



BOTSWANA
EXAMINATIONS
COUNCIL

ANNUAL REPORT

2017/18





THE HISTORY OF PUBLIC EXAMINATIONS IN BOTSWANA

1960

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, Lesotho and Swaziland (UBLS)

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

1980

1980

- 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

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

- 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

1978/79

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

1987

- The first 2 year Junior Certificate Examination conducted
- The first 3 year Cambridge Overseas Certificate Examination conducted
- 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 HISTORY OF PUBLIC EXAMINATIONS IN BOTSWANA



1990

1994

- 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

1998

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

1999

- Botswana administered the first BGCSE examination to replace the COSC.

2000

2002

- Parliament approved the Botswana Examinations Council Act.

2005

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

2007

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

2009

- BEC introduced Annual Excellence Awards to recognise outstanding performance in general education.

2012

- Implementation of the Botswana National Examination Processing System (BNEPS) which included subproject including Malepa, Business Intelligence and Document Management. The Malepa application made up 90% of the BNEPS project and it is the heart of the examination processing system currently used by BEC.

2013

- BEC subjected itself to an external investigative review. Outcomes of the review included among other, commitment to corporate governance and the development of the first Strategic Plan (2014 – 2019).

2017

- BEC attains BOS ISO 9001:2008 Certification. The ISO certification means that BEC pledges to provide services that consistently conform to requirements specified in BOS ISO 9001:2008 standard.

ABOUT BOTSWANA EXAMINATIONS COUNCIL

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 Basic Education (MoBE) 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 assessments and regulations for the conduct of national schools examination programmes in the general education subsector.

OUR VISION

To be a provider of accessible and globally competitive qualifications.

OUR MISSION

To provide a credible and responsive assessment and examination system.

The specific functions and responsibilities of BEC are to:

- Advise the Ministry of Basic Education 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;
 - Accredite 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.

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Dr. Joseph Tsonope
Council Chairperson



Dr. Daniel R. Tau
Member



Mr. Abel Modungwa
Member - Resigned 12/12/17



Dr. Raphael Dingalo
Member



Mr. Tjalebgwa Bakang Bagwasi
Member



Mrs. Daisy Molefhi
Member

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Dr. Gaelebale Tsheko
Deputy Council Chairperson



Mr. Nasim Miller
Member



Mrs. Ludo Thateng Johwa-Mpundisi
Member



Mr. Simon Coles
Member



Prof. Brian Mokopakgosi
Executive Secretary



Prof. Brian Mokopakgosi
Executive Secretary



Dr. Moreetsi Thobega
Director, Research and Policy
Development



Mrs. Susan Makgothi
Director, Product Development and
Standards



Mr. Jenamiso Nthele
Director, Human Resources



Mr. Letlhokwa Galekhutle
Director, Corporate Services



Mrs. Dorcas Morake
Director, Examinations Administration
and Certification



Mr. Ratio Balositse
Acting Director, Information
and Communications Technology

HEADS OF SPECIALISED SUPPORT DIVISIONS



Mrs. Fingile Makgalemele

Manager, Corporate Communications



Mr. Mothusi Ntau

Manager, Compliance and Quality Assurance



Mrs. Keramile Masire

Manager, Internal Audit



Mrs. Maipelo Sealetsa

Manager, Office of Strategy Management

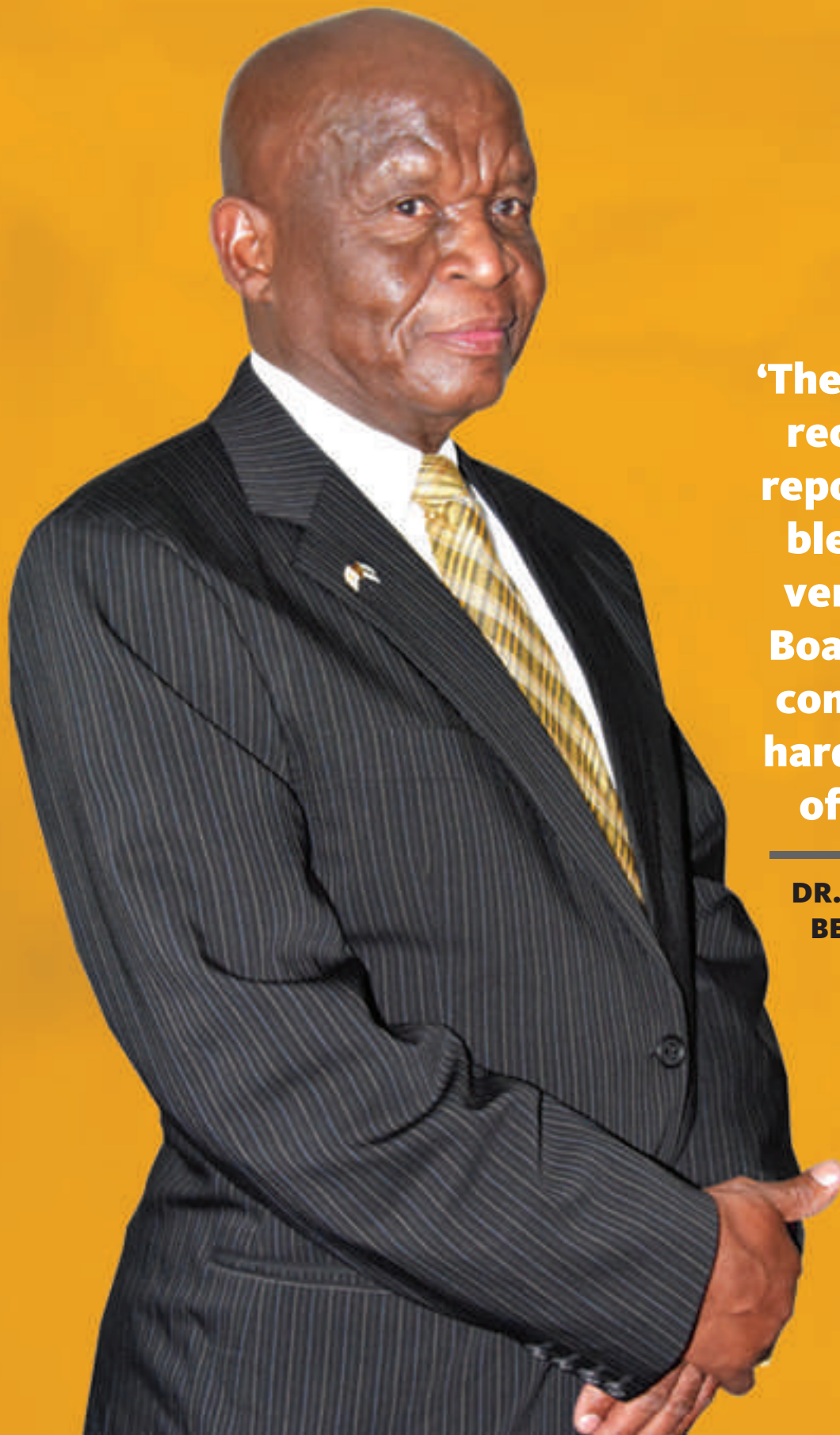


Mrs. Onkemetse Thomas

Manager, Legal Services

CHAIRPERSON'S FOREWORD

BEC Annual Report 2017/2018



‘The achievements recorded in this report were possible because of a very committed Board, its various committees, and hardworking staff of the Council’

