



BOTSWANA
EXAMINATIONS
COUNCIL

ANNUAL REPORT



2016
17



2007 - 2017

Advancing learning, certifying your future



1960

- JCE in BOLESWA administered by the University of Swaziland
- Form 5 (School Leaving Examinations) administered by the Joint Matriculation Board of Southern Africa, the membership of the Board was drawn from South African Universities.



1961

- Basotholand, Bechuanaland and Swaziland High Commission territories form an Examinations Council
- The Examinations Council operates under the umbrella of the University of Bechuanaland, Basotholand and Swaziland
- The Examinations Council renamed the University of Botswana Lesotho and Swaziland School Examinations Council (UBLS SEC)



1961-66

- UBLS/SEC based in Lesotho
- UBLS SEC administers the JCE for BOLESWA as well as COSC from UCLES, GCE from University of London



1970

- 1970 – BOLESWA countries and Malawi establish the Regional Testing Resource Centre (RTRC) to develop national capacity for assessment programmes in the member states
- The centre focused on aptitude testing for selection at the end of the primary cycle (PSLE in Botswana)



1975

- 1975 the RTRC project ends
- BOLESWA countries propose transfer to all school examinations to UBLS/SEC
- Botswana establishes a Research and Testing Centre (RTC) to conduct the PSLE and the JCE



1977

- The first National Commission on Education (NCE, 1977) report makes a case for stronger national control over curriculum and examinations
- The Commission recommends the establishment of a National Examinations Council



1978/9

- Department of Curriculum Development and Evaluation (CD&E) created
- CD&E organized into 7 units including the Research and Testing Centre (RTC) and the Examinations Unit



- Examinations conducted by CD&E through the Examinations Unit and RTC
- Examinations and tests included Aptitude testing at Standard Four and PSLE and achievement testing for examinations for PSLE, and JCE. The Cambridge Overseas School Examinations Certificate (COSC) O level and the GCE were administered by the Examinations Unit
- The Education Structure changed from 7 (Primary) 3 (Junior Secondary) 2 (Senior Secondary) to 7-2-3
- Examinations were administered at the end of each of the three levels



- The first 2 year Junior Certificate Examination
- The first 3 year Cambridge Overseas Certificate Examination
- The Organisation and Methods (O&M) review report of 1992 recognises that “function of examining a national curriculum requires some degree of autonomy”
- The O&M report proposes the establishment of the Examinations Research and Testing Division (ERTD) as a preparatory step towards the formation of an autonomous examinations body.



- The Research and Testing Centre (RTC) and the Examinations Unit combined to form the Examinations Research and Testing Division (ERTD)
- ERTD conducted the Standard Four Attainment Test, the JCE, COSC, GCE, Selection tests for the University of Botswana Mature Entry programmes, Teacher Training colleges, National Health Institutes, Brigades and College entrance tests for the Educational Testing Service (ETS) such as SAT, GRE etc.
- The Revised National Policy on Education (RNPE) recommended the establishment of a semi-autonomous examinations body



- Botswana began the localization of the COSC Syllabuses and Examinations to replace the COSC with the Botswana General Certificate for Secondary Education (BGCSE)



- Parliament approved the Botswana Examinations Council Act



- BEC governing Council was appointed and launched by the Honourable Minister of Education



- Examinations were transferred from the Examinations Research and Testing Division of the Ministry of Education to Botswana Examinations Council on June 1, 2007

The Botswana Examinations Council (BEC) was established by an Act of Parliament (Act No. 11 of 2002) as a body Corporate governed by a Council. BEC is mandated under Section 5 of the Act to conduct School examinations and any other examinations for the Ministry of Education and Skills Development (MoESD) and issue certificates in respect of these examinations.

The national school examinations are; Primary School Leaving Examinations (PSLE), Junior Certificate Examinations (JCE) and the Botswana General Certificate of Secondary Education (BGCSE). BEC's key business activities include the development of an assessment policy, assessment instruments and regulations for the conduct of national schools examination programmes in the general education subsector.

The specific functions and responsibilities of BEC are to:

- advise the Ministry of Education and Skills Development on assessment issues;
- provide appropriate assessment programmes and examination instruments;
- provide examination procedures for all aspects of examinations;
- administer and manage the national examinations and certification processes;
- provide regulatory mechanisms for national examinations;
- accredit all examination centres;
- award qualifications in national examinations;
- maintain competitive standards in national examinations; and
- ensure the maintenance of internationally competitive performance standards.

BEC VALUES

EXCELLENCE

We have passion for quality work and outstanding performance characterised by the use of innovative and creative solutions.

INTEGRITY

We uphold best practice standards, honesty, professionalism and ethical behaviour.

TRANSPARENCY

We are open in all matters of public interest while safeguarding confidential information.

PEOPLE FOCUS

Our people: employees, the community we serve and the nation at large are profoundly important to us. We are thus committed to cultivating a culture that is characterised by mutual respect, professionalism, courtesy, compassion and sharing to build lasting and rewarding relationships.

OUR VISION

To be a provider of accessible and globally competitive qualifications.

OUR MISSION

To provide a credible and responsive assessment and Examination system.

Advancing learning, certifying your future.

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BEC COUNCIL MEMBERS



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1. Dr. Joseph Tsonope
Board Chairperson
2. Dr. Gaelebale Tshoko
Deputy Board Chairperson
3. Dr. Daniel Tau
4. Mr. Abel Modungwa
5. Dr. Raphael Dingalo
6. Mr. Tjalebgwa Bakang Bagwasi
7. Mr. Lesedi Gaolaolwe
8. Prof. Brian Mokopakgosi
Executive Secretary

9. Mrs. Ludo Thateng Johwa-Mpundisi
10. Mr. Dominic Khome
11. Mrs. Daisy Molefhi
12. Mr. Nasim Miller
13. Mr. Simon Coles
Deputy Permanent Secretary
Ministry of Basic Education
14. Mrs. Onkemetse Thomas
Board Secretary



- 1. Prof. Brian Mokopakgosi**
Executive Secretary
- 2. Dr. Moreetsi Thobega**
Director, Research and Policy Development
- 3. Mr. Jenamiso Nthele**
Director, Human Resource



- 4. Mr. Letlhokwa Galekhutle**
Director, Corporate Services
- 5. Mrs. Susan Makgothi**
Director, Product Development and Standards
- 6. Mr. Canaan Mathendele**
Director, Information Communications and Technology
- 7. Mrs. Dorcas Morake**
Director, Examinations Administration and Certification

HEADS OF SPECIALISED SUPPORT DIVISIONS



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1. Mrs. Fingile Makgalemele
Manager; Corporate Communications

2. Mr. Mothusi Nicholas Ntau
Manager; Compliance and Quality Assurance

3. Mrs. Keramile Masire
Manager; Internal Audit

4. Mrs. Maipelo Sealetsa
Manager; Office of Strategy Management

5. Mrs. Onkemetse Thomas
Manager; Legal Services



Exactly a year ago, I presented to you what was beyond doubt a record of very good performance on the part of the Botswana Examinations Council (BEC). Once again it is with a profound sense of pride that I share with you yet another success story. The 2016/17 annual report is a fascinating account of how a dedicated Council and committed workforce can accomplish so much with limited resources. The Council was not only able to successfully achieve its core mandate of conducting examinations, but the products and services were of consistently high quality and timely delivered.

The second part of the report contains audited financial statements. These serve to demonstrate how the Council was able to prudently utilise resources available towards implementing its core mandate.

The 2016/17 financial year was the second year of implementation of the BEC strategy and this was executed with noticeable competence. It was also the second year of implementation of a performance management system directly linked to the strategy, which went extremely well. In tandem with these developments was the continuation of implementation of the strategic projects of the BEC. These included BEC Transformation project, Botswana Educational Assessment Monitor (BEAM), phase II of the Botswana National Examinations Processing System and notably implementation of the BEC quality policy through ISO 9001 (2008) standard for which certification was gained in February 2017. In fact the BEC remains one of very few parastatal organisations that has been certified against the ISO 9001 standard.

As in the previous year the relations with external publics including unions and government remained cordial. While the resources were not always available to support some activities of the Council, the Ministry of Basic Education was always supportive and encouraging of the efforts of the Council. Teachers' unions were also supportive of the work of the Council, although the administrative arrangements on how to engage with each other are still to be concluded. It is my sincere wish that this will be accomplished during the next financial year.

Also gratifying is that the Management continued its public education programme during the year. The purpose was to educate the opinion makers and other leaders on the mandate of the Council and to share its research findings. Depending on availability of funding, these activities will be continued in the next year.

Last but not least, the Council was able to meet its international obligations. Participation in meetings and conferences of associations in which the BEC is a member was undertaken, though by very few staff members. Benchmarking exercises were also undertaken between regional and continental examinations Boards. Information accumulated from these contacts was used to improve our operations.

The road ahead is clearly going to be bumpy and the BEC would need to come up with concrete survival strategies during the next financial year. The search for new sources of revenue will be intensified. The BEC will have to respond urgently to the demands of other key sectoral developments while mindful of the critical requirements of business continuity. Top priorities include registration with the Botswana Qualifications Authority (BQA) and the implementation of the Education and Training Sector Strategic Plan (ETSSP). However, with the calibre that Council and Management of BEC have, I am confident that we shall persevere.

The details of this story are adequately articulated in the body of the report.

I commend the report very highly to you.

Dr Joseph Tsonope
BEC Chairperson

EXECUTIVE SECRETARY'S STATEMENT



The report that follows contains the activities of the directorates and divisions of the Botswana Examinations Council (BEC) in carrying out the Council's mandate during the 2016/17 financial year. In accordance with the BEC Act, the mandate of the Council is to conduct general education examinations and research that leads to improvement in quality of educational assessment at this level. What can be gleaned from the content of the report is that even under not so favourable conditions the BEC was able to deliver significant outputs/products during the year under review. The second part of the report contains the financial statements for 2016/17, which show the prudent manner in which the Council put to use its meagre financial resources.

Implementation of the BEC Strategy

The 2016/17 financial year was the second year of implementation of the BEC strategic plan. We realised significant improvement in the implementation and monitoring of the strategy, and for the first time in the history of the BEC, we were able to align the implementation of the Performance Management System to the strategy. For the first time, the strategy was reviewed quarterly and reports sent to the Council for appreciation and guidance. This strategic success is clearly reflected in the body of the report. Preparations were also put in place for the mid-term review of the strategy, planned for the following financial year.

Conduct of Examinations

As its core mandate, the BEC conducts three examinations at Primary, Junior Secondary and Senior Secondary schools levels. In addition the Council also develops the standard four attainment test, which is administered by the schools. All the three examinations were delivered successfully and the results were released a little earlier than previously. Once again the BEC Examinations Processing System delivered without any obvious challenges. Examination queries, which are common in all examinations jurisdictions, were comparatively few and were resolved within a short space of time.

Research

It is with pride that we report the exciting and innovative research that was carried out by our researchers during the past year. Such research contributed in no small measure to the quality efforts of the BEC and indeed the sector as a whole. Comparatively more research was undertaken by BEC researchers and shared internally through workshops and externally at workshops and meetings of teachers and educators within the country. Important collaborative research was conducted with partners, particularly UMALUSI of South Africa, as well as through participation in the Southern Africa Association of Educational Assessment (SAAEA) research forum. The research undertaken by the SAAEA research forum will, once completed be shared widely

within the SADC region, and hopefully will lead to improvements in educational assessment in the region and beyond.

In addition, BEC continued to participate in some international comparability studies. Important to note is that our research team shared with the Ministry of Basic Education and partners in the sector the international results of the Trends in Mathematics and Science Study (TIMSS) and have since been working on the Botswana results to share with the rest of the sector in the next year. Shortage of financial resources has not hindered the conduct of research at the BEC. Instead it promoted innovative approaches to the funding of research.

BEC Excellence Awards

The year 2016/17 was the seventh year in which the BEC in collaboration with the parent Ministry of Basic Education hosted the excellence awards. This was a spectacular event supported by the BEC, Ministry of Basic Education and the private sector. The ceremony is hosted annually to recognise and celebrate outstanding performance of candidates at the general education level and to encourage kids in schools to aim high.

Implementation of Strategic Projects

Although the funding environment at the BEC had not really improved, the Council was able to proceed with the implementation of its strategic projects. These included the

second phase of the Botswana National Examinations Systems (BNEPS II), implementation of Quality Policy through ISO 9001 standard, the initiation of the Botswana Educational Assessment Monitor and the Transformation of the BEC project. Noteworthy was the finalisation of the ISO 9001 project through certification in February 2017.

Training and Development

In spite of our cherished desire to be a knowledge-based organisation, the report shows weaknesses in the area of training and development, largely as a result of limited funding. The training that we were able to do related to the on-going training of staff in the Directorate of Product Development and Standards at the University of Botswana, as well as that associated with on-going strategic projects. Staff were however encouraged to fund their own studies in anticipation of the reorganisation of the BEC, and some took heed of the advice.



Brian Mokopakgosi
Executive Secretary

GOVERNANCE STRUCTURES

GOVERNANCE STRUCTURES

COUNCIL COMMITTEES

ORGANISATIONAL STRUCTURE

DIRECTORATES

THE COUNCIL

BEC is committed to upholding the principles of corporate governance, independence, transparency, sustainability, accountability and integrity, amongst others. As an examinations body it is essential that BEC subscribes to the principles of good educational measurement and assessment standards.

BEC has Divisions of Compliance and Quality Assurance and Internal Audit that help to ensure that internal controls are continually reviewed and adhered to for strengthening corporate governance and institutional integrity.

The Council of the BEC was established in terms of the BEC Act and is made up of 14 members appointed by the Minister of Basic Education. The BEC has a unitary Board Structure, where the Council is comprised of exclusively Non-Executive Members with the exception of the Executive Secretary. The Council consists of representatives from the Ministry of Basic Education, Botswana College of Open and Distance Learning, Botswana Qualifications Authority and Human Resources Development Council, Directorate of the Public Service Management, Botswana Police, Private sector, Teacher Organisations, University of Botswana and the Public.

In the execution of its duties the Council is guided by a Board Charter, which amongst others, clearly sets out the Council's role, duties and responsibilities. The Charter provides for Council structures, procedures and processes; which assist the Council in regulating how it conducts its business.

The Council for the year under review was constituted by the following members;

1. Dr. Joseph Tsonope - Chairperson

2. Dr. Gaelebale Tsheko - Deputy Chairperson

Chairperson - Research Committee
Chairperson - Examinations Committee
Member - Final Awards Committee

3. Prof. Brian Mokopakgosi - Ex Officio Member

4. Mr. Nassim Miller - Council Member

Member - Examinations Committee
Member - Final Awards Committee

5. Mr. Dominic Khame - Council Member

Member - Audit Committee

6. Dr. Daniel Tau - Council Member

Member - Executive Committee
Chairperson - Finance and Procurement Committee

7. Mr. Abel Modungwa - Member

Chairperson - Audit Committee
Chairperson - Human Resources Committee

8. Mrs. Daisy Molefhi - Member

Member - Examinations Committee

9. Mr. Simon Coles - Member

10. Mrs. Thateng Johwa - Mpundisi - Member

Member - Audit Committee

11. Dr. Raphael Dingalo - Member

Member - Finance and Procurement Committee

Retirements

Mr. Lesedi Gaolaolwe
Mr. Shandukani Hlabano

Appointments

Mrs. Thateng Ludo Johwa - Mpundisi
Mr. Tjalebgwa Bakang Bagwasi

COUNCIL MEETINGS

The Council meets at least three times annually to discuss matters relating to Strategy and Performance, Financial Position of the Council, Risk Management, Human Resource matters, Sustainability and Governance. Members contribute to strategy formulation as well as monitoring and measuring the BEC's performance and that of its Executive Management against key performance indicators.

GORVENANCE STRUCTURES

COUNCIL COMMITTEES

The Council has, in terms of Section 12 (1) of the BEC Act and through formal resolution, set up seven (7) committees to assist the Council to carry out its mandate effectively. The Council committee structure is as depicted in the diagram below:

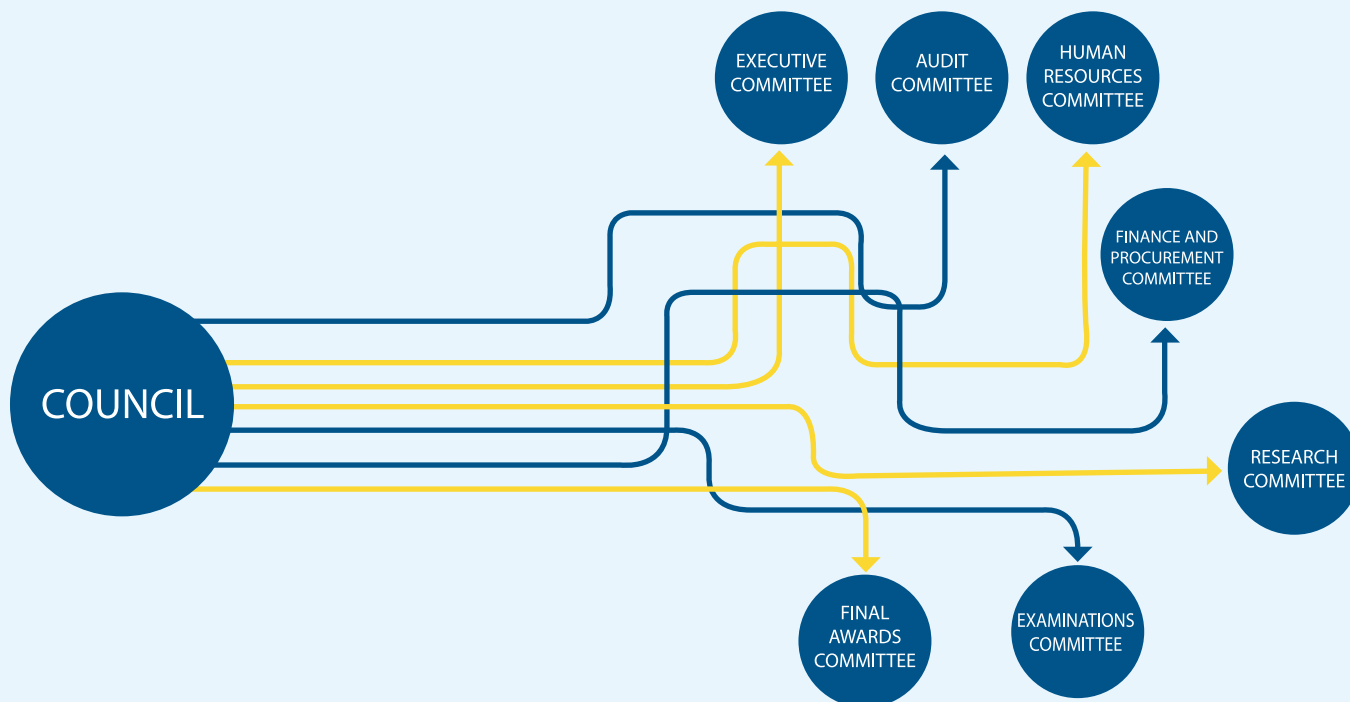


Figure 1: Council Committees

EXECUTIVE COMMITTEE

The committee's mandate is to deal with and make decisions on urgent issues that cannot wait for a full Council meeting. These decisions however have to eventually be ratified by the Council. The Committee meets on an ad hoc basis depending on the needs of the organisation.

