)
(17,787,300)	(10,504,375)
(978,147)	(2,456,952)
(221,234)	(222,107)
(226,589)	(230,317)
(31,294)	(168,228)
(61,477)	(70,380)
(1,516,150)	(1,540,531)
(4,783,478)	(4,266,437)
(2,665,696)	(2,293,202)
(37,222)	-
(2,800)	(2,897)
(125,369)	(460,907)
(82,240)	(73,093)
(967,998)	(774,991)
(840,131)	(353,971)
(2,330)	(42,330)
(1,544,774)	(1,169,237)
(390,168)	(382,960)
(554,517)	(409,964)
(40,401)	(38,299)
(726,812)	(1,606,174)
(6,928)	(7,819)
(9,798)	(6,480)
(7,229,161)	(5,016,969)
(417,728)	(377,772)
(70,149,789)	(62,227,544)
(282,229)	(280,820)
(484,212)	(366,360)
(1,093,658)	(2,142,948)
(772,811)	(801,589)
(1,418,943)	(1,983,236)
(80,016)	-
(97,744,100)	(89,774,514)
(17,787,300)	(10,504,375)

This detailed income statement does not form part of the financial statements covered by the audit opinion on pages 48 to 51.

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