**DR. JOSEPH TSONOPE
BEC CHAIRPERSON**

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CHAIRPERSON'S FOREWORD

It is with a profound sense of contentment that I present the 2017/18 Annual report of the Botswana Examinations Council (BEC). The report is, in summary form, a record of key activities of the Council in delivering its mandate of examinations during the year under review. The first part of the report is a narrative of key activities of the Council during the year. The second part presents the audited financial statements for the year, which show the funds available to the Council and how such were utilised to deliver its mandate. In short the report represents the efforts of the Council in the implementation of its strategy, or the initial efforts in the transition to a high performance national assessment authority.

By all accounts, the 2017/18 financial year was a very good one for the Council. Against the backdrop of a very tight funding regime, the BEC was able to successfully implement its annual business plan. The major human and capital challenges that the Council faced were innovatively turned into opportunities. Not only was the BEC strategic plan reviewed, but proper alignment between the strategy and individual staff was also established.

The most important thing that comes out of the report are the strenuous and deliberate efforts of the Council to deepen corporate governance at the Council, including in-house induction of new board members, which was followed by requests from a number of parastatal bodies for induction of their board members by BEC. These efforts were further demonstrated through deliberate and careful policy development. Examples include the development and implementation of the Whistleblowing Policy; the Social Responsibility Policy; the review of the BEC Board Charter and the signing of a Shareholder Compact with the Ministry of Basic Education, as well as the Quality Policy. To walk the talk, the Board went further to develop a measure of compliance to corporate governance. For the first time in the history of the Council, compliance to corporate governance standards was measured and stood at 62%.

Limited financial resources did not prevent the Council from meeting obligations to internal stakeholders and international partners. The Annual BEC Excellence Awards were successfully held in July 2017. Research findings from studies undertaken internally and with national and international partners such as the Southern African Association of Educational Assessment (SAAEA), the International Association for the Evaluation of Educational Achievement (IEA) and Cambridge International were shared with stakeholders in the sector for the purpose of continuous quality improvement in education.

Overall, I am delighted to state with confidence that the BEC was able to produce credible results that met the laid down standards and in the case of the Botswana General Certificate of Secondary Education (BGCSE) satisfied the requirements of accreditation with Cambridge International.

The achievements recorded in this report were possible because of a very committed Board, its various committees, and hardworking staff of the Council. I am indebted to each and every one who played a part in ensuring our success during the year under review.

I invite each one of you to read the report.



Dr Joseph Tsonope
BEC Board Chairperson

EXECUTIVE SECRETARY'S STATEMENT

BEC Annual Report 2017/2018



‘What can also be gleaned from this report is that in spite of all the challenges facing the BEC during the year under review, the Council was still able to play its regional and international responsibilities.’

**PROF. BRIAN MOKOPAKGOSI
EXECUTIVE SECRETARY**

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The report that follows is a statement of accountability to the nation on the execution of the Council's mandate of conduct of examinations, certification and provision of feedback to the sector generally. It is a record of the activities of the respective directorates and divisions of the BEC in executing the strategy of the organisation. The report shows that against the not so favourable financial situation of the Council, a lot was achieved in the delivery of the core business of the BEC. Such a situation during the year under review was not able to derail the Council from the pursuit of its quality agenda.

The audited financial statements form the second part of the annual report. These tell a story of prudent management of very limited resources to produce quality products and services. In short, the Council was able to do a lot more with meagre resources.

Implementation of the BEC Strategy

The year under review was the first year of implementation of the BEC Strategy following a comprehensive mid-term review, which properly aligned strategy execution to the financial year. For the first time since its implementation, the annual business plan was reviewed, and the new one developed, cascaded and implemented by end of March. In this way the organisation was able to resolve what was previously identified as a serious non-conformity.

Implementation of Strategic Projects

Also reported here is the performance against set strategic initiatives and targets. The thread that runs through the entire report is one of improved performance in the implementation of approved strategic projects. Even where funding and human resources were lacking, evidence of well-informed interventions is reported.

Conduct of Examinations

The conduct of school examinations forms a central part of the mandate of the Botswana Examinations Council and not surprisingly the report devotes a large part to the activity. The report shows that against inadequate financial and human resources available to the Council, it was able to produce accessible and credible examination results. The report further shows that because of the systems, procedures and processes that the Council has put in place over time, even the stand off with the examining personnel, it was still able to produce results that met the requirements of its international accreditors.

Conduct of Research

The other important aspect of the mandate of the BEC is the provision of feedback to the sector that it does through the conduct of research and sharing of findings

with key stakeholders. Contained in the report are several studies undertaken by the Research and Policy Development Directorate and the various platforms utilised to share them. Of note are the findings of the 2015 Trends in International Mathematics and Science Study (TIMSS); comprehensive results analysis; international comparability of standards study; efforts to introduce the Botswana Educational Achievement Monitor, etc.

Excellence Awards

Among the several activities of the BEC reported in this document is the 2016 Annual excellence Awards ceremony. The 8th BEC Annual Excellence Awards were celebrated with pomp and splendour at the Gaborone International Convention Centre on 13th July 2017. This is the most important date in the BEC calendar and was graced by His Excellency President Lt. General Dr. Seretse Khama Ian Khama. The colourful event brought together not only awards recipients, parents and guardians, but diplomats and the private sector as well. The celebrations were a fitting event to celebrate outstanding achievement in our general education system, and President Khama used it for exactly that purpose.

BEC in the Region and Internationally

What can also be gleaned from this report is that in spite of all the challenges facing the BEC during the year under review, the Council was still able to meet its regional and international responsibilities. The Council was able to remain a member in good standing of the regional, continental and international assessment bodies. Important conferences, meetings and collaborator research activities were continued amid tight financial environment.

Training and Development

As reported in the previous financial year, during this year too, the Council had very little funding to allow it to implement a rigorous training programme for its employees. Innovative ways had to be identified and implemented to ensure that the Council continued to have good resources to implement its mandate. This was largely done through tying training to strategic projects, which are fully funded, and encouraging individual staff members to fund their own development. This is reflected especially under the sections on strategy performance and human resources.