The Executive Committee is chaired by Dr. Joseph Tsonope. Its other Members are the Deputy Chairperson Dr. Gaelebale Nnunu Tsheko, Dr. Daniel Rakgomo Tau, Mr. Abel Modungwa and the Executive Secretary - Professor Brian Mokopakgosi.

AUDIT COMMITTEE

The Committee is responsible for audit functions, risk control and the strategy of the organisation. The Committee ensures the integrity of financial reporting and audit processes as well as the maintenance of a sound internal control and risk management system.

The Audit Committee is chaired by Mr. Abel Modungwa. Its other Members are Mr. Ralph Maganu, Prof. Onkutlwile Othata, Mr. Enoch Mushango and the Executive Secretary - Professor Brian Mokopakgosi.

HUMAN RESOURCES COMMITTEE

The main purpose of the Human Resources Committee includes but not limited to provision of guidance and oversight on the management and optimum utilisation of human capital in order to ensure stability and business continuity.

The Human Resources Committee is chaired by Mr. Abel Modungwa. Its other Members are Ms. Mukani Masego Pelaelo, Dr. Daniel Rakgomo Tau, Dr. Tachilisa Balule, Mr. Dominic Khame and the Executive Secretary - Professor Brian Mokopagosi.

FINANCE AND PROCUREMENT COMMITTEE

The main functions of the committee are to make recommendations to the Council for approval of financial policies, the budget and financial statements. It is also responsible for the approval of procurement of goods and services that are above the limit of the Management Tender Committee.

The Finance and Procurement Committee is chaired by Dr. Daniel Rakgomo Tau. Its other Members are Dr. Raphael Dingalo, Ms. Dudu Boshwaen, Ms. Magdeline Motswagole, Mr. Nelson Mokgethi and the Executive Secretary - Professor Brian Mokopagosi.

RESEARCH COMMITTEE

The Research Committee approves the research plan for the organisation on behalf of Council and advises on the conduct of research and policy options emanating from research findings

The Research Committee is chaired by Dr. Gaelebale Nnunu Tshoko. Its other Members are Ms. Precious Q. Kenosi, Mr. Kelaotswe Archie Galeboe, Mr. Benjamin S. Thebe, Dr. Gape Kaboyakgosi, Dr. Anthony T. Koosimile, Professor N.O. Pansiri, Professor H.J. Nenty and the Executive Secretary - Professor Brian Mokopagosi.

EXAMINATIONS COMMITTEE

The committee is tasked with the responsibility of ensuring accessibility, equity and fairness in the conduct of examinations, which include amongst other things decisions on malpractice, special considerations and applications for access arrangements.

The Examinations Committee is chaired by Dr. Gaelebale Nnunu Tshoko. Its other Members are Mrs. Daisy Molefhi, Mr. Nasim Miller, Mr. Mosimanegape B. Kgasa, Mr. Jeremiah Mookami Mareka, Mr. Kenneth Bugalo Habana, Mr. Ronald Motswakhumo and the Executive Secretary - Professor Brian Mokopagosi.

FINAL AWARDS COMMITTEE

The Final Awards Committee (FAC) is responsible for making recommendations to the Council for the awarding of certificates based on standards determined by the Grading Advisory Committee and the relevant procedures for certification at Primary School Leaving Examination (PSLE), the Junior Certificate Examination (JCE) and the Botswana General Certificate of Secondary Examination (BGCSE) or any other examination conducted by BEC.

The Final Awards Committee is chaired by Dr. Joseph Tsonope. Its other Members are the Deputy Chairperson Dr. Gaelebale Nnunu Tshoko, the Executive Secretary Professor Brian Mokopagosi, Mrs. Segomotso Chimbombi, Dr. Kebatene Hulela, Professor Kgomotso G. Garegae, Mr. Ndongo Koolese and Ms. Maria Dikeme.

DISCLOSURE OF INTEREST

Council members of the BEC declare their interest at every Council and Committee meeting in relation to matters placed before them for deliberation and decision making in accordance with Section 10 of the BEC Act.

COUNCIL MEMBER'S REMUNERATION

Council and Committees Sitting Allowances are structured as indicated below:

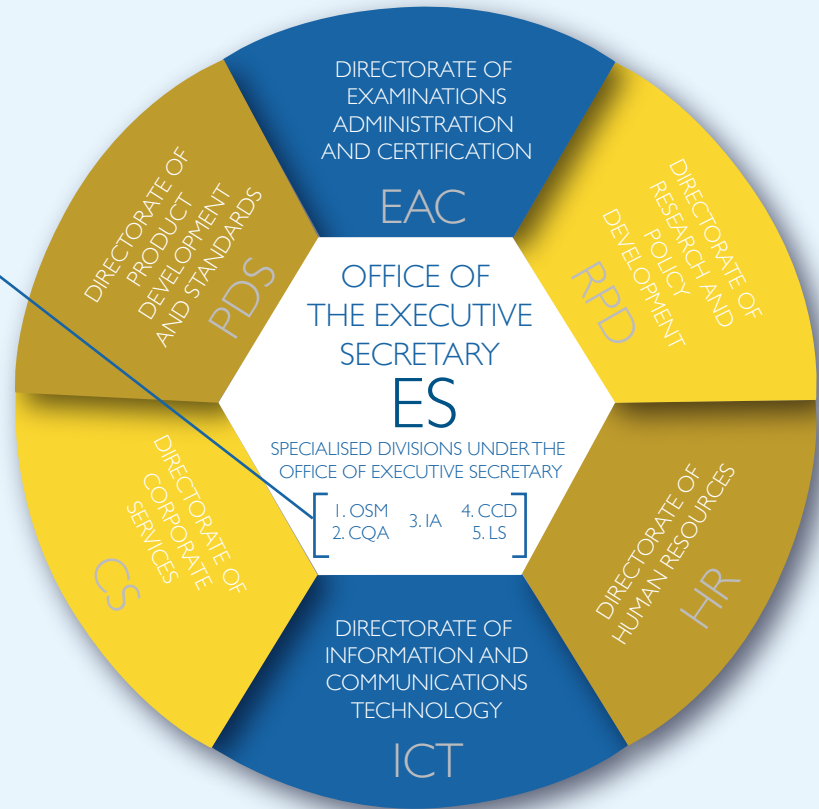
- The Council Chairman is paid a sitting allowance of P735.00 per meeting.
- Other Council and Committee members are paid sitting allowances of P588.00 per meeting. The sitting allowance is applicable both for Council and Council Committee meetings.
- Regarding Committees, Chairpersons are paid P735.00 while other Members are paid P588.00.

During the year under review, a total of P156,452.00 was paid towards sitting allowances and related expenses.

GOVERNANCE STRUCTURES

STAND ALONE SPECIALISED SUPPORT DIVISIONS UNDER THE OFFICE OF THE EXECUTIVE SECRETARY

- 1. OFFICE OF STRATEGY MANAGEMENT
- 2. COMPLIANCE AND QUALITY ASSURANCE DIVISION
- 3. INTERNAL AUDIT DIVISION
- 4. CORPORATE COMMUNICATIONS DIVISION
- 5. LEGAL SERVICES DIVISION



DIRECTORATES

Examinations work has been grouped into two core business areas within the directorates of Product Development and Standards and that of Examinations Administration and Certification. The other directorates; Corporate Services, Human Resources, Research and Policy Development and that of Information and Communications Technology provide support services required in ensuring that examinations are conducted efficiently and cost effectively.

In addition to these Directorates, there are stand-alone specialised support divisions. These Divisions are Office of Strategy Management (OSM), Compliance and Quality Assurance (CQA), Internal Audit (IA), Legal Services Division (LSD) and Corporate Communications Division (CCD).

DIRECTORATE OF PRODUCT DEVELOPMENT AND STANDARDS

Is responsible for the development of assessment policy, procedures and instruments as well as maintaining internationally competitive standards. It is also responsible for advising Council on emerging assessment needs within the education system.

DIRECTORATE OF EXAMINATIONS ADMINISTRATION AND CERTIFICATION

Provides regulatory mechanisms and logistics for effective administration of all national examinations and assessments. Furthermore, the directorate administers examinations and tests offered by external organisations and conducts aptitude tests for vocational institutions.

DIRECTORATE OF RESEARCH AND POLICY DEVELOPMENT

Designs, implements and conducts validation studies to inform policy decisions on assessment, operations of the Council and the monitoring of educational and assessment standards.

DIRECTORATE OF CORPORATE SERVICES

Is responsible for the management of financial, procurement, assets, facilities, logistics and the provision of security services.

DIRECTORATE OF INFORMATION AND COMMUNICATIONS TECHNOLOGY (ICT)

Is responsible for providing ICT support services to BEC to ensure effective, efficient, and secure processing and delivery of examinations including the release of results.

DIRECTORATE OF HUMAN RESOURCES

Is responsible for ensuring that the Council is staffed with appropriately qualified and experienced employees for it to execute its mandate. It also provides a wide range of human resources and records management services in a cost effective manner to ensure that the Council's human resources and records are effectively managed.

SUPPORT DIVISIONS UNDER THE OFFICE OF THE EXECUTIVE SECRETARY

1. OFFICE OF STRATEGY MANAGEMENT

Is responsible for coordinating the development and implementation of the BEC strategy, its monitoring, evaluation and review.

2. COMPLIANCE AND QUALITY ASSURANCE DIVISION

Is responsible for compliance to standards, processes and procedures and quality audits as well as coordinating the implementation of BEC quality policy.

3. INTERNAL AUDIT DIVISION

Is independent of management and reports directly to the Council's Audit Committee. It is responsible for providing a systematic and disciplined approach to evaluate and improve the efficiency and effectiveness of enterprise wide risk management, internal control systems and governance processes.

4. CORPORATE COMMUNICATIONS DIVISION

Is responsible for corporate marketing, communications and educating customers, stakeholders and the general public on the mandate and major operations of BEC.

5. LEGAL SERVICES DIVISION

Is responsible for strengthening corporate governance in the organisation by putting in place proper corporate governance architecture and ensuring that the organisation complies with all legislation relevant to it. The legal office also provides secretarial services to the Council as well as managing its business. In this latter function the office acts as the link between Management and the Council.

BEC 2015/16 STRATEGY PERFORMANCE

SECTION
08

OUR STRATEGY

In 2013 BEC developed a five year strategy that reflects the organisation's purpose and enables the organisation to capture value for its customers and stakeholders. The 2014-2019 strategy outlines a series of strategic actions to increase competitive advantages and respond to a changing environment. These actions are focused on delivering value to the Council's customers which entails offering affordable locally designed qualifications that are internationally recognised and an accurate reflection of the candidate's achievement.

To create value to BEC customers, three areas of focus were identified; Customer Focus, Operational Excellence and Organisational Performance. These areas of focus/ strategic themes further provided a basis for the Strategic Objectives which are the continuous improvements necessary for BEC to create and deliver value to its customers to satisfy their needs.

For each Strategic Objective, measures and targets were set to the end of 2019. The information that follows provides a summary of our progress in 2016/17 which is categorised by themes according to each Strategic Objective.

PROGRESS ACHIEVED

BEC is progressing well towards achieving the goals outlined in its strategy plan. Some of the high level achievements in financial year 2016/17 showed the significant progress made in achieving the set goals.

During the year under review BEC was certified against the ISO 9001:2008 standard, a policy matrix was developed to prioritise areas that require policies; a market survey was conducted to identify reasons behind the decline in private schools taking BEC examinations and finally conducted comparability studies with Cambridge International. Significant strides were made towards achieving set Objectives. These are outlined below and categorised by strategic focus.

CUSTOMER FOCUS

Enhance Competitiveness & Relevance of Our Qualifications

- A Comparability Study was successfully conducted between BGCSE and Cambridge International Examinations (CIE) IGCSE qualifications. The study revealed that the two qualifications are comparable.
- Technical assistance for the development of the National Assessment Policy was secured through the European Union support to the Ministry of Basic Education. The development of the policy which will guide national assessments will commence in financial year 2017/18.
- Botswana Educational Achievement Monitor (BEAM) project, whose aim is to assess the quality of the education system, was on-going. The Needs Assessment Survey which is the first phase of this project has been completed.
- Customer Service Standards were developed and adopted across all BEC functions. These will be implemented in 2017/18 financial year to improve customer service.

Increase Access

- Council focused on increasing access for private schools and private candidates. As a result, private candidates were for the first year given an opportunity to register for examinations using an online facility.
- BEC had planned to increase the private schools taking its qualifications during the 2016 examinations by 1%, but instead registered a reduction of 2%.
- A market survey was conducted to establish reasons behind the decline. The survey will inform the development of the marketing strategy in the next financial year.

BEC 2016/17 STRATEGY PERFORMANCE

OPERATIONAL EXCELLENCE

Enhance Financial Performance

- Budget variance was recorded at 8%. The budget allocation was not sufficient to cover BEC mandate and as a result BEC closed the financial year with a budget deficit.
- BEC internally generated funds to budget was 3%. Charging of fees for services has been introduced and is expected to boost the funds generated in future.
- Cost increased by 2% against the targeted reduction of 5%. The cost reduction initiative which aimed at reducing costs through shedding off BEC private centres is progressing well. During the 2016 examinations, BOCODOL took up three (3) former BEC centres. Private schools have also been invited to register as private centres through an expression of interest.

Improve Assessment Services

- Examinations for three levels were conducted successfully with a few incidents. Monitoring of compliance to examinations regulations was done during the 2016 examinations. Compliance at BGCSE level was also assessed by the Cambridge International Examinations (CIE) and compliance was recorded at 62% which is an improvement from last year's 56%.
- Compliance to standards processes and procedures was recorded at 74.5%. Compliance has increased as a result of adoption of ISO 9001:2008 across the organisation. The organisation was certified against this International Standard on 24th February 2017.
- BEC has also achieved 10% increase in compliance to plans. Compliance was recorded at 81% this financial year.
- Planning for the Transformation Project whose aim is to turn BEC into a High Performance Organisation (HPO) was successfully completed.

Strengthen Stakeholder Engagement

- The organisation continues to make significant strides in improving engagement with its stakeholders. However, availability of stakeholders continued to be a challenge and as a result, only 85% of the planned activities in the plan were implemented.
- The Council's efforts to engage stakeholders have resulted in significant reduction of negative media articles on BEC. For the years 2014/15 to 2016/17 BEC managed to keep the negative media reports below the 25% industry standard. 14% (9 out of 63) negative media reports were recorded in 2014/15, 8.3% (6 out of 72) in 2015/16 and 18% (9 out of 50) in 2016/17. This was a great improvement to the 40% (12 out of 30) recorded in 2013/14.
- During the reporting period, BEC managed to address full Council meetings on its mandate, the challenges it faces and to solicit support on examinations related activities in their constituencies. The Council also held meetings with various stakeholders to discuss BEC mandate and to share information on new projects undertaken.
- The Council also used Internal Communications platforms such as Change Fridays, Meetings, Internal Publications and Emails to communicate projects progress, new developments, processes and services to staff members.

ORGANISATIONAL PERFORMANCE

Improve Use of Technology

- As at 31st March 2017, 43% of BEC critical processes had been automated. The Business Process Management project was progressing well. BEC As-Is Processes which will later be reviewed and automated were successfully identified.
- BNEPS I Post Implementation Review (PIR) was completed.
- The BEC Computer Network Penetration testing was also conducted.

Improve Knowledge Skills and Competencies.

- The training and development was improved by the review of the training and development procedure to emphasise the importance of training and evaluation.
- The mid-year and year-end employee performance reviews were successfully conducted.
- Competency repository has been developed and it stands at 97.56%. This will be used to inform training and development needs.
- Information on training needs identified through performance management was concluded and development of the training plan completed based on these needs. Employees were trained on critical needs identified and continue to support officers who are undergoing part time training on Assessment.

Improve Work Environment

- The current conditions of service were strengthened through the development of policies, procedures and related instruments. To that end draft policies and procedures were reviewed. So far the Recruitment Policy and the Funeral Policy have been completed.
- A mini wellness event focusing on implementing those aspects of the health and wellness programme that do not require funding was held.
- Dissatisfaction over salaries were addressed through the exercise to reduce unjustifiable disparities and resolution of subsequent appeals.
- Monitoring of all aspects of safety in the work environment

is being done continuously. To date no safety incidents have been reported.

- Staff members working in hazardous environment have been provided with protective clothing and are continually monitored for wear and tear and suitability. Furthermore, these employees continue to be sent for periodic medical check-ups.

Strengthen Governance

- The Board training plan is being finalised. Potential trainers have been identified in Botswana and regionally in South Africa.
- Shareholder Compact was submitted to the Ministry of Basic Education for negotiation and signing by Quarter 1 of the 2016/17 financial year.
- Policy development procedure was developed and approved. The procedure will guide the development of policies within BEC.
- A policy matrix has also been put in place in order to systematically monitor or track the progress on development of key policies.
- A policy Development Committee, which is responsible for vetting policies, was established in April 2016 and has held meetings to vet policies. Draft certification and ICT policies have been presented to the Policy Development Committee. The ICT policies were however, suspended in order to follow the ICT international standard.
- Implementation of the approved Internal Audit Plan is on-going. Follow ups on reviews are also on-going.

BEC AT A GLANCE

SECTION

09

BEC HIGHLIGHTS DURING THE YEAR UNDER REVIEW



His Excellency the President Dr. Seretse Ian Khama presenting the Golden Star Award to John Gitonga at the 7th Annual Excellence Awards ceremony.



7th Annual Excellence Awards Top Achievers posing for a picture with Ministry of Basic Education and BEC leadership.

ANNUAL EXCELLENCE AWARDS CONTINUE RAISING BEC'S FLAG HIGH

Annual Excellence Awards continue raising BEC's flag High One of the highlights of the year under review was the hosting of the 7th Annual Excellence Awards by Botswana Examinations Council (BEC) in collaboration with the then Ministry of Education and Skills Development (MOESD) at the Travel Lodge Conference Centre in Block 3, Gaborone in July 2016.

The Awards continue to raise the BEC's flag high and provide a platform for interaction with key stakeholders such as teachers, parents, education officials, policy makers and sponsors while celebrating the achievement of outstanding candidates during national examinations.

As is now the norm, to the delight and honour of Awards recipients and their parents, His Excellency the President of the Republic of Botswana Lieutenant General Dr. Seretse Khama Ian Khama graced the event and called upon students to uphold principle of Botho as discipline and right attitude would help them move forward in life.