Prof. Brian Mokopakgosi
Executive Secretary

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THE COUNCIL

Botswana Examinations Council is committed to upholding the principles of good corporate governance, among others, independence, transparency, sustainability, accountability and integrity. As an examination body it is also essential that BEC subscribes to the principles of good educational measurement and assessment standards.

Botswana Examinations Council has divisions of Compliance & Quality Assurance and Internal Audit which helps to ensure that internal controls are continually reviewed and adhered to for purposes of strengthening corporate governance.

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**
Chairperson - Executive Committee
Chairperson - Final Awards Committee
2. **Dr. Gaelebale Tshoko - Deputy Chairperson**
Chairperson - Research Committee
Chairperson - Examinations Committee
Member - Final Awards Committee
Member - Executive Committee
3. **Prof. Brian Mokopakgosi - Executive Secretary**
4. **Mr. Nassim Miller - Council Member**
Member - Examinations Committee
5. **Mr. Dominic Khame - Council Member**
Member - Audit Committee
6. **Dr. Daniel Tau - Council Member**
Member - Executive Committee
Chairperson - Finance and Procurement Committee
Member - Human Resources Committee
7. **Mr. Abel Modungwa - Council Member**
Chairperson - Audit Committee
Chairperson - Human Resources Committee
Member - Executive Committee
8. **Mrs. Daisy Molefhi - Council Member**
Member - Examinations Committee
9. **Mr. Simon Coles - Council Member**
10. **Mrs. Thateng Johwa - Mpundisi - Council Member**
Member - Audit Committee
11. **Dr. Raphael Dingalo - Council Member**
Member - Finance and Procurement Committee
12. **Mr. Tjalebwa Bakang Bagwasi - Council Member**

Retirements:

Mr. Abel Modungwa

GOVERNANCE STRUCTURES

COUNCIL MEETINGS

The Council meets at least three times annually to discuss matters relating to Strategy 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.

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:

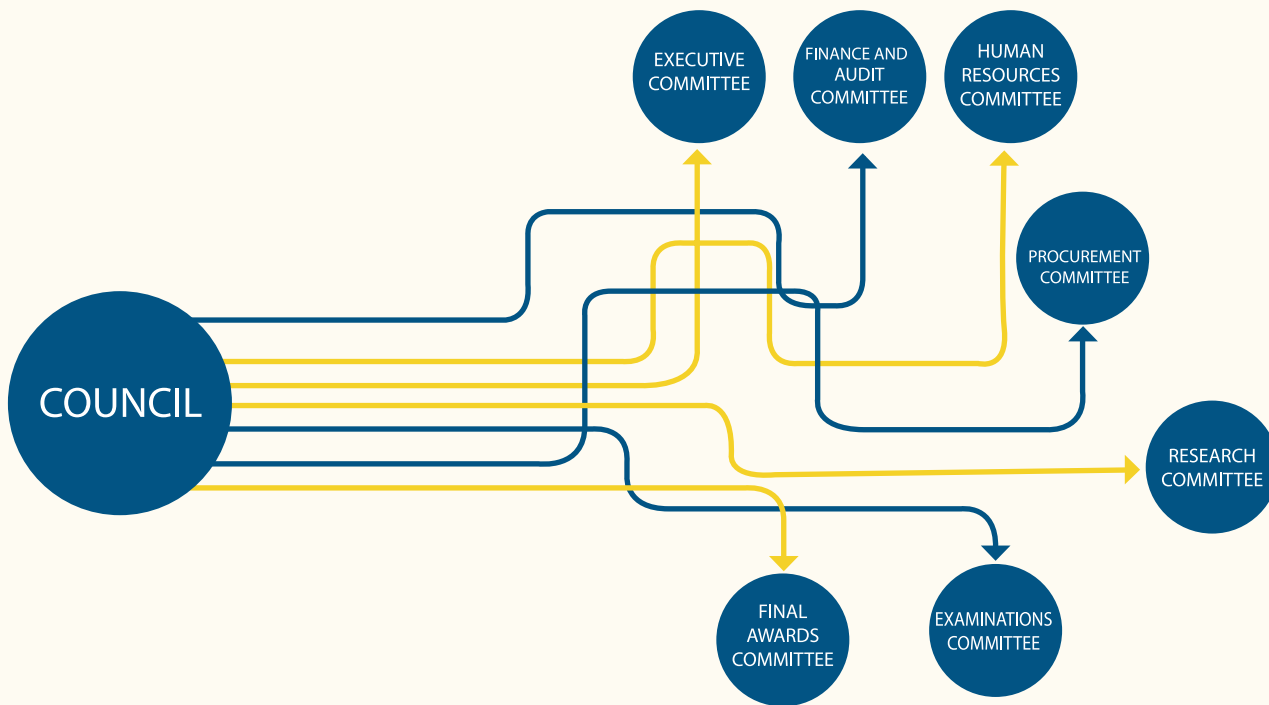


Figure 1: Council Committees

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. Other Committee Members are the Deputy Chairperson Dr. Gaelebale Nnunu Tsheko, Dr. Daniel Rakgomo Tau, Mr. Abel Modungwa and the Executive Secretary - Professor Brian Mokopakgosi.

FINANCE AND AUDIT COMMITTEE

The Governing Council in line with Corporate Governance has established the Finance and Audit Committee which is governed by the Charter approved by the Governing Council and reviewed annually. During the year under review the Charter was reviewed to align to King IV, and was approved by the Council during its meeting of November 2017. The composition of the Committee is made up of four members all appointed by the Governing Council; two of whom are members of the Governing Council and two independent ones. The Committee is empowered to provide oversight on behalf of the Governing Council over:

- The financial reporting process
- Internal Audit Process
- The system of Internal Controls and risk management
- Corporate and ICT governance
- Monitor compliance with applicable regulations and legislation

The Finance and Audit Committee, in order to execute their mandate as an oversight body obtains independent assurance from Internal Audit, on the adequacy and effectiveness of the system of internal control, risk management and governance processes, compliance to laid down policies laws and regulations to ensure the achievement of strategic objectives.

The Finance and Audit Committee is chaired by Mr. Abel Modungwa. Other Members of the Committee are Mr. Tjalebgwa Bakang Bagwasi, Prof. Onkutlwile Othata, Mrs. Thateng Johwa - Mpundisi, 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. Other Members of HR Committee are Ms. Mukani Masego Pelaelo, Dr. Daniel Rakgomo Tau, Dr. Tachilisa Balule, Dr. Raphael Dingalo, Mr. Dominic Khome and the Executive Secretary - Professor Brian Mokopakgosi.

PROCUREMENT COMMITTEE

This Committee is responsible for the approval of procurement of goods and services that are above the limit of the Management Tender Committee as prescribed by the delegation of Authority Policy.