Apart from promoting stakeholder collaboration and partnership, the main aim of the event is to encourage the high performing students to continue working hard in their studies and to motivate other students to put more effort into their school work.

BEC BECOMES SOLE PARASTATAL UNDER BASIC EDUCATION

One of the national highlights affecting the Council during the period under review was the re-organisation and re-designation of Government Ministries and Departments by His Excellency the President of the Republic of Botswana Lieutenant General Dr. Seretse Khama Ian Khama.

Former Ministry of Education and Skills Development which was the BEC's parent Ministry was split into three; Ministry of Tertiary Education, Research, Science, and Technology, Ministry of Employment, Labour Productivity and Skills Development resulting with BEC being the only Parastatal under the Ministry of Basic Education.

The developments took place at a time when the Council is expecting its Amendment Bill to be passed by Parliament later in 2017 thus paving way for the Transformation of BEC becoming a National Assessment Authority and starting a journey to turn into a High Performing Organisation.

BEC AT A GLANCE



Mr. Emmanuel Sibanda (front row left) pictured with RPD Director Dr. Moreetsi Thobega and BEC staff after the presentation.

UMALUSI PRESENTS THEIR STATISTICAL MODERATION PROCEDURE TO BEC

During the period under review, the South African Council for Quality Assurance in general and vocational education and training commonly known as UMALUSI presented an alternative way of moderating school based assessment (SBA) titled; "Statistical Moderation Processes" to Botswana Examinations Council (BEC) Executive Management Team and other BEC officials at BEC Headquarters on the 1st September, 2016.

In his welcome remarks, BEC Director of Research and Policy Development Dr. Moreetsi Thobega highlighted the importance of the topic more so as BEC is currently exploring statistical moderation as an alternative procedure.

UMALUSI's Manager; Resulting and Standardisation Ms. Bridget Mthembu stated that currently in South Africa, School Based Assessment (SBA) contributes 25% of a student marks while the final examination contributes 75%. She explained that Statistical Moderation is done per subject per centre by applying an agreed statistical formula which helps generate adjusted SBA scores for every candidate.

Ms. Mthembu pointed out that candidates without SBA scores, external examination scores and those found guilty of malpractice are not given results. She confirmed that Statistical Moderation can only be performed when 80% of scores have been captured per subject per centre.

Umalusi's Executive Manager for Statistical Information and Research, Mr. Emmanuel Sibanda, shared with the audience that they developed interest to collaborate with BEC after a presentation by BEC's Research Officer, Mr. Boipuso Mosalagotla on methods of estimating missing scores, a phenomenon that UMALUSI is also currently studying and trying to develop a method for dealing with the problem.



DRS representative Ms. Samantha Jones making a presentation to BEC on the E-Marker.

BEC HOSTS DRS FOR AN E -MARKING PRESENTATION

As part of its Strategic Objective of Improving the use of Technology, Botswana Examinations Council (BEC) hosted London based Data and Research Services (DRS) which specialises in examination and assessment processing and electronic marking.

DRS also provides solutions for elections and censuses. DRS Solution Sales Consultant Ms. Samantha Jones highlighted that E-Marker is a system focused on a number of quality control processes, tailored to specific needs in the process of marking and that it may be aligned to specific question types, for example; segmentation of questions to allow individual sections to be marked by different markers.

An assurance was made during the meeting that in case BEC adopts E-Marker System the candidates will continue to take paper based examinations so that no disruptions to the established examination process are experienced. Thereafter the examination script will be scanned in a local high-speed scanning facility, which will reduce scripts movement.

Jones said the marking exercise can then take place either at central marking centres or remotely in a decentralised system such as home based marking. The latter is made possible because of automated quality control systems that ensure the markers comply with standards.

The E-Marker provides information to manage the marking process 'real time' as the system enables administrators to track progress and take informed corrective actions. Jones emphasised that the E-Marker is a very fast system which reduces marking time, and allows early release of results. She said that if there is a need for re-marking one just recalls an electronic script rather than having to retrieve the physical script again.



Acting BOBS CEO Mr. Theko Fako presenting the BOS ISO 9001:2008 certification to BEC Executive Secretary and Board Chairperson.

BEC ATTAINS ISO 9001:2008 CERTIFICATION

One of the notable achievements in the period under review was the certification of Botswana Examinations Council (BEC) as a BOS ISO 9001:2008 certified organisation. The good news was delivered to the BEC staff by the Executive Secretary - Professor Brian Mokopakgosi at a meeting which was held on Friday 3rd March 2017. There could not be a better cherry on top of the cake as the certification comes at a time when BEC is celebrating ten years of existence.

The ISO certification means that BEC pledges to provide services that consistently conform to requirements specified in BOS ISO 9001:2008 standards. BEC employees will therefore, have to ensure that they follow laid down processes and procedures in their daily work so as to deliver world class service to BEC clients. The BOS ISO 9001:2008 provides a framework of globally recognised principles of Quality Management.

BEC acquired the Quality Management System certification after hard work, commitment and determination that were shown by all during stages of audits which were conducted by Botswana Bureau of Standards (BOBS).

At the ceremony, the Executive Secretary informed those present that BEC just like other certified organisations, has the privilege to fly BOS ISO 9001:2008 flag. This he said, is something the BEC community should celebrate. Being certified means that BEC employees should continue to follow their quality standards, maintain the good work to retain the certificate as this attributes to their highly recognised work experience internationally.

Mokopakgosi further implored the staff to continue striving for excellence to ensure that there is continued satisfaction and conformance with the requirements of the certification.



Children from Gamodubu Care Trust during a BOT50 luncheon hosted by BEC during the independence celebrations.

BEC JOINS BATSWANA IN BOT50 CELEBRATIONS

During the period under review Botswana Examinations Council joined the rest of the country in celebrating the Nation's 50th year of independence.

Those who visited BEC in the months of August and September, especially in the latter, did not miss the hype as BEC men and women proudly donned the national colours, from T-shirts, dresses, suits and hats.

BEC's presence in the BOT50 official activities was also felt. BEC was represented among the multitudes who witnessed the historic moment when the Vision touch was officially launched on Botswana Day during the 49th independence celebrations.

BEC continued to partake in these activities including amongst others the official count down of 50 days to BOT50 and also holding celebrations at its premises as part of the BOT50 activities.

On Friday the 23rd of September exactly a week before independence celebrations BEC employees celebrated the day with children from Gamodubu Children Care Trust. The day started with a litter picking campaign dubbed 50/50, which saw 50 BEC employees volunteer to collect 50 bags of litter in 50 minutes around areas surrounding BEC.

BEC AT A GLANCE



Senior Corporate Communications Officer Charles Keikothhae assisting a student during the HRDS fair.

BEC PARTICIPATES AT THE HRDS FAIR

As part of reaching out to its wider audience, Botswana Examinations Council (BEC) participated in the Botswana Human Resource Development (BHRD) Skills Fair and Career Clinics for 2017 in Francistown.

BEC was one of the key participants at this event, providing certification services for students who wished to certify their certificates and statements of results in order to apply to institutions of higher education.

The BHRD Skills Fair and Career Clinics is a strategic stakeholder engagement activity geared towards promoting the training and education sector. This initiative was enhanced by using the binary approach which embedded the component of the Career Clinics. The BHRD Skills Fair was first introduced by the then Tertiary Education Council (TEC) and its partners in March 2010 as an annual event. At Francistown BEC experienced an influx of visitors who came for certification services and those who were enquiring about the BEC mandate and services. This also created an opportunity for BEC to interact with its target audience in the northern part of the Country without them having to travel long distances to Gaborone to access services.

It emerged at this fair that there is a great need for BEC to educate its stakeholders on its mandate and the services it provides. It also proved that BEC needs to embark on more public education campaigns in order to raise awareness amongst its stakeholders.

BEC took the opportunity at the fair to drive home messages of importance about its mandate, replacement of lost or damaged certificates, private candidates' registration, online payment and external examinations offered by the Council.



Mr. Mario Martins with Ms Kirsty Ashley during their presentation to BEC on Webscore.

BEC RECEIVES WEBSCORE PRESENTATION

During the period under review Botswana Examinations Council also received a presentation from CSX Customer Services Director Mr. Mario Martins and National Sales Manager Ms. Kirsty Ashley on electronic marking solutions (WEBSCORE).

An African company established in 1995, CSX's WEBSCORE is a network enabled, database driven solution created by 4S Software which stands for Simple, Safe and Smart Scoring. The system is designed to help organisations score open ended and optical mark recognition of student responses in a large scale production environment.

The system has been developed to help Assessment and Examinations bodies overcome the challenges of loss or damage to examination papers which occur during transportation from Examinations to the Marking Centres.

WEBSCORE is also said to offer Assessment bodies the possibility of grading high volume of exams in a precise, consistent, cost effective and secure manner.

Compared with the traditional manual marking, E-Marking, if properly implemented, is said to reduce the overall marking time by up to 60%.

E-Marking utilises scanners to capture both free response answers and closed answers where closed items are scored outright while free response items are scanned as images per item.

The scanned images are copied into a local area network server for backup and then into Cloud server for E-Marking. At the E-Marking Centre, personal computers are set for each marker and examiner who receives image item and assign a score to it, which is then recorded into the server.



PDS Director Mrs. Susan Makgothi making a presentation during the full council briefing at Gaborone City Council.



His Worship, the Mayor of Gaborone City Council, Calvin Thutlwe posing a question to the BEC management during the council briefing.

BEC ADDRESSES DISTRICT AND TOWN COUNCILS

As a way of raising awareness on the mandate of the Botswana Examinations Council (BEC), the Executive Secretary Professor Brian Mokopagosi and the Executive Management Team have during the period under review addressed several District and Town Councils on the mandate of BEC and the new developments taking place at the Council.

The purpose of these briefings is to achieve the Strategic Objective of Strengthening Stakeholder Engagement Objective which requires maximum consultations and engagements with the Council's Stakeholders. The District and Town Councils form a part of the BEC key stakeholders.

BEC was mainly sharing its day to day business, new projects and developments with the key stakeholders to keep them abreast of what is happening at the Council. The Executive Management also solicited partnership, with the Councils because they are responsible for Primary Schools in Botswana.

The District and Town Council Legislators were asked to help with the developments in areas related to examinations, for example, safe keeping of examinations papers at their schools.

The Executive Secretary and Executive Management Team presentations included BEC Research activities, where they informed the stakeholders that after results are released, the Council carries out comprehensive analysis and that findings are usually shared with relevant stakeholders.

Regarding the challenges faced by BEC, it was stated that although the Council introduced the Botswana National Examinations Processing System (BNEPS) in order to improve efficiency, lack of internet connectivity especially in Primary Schools was major hindrance to progress.

The other area of concern that was mentioned during the briefings was leakage of examination papers though not very common in Botswana, but can be worrisome because if occurred it could cost a lot of money.

The stakeholders were however, assured that BEC recently entered into a Memorandum of Understanding with Botswana Police Service to provide security for examination papers in transit, at schools and at marking venues.

BEC AT A GLANCE



Participants listening to the deliberations during the NAP stakeholder sensitisation workshop.



Senior Research Officer, Dr. Kgosi Motshabi making a presentation during the NAP stakeholder sensitisation workshop.

NAP STARTS WITH STAKEHOLDER SENSITISATION

Still during the period under review, Botswana Examinations Council (BEC) started the long awaited National Assessment Policy (NAP) now referred to as the Botswana Education Assessment Monitor (BEAM). The project started with several stakeholder sensitisation workshops around the country.

Welcoming participants at the NAP Stakeholder Sensitisation workshop in Gaborone at Maharaja Conference Centre on the 19th April 2016, The Executive Secretary – Professor Brian Mokopakgosi pointed out that it was extremely important to keep stakeholders informed on key projects undertaken by the Council.

He said that NAP, which had been in the agenda of the then Ministry of Education and Skills Development (MOESD) for some time, was one of the several BEC action items monitored by the National Strategy Office (NSO) since the inception of the National Development Plan (NDP)

10 and that it was among projects whose implementation was suspended during the economic recession and that funds were now secured for its implementation.

Mokopakgosi highlighted that NAP neatly fits into existing examinations and assessment processes and the aspirations and goals of the whole education sector:

“The examinations that BEC currently conducts are achievement tests and therefore do not provide adequate information on the state or quality of education system in the country;” he said. He further explained that NAP (now BEAM) is deliberately designed to provide measure of quality in the education system.

The project is spearheaded by the BEC’s Directorate of Research and Policy Development on behalf of the Ministry of Basic Education.

BEC PRESENTS TIMSS 2015 INTERNATIONAL RESULTS RELEASE

One of the highlights of the year under review was the release of the International results of Trends in Mathematics and Science Studies (TIMSS) 2015 which took place on Monday 5th December, 2016 at Cresta Lodge in Gaborone.

TIMSS is scored based on a scale of 0-1000, with scale center point of 500. While Botswana participated at 8th grade in the 2003 and 2007 cycles, the country was advised to switch to 9th grade in the subsequent cycles because of low performance

and the difficulty in estimating the country’s performance. TIMSS results are also reported in terms of international benchmarks where student performance at various points along the TIMSS Mathematics and Science achievement scales is used. There are four points on the TIMSS Mathematics and Science scales namely; Advanced International Benchmark (625), High International Benchmark (550), Intermediate International Benchmark (475) and Low International Benchmark (400).

Botswana’s mean score for Mathematics was 391 and that

of science 392. Thus, Botswana students scored below the scale centre point in both Mathematics and Science. The 2015 score showed a decline from 397 and 404 for mathematics and science respectively from the last cycle. However, the study showed that girls still outperformed boys in both Mathematics and Science in Botswana.

Apart from TIMSS and PIRLS, Botswana has also participated in the Southern and Eastern African Consortium for the Monitoring of Educational Quality (SACMEQ). All these studies, including, BEAM yield measures of quality because they not only assess achievement, but also the context within which learning takes place.

PARTICIPATION IN INTERNATIONAL RESEARCH CONFERENCES

During the year under review BEC participated in the international meetings, with three (3) delegates attending and presenting papers at the Southern African Association for Educational Assessment (SAAEA) Conference held in Lusaka, Zambia in May, 2016. Two (2) delegates attended the 34th Conference of the Association for Educational Assessment in Africa (AEAA) which was held in Victoria Falls, Zimbabwe in August 2016, whilst three (3) delegates participated and presented papers at the International Association for Educational Assessment (IAEA) in Cape Town, South Africa in August 2016.

BEC BECOMES SOLE PARASTATAL UNDER BASIC EDUCATION

One of the national highlights affecting the Council during the period under review was the re-organisation and re-designation of Government Ministries and Departments by His Excellency the President of the Republic of Botswana Lieutenant General Dr. Seretse Khama Ian Khama.

Former Ministry of Education and Skills Development which was the BEC parent Ministry was split into three; Ministry of Tertiary Education, Research, Science, and Technology, Ministry of Employment, Labour Productivity and Skills Development resulting with BEC being the only Parastatal under the Ministry of Basic Education.

The developments took place at a time when the Council is expecting its Amendment Bill to be passed by Parliament later in 2017 thus paving way for the Transformation of BEC becoming a National Assessment Authority and starting a journey to turn into a High Performing Organisation.

PARTICIPATION IN INTERNATIONAL STUDIES

BEC has been participating in the Trends in International Mathematics and Science Studies (TIMSS) since the Council's inception. During the 2016-2017 financial year BEC participated in one National Research Coordinators' meeting which was held at Quebec, Canada in June 2016.

The main purpose of the meeting was to draft reports on TIMSS 2015 International Results in Mathematics and Science. There was also practical training on the use of IDB Analyser (TIMSS Software for Analysing Large Scale Data)

Other activities at the meeting included:

- Reviewing of the draft of TIMSS international results in preparation for the release of the international report.
- Discussion of the structure of TIMSS 2015 Databases
- Conduct of hands-on analysis training with the updated IEA IDB Analyser
- Review of the TIMSS 2015 Encyclopaedia/Curriculum Questionnaire data
- Discussion of policy Issues emerging from 20 years of TIMSS
- eTIMSS progress and Developments
- Plans for the release of TIMSS 2015 Results
- Consultation with DPC, Statistics Canada, and TIMSS & PIRLS International Study Centre on one to one basis

REVIEW OF OPERATIONS

- GOVERNANCE STRUCTURES
- COUNCIL COMMITTEES
- ORGANISATIONAL STRUCTURE
- DIRECTORATES

COMPLIANCE AND QUALITY ASSURANCE

ISO 9001:2008 IMPLEMENTATION PROJECT

BEC has established, documented and continues to implement a quality management system (QMS) in line with the requirements of the ISO 9001:2008 International Standard. The Botswana Bureau of Standards (BOBS) certified BEC against BOS ISO 9001:2008 on 24th February 2017 and the certification expires on 22nd September 2018.

The award of certification followed successful audits conducted by BOBS on BEC processes and found the organisation to be conforming to the requirements of the QMS standard. These external audits were conducted on 31st August 2016 (Stage 1 Audit), 28th November – 2nd December 2016 (Stage 2 Audit) and 14th February 2017 (Follow-up Audit). The Council continues to benefit from this initiative especially in terms of improved customer focussed processes, process efficiency and optimisation as well as improved reputational stature.

Having achieved this major milestone, the Council now faces a challenge of having its QMS fully transitioned to the new ISO 9001:2015 standard by September 2018. BEC will continue to implement QMS as it is of great importance and key to achieving its strategic goals.

QUALITY ASSURANCE

A Cambridge International Examinations (CIE) inspection visit was carried out in Botswana from 7th – 28th October 2016 as part of BEC's quality assurance initiative. This activity involved training of Examinations Administration Senior Officers and Regional Examinations Administrators, inspections at 19 Centres, as well as a visit to the BEC headquarters and the BEC Centre for CIE. Centres were awarded one of four different ratings, depending on the inspector's assessment of the Centre's understanding and implementation of four key dimensions of examinations administration:

- Key Times and Full Centre Supervision (where applicable)
- Security Arrangements
- The Conduct of Exams
- The Standard of the Exam Room/Set Up

The inspections focussed exclusively on matters that fall under these headings and the report does not, therefore comment on any other issues relating to the exam process (for example, health and safety considerations), which may be the direct responsibility of BEC or individual schools.

In terms of the number and percentage of inspection ratings, the outcomes of the inspection visits are summarised in the table below:

Inspection Ratings	Number of Centres Achieving Rating		Percentage of Total Number of Centres Inspected	
	2015	2016	2015	2016
Completely Satisfactory	2	2	12%	11%
Satisfactory with Minor Points	6	10	35%	55%
Some Cause for Concern	8	6	47%	34%
Serious Deficiencies	1	0	6%	0%

Table 1: Percentage of inspection ratings and the the outcomes of the inspection visits.