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

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 Tsheko. Other Committee Members are Ms. Precious Q. Kenosi,

GOVERNANCE STRUCTURES

Mr. Kelaotswe Archie Galeboe, Mr. Simon Coles, Mr Joseph A. Kazosi, Dr. Keene Boikhutso, Mr. Benjamin S.Thebe, Dr. Anthony T. Koosimile, Professor N.O. Pansiri, Professor H.J. Nenty and the Executive Secretary - Professor Brian Mokopakgosi. The Committee's composition changed as follows during this period;

Retirements

1. Prof. Johnson Netty
2. Ms. Precious Kenosi
3. Dr. Anthony Koosimile

Appointments

1. Mr. Kelaotswe Galeboe
2. Benjamin S.Thebe
3. Dr. Keene Boikhutso
4. Mr. Joseph Kazosi

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 Tsheko. Its other Members are Mrs. Daisy Molefhi, Mr. Nasim Miller, Mr. Mosimanegape B. Kgasla, Mr. Jeremiah Mookami Mareka, Mr. Kenneth Bugalo Habana, Mr. Ronald Motswakhumo, Mr. Lisani Ndaba and the Executive Secretary - Professor Brian Mokopakgosi.

FINAL AWARDS COMMITTEE

The Final Awards Committee (FAC) is responsible for approving 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 Tsheko, the Executive Secretary Professor Brian Mokopakgosi, Mrs Segomotso Chimbombi, Dr Kebatenne Hulela, Professor Kgomotso G. Garegae, Mr Ndondo 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 in accordance with Section 10 of the BEC Act.

COUNCIL MEMBERS' REMUNERATION

Council and Committees Sitting Allowances are structured as indicated below:

- The Council Chairman is paid a sitting allowance of P1575.00 per meeting.
- Other Council and Committee members are paid sitting allowances of P1260.00 per meeting. The sitting allowance is applicable both for Council and Council Committee meetings.
- Committees' Chairpersons are paid P1575.00.

During the year under review, a total of P361,540 was paid towards sitting allowances and related expenses.

GOVERNANCE STRUCTURES

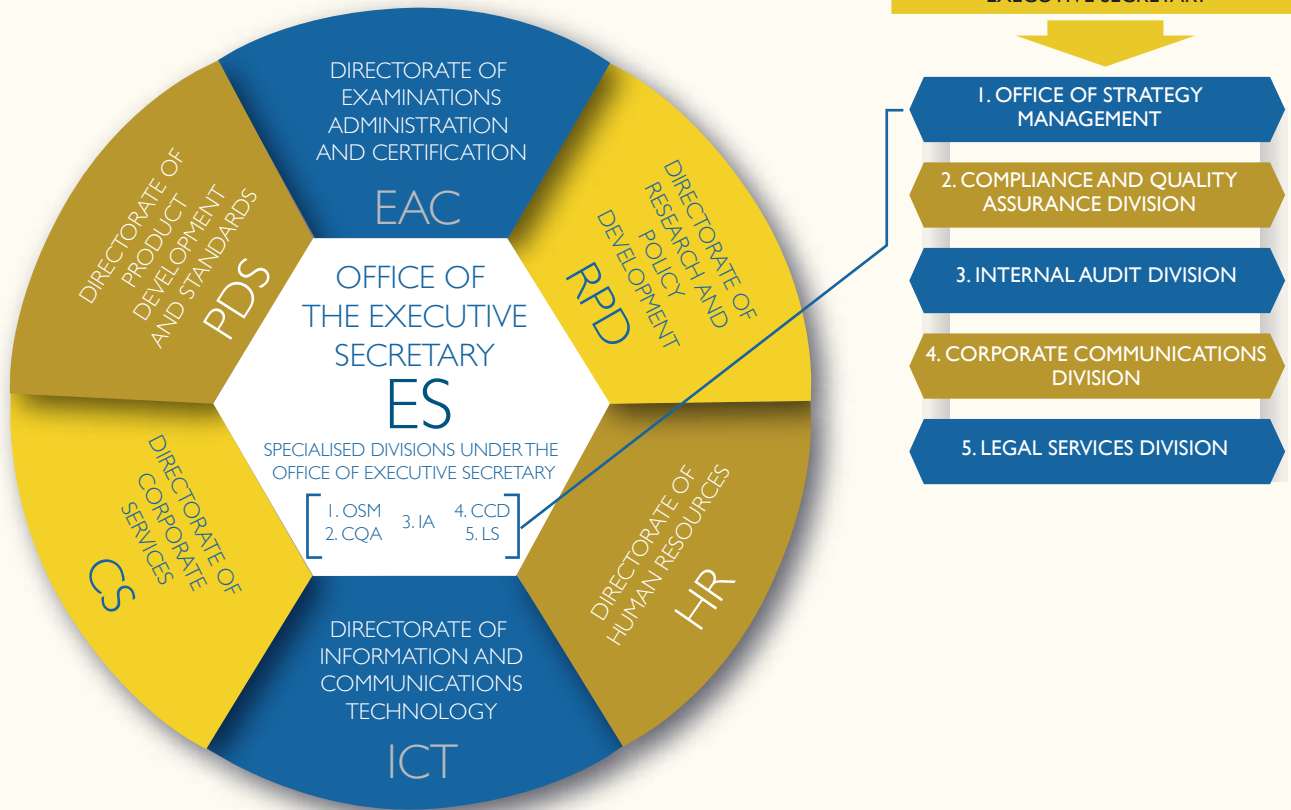


Figure 2: BEC Organisational Structure

DIRECTORATES AND SPECIALISED DIVISIONS

Examinations work has been grouped into two core business areas; the directorates of Product Development and Standards and that of Examinations Administration and Certification. The other directorates of 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 Corporate Communications Division (CCD), Office of Strategy Management (OSM), Compliance and Quality Assurance (CQA), Internal Audit (IA) and Legal Services Division (LSD).

GOVERNANCE STRUCTURES

DIRECTORATE OF PRODUCT DEVELOPMENT AND STANDARDS

Responsible for the development of examination assessment materials 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. The directorate also oversees the policy development process.

DIRECTORATE OF CORPORATE SERVICES

Responsible for the management of financial matters, procurement, assets, facilities, logistics and the provision of security services.

DIRECTORATE OF INFORMATION AND COMMUNICATIONS TECHNOLOGY (ICT)

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

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

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

2. COMPLIANCE AND QUALITY ASSURANCE DIVISION

Responsible for compliance to standards, processes and procedures and quality audits, coordinating the implementation of BEC quality policy as well as implementation of enterprise risk management.