REVIEW OF OPERATIONS

Cambridge was pleased to note that 66% of Centres received a rating of Completely Satisfactory or Satisfactory with Minor Points. This reflects a 19% increase compared to the previous year (2015). 34% of Centres were rated as Some Cause for Concern and the majority of some causes for concern identified related to security of confidential exam materials and exam

conduct. Although there is significant improvement, the BEC continues to put in place corrective measures to address these concerns. Furthermore, the Council implements action plans to ensure that process of examinations administration continually develops to meet customer needs and international standards.

2016 EXAMINATIONS

ASSESSMENT SYLLABI

There were no new syllabi developed at all the three levels PSLE, JCE and BGCSE. However, review of BGCSE Commerce, Business Studies, Agriculture and the Home Economics subjects continued. The revised syllabi, except Agriculture, will be written in October/November 2018.

ASSESSMENT OF DEVELOPMENT INSTRUMENTS

STANDARD 4 ATTAINMENT TEST AND PSLE

Three components were developed for the 2016 Standard 4 attainment Test.

There was a pilot test of six PSLE subjects conducted from the 1st to the 9th September 2016 in 136 primary schools across all the education regions in preparation for the 2017 examination. Two papers were pilot tested for each of the syllabi – English, Mathematics, Science, Setswana, Social Studies and Religious & Moral Education. Development of the 2016 PSLE assessment instruments was done during the 2015/16 reporting period.

JCE

Fourteen multiple choice components were pilot tested in 104 junior secondary schools from the 4th to the 13th October 2016. Schools were sampled from all the education regions. By June 2016, all the question papers for the 2016 examination were completed and submitted to printers.

BGCSE

Development of the 2017 examination papers that started in 2015 was completed by end of the reporting period. Development of the 2018 papers commenced during the reporting period and is expected to be completed by end of financial year 2017/18. The process of reviewing of papers changed and finalisation, proofing and printing of the question papers were not the sole responsibility of BEC. Cambridge would only be reviewing the papers twice. This meant that quality control structures had to be set up or enhanced for the delivery of the assessment instruments. These include revisers, vetters, question paper evaluation committees to ensure that the papers reflect the curriculum and assessment objectives

TYPESETTING

BEC continues typesetting the question papers in-house. However, barcoding services are provided by the Printer.

TRAINING

Training was conducted for fifteen (15) BGCSE History examiners on levels of response marking from the 5th to 9th September, 2016. This was followed by training of twenty seven (27) revisers on proofreading from the 12th to 14th September, 2016 and training of twenty five (25) officers on finalisation and proofing on the 15th and 16th September, 2016. All the training was resourced by consultants from Cambridge.

A total of 358 BGCSE examiners were trained for the 2016 Examination Cycle. All the trainees passed the training and were engaged for the 2016 Examination marking. Fewer examiners were trained for Setswana components and the syllabi continues to experience shortfalls during marking.

The 2016 Examination Cycle ran through from January 2016 to March 2017. Three examinations of Primary School Leaving Examination (PSLE), Junior Certificate Examination (JCE) and Botswana General Certificate of Secondary Education (BGCSE) were conducted during this session and each of the three was successfully completed. During this cycle the BEC experienced more private candidates utilising the online registration facility.

REGISTRATION

BEC has for some time been encouraging centres to join the technology bandwagon by registering their candidates online through the Malepa Application. All BGCSE school centres have been registering online and BEC was rolling it out to JCE centres. There was an increase in the number of JCE centres registering online from 65 to 67 in 2016. The rest of the centres at JCE and PSLE continued to register using forms.

REVIEW OF OPERATIONS

CANDIDATURE

A total of 42 517 candidates sat for the 2016 PSLE, representing a decrease of 0.08%. There were 21 408 (50.35%) female and 21 109 (49.65%) male candidates.

The total number of candidates who sat for the 2016 JCE is 41 464, which is a decrease of 1.13 % from the 2015 candidature. Among the 41 464 candidates, 1 190 were Back to School candidates. There were 21 056 (50.8%) female candidates and 20 408 (49.2%) male candidates. Generally there was a decline in candidature in all subjects except Commerce and Accounting, Art and Music which had slight increases compared to the previous year.

For BGCE, 35 465 candidates sat the examination, compared to 38 796 in 2015, a decrease of 8.6%. This decrease was mainly in the number of private candidates.

There were 25 016 (70.5%) candidates from government and government-aided schools compared to 25 640 (66.1%) in 2015 and 10 449 (29.5%) private candidates compared to 13 156 (33.9%) in 2015. The private candidates' category included 3 645 (10.3%) Back-to-School candidates.

Examination Level	Total Candidature	School Candidates	Private Candidates	No. of Centres
PSLE	42 517	42 517	-	831
JCE	41 464	39 388	2 076	240
BGCSE	35 456	28 801	6 664	71

Table 2: Summary of the 2016 Candidature by level and centres

CONDUCT OF EXAMINATIONS

This year a total of 139 components covering 53 syllabi were administered across the three examination levels. The administration of examinations during the 2016 examination cycle was monitored from the distribution of materials to the end of the examination period. The main challenge experienced has been the secure storage of examination materials at the centres.

A total of 55 Regional Examination Administrators were engaged to inspect the centres during the period, although this year only a sample of the centres was inspected. Table 3 shows the number

MARKING AND MODERATION

of the syllabi, components and the centres inspected. Scripts for written examinations were marked by examiners recruited mostly from practicing teachers.

Practical examinations were marked at the centres by examiners sent from BEC, while school-based assessments were marked by teachers in the schools and externally moderated by trained moderators from BEC. A total of 4 943 examiners, 402 invigilators and 623 moderators were engaged by BEC to invigilate and score candidates' work across the three examination levels.

Examination Level	No. of Syllabi	No. of Components	No. of Question Papers Administered	Regional Examination Administrators	No. of Centres Inspected
PSLE	7	9	381 369	29	544
JCE	17	50	865 401	20	208
BGCSE	29	80	583 223	6	50

Table 3 shows the number of the syllabi, components and the centres inspected.

Examination Level	No. of Examiners	No. of Moderators	No. of Examiners Trained	No. of Invigilators Trained	No. of Scripts Marked
PSLE	1 145	0	0	0	126 946
JCE	2 194	404	0	217	515 953
BGCSE	1 604	219	376	185	459 619

Table 4 showing Examination Personnel engaged and the number of scripts marked.

CANDIDATES WITH SPECIAL NEEDS

Access and Equity

As it is best practice, special arrangements were made to accommodate candidates with long-term disabilities and challenges during examinations and assessments through the access arrangements and special consideration procedures. A number of private candidates also utilised the procedures.

The following tables show the number of candidates who applied for access arrangements before the examinations and special consideration after the examinations.

REVIEW OF OPERATIONS

ACCESS ARRANGEMENT	NO OF CANDIDATES AT EACH EXAMINATION LEVEL		
	PSLE	JCE	BGCSE
Modified Papers	153	351	11
Extra-Time	163	38	96
Enlarged Print	26	26	21
Reader	105	214	16
Separate Room	216	364	130
Braille	13	13	9
Assistive Technology Device	5	-	9
Rest break	46	32	19
Oral Response/Writer/Scribe	167	150	40
Preferential Sitting	-	13	-
Sign Language Interpreter	30	45	-
Exemptions	-	51	-
Alternative to Practical	-	1	-
Coloured Paper	-	1	1
Practical Assistant	-	18	-

Table 5 shows Summary of Applications for Special Consideration

	NO OF CANDIDATES AT EACH EXAMINATION LEVEL		
	PSLE	JCE	BGCSE
Special Consideration	55	199	48

Table 6 shows Summary of candidates who applied for Special Consideration

GRADING

The standard setting meeting for the 2016 PSLE syllabi took place from 22 to 25 November 2016. Twenty judges per syllabi took part in the standard and the normal Angoff procedure was followed. Cut-off scores were produced which were presented to the Grading advisory Committee for validation before being applied for the 2016 PSLE.

JCE and BGCSE grading meetings took place from the 9th to 12th January, 2017 and from 23rd to 27th January, 2017 respectively. Pre-grading stages of the process whereby Subject Officers interrogated all pieces of evidence including statistical reports and professional judgement of the principal examiners were carried out during the week preceding each of the sessions.

At BGCSE, the pieces of evidence used in validating awarding decisions included the use of changes in Forecast Grades, Syllabi Pairs Comparisons from the 2015 examination and a comparability study in Science Double Award and Mathematics. While the grading of the two syllabi would benefit directly from

the results, the related syllabi could extrapolate from the findings on these two.

Recommendations of cut-off scores from the grading committees were validated by the Grading Advisory Committee (GAC) before being applied to the 2016 examinations. Just like in the previous year, the GAC considering the JCE and BGCSE thresholds comprised of members from BEC, representatives of Cambridge (only at BGCSE), Botswana College of Open and Distance Learning (BOCODOL), Department of Inspectorate and the Department of Curriculum Development & Evaluation at the Ministry of Basic Education.

Grade review at BGCSE was conducted from the 30th January to the 3rd February, 2017.

2016 EXAMINATIONS OUTCOME

For 2016, candidates' performance in three of the syllabuses that is English, Mathematics and Agriculture recorded an improvement in performance. Two syllabi that is, Social Studies and Science remained the same while two, Setswana and Religious and Moral Education recorded a decline.

SUBJECT	Cumulative % Grade C or Better		
	2015	2016	DIFF (%)
Setswana	82.27	79.53	-2.74
English	63.30	65.64	2.34
Mathematics	62.97	66.43	3.46
Science	50.65	50.75	0.10
Social Studies	55.98	56.47	0.49
Agriculture	47.45	54.14	6.69
REME	68.32	65.24	-3.08

Table 7 Captures Cumulative Percentages of Candidates obtaining Grade C or better for each Syllabus in 2015 and 2016 and the differences.

REVIEW OF OPERATIONS

PSLE

OVERALL PERFORMANCE

Performance at qualification level showed similar outcomes as those of 2015 with insignificant changes at each grade. The proportion of candidates obtaining an overall Grade C or better increased by **0.60%** from **69.90%** in 2015 to **70.50%** in 2016. The percentage of candidates obtaining Grade A was **16.10%**

compared to **14.70%** in 2015 indicating an increase of **1.40%**. In 2016, **33.90%** of the candidates obtained an overall Grade B compared to **32.50%** the previous year, representing an increase of **1.40%**. There was a slight decrease of **0.6%** for candidates obtaining overall Grade D compared to those of 2015.

GRADE	Cumulative %		
	2015	2016	Difference
A	14.70	16.10	1.40
B	32.50	33.90	1.40
C	69.90	70.50	0.60
D	93.20	92.60	-0.60
E	100.00	100.00	0.00

Table 8 Shows Overall Performance by grade and the Differences for 2015 and 2016.

JCE

PERFORMANCE AT SUBJECT LEVEL

Cumulative percentage of candidates obtaining grade C or better remained more or less the same as that of 2015 in three subjects being Mathematics, French and General Science. Cumulative percentage of candidates obtaining grade C or better increased in seven of the subjects that is Science (4.19%), Agriculture (6.63%), Design and Technology (3.08%), Religious Education (8.61%), Art (2.52%), Music (9.62%) and Physical Education (4.28%). On the contrary, seven of the subjects, showed a decrease in the cumulative percentage of candidates obtaining grade C or better. These were Setswana (-6.04%), Social Studies (-7.24%), Home Economics (-9.91%), English (-3.8%), Commerce & Office Procedures (-4.08%), Commerce & Accounting (-2.98%) and Moral Education (-3.24%). Art remained the only subject where at least 50% of the candidates are obtaining Grade C or better. For majority of the subjects, the percentage of candidates obtaining

Grade C or better was between 10% and 30%, indicating low performance of candidates.

The cumulative percentage of candidates obtaining grade E or better remained more or less the same in ten subjects, going down in five and increasing in two subjects. In all the subjects, except for Agriculture, Home Economics, Music and Art, more than 10% of candidates failed to satisfy the criteria for the award of a grade in the subject. This means that for most of the subjects, a significant number of candidates failed to meet the standard set for grade E and hence were Ungraded (U). Significant decreases in the cumulative percentage of candidates obtaining Grade E or better were recorded in Setswana, Mathematics, Home Economics, Commerce and Office Procedures, and Commerce and Accounting. Music and General Science were the only

subjects which have recorded an increase in the cumulative percentage of candidates awarded Grade E or better:

PERFORMANCE AT QUALIFICATION LEVEL

Generally, the overall performance of the 2016 JCE cohort was more or less the same as that for 2015.

In 2016, **34.10%** of candidates have met the criteria for the award of Grade C or better compared to **35.60%** in 2015.

One (1) candidate satisfied the criteria for the award of Merit. The percentage of candidates meeting the criteria for the award of Grade A was **0.70** compared to **0.50** in 2015.

The percentage candidates meeting the criteria for the award of Grade B was **8.70** compared to **9.30** in 2015. Furthermore, **24.80%** of candidates met the criteria for the award of Grade C against 25.80% last year. The percentage of candidates meeting the criteria for the award of Grade D was **34.40** compared to **34.60** in 2015. The percentage of candidates meeting the criteria for the award of Grade E was **14.40** compared to **13.60** in 2015. In 2016 **17.00%** of candidates failed to fulfil the minimum requirements for the award of JCE qualification compared to **16.1%** in 2015.

BGCSE

Final Outcome at Syllabus Level

The Table below presents the number of syllabi for which performance improved, declined or remained about the same across different grades using data from candidates on full time attendance only at government schools.

	Grade G or Better		Grade G or Better		Grade G or Better	
	2015	2016	2015	2016	2015	2016
Improved	2	3	2	8	9	7
Declined	4	2	2	7	2	5
About the same	18	20	20	10	13	13

Table 9 Shows Comparison of Syllabi Performance in 2015 and 2016

The 2016 results generally showed a decline when compared to 2015 as the number of syllabi recording significant declines at grades E and C increased. Despite this observed decline it should be noted that in 2016 only two syllabi compared to four in 2015, recorded significant decline in the proportions of candidates achieving grade G or better. This means that comparatively there were fewer syllabi in which candidates had no record of the syllabus on their certificates.

Eight syllabi (English Language, Mathematics, Social Studies, Design & Technology, Computer Studies, Commerce, Accounting

and Physical Education) recorded significant improvement in the proportion of candidates achieving grade E or better whilst seven others (History, Geography, Development Studies, Religious Education, Food & Nutrition, Fashion & Fabrics and Business Studies) recorded significant decline in the proportion of candidates achieving grade E or better. The remaining ten syllabi recorded proportions that were at the same level as in 2015.

Overall this represented a decline over 2015 at this key grade as the number of syllabi for which performance had declined increased from two to seven.

REVIEW OF OPERATIONS

Seven syllabi recorded improvement in the proportion of candidates achieving grade C or better; English language, Physics, Design & Technology, Art & Design, Home Management, Accounting and Physical Education.

Five syllabi of History, Development Studies, Agriculture, Food & Nutrition and Fashion & Fabrics recorded significant declines in the proportion of candidates achieving C or better. Performance for the remaining thirteen syllabi was at the same level as that of 2015. Overall performance at this key grade declined as the number of syllabi which had declined has increased from two to five.

COMPLIANCE AND REGULATIONS

BGCSE Accreditation

Cambridge agreed that the grading and grade review process as well as the component and overall grade thresholds and subject outcomes determined by the BEC complied with their accreditation standards. They, therefore, accredited the 2016 BGCSE based on evidence from Grading Report and the Cambridge Inspection of Centres Report carried out during the examination session in October/November 2016.

RESEARCH

During the current reporting period, Botswana Examinations Council (BEC) engaged in various research activities. Some of the activities included release of Trends in International Mathematics and Science (TIMSS) 2015 results, implementation of the Botswana Educational Achievement Monitor (BEAM), and participation in the collaborative research engagement with UMALUSI of South Africa. Other research activities reported during the period include 1) Validation of BEC Grade Review Exercise, 2) Relationship between Examination Preparation Practices and School Performance Trends at Primary School Leaving Examinations and 3) Market Survey of BEC Products and Services.

RESULTS OF THE TIMSS 2015

Trends in International Mathematics and Science Study (TIMSS) are international assessments of Mathematics and Science at the Fourth Grade, Eighth Grade and A-levels. The studies have been conducted every four years since 1995 with the intention of determining global trends in performance of Mathematics and Science. The goal of TIMSS is to help countries make informed decisions on how to improve teaching and learning in Mathematics and Science.

The major objectives of the TIMSS project are:

- To assess the level of learning in Mathematics and Science
- To identify factors that impact on teaching and learning
- To detect trends in the learning achievement over time
- To compare achievement in relation to teaching and learning conditions among participating countries
- To provide a rich source of information to policy makers and other stakeholders for decision making purposes.

Botswana participated in the TIMSS for the first time in 2003 and went on to participate in the 2007, 2011, and 2015 cycles. In the first two cycles, Botswana's performance was too low, which made it difficult to estimate true levels of learning achievement by the Country's candidature. The Country was thus advised to participate with candidates of higher grades, hence in the 2011 and 2015 cycles, Botswana participated with 9th grade and not 8th grade like other countries.

In the TIMSS 2015, fifty-seven (57) countries and seven benchmarking entities participated. In total, more than 580,000 learners worldwide participated in the TIMSS studies at 4th grade, 8th grade and advanced level. For Botswana, TIMSS 2015 cycle was the fourth to participate in. The TIMSS test comprised 221 Mathematics and 233 Science items; of those items, 207 and 197 items of Mathematics and Science respectively were identified as coming directly from Botswana curriculum. The TIMSS test was scored based on the scale range of 0 – 1000, with scale centre point of 500 points.

Botswana's achievement levels were low compared to the international benchmarks. About 50% of Botswana students managed to achieve Low benchmark of 400 points in both Mathematics and Science compared to an international average of about 84%. This means that the other 50% of Botswana students lacked basic knowledge in Mathematics and Science.

It could therefore, be concluded that students' achievement levels in the TIMSS and hence quality of education over the past four years has not improved. The study analysis pointed to a number of factors that are attributable to the observed low levels of achievement; such factors include inadequate teaching and learning resources, low teacher motivation, indiscipline in schools, low emphasis on academics, poor understanding of language of instruction and insufficient time to cover content of the test.

A full report of the TIMSS 2015 results will be publicised after incorporating national analysis of the TIMSS data.

REVIEW OF OPERATIONS

RESEARCH Cont'd

IMPLEMENTATION OF THE BOTSWANA EDUCATIONAL ACHIEVEMENT MONITOR (BEAM)

Implementation of the Botswana Educational Achievement Monitor (BEAM), a national assessment programme (NAP) is in full swing. The programme is instituted as a way of monitoring achievement in education and by extension monitoring the quality of Botswana's education. The project implementation is in two phases; the pre-establishment phase and the programme development phase. The pre-establishment phase of the project involved stakeholder sensitisation and a needs assessment exercise. The programme development phase will involve development of assessment frameworks and learner achievement standards.