3. INTERNAL AUDIT DIVISION

Independent of management and reports directly to the Council Audit Committee. It is responsible for providing a systematic and disciplined approach to evaluative and improvement of the efficiency and effectiveness of enterprise wide risk management, internal control systems and governance processes.

4. CORPORATE COMMUNICATIONS DIVISION

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

5. LEGAL SERVICES DIVISION

Responsible for strengthening corporate governance in the organisation by putting in place proper corporate governance architecture and ensuring that the organisation complies with all relevant legislation. The Legal Services 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 2017/18 STRATEGY PERFORMANCE

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BEC 2017/18 STRATEGY PERFORMANCE

The Botswana Examinations Council 2014-2019 strategy was adopted for implementation in 2013 by the BEC Council. The strategy, which was at the midpoint of its implementation at the end of 2016/17, contained the goals which BEC undertook in order to achieve the vision of being a “Provider of accessible and globally competitive qualifications”. Thus, a comprehensive midterm review of the strategy was carried out in April 2017 taking into cognizance developments in the Education Sector at national and international level and expectations of Ministry of Basic Education (MoBE) as the shareholder. The review resulted in a revised two (2) year plan (2017-2019) to complete the remaining two years of the strategy.

Monitoring and reporting on the progress of the strategy is an integral part of implementation. This report therefore serves to give an update on performance results for the 2017/18 financial year.

BEC 2017-2018 MAJOR STRATEGIC ACCOMPLISHMENTS

During the 2017/18 financial year, BEC achieved good results in relation to performance of its strategic measures, despite the on-going resource limitations and of delays in approval of the BEC Act Amendment Bill. The overall organisational strategy performance for the implementation of strategic initiatives for financial year 2017/18 was at 72.1%. These results, which are indicated per perspective, reflect the overall performance of the organisation against set targets as well as areas identified for improvement going forward.

CUSTOMER PERSPECTIVE

BEC strives to increase value for its customers and stakeholders. In order to measure progress and to hold the organisation accountable, the Council had set itself one objective which is to Increase Competitiveness and Relevance of our Qualifications which has two measures and one initiative. The two measures were Customer satisfaction index and Stakeholder Satisfaction index. Feedback received from BEC customers and stakeholders during the administration

of the Satisfaction surveys, shows that customers are satisfied with the services offered to them by the Council. The customer satisfaction index stood at 79.5% whilst the Stakeholder satisfaction understood at 76.1%. The positive results emanate from continuous improvement of our customer focused processes as well as the continued engagement of our customers.

SUSTAINABILITY & RESOURCES

BEC continued to plan for and control expenditure as well as to generate funds from its products and services. 2017/18 was not a smooth year with regard to resources available to the organisation to execute its mandate. BEC started the year with a deficit due to the money owed the Council by other establishments. The budget variance recorded at the end of the year was 5.47%. MoBE funded the Back-to-School and PSLE examination fees for private centres which helped alleviate the funding deficit. An 84.31% improvement in efficiency ratios was recorded during the period under review. In an effort to improve sustainability, BEC started implementation of product based pricing and commenced with the PSLE. This will further be extended to the JCE level in financial year 2018/19.

ORGANISATIONAL EFFICIENCY AND EFFECTIVENESS

As part of the strategy on satisfying the needs of customers by providing competitive and relevant qualifications, BEC identified key processes to excel on. These processes were intended to drive the following objectives; Improve Assessment Services, Improve Business Processes, Improve Access to products and Services; and Strengthening Stakeholder Engagement.

During 2017/18, BEC still faced constraints that challenged improvement of assessment services such as a stand-off with examination personnel at the beginning of the marking session. Despite all the challenges, BEC complied at 95% to its assessment

BEC 2017/18 STRATEGY PERFORMANCE

product standards. Positive progress was also achieved in implementation of initiatives such as the completion of Botswana Education Achievement Monitor (BEAM) project Phase one (I) which focused on Needs Assessment. Preparations for the BEC Due Diligence and Organisational Re-Design initiatives which form part of the transformation project were started in 2017/18. Pre-work required to facilitate the transfer of TVET assessment function to BEC was determined in partnership with Ministry of Basic Education and the Ministry of Employment Labour Productivity and Skills Development. The development of the National Assessment Policy was supported by European Union (EU) through the European Development Fund 10 (EDF10) under the Botswana Human Resource Development Sector Policy Support Programme was started.

In terms of improvement of business processes, there has been a reduction of 70% recorded on the number of nonconformities to processes and procedures through implementation of QMS. Transition to the ISO 9001:2015 standard was initiated and was progressing as scheduled. Compliance to plans (exam cycle, initiative plans) was recorded at 72.09%. The 2018/19 strategy review, cascading to Directorates and Divisions and signing of Performance Agreements was successfully completed and various platforms were used throughout the year to monitor implementation. Monthly reviews are conducted for strategic projects through Project Steering Committee. The labelling of courier delivery was automated and as a result total automation of identified critical processes stands at 57.14% (4 out of 7 processes). The Information Security Management Standards (ISO 27001) initiative commenced during the 2017/18 financial year.

The number of private schools taking BEC qualifications has declined by two (2) from ninety nine (99) schools recorded in 2016/17 to ninety seven (97) indicating a 2% schools reduction. BEC registered a 7.3% increase in the number of candidates accessing products and services this financial year. 155 432 candidate access BEC services including certification services and external exams services during this financial year as

compared to 144 878 during the previous financial year. BEC continues to implement strategies aimed at improving access to its products and services. These initiatives include increasing engagement with stakeholders through its social media platforms, implementing the online registration and payment for candidates which form part of the Marketing Strategy that had been developed during 2017/18 as an intervention for improving access to products and services.

To ensure that the Council continued to provide adequate and reliable packaged information that suit the needs of Stakeholders, implementation of the Corporate Communications strategy was executed through the use of various platforms. BEC also implemented all (100%) of the planned external engagements. As a result the BEC recorded a 4% negative media recorded compared to 18% in the 2016/17. The Stakeholder Satisfaction rate also confirmed the success of these efforts as it stood at 75.68%. BEC also developed Corporate Social Responsibility (CSR) policy and began implementation of its initiatives.

ORGANISATIONAL CAPACITY AND CAPABILITY

BEC continued to build and improve capacities in its information technologies, employees' skills, the working environment and governance frameworks. Improved capacity in these areas has helped the organisation to excel in its processes against all odds and to leverage on the limited resources for improved service delivery.