STAKEHOLDER SENSITISATION

The first activity in the pre-establishment phase of the programme involved sensitisation of stakeholders about the project. The aim of the sensitisation activity was to ensure full understanding and buy-in of the concept of BEAM. The stakeholder sensitisation programme consisted pre-programme informational workshops and a project initiation workshop (PIW) both of which served as change management activities. The workshops provided opportunities for various stakeholders to discuss the merits of having BEAM in the education system. The stakeholders also helped shape and align the programme to the current reforms in the Country's education system.

Workshops with stakeholders were held at BEC, Gaborone, Palapye, Francistown, Maun, Ghanzi and Tsabong where features of the envisaged BEAM were discussed. The last cycle of stakeholder sensitisation was with private schools, district council education divisions. Specific organisations sensitised were; Conference of Heads of Independent Private Schools (CHIPS), Conference of Heads of Private Schools (CHOPS) and Chief Education Secretaries in District Councils. BEC is in the process of organising sensitisation meetings with Ntlo-ya-Dikgosi and the Parliamentary Committee on Education.

NEEDS ASSESSMENT FOR THE BEAM

Needs assessment is the second major activity in the pre-establishment phase that is being implemented. It is intended to gather and analyse information from key stakeholders with the aim of determining the level of readiness and the extent to which Botswana's education system can accommodate BEAM. A consulting company called Field Data Resources (FDR) (PTY) LTD was engaged to conduct the needs assessment survey (NAS).

Specific objectives of the NAS were listed as follows:

- To conduct an environmental scan of the current educational assessment practices in Botswana
- Determine the level of stakeholder awareness about the BEAM and further sensitise stakeholders about the programme
- To identify the gaps in assessment system of Botswana that the BEAM would plug
- To determine the extent to which BEAM is deemed necessary in the education system.

BEC COLLABORATION WITH UMALUSI ON RESEARCH

Botswana Examinations Council sent delegates to the Southern African Association for Educational Assessment (SAAEA) Conference held in Lusaka, Zambia in May 2016 and the International Association for Educational Assessment (IAEA) in Cape Town, South Africa in August 2016. BEC delegates presented research papers at both conferences.

As a result of participating in the SAAEA and IAEA Conferences, BEC is now collaborating with UMALUSI, the Council for Quality Assurance in General and Further Education in South Africa to expand work on the study that compares missing scores estimation methods across the two organisations. UMALUSI's team of researchers visited BEC on the 31st August, 2016 to work with BEC team in exploring the studies further. While they were at BEC, the discussion extended to other research works that the two organisations were working on. The organisations benchmarked statistical moderation of school based assessment

RESEARCH Cont'd

against each other and agreed to work together to develop the moderation methodologies. UMALUSI benchmarked on BEC's "Reliability of Examiners' studies (marking consistency)" and "Alignment of Examination to Curriculum" studies.

Two researchers from BEC were invited to UMALUSI in December, 2016 to go and complete the missing scores project in readiness for the UMALUSI awards meeting in January, 2017. While they were there, they were further invited to observe the UMALUSI standardisation processes. The standardisation meetings were held at UMALUSI premises in Pretoria from Friday 16th to Friday 23rd December, 2016. The intention of observing the standardisation process was to have mutual benefit between the two organisations.

The exercise afforded the two organisations an opportunity to share experiences from the UMALUSI awards and standard setting procedures in educational assessment. The exercise was adjudged to be rich and rewarding. The BEC researchers who participated in the exercise have written a comprehensive report with recommendations for consideration by BEC management. The recommendations are based on the lessons learnt.

DISSEMINATION OF COMPREHENSIVE RESULTS ANALYSIS

The Botswana Examinations Council disseminated the 2015 PSLE, JCE and BGCSE comprehensive results analysis to three educational regions; South East, Kweneng and Central. The audience to which the results analyses were disseminated included among others, Regional Education Officers, School Headmasters, and Teachers. In each region, over 90% of the invited officers attended the dissemination workshops.

During presentations, participants were very interactive and gave sound feedback. The participants felt enlightened especially when observations from marking were shared. Observations from marking are written narrations of how the 2015 candidates interacted with the examination questions (items) subject by subject as observed by those that were marking. Markers

observation are important feedback information because teachers can go back to classroom and help the next cohort rectify response mistakes that were made by the previous cohort. Apart from presentations, the feedback from the participants were mainly concerns, suggestions and recommendations addressing policy level issues about the schools, teachers and the teaching and learning environment.

RELATIONSHIP BETWEEN EXAMINATION PREPARATION PRACTICES AND SCHOOL PERFORMANCE TRENDS AT PRIMARY SCHOOL LEAVING EXAMINATIONS

After the release of results every year, stakeholders analyse them for various purposes. Some do it for awarding those who have performed exceptionally well while others do it for diagnostic purposes. Of recent, there has been requests for results data by regions and schools alike in order to rank performance of schools and that of candidates for the purposes of "excellence awards". To attain a better rank, some schools have devised teaching strategies that help to prepare their learners for PSLE so as to obtain a better rank when results are released. Such schools consistently perform well on yearly basis while others consistently perform below par. As a way of facilitating collaboration rather than competition, there was a need to learn from the practitioners in consistently high ranking schools how they manage it with a view to benchmark schools against each other.

A survey was thus carried out to understand examination preparation practices employed by different schools during instruction that could either be associated with high ranking performance or low ranking performance in terminal examinations. The study is still work in progress, but preliminary findings have been presented to internal structures.

VALIDATION OF BEC GRADE REVIEW EXERCISE

The purpose of this study was to investigate the impact of the grade review exercise on the final grade of a syllabus with the intention of providing means of cost reduction in the exercise. A stratified simple random sampling procedure was used to select subjects for the exercise. The following subjects were selected:

REVIEW OF OPERATIONS

RESEARCH Cont'd

English Language, Mathematics, Science Double Award, Physics, Human and Social Biology, Geography, Social Studies and Moral Education. The variables of interest included Method used to select a candidate for the Grade Review Exercise, Grade before Grade Review Exercise and whether the candidate moved to a next higher grade or not. Preliminary findings indicate that the higher the grade being campaigned for the higher the chance of being promoted. However, discussions on the findings are ongoing.

MARKET SURVEY OF BEC PRODUCTS AND SERVICES

Botswana Examinations Council's (BEC) vision is "To be a provider of accessible and globally competitive qualifications." To achieve that, the organisation needed to identify and understand various potential market segments to solicit

feedback from them regarding reasons why they would or would not register for BEC qualifications. One such potential segment is private education providers. Many of them do not take BEC qualifications. The market survey was therefore conducted to identify reasons why private schools do not register for BEC qualifications.

One outstanding reason why private schools did not take BEC qualifications was lack of international recognition of BEC products and services. The other reasons were inaccessible BEC past papers, lack of platforms for interaction with other teachers around the world through internet, and the low level of use of ICT platforms in assessment.

CORPORATE SERVICES

Financial Performance

The financial difficulties experienced by BEC since 2013/14 financial year continued into this financial year largely due to accumulated deficits over the past three years. These deficits resulted in BEC carrying forward some creditors for settlement against subvention of the ensuing years. Although the subvention from government appears to be increasing year on year, the rate of the increase is often not sufficient to cover the brought forward liabilities.

The situation is not helped by rising input costs such as staff remunerations, invigilation, and travel allowances for examiners.

However, BEC made a noticeable, but unsustainable effort to contain expenses as shown by the reduction in Table 10 below.

In view of the above situation, BEC may have no option but to restructure its operations in order to ensure delivery of examinations in their current format. It is glaring in the financial statements that the need for BEC to appropriately charge for services rendered is long overdue.

METRIC NAME	2013	2014	2015	2016	2017
Subvention	195,079,983.00	121,582,223	216,050,618	248,122,563	256,405,537
Internally Generated Income	16,649,898.00	11,962,873.00	13,117,155.00	15,521,145.00	13,563,033
Direct Costs	111,391,417.00	124,665,248.00	126,773,278.00	146,821,981.00	146,002,403
Admin. Costs	95,896,858.00	113,274,212.00	118,006,921.00	124,340,308.00	135,315,100
Surplus/(Deficit)	11,004,668.00	(98,461,018.00)	(9,891,007.00)	(2,798,162.00)	(6,160,547)

Metric	2017 Value	% Change
Subvention	256,405,537	↑ 3%
Internally Generated Income	13,563,033	↓ -13%
Direct Costs	146,002,403	↓ -1%
Admin. Costs	135,315,100	↑ 3%
Surplus (Deficit)	(6,160,547)	↓ 120%

METRIC	REPORT YEAR (2017)	PREVIOUS YEAR (2016)	%CHANGE	5 YEAR TREND
Subvention	256,405,537	248,122,563	↑ 3%	
Internally Generated Income	13,563,033	15,521,145	↑ -13%	
Direct Costs	146,002,403	146,821,981	↓ -1%	
Admin. Costs	135,315,100	124,340,308	↓ 9%	
Surplus/(Deficit)	-6,160,547	-2,798,162	↓ 120%	

Table 10 Shows a five year performance trend analysis

REVIEW OF OPERATIONS

CORPORATE SERVICES Cont'd

Major items impacting financial performance are as expounded below:

CIE ACCREDITATION

BEC has a huge foreign exchange exposure to the British Pound because of the accreditation arrangement with Cambridge. With the unexpected exit of Britain from European Union (Brixit), the British Pound lost ground against most currencies including the Botswana Pula. This led to the BEC paying slightly less than what it usually pays Cambridge in Pula terms.

GOVERNMENT MARKING CENTRES

In a bid to contain costs, BEC started using Government schools as marking venues in 2016/17 financial year. Although this was costly to the Council in the first instance due to the poor state of disrepair prevailing at the identified schools, it is anticipated that the benefits will outweigh the costs in the ensuing years.

GOVERNMENT CONTRIBUTION

BEC had its recurrent budget allocation increased in this financial year from P203 million to P226 million. Although this does not fully cover the costs of government sponsored candidates, it is a welcomed development.

COSTING MODEL PROJECT

BEC has embarked on a costing model project. The project's main objective is to identify and allocate costs to the products and services offered so that they may be correctly priced. The project is being carried out in phases and will be implemented over the next three years. This therefore, means that candidates or their sponsors would be expected to pay examination fees in line with this cost recovery initiative.

PROCUREMENT

In an effort to further reduce costs BEC is now leaning towards the fixed budget method of procurement and encourages competitive bidding in all significant procurement.

SERVICES AND FACILITIES

The replacement of furniture, equipment and plant was once again deferred to 2017/18 financial year due to lack of funding. The air conditioning plant and some vehicles were already showing signs of serious malfunction. However some minor repairs were accommodated in an effort to retain some decency within the Council premises.

HUMAN RESOURCES

STAFF ESTABLISHMENT

The establishment has not changed during the reporting period largely to the moratorium placed the creation of new positions since 2012/13. The moratorium was put in place in anticipation of the implementation of the BEC transformation Project which

has since been stalled by the delay in the approval of the BEC amendment bill. In order to capacitate its directorates and divisions, BEC has had to recruit temporary employees whose contracts have been renewed on several occasions. The table below shows the staff establishment for 2016/17 financial year.

Directorate Name	Approved Establishment	In Post	Vacant	Total (Sum:In Post, Vacant)
Corporate Services	55	50	7	57
Examinations Administration and Certification	48	46	2	48
Production Development and Standards	45	39	3	42
Human Resource	22	19	3	22
Information Communications and Technology	20	17	3	20
Office of the Executive Secretary	17	15	2	17
Research and Policy Development	16	13	6	19
TOTAL	223	199	26	225
	TOTAL	225		

Table II Shows BEC Establishment

In 2015/16 BEC decided to offer longer contracts to temporary employees as it became apparent that the delay in the commencement of the project was likely to continue. The table below shows the numbers of temporary employees now on fixed term contracts per directorate.

REVIEW OF OPERATIONS

CORPORATE SERVICES Cont'd

DESIGNATION	BAND	GENDER	DIRECTORATE	TOTAL
Data Capture Assistant	7	F	Examinations Administration and Certification	11
Data Capture Assistant	7	F		
Data Capture Assistant	7	F		
Data Capture Assistant	7	F		
Data Capture Assistant	7	F		
Data Capture Assistant	7	F		
Data Capture Assistant	7	F		
Programme Assistant	7	F		
Data Capture Assistant	7	F		
Programme Assistant	7	M		
Programme Assistant	7	M		
DESIGNATION	BAND	GENDER		
Office Assistant - PDS	7	F	Product Development and Standards	3
Office Assistant - PDS	7	F		
Office Assistant - PDS	7	F		
DESIGNATION	BAND	GENDER	DIRECTORATE	TOTAL
Maintenance Assistant	7	F	Corporate Services	2
Procurement Officer	6	F		
DESIGNATION	BAND	GENDER	DIRECTORATE	TOTAL
User Support Technician	6	F	Information and Communications Technology	1

Table 12 Temporary Employees Offered Fixed Term Contracts

DESIGNATION	BAND	GENDER	DIRECTORATE	TOTAL
Research Assistant	7	F	Research and Policy Development	6
Research Assistant	7	F		
Research Assistant	7	F		
Research Assistant	7	F		
Research Assistant	7	F		
Research Assistant	7	M		

DESIGNATION	BAND	GENDER	DIRECTORATE	TOTAL
Asst. Corporate Communications Officer	6	M	Executive Secretary's Office	6
Asst. Corporate Communications Officer	6	F		
Asst. Corporate Communications Officer	6	M		
Asst. Corporate Communications Officer	6	F		
Asst. Project Administrator	6	F		
Asst. Project Administrator	6	F		

DESIGNATION	BAND	GENDER	DIRECTORATE	TOTAL
PMS Officer	6	F	Human Resource	4
Office Assistant - HR	8	F		
Office Assistant - HR	8	F		
Office Assistant - HR	8	F		

Table 12 Temporary Employees Offered Fixed Term Contracts

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TERMINATIONS

The retention of employees over the reporting period remained stable at the rate of 1.5% mainly due to the revised packages introduced in 2013/14. Table 13 below shows termination of contracts per Directorate.

Directorate	Code	Gender	Termination Date	Termination Reason	Total
Corporate Services	026	Male	2016/06/30	Pensioned	5
Corporate Services	276	Male	2016/06/28	Resigned	
Examinations Administration and Certification	158	Male	2016/12/19	Resigned	
Information and Communications Technology	319	Male	2016/07/29	Resigned	
Executive Secretary's Office	338	Male	2016/05/31	Resigned	

Table 13 shows termination of Contracts per Directorate.

RECRUITMENT OF CONTRACT STAFF

During the year under review, the Council experienced difficulties in the recruitment of examinations personnel in some subjects. The Council has also experienced challenges in attracting contract staff from Gaborone and its environs. This was attributed to the Council's fee structure which was seen as unattractive to teachers in the area. Management decided to review the fee structure which will be considered for approval during the 2017/18 to address these challenges.

TRAINING AND DEVELOPMENT

As reported in 2015/16 the Council has had to reduce training activity in response to financial challenges experienced in that financial year. This trend continued during 2016/17. Table 14 shows the number of employees who were trained over the reporting period.

Directorate	Certificate	Diploma	Professional	Degree	Masters	PhD	Total	Direct Sponsorship	Loan/Grant
EAC	0	1	0	4	1	2	8	0	43
CS	0	1	4	0	0	0	5	0	0
PDS	0	1	0	0	18	0	19	18	1
RPD	0	0	1	1	2	0	3	0	1
ESO	0	0	0	0	0	0	1	0	0
ICT	0	0	0	2	0	0	2	0	0
HR	1	2	2	5	2	0	10	0	2
TOTAL	1	5	5	12	23	0	48	18	47

Table 14 shows the number of employees who were trained over the reporting period.

EMPLOYEES RELATIONS AND WORKING ENVIRONMENT

The employee's relations and working environment sphere experienced several challenges mainly due to salary related disputes and financial challenges which did not allow the Council to fund some aspects of its reward strategy. An employee satisfaction survey was conducted the results of which were used to come up with remedial measures. This is important to note that the salary dispute resulting from the implementation of the exercise to reduce pay dispute was the main issue in this area. The matter which had been brought to court by the staff union was settled out of court. Council successfully resolved issues around payment of performance management rewards

and implementation of inflationary adjustments. Challenges in the area of training and development, coaching and mentoring continue to be addressed. It has to be noted that capacity constraints within the human resources department continue to hamper the implementation of remedial measures meant to address some of these challenges.

Fortunately the stakeholder engagement structures targeting unions have been used effectively to address disputes and staff concerns. It is hoped that more activities will be launched in this area to further improve working relations with teacher unions during 2017/18.

INFORMATION AND COMMUNICATION TECHNOLOGY

This section provides a summary of important activities in the ICT Directorate during the year under review. Major projects and activities that enhanced service quality are highlighted. These follows below:

BUSINESS PROCESS MANAGEMENT PROJECT

During 2016/17 financial year the BEC Information and Communications Technology (ICT) trained all the BEC staff on Business Process mapping, redesign and improvement. The Business Process Management (BPM) Project team was provided further training on Advanced BPM Modelling, Simulation and Automation. This exercise was meant to create Business Process Management principles awareness amongst the BEC staff

with a view to initiating a journey towards a high performing Examinations Council.

BOTSWANA NATIONAL EXAMINATIONS PROCESSING SYSTEM (MALEPA)

Since 2013 Malepa has been used to process examinations for all three levels PSLE, JCE and BGCSE. Over the years there has been a significant reduction in change requests and bug fixes

REVIEW OF OPERATIONS

signifying a more stable and reliable application. In 2015 two Analyst Programmers were hired to take over development of Malepa from RPC Data. The system is now developed in house by the applications division and this has reduced costs and dependency on consultants while building capacity in the organisation.

SHORT MESSAGE SERVICE (SMS) RESULTS PUBLICATION

The Short Message Service (SMS) feature that allows customers to query results through SMS is a service that has always been provided by an external supplier. This service is now developed and maintained in house since it was officially launched during the year under review. This is an important milestone as it also reduces overall costs associated with consultancies in the organisation.

PRIVATE CENTRE REGISTRATION MODULE

The BEC introduced the online registration for private centres and the additional online payment methods for private candidates. This initiative was in support of the BEC's strategic intent to increase customer and stakeholder access to the organisation's products and services, by having an online presence in areas where there is internet connectivity. This benefited both the BEC and its clients in that the BEC staff no longer have to travel to other areas to register private candidates. On the other hand the private candidates are no longer required to travel long distances to access the BEC products and services. It is also a convenience for private centres and Botswana College of Open

Distance and Learning (BOCODOL) centres located far from Gaborone as they no longer have to drive long distances for registration.

ACQUISITION OF NEW BLADE SERVERS

The Council has been providing ICT services by running applications and databases from blade servers that were bought in 2009. Whereas the life span of ICT equipment is five years on average, these servers have been running for about seven years and were no longer supported by vendors. The fact that they are no longer supported poses an information security risk to BEC. In 2016 BEC bought six new blade servers to replace the obsolete ones that have been used from 2009 on the primary site. All applications and databases that were running from virtualised servers were migrated and are running on the new blade servers. This has resulted in an improvement in performance and system stability.

REPLACEMENT OF DESKTOPS AND LAPTOPS

BEC has been using a lot of obsolete computers that are no longer supported by vendors and pose an information security risk. Thus it is important to keep replacing them with new ones until all the obsolete ones are no longer in the organisation's inventory. Table 15 shows User Hardware Equipment that was purchased during 2016/2017 financial year. BEC procured tablets for its Management team and one Apple Macintosh Computer for Corporate Communications Division. HP laptops were allocated to different Directorates including ICT personnel. Printers were acquired for Finance Division, EAC and CQA

HARDWARE EQUIPMENT ACQUIRED	NO OF EQUIPMENT PURCHASED
Laptops	39
PCs / Desktop	35
Printers	3
Tablets	25
Monitors	3
Apple iMac	2
Desktop Virtualisation Equipment	15

Table 15 showing Equipment purchased during the year under review

respectively. The PC's and monitors were allocated to different Directorates. Desktop Virtualisation equipment has been acquired for PDS Production Unit.

During the year under review, the BEC introduced the use of Tablets to top management, to try to cut down on the use of papers to create a more paperless community at the BEC.

BEC Directors and Managers have all been equipped with tablets and software to share their meeting handouts and presentations; and they are being encouraged to use them for all meetings and calendar bookings to avoid printing of paper and physical filing. Dropbox software has been deployed on the tablets to allow them to share large documents.

The Council is hopeful that this initiative will expand through the rollout of further devices to the organisation to further reduce the use of paper for meetings and various workshops in pursuit of cost containment.

ONLINE VISA PAYMENT

During the year under review the ICT Directorate in collaboration with First National Bank, introduced a visa debit payment system for private candidates registering online. The aim of this initiative was to make it easier for private candidates in remote areas to register and make payments online. Before then candidates, after registering online, had to travel to BEC in Gaborone to pay to sit for examinations. By providing this feature the Council has been able to make its services more accessible to its customers and attracted a significant number of private candidates in both urban and rural areas.

AUTOMATED UNIQUE CANDIDATE IDENTIFIER (UCI) GENERATION AND POSTING

Previously, the Data Processing Division had to generate Unique Candidate Identifier (ICU) and post the candidates manually. This process has now been improved by automatically performing UCI generation and posting as soon as a candidate is registered. This eliminated unnecessary processes that take up time. This automation has improved the process of registration.

2018/19 OUTLOOK

As we move into the next financial year we do so with great excitement. We now know and with full confidence that the BEC amendment bill will finally be considered and hopefully passed by Parliament in November 2017. The passing of the Bill by parliament will unleash energies towards transformation of the BEC into a high performance national examinations and assessment authority. Above all it will usher in a new Council based on competencies as opposed to the current constituency based one. It will also facilitate the whole process of transferring Technical and Vocational Education and Training (TVET) assessment functions and processes to the BEC.

The transformation process will be boosted further by the due diligence and organisational redesign studies, both of which are going to tender during the first quarter of the new financial year.

Further excitement is created by the approval and maintenance of the ISO 9001 (2008) standard and the transition to the 2015

standard. The 2015 standard and the ISO 27001 on information assurance will clearly reinforce our security efforts. This is clearly a huge undertaking given our limited human and capital resources, but it demonstrates our commitment as an organisation to the pursuit of excellence.

As we move forward into the future, we should not be blinded by the successes of the past few years, but must be cognisant of the often perilous financial situation of total dependence on government for funding and come up with new and innovative strategies of generating new funding. A task team set up by the Executive Secretary on cost cutting is expected to report early in the new financial year. It is hoped that it will come up with new ways of avoiding or minimising wastage of resources. In addition to that, examiners fees will be reviewed to ensure efficient utilisation of resources.

Last but not least, the BEC costing model will be gradually implemented to generate income for the Council.

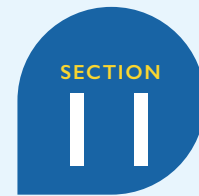
BOTSWANA EXAMINATIONS COUNCIL

Established under the
Botswana Examinations Council Act 11 of 2002

ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2017

FINANCIAL STATEMENTS



THE COUNCILS REPORT

FOR THE YEAR ENDED 31 MARCH 2016

The Council has pleasure in submitting its report and the annual financial statements for the year ended 31 March 2017.

INCORPORATION

Botswana Examinations Council was established under the Botswana Examinations Council Act (No. 11 of 2002).

NATURE OF OPERATIONS

To conduct school examinations and any other examinations for the Ministry of Education and Skills Development and issue certificates in respect of such examinations.

FINANCIAL RESULTS AND POSITION

The Council's financial results and position are reflected in the financial statements set out on pages 7 to 37. The entity employed 235 employees at the reporting date (2016: 227 employees).

Executive Secretary: Prof. Brian Mokopagosi

Chairman: Dr. Joseph Tsonope

Members of council: Dr Daniel Tau

Mr. Abel Modungwa

Dr. Gaelebale N. Tsheko

Mrs. Daisy Molefhi

Mr. Nasim Miller

Mr. Lesedi Gaolaolwe

Mr. Dominic Khame

Mr. Tjalebwa Bakang Bagwasi (appointed 1 April 2016)

Dr. Raphael Dingalo (appointed 1 April 2016)

Mrs. Ludo Thateng Johwa-Mpundisi (appointed 1 April 2016)

Mr. Simon Coles (appointed 1 April 2016)

BANKERS



Barclays Bank of Botswana Limited



Capital Bank Limited



African Banking
Corporation Botswana Limited



First National Bank of Botswana
Limited



Stanlib Investment
Management Services

REGISTERED OFFICE



Plot 54864
KT Motsete Road
Gaborone

AUDITORS



Plot 67977, Off Tlokweng Road
Fairgrounds Office Park
Gaborone

COUNCIL'S RESPONSIBILITY STATEMENT

for the year ended 31 March 2017

The Council members are responsible for the preparation and fair presentation of the annual financial statements of Botswana Examinations Council, comprising the statement of financial position at 31st March 2017 and the statements of profit or loss and other comprehensive income, changes in funds and cash flows for the year then ended, and the notes to the financial statements, which include a summary of significant accounting policies in accordance with International Financial Reporting Standards and in the manner required by the Botswana Examinations Council Act, No. 11 of 2002.


The Council members are also responsible for such internal control as the members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for maintaining adequate accounting records and an effective system of risk management as well as the preparation of the supplementary schedules included in these financial statements.

The Council members have made an assessment of the ability of the entity to continue as a going concern and have no reason to believe that the entity will not be a going concern in the year ahead.

The auditor is responsible for reporting on whether the annual financial statements are fairly presented in accordance with the applicable financial reporting framework.

APPROVAL OF ANNUAL FINANCIAL STATEMENTS

The annual financial statements of Botswana Examinations Council, as identified in the first paragraph, were approved by the Council members on ___ and signed on their behalf by:

A handwritten signature in black ink, appearing to be "M. M. M.", written over a horizontal blue line.

CHAIRPERSON

A handwritten signature in black ink, appearing to be "P. M.", written over a horizontal blue line.

EXECUTIVE SECRETARY



**KPMG, Chartered Accountants
Audit**
Plot 67977, Off Tlokweng Road,
Fairground Park
PO Box 1519, Gaborone, Botswana

Telephone +267 391 2400
Fax +267 397 5281
Web <http://www.kpmg.com/>

Independent Auditor's Report

Opinion

We have audited the financial statements of Botswana Examinations Council ("the Organisation") set out on pages 7 to 37, which comprise the statement of financial position as at 31 March 2017, the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and notes to the financial statements.

In our opinion, the financial statements give a true and fair view of the financial position of the Botswana Examinations Council Limited as at 31 March 2017, and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) and in the manner required by the Botswana Examinations Council Act, No. 11 of 2002.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Organisation in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The council members are responsible for the other information. The other information comprises the Councils' report, the Councils' responsibility statement and the Detailed statement of profit or loss and other comprehensive income. Other information does not include the financial statements and our auditor's report thereon.

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

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

Responsibilities of the Council for the Financial Statements

The Organisation's members are responsible for the preparation and fair presentation of the 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 financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether 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



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can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the organisation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the council members.
- Conclude on the appropriateness of the council members' 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 organisation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our

conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the organisation to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the organisation financial statements, including the disclosures, and whether these financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report on Other Legal and Regulatory Requirements

In accordance with Section 20 of the Botswana Examinations Council Act, No. 11 of 2002, we confirm that:

- We have received all information and explanations which, to the best of our knowledge and belief, were necessary for the performance of our duties;
- The accounts and related records of Botswana Examinations Council has been properly kept;
- The Botswana Examinations Council has complied with all provisions of the Act; and
- The financial statements prepared by the Botswana Examinations Council were prepared on a basis consistent with that of the preceding year except for the adoption of new and revised International Financial Reporting Standards as stated in notes of these financial statements.

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.

KPMG
Certified Auditors
Practicing Member: Francois Roos (20010078:45)

Gaborone
September 2017

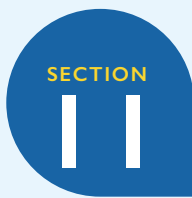
FINANCIAL STATEMENTS

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31st March 2016

IN PULA

	Note	2017	2016
Revenue			
Government subvention		256 405 537	248 122 563
Certification fees		247 692	208 278
Registration fees		12 863 027	13 965 125
Remarking fees		133 530	127 585
		269 649 786	262 423 551
Costs of revenue			
Direct costs		(146 002 403)	(146 821 981)
Gross surplus		123 647 383	115 601 570
Other Income		5 188 386	4 720 419
Administrative expenses		(135 315 100)	(124 340 308)
Operating deficit	5	(6 479 331)	(4 018 319)
Finance income	6	318 784	1 220 157
Deficit for the year		(6 160 547)	(2 798 162)



FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION at 31st March 2016 IN PULA

	Note	2017	2016
ASSETS			
Non-current assets			
Property, plant and equipment	3	82 254 680	83 584 701
Intangible assets	4	15 598 835	18 351 956
		97 853 515	101 936 657
Current assets			
Inventories	5	1 305 572	586 600
Trade and other receivables	6	15 769 789	12 779 321
Cash and cash equivalents	7	13 051 368	550 585
		30 126 729	13 916 506
Total assets		127 980 244	115 853 163
FUNDS AND LIABILITIES			
Reserves			
Accumulated deficit		(37 018 310)	(30 857 763)
Non-current liabilities			
Capital grants	8	109 988 582	108 270 685
Current liabilities			
Trade and other payables	9	50 272 628	38 118 026
Bank overdraft	7	264 984	322 215
Short term portion of capital grants	8	4 472 360	4 135 245
		55 009 972	
Total equity and liabilities		127 980 244	115 853 163

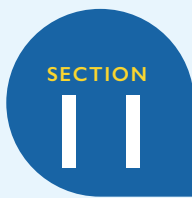
FINANCIAL STATEMENTS

STATEMENT OF CHANGES IN FUNDS

For the year ended 31st March 2016

IN PULA

	Accumulated Deficit
Balance at 1 April 2015	(28 059 601)
Total deficit for the year	(2 798 162)
Balance at 31 March 2016	(30 857 763)
Total deficit for the year	(6 160 547)
Balance at 31 March 2017	(37 018 310)



FINANCIAL STATEMENTS

STATEMENT OF CASH FLOWS

For the year ended 31st March 2016
IN PULA

		2017	2016
	Note		
Cash flows from/(utilised in) operating activities	10	5 331 881	(10 162 353)
Investing activities			
Interest received	2	318 784	1 220 157
Purchase of plant and equipment	3	(3 555 679)	(1 983 711)
Additions to intangible assets	4	(42 524)	(1 839 821)
Proceeds from disposal of motor vehicles	10	180 050	202 000
Net cash utilised in investing activities		(3 099 369)	(2 401 375)
Financing activities			
Capital grants received	8	10 325 502	2 788 415
Net movement in cash and cash equivalents			
Cash and cash equivalents at beginning of year		228 370	10 003 683
Cash and cash equivalents at end of year	7	12 786 384	228 370

FINANCIAL STATEMENTS

SIGNIFICANT ACCOUNTING POLICIES

For the year ended 31st March 2016

STATEMENT OF COMPLIANCE

Botswana Examinations Council ("BEC") was established under the Botswana Examinations Council Act (No. 11 of 2002) to conduct school and any other examinations for the Ministry of Education and Skills Development and issue certificates in respect of such examinations. The address of its registered office is Plot 54864, KT Motsetse Road, Gaborone, Botswana.

The financial statements have been prepared, in all material respects, in accordance with International Financial Reporting Standards (IFRSs).

These financial statements were approved by the Council members on _____.

BASIC OF PREPARATION

The financial statements are presented in and rounded to the nearest Pula, which is also the functional currency.

The financial statements are prepared on the historical cost basis, except where otherwise stated. The financial statements incorporate the following accounting policies which are consistent with those applied in the previous year, except where otherwise stated.

The preparation of financial statements in accordance with IFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results which form the basis of making the judgements about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates, underlying assumptions and judgements are continuously evaluated and are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances.

Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future years if the revision affects both current and future years. Significant judgements with regards to the application of IFRSs made in the compilation of these financial statements consist mainly of evaluating the residual values, depreciation methods and depreciation rates applied to property and equipment items (per note 3), evaluating the useful lives of intangible assets (per note 4), evaluating trade and other receivables for possible impairment (per note 6), and the calculation and recognition of provisions (per note 9.1).

Property and Equipment

Property and equipment is initially measured at cost.

Property and equipment subsequent to acquisition is measured at cost less accumulated depreciation and impairment losses.

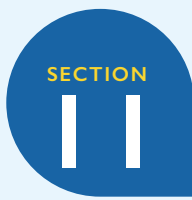
Where parts of an item of plant and equipment have different useful lives, they are accounted for as separate items of plant and equipment.

The entity recognises in the carrying amount of an item of property and equipment the cost of replacing part of such an item when the cost is incurred, it is probable that future economic benefits embodied with the item will flow to the entity and the cost of the item can be measured reliably. All other costs are recognised in profit or loss as an expense when incurred.

Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of property and equipment.

The estimated useful lives are as follows:



SIGNIFICANT ACCOUNTING POLICIES

For the year ended 31st March 2017

- Land and buildings 50 years (over the lease period)
- Furniture and fittings 10 years
- Office equipment 5 years
- Computer equipment 3 years
- Motor vehicles 4 years

The residual value of plant and equipment items, if not insignificant, is reassessed annually. The useful lives and depreciation methods are reassessed annually.

Repairs and Maintenance

Repairs and maintenance costs are recognised in profit or loss during the financial period in which these costs are incurred. The cost of a major renovation is included in the carrying amount of the related asset when it is probable that future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the entity. Major renovations are depreciated over the remaining useful life of the related asset, or until the next planned major renovation, whichever period is shorter.

Gains and losses on disposal of property and equipment items, which arise in the normal course of business, are determined by reference to the carrying amounts and the proceeds received and are recognised in profit or loss.

INTANGIBLE ASSETS

Software and Licenses

Software and licences are recognised and measured at cost less accumulated amortisation and any accumulated impairment losses.

Costs associated with maintaining computer software programmes are recognised as an expense in profit or loss as incurred. Costs that are directly associated with the development of identifiable software products controlled by BEC that will probably generate economic benefits beyond one year and for which the costs can be measured reliably, are recognised 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;
- There is an ability to use the software product and;
- It can be demonstrated how the software product will generate probable future economic benefits.

Direct costs include the software development employee costs and other directly related development costs. Costs relating to the acquisition of licences are capitalised and amortised on a straight-line basis over the licence period when available for use. Subsequent expenditure on capitalised intangible assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised as an expense in profit or loss as incurred.

Amortisation shall begin when the asset is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each annual reporting period, with the effect of any changes in the estimate being accounted for on a prospective basis. The estimated useful lives for the current and comparative periods are as follows:

- BEC Software 3 years
- BEC Website 3 years
- BNEPS Programmes 10 years; and
- BNEPS Licence fee term of the licence.

Capital grants

Capital grants comprise grants received from the Government of Botswana utilised towards capital expenditure. Funds received are credited to capital grants and the related assets are capitalised. An amount equal to the depreciation charge of the property and equipment items funded by the capital grant is recognised as income in profit or loss. Subsequent movement of those property and equipment items in terms of sale and impairment are treated accordingly in the capital grants.

FINANCIAL STATEMENTS

SIGNIFICANT ACCOUNTING POLICIES

For the year ended 31st March 2017

IMPAIRMENT

Financial assets

Financial assets, not measured at fair value through profit or loss, are assessed at each reporting date to determine whether there is any objective evidence that these assets are impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events had a negative effect on the estimated future cash flows of that asset.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate.

Significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

Impairment losses are recognised in profit or loss. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. The reversal of the impairment loss is recognised in profit or loss.

Non-financial Assets

The carrying values of the entity's non-financial assets, excluding inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash inflows that are largely independent of the cash inflows from other assets or asset groups. Impairment losses are recognised in profit or loss. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less cost to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risk specific to the asset.

Impairment losses recognised in the prior periods are assessed at each reporting date for any indication that these losses have decreased or no longer exist. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation and amortisation, if no impairment was recognised.

Inventories

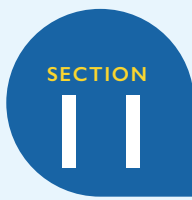
Inventories are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

The cost of inventories is based on the weighted average cost basis and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. Obsolete, redundant and slow moving inventories are identified on a regular basis and are written down to their estimated net realisable values.

Employee Benefits

Pension contributions

BEC contributes to a defined contribution pension plan for its permanent citizen employees. The fund is managed by an independent third party, Alexander Forbes Financial Services Botswana (Pty) Ltd. The contributions are recognised as employee benefit expenses when they are due. A defined contribution plan is a pension plan under which BEC pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employees services in the current and prior periods. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.



SIGNIFICANT ACCOUNTING POLICIES

For the year ended 31st March 2017

Short term Employee Benefits

Employee entitlements to annual leave, bonuses, medical aid, housing benefits and severance benefits are recognised when they accrue to employees and an accrual is recognised for the estimated liability as a result of services rendered by the employee up to the reporting date. These accruals are calculated at undiscounted amounts based on current wage and salary rates.

Severance Benefits

Employees who are not members of an approved pension scheme or entitled to gratuities per employment contracts, are entitled to severance benefits as regulated by the Botswana Labour Regulations. An accrual is recognised for the estimated liability for services rendered by employees up to the reporting date. Severance benefits are not considered to be a retirement benefit plan as the benefits are payable on completion of a continuous employment period of five years or on a pro rata basis on termination of employment.

Profit Sharing and Bonus Schemes

A liability is recognised for the amount expected to be paid under short-term bonus or profit sharing plans if the entity has a present legal or constructive obligation to pay this amount as a result of past services provided by an employee and the obligation can be estimated reliably.