Improvements were noted in the Information and Communication Technology area as there were zero (0) security breaches recorded during the year under review. Systems Availability for the period under review was 97.31%. The Primary environment (Production) was integrated with the Secondary environment (DR) bringing to four (4), ICT Systems that have been integrated. Development of a Records Management Policy was started during the 2017/18 financial year. This has greatly improved accessibility of

BEC 2017/18 STRATEGY PERFORMANCE

products services and created convenience to clients. In terms of improving knowledge and skills, staff training was carried out, predominantly locally and regionally, on short programmes and long term training commitments of the Council. The skills repository was also updated to reflect the acquired skills. Staff turnover was recorded at 2.57% against a targeted 2% as a result of six (6) separations experienced. The Due Diligence and Organisational Redesign project was initiated; this forms part of the Transformation Project.

BEC is committed to ensuring a conducive working environment for its employees. This financial year BEC continued to implement the Conditions of Employment and furthermore developed policies and tools to aid implementation of the conditions. To create work-life balance, the Council carried out a drive to enforce development and execution of Annual leave plans.

BEC continued to undertake maintenance and cleaning of facilities to improve the working environment for full time as well as contract staff. Maintenance was not only done for the internal facilities, but for Marking venues as

well. BEC has identified some corporate governance standards to comply with and compliance to these standards was recorded at 62% against a target of 50%. The compliance is as a result of BEC's continued implementation of initiatives to improve governance such as development, review and implementation of policies. To drive implementation of corporate governance BEC identified training and development needs of the Board and BEC management to improve corporate governance and implementation of the plan had started.

Other important achievements include the adoption of the Whistleblowing and Corporate Social Responsibility policies; review of the Quality Policy to accommodate the transition to the ISO 9001:2015 standard; development and approval of the Audit Charter, as well as the Board Charter.

The year that was saw BEC engaging in a number of initiatives that brought the Council's stakeholders together in pursuit to achieve the BEC mandate and assignments as indicated below.

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BEC OUTREACH AND ENGAGEMENTS



The former President Lt. Gen. Dr. Seretse Khama Ian Khama presenting a cheque to the 2016 Golden Star Kago Motsoma.



Corporate Communication Manager Ms. Fingile Makgalemele presenting a donation to Gweta residents.

BEC HONOURS TOP ACHIEVERS THROUGH ITS ANNUAL EXCELLENCE AWARDS

The BEC Annual Excellence Awards continue to be one of the highly anticipated events in the BEC calendar. BEC hosted the 8th Annual Excellence Awards in collaboration with the Ministry of Basic Education at the Gaborone International Conference Centre on 13th July, 2017.

Since the inception of awards in 2009, it has been noted that the awards continue to motivate students to do better in their studies. Furthermore, BEC continues to use these awards as an essential catalyst for the growth of the partnership between varied groups of stakeholders and the nation. The BEC Annual Excellence Awards recognise academic excellence in Primary, Junior and Senior Secondary education in both mainstream and special education categories.

The President of the Republic of Botswana, Lieutenant General Dr. Seretse Khama Ian Khama had been the Guest of Honour, and had officiated at the event since the BEC 2nd Annual Excellence Awards in 2011 where PSLE, JCE and BGCSE classes of 2010 top achievers were awarded. During the 8th Annual Excellence Awards the President called on the recipients to treasure the moment of receiving the awards and encouraged them to continue working hard as they went on with their academic journey. He stressed the importance of education as a driver of economic diversification as Botswana is currently transforming its economy from a resource based to a knowledge-based one.

BEC DONATES TO GWETA FLOOD VICTIMS

The BEC employees have once again displayed a spirit of compassion, as they contributed money to assist the victims of Gweta floods. This came after employees of BEC learnt that the floods had left a trail of destructions at Gweta and surrounding areas leaving scores of people homeless. BEC employees were responding to a call made by the President Lieutenant General Dr. Seretse Khama Ian Khama, who made a nationwide plea for the nation to assist residents of Gweta with whatever they could to alleviate human suffering and hardships caused by the floods.

Altogether the Council contributed a total of P10,000 (Ten Thousand Pula) towards the disaster relief. P6700 (Six Thousand, Seven Hundred) of this was contributed by the employees of the Council. The money was used to purchase sets of pots and cutlery as most victims did not have kitchen utensils as they had been washed away by floods.

The BEC Corporate Communications Team was welcomed to the village by Kgosi Kelethobogile Baatholeng who noted that though it has been a while since the floods wreaked havoc, the journey to recovery seemed to be a long one. "We are pleased to know that fellow countrymen have us in their thoughts and prayers," he acknowledged.

When handing over the pots Corporate Communications Manager Ms. Fingile Makgalemele informed the Gweta residents that their cry for help touched BEC Executive Secretary Prof. Brian Mokopagosi who pleaded with his employees to sacrifice and contribute money towards the cause.

BEC OUTREACH AND ENGAGEMENTS



BEC Corporate Communications team pictured with Business Botswana President Mr. Lekwalo Mosienyane at the Business Botswana Northern Trade Fair after receiving the award.



MOTE Assistant Minister; Hon. Fidelis Molao, Francistown Mayor Her Worship Mrs. Sylvia Muzila and HRDC CEO Dr. Raphael Dingalo visiting the BEC stall at the HRDC Northern Fair.

BEC SCOOPS AN AWARD AT BOTSWANA NORTHERN TRADE FAIR

In an effort to expand its footprint countrywide, BEC participated in the Business Botswana Northern Trade Fair in Francistown from the 24th to 28th May, 2017. BEC exhibited under the Education and Training Category where it scooped overall position three (3).

Business Botswana hosts the fair annually to provide a platform for businesses to network and market their products and services. The fair provides a one-stop-shop where all exhibitors, customers, stakeholders and the public are able to come together and network in one place, creating business connections and trade opportunities. The trade fair, attended by over 200 exhibitors, was held under the theme: "Agility in Botswana: Optimising Business in 50 years and beyond."

According to Business Botswana President, Lekwalo Mosienyane that the trade fair enables participants to stay up to par with industry trends as well as to stimulate growth by working with government and the private sector in promoting and building a great economic growth in the market.

Business Botswana Northern Trade Fair always provides a platform for BEC to reach out to its stakeholders in the northern region of the country.

BEC PARTICIPATES AT THE NORTH AND SOUTH HRDS FAIRS

During the period under review, BEC participated at the Botswana Human Resource Development Skills (BHRDS) Fair and Career Clinics for 2017 which were held in Francistown and Gaborone.

The BHRDS Fair was first introduced by the then Tertiary Education Council (TEC) and its partners in March 2010 as an annual event that brought together different stakeholders being; Education and Training Providers, Professional Bodies, Academics, Career Guidance Practitioners, Tertiary Learners, Parents, Private Sector; Parastatals and Government Departments. The event aids prospective tertiary students to decide on their programmes of study and brings both local and international Tertiary Education Providers (TEP's) under one roof.

BEC was not only at the HRDC Fairs for exhibition, it was also there to provide certification services for students who wished to certify their certificates and statements of results in order to apply to institutions of higher education at the Fairs to avoid travelling long distances to Gaborone for the services.