REVENUE

Government Subventions

Government subventions are recognised at their fair value where there is a reasonable assurance that the subventions will be received and BEC has complied with all required conditions. Subventions relating to costs are deferred and recognised in profit or loss over the period necessary to match them with the costs they are intended to compensate.

Registration, Certification and Remarking Fees

Registration, certification and remarking fees comprises of fees payable by private school candidates and private candidates.

These fees are recognised on an accrual basis in the period when examinations are held and/or services rendered.

Finance Income

Interest received is recognised in profit or loss on an accrual basis, using the effective interest rate method. The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability.

Income Taxes

BEC is exempt from income tax under the Botswana Income Tax (Amendment) Act, No 14 of 2015.

Financial Instruments

Financial assets and financial liabilities are recognised in the statement of financial position when the entity has become a party to the contractual provisions of the instruments.

Financial Assets

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortised cost using the effective interest method.

The entity recognises loans and receivables on the date that they are originated. The entity derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset.

FINANCIAL STATEMENTS

SIGNIFICANT ACCOUNTING POLICIES

For the year ended 31st March 2017

Any interest in such transferred financial assets that is created or retained by the entity is recognised as a separate asset or liability.

The entity's loans and receivables comprise mainly of cash and cash equivalents, and trade and other receivables, including amounts due from related companies.

Cash and Cash Equivalents

Cash and cash equivalents are defined as cash on hand, demand deposits and short-term highly liquid investments readily convertible to known amounts of cash and subject to insignificant risk of changes in value.

Bank overdrafts, which are payable on demand and form an integral part of the entity's cash management, are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

Prepayments and Deposits

Prepayments and deposits consist of amounts paid to third parties either in advance or to comply with contractual requirements. These amounts are recognised at the original amount paid. Prepayments and deposits are classified as loans and receivables.

Trade Receivables

Trade receivables are amounts due for services provided in the normal course of business. These amounts are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less an impairment accrual. An accrual for impairment is established when there is objective evidence that the entity will not be able to collect all amounts due according to the original terms of these receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that a balance is impaired.

The amount of the impairment accrual is the difference between the asset's carrying amount and the present value of estimated

future cash flows, discounted at the effective interest rate. Where amounts are uncollectable, the amounts are written off against an allowance account. The movement in the allowance account is recognised in profit or loss. Subsequent recoveries of amounts previously written off are recognised in profit or loss.

Financial Liabilities

The entity initially recognises financial liabilities on the trade date, which is the date that the entity becomes party to the contractual provisions of the instrument.

The entity derecognises a financial liability when its contractual obligations are discharged, cancelled or expire. Financial liabilities are measured at amortised cost using the effective interest rate method.

For liabilities measured at amortised cost, any gain or loss is recognised in profit or loss when the liability is derecognised or impaired, as well as through the amortisation process.

Financial liabilities comprise of trade and other payables.

Trade and other payables, are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. These amounts are classified as current liabilities if payment is due within twelve months (or in the normal operating cycle of the business, if longer). If not they are presented as non-current liabilities.

Gains and Losses on Subsequent Measurement

Gains and losses arising from a change in the fair value of financial instruments are recognised in profit or loss in the period in which the change arises.

Offset

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position when the entity has a legally enforceable right to set off the recognised amounts, and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

SIGNIFICANT ACCOUNTING POLICIES

For the year ended 31st March 2017

Provisions

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

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

Provisions are measured at the present value of expenditure required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised in profit or loss.

Foreign Currencies

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ("the functional currency").

Transactions conducted in foreign currencies are translated to Pula at the foreign exchange rate ruling at the date of the transaction. Assets and liabilities denominated in foreign currencies at the reporting date are translated to Pula at the foreign exchange rate ruling at that date. 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 profit or loss.

Other Operating Income

Other operating income is recognised in profit or loss based on when the entity becomes unconditionally entitled to the income.

Standards and interpretations which became effective during the year

Standard/Interpretation		Impact
IFRS 10, 12 and IAS 28 Amendments	Investment entities	No impact on these financial statements
IAS 32	Offsetting Financial Assets and Financial Liabilities	No impact on these financial statements
IAS 36	Recoverable amount disclosures for Non-financial Assets	No impact on these financial statements
IAS 39	Novating of derivatives and Continuation Hedge Accounting	No impact on these financial statements
IFRIC 21	Levies	No impact on these financial statements
IAS 16 and IAS 41	Agriculture: Bearer Plants	No impact on these financial statements
IAS 16 and IAS 38 Amendments	Clarification of acceptable methods of depreciation & amortisation	No impact on these financial statements
IAS 1	Disclosure Initiative	No impact on these financial statements
IFRS 14	Regulatory Deferral Accounts	No impact on these financial statements

The standards and interpretations which became effective during the year ended 31 March 2017 are summarised as above.

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SIGNIFICANT ACCOUNTING POLICIES

For the year ended 31st March 2017

New standards and interpretations not yet effective

The following new standards, amendments to standards and interpretations are not yet effective for the year ended 31 March 2017, and have not been applied in preparing these financial statements.

Amendments to IAS 7: Disclosure Initiative

The amendments provide for disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flow and non-cash changes. This includes providing a reconciliation between the opening and closing balances for liabilities arising from financing activities.

The amendments apply for annual periods beginning on or after 1 January 2017 and early application is permitted. These amendments are not expected to have a significant impact on the entity's financial statements due to the nature of its financing activities.

Amendments to IAS 12: Recognition of Deferred Tax Assets for Unrealised Losses

The amendments provide additional guidance on the existence of deductible temporary differences, which depend solely on a comparison of the carrying amount of an asset and its tax base at the end of the reporting period, and is not affected by possible future changes in the carrying amount or expected manner of recovery of the asset.

The amendments also provide additional guidance on the methods used to calculate future taxable profit to establish whether a deferred tax asset can be recognised.

Guidance is provided where an entity may assume that it will recover an asset for more than its carrying amount, provided that there is sufficient evidence that it is probable that the entity will achieve this.

Guidance is provided for deductible temporary differences related to unrealised losses that are not assessed separately for recognition. These are assessed on a combined basis, unless a tax law restricts the use of losses to deductions against income of a specific type.

The amendments apply for annual periods beginning on or after 1 January 2017 and early application is permitted. These amendments are not applicable to the entity's financial statements as the entity is exempt from taxation.

IFRS 15: Revenue from Contracts with Customers

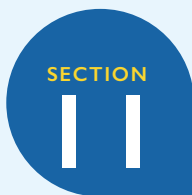
This standard replaces IAS 11 *Construction Contracts*, IAS 18 *Revenue*, IFRIC 13 *Customer Loyalty Programmes*, IFRIC 15 *Agreements for the Construction of Real Estate*, IFRIC 18 *Transfer of Assets from Customers* and SIC-31 *Revenue – Barter of Transactions Involving Advertising Services*.

The standard contains a single model that applies to contracts with customers and two approaches to recognising revenue: at a point in time or over time. The model features a contract-based five-step analysis of transactions to determine whether, how much and when revenue is recognised.

The standard, which becomes effective for the entity's 2019 financial statements, with early adoption permitted, is not expected to have a significant impact on the entity's financial statements due to the nature and timing of its revenue transactions.

IFRS 9 Financial Instruments

On 24 July 2014, the IASB issued the final IFRS 9 Financial Instruments standard, which replaces earlier versions of IFRS 9 and completes the IASB's project to replace IAS 39 *Financial Instruments: Recognition and Measurement*.



SIGNIFICANT ACCOUNTING POLICIES

For the year ended 31st March 2017

This standard will have an impact on the measurement bases of an entity's assets to amortised cost, fair value through other comprehensive income or fair value through profit or loss. Even though these measurement categories are similar to IAS 39, the criteria for classification into these categories are significantly different. In addition, the IFRS 9 impairment model has been changed from an "incurred loss" model from IAS 39 to an "expected credit loss" model.

The standard is effective for annual periods beginning on or after 1 January 2019 with retrospective application. Early adoption is permitted. The standard may have an impact on the classification and measurement of the entity's financial assets instruments. The standard is however not expected to have a significant impact on its financial statements due to the nature of the entity's operations and its financial instruments.

IFRS 16 Leases

IFRS 16 was published in January 2017. It sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract, i.e. the customer ('lessee') and the supplier ('lessor'). IFRS 16 replaces the previous leases standard, IAS 17 *Leases*, and related interpretations. IFRS 16 has one model for lessees which will result in almost all leases being included on the Statement of Financial Position. No significant changes have been included for lessors.

The standard is effective for annual periods beginning on or after 1 January 2019, with early adoption permitted only if the entity also adopts IFRS 15. The transitional requirements are different for lessees and lessors.

The standard, which becomes effective of the entity's 2020 financial statements, will have an impact in the measurement, presentation and disclosure of operating leases in the entity's financial statements. These operating leases will be presented in the entity's statement of financial position.

Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)

The amendments require the full gain to be recognised when assets transferred between an investor and its associate or joint venture meet the definition of a 'business' under IFRS 3 Business Combinations. Where the assets transferred do not meet the definition of a business, a partial gain to the extent of unrelated investors' interests in the associate or joint venture is recognised. The definition of a business is key to determining the extent of the gain to be recognised.

The amendments apply for annual periods beginning on or after 1 January 2017 and early application is permitted. These amendments are not expected to have any impact on the entity's financial statements.

Clarifying share-based payment accounting (Amendments to IFRS 2)

Currently, there is ambiguity over how a entity should account for certain types of share-based payment arrangements. The IASB has responded by publishing amendments to IFRS 2 Share-based Payment.

The amendments cover three accounting areas:

Measurement of cash-settled share-based payments –The new requirements do not change the cumulative amount of expense that is ultimately recognised, because the total consideration for a cash-settled share-based payment is still equal to the cash paid on settlement.

Classification of share-based payments settled net of tax withholdings –The amendments introduce an exception stating that, for classification purposes, a share-based payment transaction with employees is accounted for as equity-settled if certain criteria are met.

FINANCIAL STATEMENTS

SIGNIFICANT ACCOUNTING POLICIES

For the year ended 31st March 2017

Accounting for a modification of a share-based payment from cash-settled to equity-settled – The amendments clarify the approach that companies are to apply. The amendments are effective for annual periods commencing on or after 1 January 2018.

The amendments apply for annual periods beginning on or after 1 January 2017 and early application is permitted. These amendments are not expected to have any impact on the entity's financial statements.

Transfers of Investment property (Amendments to IAS 40)
The IASB has amended the requirements in IAS 40 Investment property on when a entity should transfer a property asset to, or from, investment property.

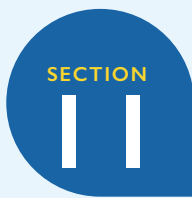
The amendments apply for annual periods beginning on or after 1 January 2018. Early adoption is permitted. These amendments are not expected to have a significant impact on the entity's financial statements.

IFRIC 22 Foreign Currency Transactions and Advance Considerations

When a foreign currency consideration is paid or received in advance of the item it relates to – which may be an asset, an expense or income – IAS 21 The Effects of Changes in Foreign Exchange Rates is not clear on how to determine the transaction date for translating the related item.

This has resulted in diversity in practice regarding the exchange rate used to translate the related item. IFRIC 22 clarifies that the transaction date is the date on which the entity initially recognises the prepayment or deferred income arising from the advance consideration. For transactions involving multiple payments or receipts, each payment or receipt gives rise to a separate transaction date.

The interpretation applies for annual reporting periods beginning on or after 1 January 2018. These amendments are not expected to have a significant impact on the entity's financial statements.



FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st March 2017

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	2017	2016
1 Operating deficit		
The operating deficit is stated after taking into account the following:		
<i>Income</i>		
Unwinding of Government grants	4 135 245	4 273 131
Profit on disposal of motor vehicles	180 050	166 774
<i>Expenses</i>		
Auditors' remuneration		
<i>Current year</i>	232 741	275 603
Amortisation of intangible assets (Note 4)	2 795 645	2 653 574
Consultancy fees	572 570	1 521 779
Travel and subsistence allowances	31 535 369	28 752 244
Depreciation (Note 3)	4 885 700	5 065 341
Exchange (gain)/loss	(196 817)	1 269 807
Salaries and allowances	82 573 214	75 492 300
Gratuity (Note 9.1)	7 332 202	7 363 762
Leave pay (Note 9.1)	2 128 796	2 330 775
Pension costs – defined contribution plan	6 749 134	5 921 885
Number of employees	235	227
2 Finance income		
Interest received - bank	318 784	1 220 157

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st March 2017

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3 Property, Plant and equipment

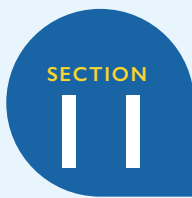
	Land and buildings	Motor vehicles	Computer Equipment	Office Equipment	Furniture and Fittings	Total
Cost						
Balance at 1 April 2015	86 163 220	5 282 912	15 149 786	9 971 039	7 929 849	124 496 806
Additions	-	1 419 670	108 544	362 881	92 616	1 983 711
Disposals	-	(352 256)	-	-	-	(352 256)
Balance at 31 March 2016	86 163 220	6 350 326	15 258 330	10 333 920	8 022 465	126 128 261
Additions	-	840 000	2 633 513	62 366	19 800	3 555 679
Disposals	-	(568 049)	-	-	-	(568 049)
Balance at 31 March 2017	86 163 220	6 622 277	17 891 843	10 396 286	8 042 265	129 115 891
Accumulated depreciation						
Balance at 1 April 2015	(9 328 821)	(4 519 931)	(13 149 239)	(7 854 199)	(2 943 059)	(37 795 249)
Charge for the year	(1 723 264)	(348 669)	(1 091 552)	(1 108 328)	(793 528)	(5 065 341)
Disposals	-	317 030	-	-	-	317 030
Balance at 31 March 2016	(11 052 085)	(4 551 570)	(14 240 791)	(8 962 527)	(3 736 587)	(42 543 560)
Charge for the year	(1 723 264)	(549 741)	(1 214 597)	(594 444)	(803 654)	(4 885 700)
Disposals	-	568 049	-	-	-	568 049
Balance at 31 March 2017	(12 775 349)	(4 533 262)	(15 455 388)	(9 556 971)	(4 540 241)	(46 861 211)
Carrying amounts						
Net book value at 31 March 2017	73 387 871	2 089 015	2 436 455	839 315	3 502 024	82 254 680
Net book value at 31 March 2016	75 111 135	1 798 756	1 017 539	1 371 393	4 285 878	83 584 701

Fully depreciated assets included in property and equipment at original cost amounted to P20 628 536 (2016: P20 291 506) at the reporting date.

None of the additions for the year were funded from capital grants received.

Land and buildings comprises of commercial property which is located on Plot 54864 in the Gaborone Administrative District, measuring 1.8501 ha and held under Certificate of Registered Title No. 2423/09 dated 2nd November, 2009. The land and buildings was acquired at an original cost of P85 500 000.

The market value of land and buildings was determined by Real Reach (Pty) Ltd, an external independent valuer, having appropriate recognised professional qualifications and recent experience in the location and category of the property being revalued. The valuation was performed on 04 August 2017. The valuer provides the fair value of the entity's land and buildings at least every three years,



NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st March 2017

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3. Property, Plant and equipment Cont'd

however Council members consider the fair value of land and buildings at each reporting date. The fair value is determined on the open market value which is the price at which the property might reasonably be expected to be sold at the date of the valuation, assuming an arm's length transaction between a willing seller and a willing buyer and that a reasonable period of time is allowed for the disposal of the property and was determined at P122 million. The gross replacement value was determined at P132 million.

The fair value of the land and buildings was determined four months subsequent to year end, however it's regarded as appropriate fair value at the reporting date. No significant disruptions occurred between the reporting date and valuation date and therefore the open market value at the valuation date and the financial reporting date is considered to be the same.

No impairment was recognised as the land and buildings is owner occupied and the value in use is considered in excess of the current net book value.

4 Intangible assets

	BEC Software	BEC Website	BNEPS Licence Fee	BNEPS Programmes	Total
Cost					
Balance at 1 April 2015	1 485 323	380 226	2 355 300	23 429 361	27 650 210
Additions	1 839 821	-	-	-	1 839 821
Balance at 31 March 2016	3 325 144	380 226	2 355 300	23 429 361	29 490 031
Additions	42 524	-	-	-	42 524
Balance at 31 March 2017	3 367 668	380 226	2 355 300	23 429 361	29 532 555
Accumulated depreciation					
Balance at 1 April 2015	(1 451 594)	(348 541)	(2 315 917)	(4 368 449)	(8 484 501)
Charge for the year	(440 748)	(31 685)	(39 383)	(2 141 758)	(2 653 574)
Balance at 31 March 2016	(1 892 342)	(380 226)	(2 355 300)	(6 510 207)	(11 138 075)
Charge for the year	(653 886)	-	-	(2 141 759)	(2 795 645)
Balance at 31 March 2017	(2 546 228)	(380 226)	(2 355 300)	(8 651 966)	(13 933 720)
Carrying amounts					
Net book value at 31 March 2017	821 440	-	-	14 777 395	15 598 835
Net book value at 31 March 2016	1 432 802	-	-	16 919 154	18 351 956

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st March 2017

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4. Intangible assets Cont'd)

Intangible assets relates to costs incurred towards the Botswana National Examinations Processing System ("BNEPS" programme), a programme used for the capturing of candidate and examiners information and the administration of payments and receipts relating to examinations, as well as other software acquired by BEC.

Intangible assets are amortised in accordance with the Intangibles accounting policy note.

Management has evaluated the carrying value of the BNEPS programme by using the PESTEL analysis. The PESTEL ('Political, Economic, Social and Technological Environment') analysis is an internally adopted framework used for evaluating the business environment to the extent that any changes in the PESTEL factors may affect the performance of a business as well as the value of its assets.

In addition, management has considered the following external and internal sources of impairment indicators in the evaluation of the carrying value of intangible assets.

External

- Economic, social and political environment

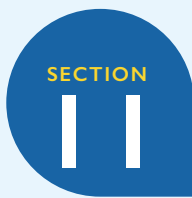
Internal

- Obsolesce or physical damage
- Asset is idle, part of a restructuring or held for disposal
- Worse economic performance than expected

No impairment indicators were identified and these intangible assets continue to provide economic benefits to the entity.

	2017	2016
5 Inventories		
Consumable stocks - at cost	1 305 572	586 600
6 Trade and other receivables		
Prepayments	-	657 889
Trade receivables	15 769 789	12 121 432
	15 769 789	12 779 321

The fair value of receivables is equal to the carrying amounts due to the short term nature of these balances.



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For the year ended 31st March 2017

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7 Cash and cash equivalents

	2017	2016
Cash at bank	12 645 878	375 925
Short term deposits	402 990	172 160
Cash on hand	2 500	2 500
	13 051 368	550 585
Bank overdraft	(264 984)	(322 215)
	12 786 384	228 370

Short term deposits denotes funds invested with Stanlib Investments Management Services, African Banking Corporation of Botswana Limited and Capital Bank Limited.

For the purpose of the statement of cash flows, cash and cash equivalents at the reporting date comprise the following:

	2017	2016
Cash at bank	12 380 894	53 710
Short term deposits	402 990	172 160
Cash on hand	2 500	2 500
	12 786 384	228 370

8 Capital Grants

	2017	2016
Government grants for intangible assets	33 025 823	32 565 988
Balance at beginning of year	10 325 502	2 788 415
Capital grants received during the year	(2 201 535)	(2 328 580)
Unwinding of capital grants	41 149 790	33 025 823
Balance at end of year		
Capital grants for property and equipment		
Balance at beginning of year	75 244 862	77 189 413
Unwinding of capital grants	(1 933 710)	(1 944 551)
Balance at end of year	73 311 152	75 244 862
Total grants at end of year	114 460 942	108 270 685

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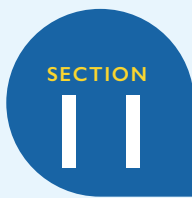
For the year ended 31st March 2017

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	2017	2016		
8 Capital Grants Cont'd				
At the reporting date the capital grants can be analysed as follows:				
Short term portion	4 472 360	4 135 245		
Long term portion	109 988 582	104 135 440		
	114 460 942	108 270 685		
9 Trade and other payables				
Trade payables	4 526 430	2 658 015		
Accrued expenses	4 796 356	1 876 713		
Other payables	12 691 048	11 522 343		
Provisions (Note 9.1)	28 258 794	22 060 955		
	50 272 628	38 118 026		
9.1 Provisions	Gratuity	Legal Fees and Litigation	Leave	Total
Balance at 01 April 2015	7 105 950	-	4 934 173	12 040 123
Additional provisions during the year	7 363 762	2 690 924	2 330 774	12 385 460
Payments during the year	(1 791 886)	-	(572 742)	(2 364 628)
Balance at 31 March 2016	12 67 826	2 690 924	6 692 205	22 060 955
Additional provisions during the year	7 332 202	6 095 716	2 128 796	15 556 714
Payments during the year	(8 594 884)	-	(763 991)	(9 358 875)
Balance at 31 March 2017	11 41 144	8 786 640	8 057 010	28 258 794

The entity was involved in a legal dispute during the year with Botswana Public Employees Union (BOPEU) as the applicant, relating to a claim regarding salary disparity adjustments. A high court order was obtained in favour of the applicant on 12 May 2017. At the reporting date, a provision of P6 095 716 was recognised relating to this claim as the claim existed at year end. Management and its legal representative consider the probable loss to be the best estimate to settle the claim.

In addition the entity is also involved in another legal dispute with a former employee in regards to breach of contract of employment. The case is currently still on-going at the respective court. At the reporting date, a provision of P2 690 924 was recognised relating to this claim (2016: P2 690 924).



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For the year ended 31st March 2017

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	2017	2016
10 Cash flows from (utilised in) operating activities		
Operating deficit	(6 479 331)	(4 018 319)
Adjustment for:		
Depreciation (Note 3)	4 885 700	5 065 341
Amortisation of intangible assets (Note 4)	2 795 645	2 653 574
Unwinding of capital grants (Note 8)	(4 135 245)	(4 273 131)
Profit on disposal of motor vehicles	(180 050)	(166 774)
Changes in working capital:		
Movement in inventories	(718 972)	353 444
Movement in trade and other receivables	(2 990 468)	(3 905 385)
Movement in trade and other payables	12 154 602	(5 871 103)
Cash utilised in operations	5 331 881	(10 162 353)

In the statement of cash flows, proceeds from the sale of plant and equipment comprise:

Net book amount (Note 3)	-	35 226
Profit on disposal of motor vehicle	180 050	166 774
Proceeds from disposal of motor vehicle	180 050	202 000

11 Related party transactions

(a) Transactions with the Ministry of Education and Skills Development

Government subvention	256 405 537	248 122 563
Capital grants received during the year	10 325 502	2 788 415

Related party transactions were conducted at mutually agreed terms and conditions. The Government subvention and capital grants are based on budgets approved by the Council and submitted to the Ministry of Education and Skills Development.

Related party transactions

(b) Receivables from the Ministry of Education and Skills Development

Back to School Programme	15 668 379	8 471 624
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These balances are interest free, unsecured and are without any fixed repayment terms.

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For the year ended 31st March 2017

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	2017	2016
11 Related party transactions (continued)		
(c) Key management personnel		
Key personnel remuneration consists of short term employee benefits paid to council members and senior management. Key personnel remuneration is analysed as follows:		
Management - basic salary	3 393 142	3 311 577
Management - allowances	2 099 153	1 817 674
Management - gratuity and leave pay	1 232 386	269 650
Management - total	6 724 681	5 398 901
Sitting allowances – Council Members	156 452	187 598
	6 881 133	5 586 499
12 Fair value estimation of financial instruments		

IFRS 13 requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - 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 3 - Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs). The fair value of cash equivalents, trade and other receivables and trade and other payables approximate their carrying values due to their short-term nature. BEC had no financial assets or liabilities classified at fair value through profit or loss at the current or previous reporting date.

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12 Fair Values (Continued)

The entity's assets and liabilities are categorised as follows:

	Financial assets and liabilities			Current/ non-current distinction		
	Total	Loans and receivables	Financial assets/ liabilities at amortised cost	Other assets and liabilities	Current assets and liabilities	Non-current assets and liabilities
2017						
Assets						
Property and equipment	82 254 680	-	-	82 254 680	-	82 254 680
Intangible assets	15 598 835	-	-	15 598 835	-	15 598 835
Inventories	1 305 572	-	-	1 305 572	1 305 572	-
Trade and other receivables	15 769 789	15 769 789	-	-	15 769 789	-
Cash and cash equivalents	13 051 368	13 048 868	-	2 500	13 051 368	-
	<u>127 980 244</u>	<u>28 818 657</u>	<u>-</u>	<u>99 161 587</u>	<u>30 126 729</u>	<u>97 853 515</u>
Liabilities						
Deferred grants	114 460 942	-	-	114 460 942	4 472 360	109 988 582
Trade and other payables	50 272 628	-	22 013 834	28 258 794	50 272 628	-
Bank overdraft	264 984	-	264 984	-	264 984	-
	<u>164 998 554</u>	<u>-</u>	<u>22 278 818</u>	<u>142 719 736</u>	<u>55 009 972</u>	<u>109 988 582</u>

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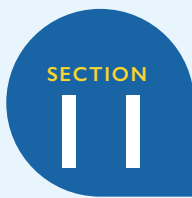
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12 Fair Values (Continued)

The entity's assets and liabilities are categorised as follows:

	Financial assets and liabilities			Current/ non-current distinction		
	Total	Loans and receivables	Financial assets/ liabilities at amortised cost	Other assets and liabilities	Current assets and liabilities	Non-current assets and liabilities
2016						
Assets						
Property and equipment	83 584 701	-	-	83 584 701	-	83 584 701
Intangible assets	18 351 956	-	-	18 351 956	-	18 351 956
Inventories	586 600	-	-	586 600	586 600	-
Trade and other receivables	12 779 321	12 779 321	-	-	12 779 321	-
Cash and cash equivalents	550 585	548 085	-	2 500	550 585	-
	<u>115 853 163</u>	<u>13 327 406</u>	<u>-</u>	<u>102 525 757</u>	<u>13 916 506</u>	<u>101 936 657</u>
Liabilities						
Deferred grants	108 270 685	-	-	108 270 685	4 135 245	104 135 440
Trade and other payables	38 118 026	-	16 057 071	22 060 955	38 118 026	-
Bank overdraft	322 215	-	322 215	-	322 215	-
	<u>146 710 926</u>	<u>-</u>	<u>16 379 286</u>	<u>130 331 640</u>	<u>42 575 486</u>	<u>104 135 440</u>



NOTES TO THE FINANCIAL STATEMENTS

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13. Financial instruments

The entity has exposure to liquidity, interest rate, currency and credit risk. These risks arise in the normal course of the entity's business. This note presents information about the entity's exposure to each of these risks, the entity's objectives, policies and processes for measuring and managing these risks, and the entity's management of capital. Further quantitative disclosures are included.

The Council members have overall responsibility for the establishment and oversight of the entity's risk management framework. The entity's risk management policies are established to identify and analyse the risks faced by the entity, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the entity's activities.

The Council members oversees how management monitors compliance with the entity's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by BEC.

Interest rate risk

Fluctuations in interest rates impact on the value of short-term cash investments, giving rise to price risk. Other than ensuring optimum money market rates for deposits, the entity does not make use of financial instruments to manage this risk. Due to the short-term nature of the entity's fixed interest investments, the risk is not significant.

Financial instruments that are sensitive to interest rate risk are summarised as follows:

	2017	2016
Fixed deposits	402 990	172 160
Call accounts	7 789 028	329 150
Bank overdraft	(264 984)	(322 215)
	7 927 034	179 095

The following interest rates were applicable during the year:

Fixed deposits	4%	4%
Call accounts	0.25% - 0.5%	0.25% - 0.5%
Bank overdraft	9%	9%

With average interest rates applicable as disclosed above, an increase of 50 basis points in interest rates during the reporting period would have (increased)/decreased operating deficit as follows:

FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st March 2017

IN PULA

13. Financial instruments (Cont'nd)

	2017	2016
Fixed deposits	2 015	861
Call accounts	38 945	1 646
Bank overdraft	(1 325)	(1 611)
Net decrease in operating deficit	39 635	896

A 50 basis point decrease in interest rates during the reporting period would have had the equal but opposite effect on the reported operating deficit to the amounts disclosed above, on the basis that all other variables remain constant.

Credit risk

The entity has exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Key areas where the entity is exposed to credit risk are:

- amounts due from trade receivables, and
- investments in cash and cash equivalents.

The entity limits the levels of credit risk that it accepts by placing limits on its exposure to a single counterparty or groups of counterparties.

The entity had a significant concentration of credit risk through the amounts due from related organisations. Refer note 11 for terms and conditions associated with these balances. No impairment allowance was recognised on amounts due from the related party as these balances are payable on demand and were received subsequent to the reporting date. Amounts due from the related entity are monitored through the entity's normal credit control process. BEC does not hold any collateral as security. The carrying amount of BEC's receivables are denominated in Botswana Pula.

The carrying amounts of financial assets represent the maximum credit exposure and is summarised as follows:

	2017	2016
Trade receivables	15 769 789	12 121 432
Bank balances	13 048 868	548 085
	28 818 657	12 669 517

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st March 2017

IN PULA

The aging of trade receivables at the reporting date is analysed as follows:

	Total	Past due by over 90 days
2017		
Trade receivables	15 769 789	15 769 789
2016		
Trade receivables	8 553 951	8 553 951

The entity establishes an allowance for impairment which represents its estimate of incurred losses in respect of trade receivables. No impairment accrual was recognised at the current or previous reporting date based on the credit history of the Ministry of Education and Skills Development and historic loss ratios.

Exposure to third parties is monitored as part of the credit control process.

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

Liquidity risk

The entity is exposed to daily operational payments of suppliers and other creditors. Liquidity risk is the risk that cash may not be available to pay obligations when due at a reasonable cost. The entity set limits on the minimum proportions of maturing funds available to meet such calls and unexpected levels of demand.

The entity ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 60 days, including the servicing of financial obligations. This excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st March 2017

IN PULA

13. Financial instruments (Cont'nd)

Liquidity Risk Cont'd

The maturity profile of non derivative financial liabilities based on contractual cash flows is as follows:

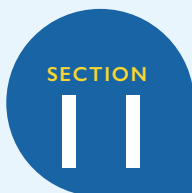
2017	Carrying amount	Contractual cash flows	Within 1 year
Trade payables	4 526 430	(4 526 430)	(4 526 430)
Other payables	17 487 404	(17 487 404)	(17 487 404)
	<u>22 013 834</u>	<u>(22 013 834)</u>	<u>(22 013 834)</u>

2016	Carrying amount	Contractual cash flows	Within 1 year
Trade payables	2 658 015	(2 658 015)	(2 658 015)
Other payables	13 399 056	(13 399 056)	(13 399 056)
	<u>16 057 071</u>	<u>(16 057 071)</u>	<u>(16 057 071)</u>

Currency risk

The entity incurs foreign currency risk on purchases incurred and payments made to suppliers in a currency other than Pula. The currency that gives rise to this risk is primarily the South African Rand and Great British Pound Sterling.

2017	GBP	ZAR	Pula Equivalent
Bank Balances	365 071	-	4 781 436
Trade and Other Payables	(258 550)	-	(3 384 168)
Trade and other payables	-	(392 506)	(307 727)
	<u>106 521</u>	<u>(392 506)</u>	<u>1 089 541</u>



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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st March 2017

IN PULA

Currency Risk Cont'd

2016	GBP	ZAR	Pula Equivalent
Trade and Other Payables	(12 939)	-	(212 091)
Trade and other payables	-	(145 895)	(117 505)
	(12 939)	(145 895)	(329 596)

An exchange rate of 1 ZAR / 0.78 BWP (2016: 1 ZAR / 0.81 BWP) and 1 GBP / 13.09 BWP (2016: 1 GBP / 16.39 BWP) was used for the conversion of foreign denominated balances at the reporting date.

A 10 percent strengthening of the Pula against these currencies at the reporting date would have (increased)/decreased the entity's operating deficit as follows. This analysis assumes that all other variables, in particular interest rates, remain constant:

	2017	2016
GBP	(127 024)	19 281
ZAR	27 975	10 682
Net (increase)/decrease in operating deficit	(99 049)	29 963

A 10 percent weakening of the Pula against these currencies at the reporting date would have had the equal but opposite effect on the reported operating deficit to the amounts disclosed above, on the basis that all other variables remain constant.

14. Commitments

BEC had three capital commitments relating to the continuing development of the Botswana National Processing System (BNEPS), Botswana Educational Achievement Monitor (BEAM) and BEC Transformation Project at the reporting date.

The total approved budget for BNEPS is P6 000 000. Total accumulated project expenditure as at the reporting date was P520 515 and committed funds at the reporting date amounted to P5 479 485.

The total approved budget for BEAM is P9 954 000. Total accumulated project expenditure as at the reporting date was P441 713 and committed funds at the reporting date amounted to P9 512 287.

The total approved budget for BEC Transformation Project is P5 000 000. Total accumulated project expenditure as at the reporting date was P176 008 and committed funds at the reporting date amounted to P4 823 992.

15. Going concern

BEC incurred a deficit of P6 160 547 for the year ended 31 March 2017 and its total liabilities exceeded its total assets by P37 018 310. BEC is dependent on the Ministry of Education and Skills Development for financial and operational support. The Ministry of Education and Skills Development has approved the Council's 2017/2018 budget and is continuing to provide financial support to the Council through the payment of government subventions and grants.

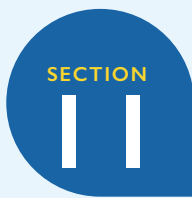
FINANCIAL STATEMENTS

DETAILED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31st March 2017

IN PULA

	NOTE	2017	2016
Revenue	1	269 649 786	262 423 551
Cost of revenue			
Direct costs	2	146 002 403	146 821 981
Gross surplus		123 647 383	115 601 570
Other income	3	5 188 386	4 720 419
Administrative expenses			
Advertising, marketing and publicity		925 154	887 561
AEEA expenses		23 402	490
Amortisation of intangible assets		2 795 645	2 653 574
Auditors' remuneration		232 741	275 603
Bank charges		229 722	250 970
Consultancy fees		572 570	1 521 779
Depreciation		4 885 700	5 065 341
Electricity and water		1 543 163	1 148 043
Excellence awards		865 580	828 790
General expenses		802 524	796 530
Hotel and accommodation		267 660	302 169
Insurance		1 486 330	1 325 561
Legal fees		6 159 660	2 762 851
Licenses and subscriptions		2 951 836	2 107 092
Meals and entertainment expenses		235 819	226 433
Miscellaneous		1 095 034	1 130
Motor vehicle expenses		413 675	553 416
Office cleaning and supplies		817 796	582 441
Printing and stationery		2 268 544	2 635 910
Recruitment costs		96 371	128 047
Repairs and maintenance		3 822 844	2 462 710
Salaries	4	98 783 346	91 108 722
Security		548 242	695 084



FINANCIAL STATEMENTS

DETAILED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (Cont'nd)

For the year ended 31st March 2017

IN PULA

	NOTE	2017	2016
Sitting allowance		156 452	187 598
Staff welfare		71 741	187 990
Telephone, courier, freight and postage		910 940	1 824 036
TIMMS expenses		422 063	735 682
Training expenses		251 079	704 298
Travel and subsistence allowances		1 679 467	2 380 457
		135 315 100	124 340 308
Operating deficit		(6 479 331)	(4 018 319)

This schedule is presented solely for the information of the members and is not covered by the audit opinion.

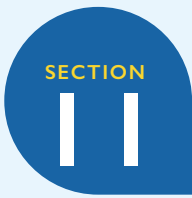
FINANCIAL STATEMENTS

DETAILED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME CONT'ND

For the year ended 31st March 2017

IN PULA

	2017	2016
1 Revenue		
Government subvention	256 405 537	248 122 563
Certification fees	247 692	208 278
Registration fees	12 863 027	13 965 125
Remarking fees	133 530	127 585
	269 649 786	262 423 551
2 Direct costs		
ABE and student expenses	107 847	196 306
Consultancy	20 154	249 441
Examiners' meals	12 090 646	14 176 953
External examinations fees	34 367 648	34 236 617
Grading and grade review	415 121	482 086
Invigilation fees	26 857 659	23 850 032
Marking fees	20 796 010	22 373 981
Moderation fees	2 749 698	2 549 849
Other examination administration	2 536 075	3 127 989
Printing costs	9 509 525	10 060 325
Sitting fees	212 661	311 361
Travel and subsistence allowances	31 535 369	28 752 244
Venue hire costs	4 803 990	6 454 797
	146 002 403	146 821 981
3 Other income	4 135 245	4 273 130
Unwinding of capital grants	196 817	(1 269 807)
Exchange gain/(loss)	180 050	166 774
Profit on disposal of motor vehicles	49 250	59 500
Sale of tender documents	627 024	1 490 822
Sundry income	5 188 386	4 720 419



FINANCIAL STATEMENTS

DETAILED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (Cont'nd)

For the year ended 31st March 2017

IN PULA

	2017	2016
3 Other income		
Acting allowances	627 210	866 867
Management salary, allowances, gratuity and leave pay	6 724 681	5 398 901
Salaries	84 682 321	78 921 069
	92 034 212	85 186 837
Pension contributions	6 749 134	5 921 885
	98 783 346	91 108 722

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NOTES

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