These fairs provided an opportunity for BEC to interact with its target audience as well as disseminating key messages on its mandate, new developments, products and services such as replacement of lost or damaged certificates, private candidates' registration, online registration, paying online and external examinations, etc.

BEC OUTREACH AND ENGAGEMENTS



The Acting Executive Secretary, Dr. Moreetsi Thobega making a presentation to the Parliamentary Committee on Education.



City of Francistown councillors listening to the presentation on BEC mandate during the full council address at Francistown Council chambers.

● BEC BRIEFS THE PARLIAMENTARY COMMITTEE ON EDUCATION ●

During the year under review, BEC concluded its stakeholder engagement initiative with Policy Makers after traversing the length and breadth of the country addressing District and Town Councils.

The last of the series of engagements took place at the Parliament Annexure where BEC briefed the Parliamentary Committee on Education on the 6th December, 2017.

Briefing the Committee, The Acting Executive Secretary, Dr. Moreetsi Thobega said the presentation provided a platform for BEC to engage with key stakeholders at a high level to achieve the Strategic Objective of Improving Stakeholder Engagement.

The objective of the briefing was to share with the Legislators the Council's mandate, the role of BEC in the education system, core business functionalities, assessments and examinations offered by BEC, core examination processes, research activities, projects being undertaken as well as challenges experienced by the Council in executing its mandate.

Dr. Thobega indicated that BEC was committed to ensuring quality and timely delivery of examinations to meet the needs of the society. He stated further that BEC had entered into partnership with Cambridge International to offer globally competitive qualifications. He also stressed that the Cambridge International accreditation provides standards that BEC has to comply with in the provision of thorough assessment services. It was also highlighted that BEC recently acquired Botswana Bureau of Standards Certification of ISO 9001:2008 standard, which provides a framework of globally recognised principles of quality management. The Committee was informed that one of the challenges facing BEC was the lack of internet connectivity especially in Primary Schools which limited access to the Botswana National Examinations Processing System (BNEPS)

by the schools. Dr. Thobega noted that BEC had signed a Memorandum of Understanding (MoU) with Botswana Police Service to assist with security during transit of examinations, storage as well as at marking venues. He further informed the Committee that in a bid to improve the education system in Botswana, BEC had embarked on the Botswana Educational Achievement Monitor (BEAM), as one of the programmes that would help drive the National Development Plan 10 objective of 'Improving Quality of Education and Globally Competitive Human Resources'. He added that BEAM was a large scale assessment programme that related students' performance in aptitude tests to students' background variables under which learning takes place. It was emphasised that it was a research-based assessment programme.

For his part, the Chairperson of the Parliamentary Committee on Education, Honourable Wynter Mmolotsi expressed worry about the disagreement over marking fees between contracted teachers and BEC saying every year there were reports in the media disagreement regarding the marking fees and advised that the parties must find a common ground in order to protect the integrity of the examinations. Dr. Thobega assured the Parliamentary Committee that BEC had signed a Memorandum of Understanding with Teachers' Unions: BOSETU and BTU to promote a conducive environment amongst BEC and teachers.

A member of the Committee called on BEC to consider opening satellite offices in some parts of the country especially in areas such as Maun, Francistown, Tsabong, Gantsi and Selibe-Phikwe so that people in those areas could access the Council's services easily, rather than having to travel long distances to get help. BEC was advised that satellite offices or use of innovative solutions such as mobile applications could be very useful to the BEC's primary stakeholders who were spread across the Country.

BEC OUTREACH AND ENGAGEMENTS



Assistant Corporate Communications Officer Mr. Lesego Ntukulki interacting with stakeholders at the Consumer Fair.



RM Results representative Mr. Patrick Coates presenting to BEC Staff on E-Marking.

BEC ENGAGES WITH STAKEHOLDERS AT THE CONSUMER FAIR

During the period under review, BEC participated in the Botswana Consumer Fair.

The Botswana Consumer fair is the biggest trade fair in the country and attracts more than 100 000 visitors and over 500 exhibitors from Botswana, SADC Region and the world over. BEC spent a week interacting with and disseminating a vast amount of information to stakeholders and receiving feedback. Real time responses made it easier for stakeholders to relax and ask many questions which assured the BEC Team that the information would reach even the people that are connected to those visiting the stall. Most of the questions focused on the mandate of the BEC, around the areas of certification, registration, external examinations and the BEC mandate.

Stakeholders expressed appreciation at BEC being at the consumer Fair as it made BEC more visible to them. Questions surrounding the upcoming examinations were also prominent as many wished to find out how they could best prepare for examinations.

The Annual Excellence Awards proved to be a hit with younger stakeholders as many came to the stall to ask how they could become recipients and made requests for the Excellence Awards booklets profiling BGCSE Top Ten recipients and Two Special Needs BGCSE top achievers (one from hearing impairment and the other from visually impairment categories).

RM RESULTS PRESENT E-MARKING SOLUTIONS TO BEC

One of the key Objectives under the BEC Strategy is to improve the Use of Technology to achieve business continuity as well as to improve efficiency. As a result, BEC invited RM Results - an E-Assessment company from the United Kingdom (UK), to present on electronic marking solution.

Presenting on RM Results to BEC, the RM representative Mr. Patrick Coates stated that RM Results is a global leader in high stakes examinations E-Marking. It was one of the e-assessment pioneers in the United Kingdom (UK), with over ten years' experience.

The RM Assessor E-Marking tool can do marking on any device capability and said that every year they mark 200 million examinations pages in over 150 countries. Coates said that E-marking tool could take content from any scanning device or file format. The RM Assessor is available as a full service with scanning, helpdesk and session support or as a licensed software. RM Results' integration engine enables smooth integration with other solution partner platforms and is hosted in Microsoft Azure and is available and replicated in different regions.

RM Results clients include Cambridge Assessment, International Baccalaureate, Assessment and Qualifications Alliance (AQA), Association of Chartered Certified Accountants (ACCA) and the Department of Education in the UK.

BEC continues to engage with various technology providers on E-marking solutions to try and understand the subject matter better as well as to open avenues for cooperation in the future, especially in areas of E-marking.

BEC OUTREACH AND ENGAGEMENTS



Malawi delegation posing for a group picture with BEC Senior Management after the benchmarking mission.



Head of Malawi delegation Ms. Ellen Simango making a presentation on their challenges in Malawi.

BEC HOSTS MALAWIAN MINISTRY OF BASIC EDUCATION FOR A BENCHMARKING EXERCISE

During the period under review, BEC hosted a delegation from Malawi Ministry of Basic Education on a benchmarking mission.

BEC Executive Secretary Professor Brian Mokopakgosi informed the Malawi delegation that he believes the role which BEC plays is similar to that of the Malawi National Examinations Board (MANEB) that they both provide feedback to the education system in their respective countries. He pointed out that BEC is expected to contribute to national efforts such as the Education and Training Sector Strategic Plan (ETSSP) and National Vision 2036. He explained that the Council is made up of six directorates and the Office of Executive Secretary with a staff complement of 230 and about 5420 short term contract employees engaged during the examinations period.

The delegation learnt that, BEC runs one test and three examinations being the Standard Four Attainment Test, Primary School Leaving Examination (PSLE), Junior Certificate Examination (JCE) and the Botswana General Certificate of Secondary Education (BGCSE).

The Executive Secretary explained that BEC provides feedback to the education system in Botswana through comparability studies such as the Trends in International

Mathematics and Science Study (TIMSS) and Progress in International Reading Literacy Study (PIRLS) as well as Comprehensive Results Analysis. The Malawi delegation was told that the results of such research are always shared with key stakeholders. He also informed the delegation that BEC currently has four strategic projects namely; Botswana National Examinations Processing System (BNEPS) II, BEC Transformation, Botswana Educational Achievement Monitor (BEAM) and ISO 9001:2008 in transition to ISO 9001: 2015, adding that BEC is currently the only ISO 9001:2008 Certified Examinations Council/body in the region.

The BEC Director of Examinations Administration and Certification Mrs. Dorcas Morake stated that BEC indeed interacts with a host of stakeholders such as the Department of Teacher Training and Development especially when training teachers in assessment.

The Malawi Team Leader and Deputy Director in the Malawi Ministry of Basic Education Ms. Ellen Simango expressed gratitude to BEC for hosting them, saying the exercise gave them a lot of insights on the running and management of examinations. She further said that they would put the knowledge gained on their visit to full use once back in Malawi.

BEC OUTREACH AND ENGAGEMENTS



Behavioural change and motivational coach Mrs.Thandi Malebang giving a mindset change motivational talk.



BEC staff partaking in the team development activities.

● BEC EMPLOYEES TAKEN ON A STRATEGY ROLL-OUT SESSION ●

In a bid to ensure that all of its employees live and breathe its Strategy, BEC Office of Strategy Management (OSM) took employees on a strategy retreat to appraise them of the progress achieved and challenges experienced thus far. The BEC five-year strategy which was at midpoint of its implementation, was reviewed thoroughly to accommodate current changes that have taken place in the sector, at national and international levels.

This was done through a number of workshops including the Board Retreat where approval of the reviewed strategy was made. The final approval of the Corporate Scorecard session took place on the 23rd May 2017 which was followed by cascading to all Directorates and ultimately individuals.

Prior to cascading the Corporate Scorecard, Management took a decision to have a Strategy Roll-out Session on the 24th May, 2017 where all BEC staff were taken to Lion's Park, where the changes were shared with them. This was also an opportunity for staff to team build and get energised for completion of the remaining two years of the Strategy.

The Executive Secretary inspired and motivated employees to embrace changes that came with the BEC Strategy as it contributes to continued improvement within the organisation. Presentations were made by different members of the management team to demonstrate the impact of the Strategy on BEC operations and was followed by dialogue to improve understanding.

BEC OUTREACH AND ENGAGEMENTS



Driving the Accreditation process, Director, Product Development and Standards Mrs. Susan Makgothi.



The accreditation process involves Inspectors tour of BEC Storage and Examination facilities as well as inspection of examination material.

CAMBRIDGE INTERNATIONAL ACCREDITS BEC

BEC, continues to pass the rigorous process leading to the accreditation of the Botswana General Certificate in Education (BGCSE) as evidenced by the renewal of its accreditation agreement by Cambridge International. During the period under review, The Directorate of Product Development and Standards through the Botswana General Certificate of Secondary Education (BGCSE) Division retreated for five days in a bid to re-align their procedure forms to the University of Cambridge International Examinations Accreditation Standards for Public Assessment Bodies.

The standards are organised in six sections and each focused on one aspect of the work of an assessment organisation and contains a varying number of standards. Accreditation is the process in which a certification of competency, authority, or credibility is issued.

Organisations that issue credentials or certifying third parties against official standards are themselves formally accredited by accreditation bodies such as University of Cambridge Local Examinations Syndicate (UCLES). BEC, like any other examination body has entered into partnership with Cambridge. The Cambridge International requirements of the standards are tailored to BEC's unique operations and based on International best practice. Their long experience of working on a range of varied projects, International research from Cambridge Assessment and the University of Cambridge. Cambridge International works in partnership with governments and national education organisations around the world to review, design and develop curriculum

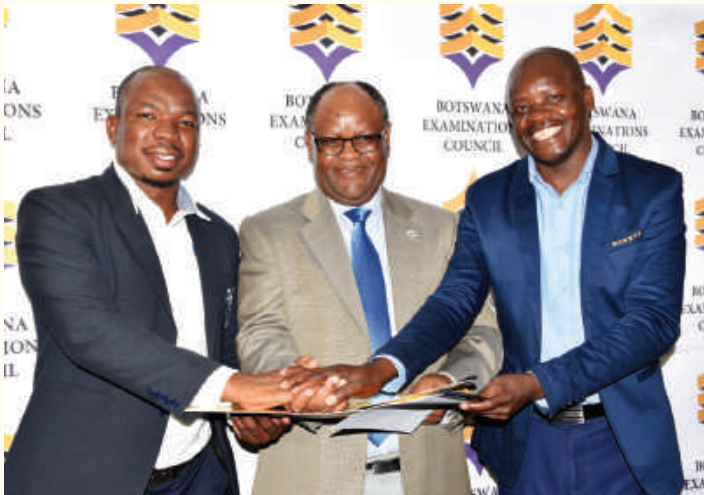
programmes, assessment models and approaches to teaching and learning. Their long history of collaborating successfully with ministries of education started over 100 years ago with Mauritius, Singapore and Brunei.

Today, they continue to provide national examinations services to ministries and deliver innovative solutions that are especially tailor-made to the countries' local context. They provide all the supporting services needed to implement education development programmes successfully.

It is well understood that there is no one-size-fits-all approach to changes in education. Cambridge recommends achievable and effective solutions that bring about tangible improvements in education. Cambridge works with BEC to offer a range of development approaches and to implement changes locally while making sure that they are effective.

Currently Cambridge is working with BEC to establish working practices and procedures for the long term and help to develop expertise. Cambridge helps to develop the necessary knowledge and skills in the Botswana Examinations Council's BGCSE Division through moderation of some processes for compliance with the accreditation requirements so that they can operate independently. Cambridge earlier developed BEC's capacity through face-to-face training, online training, and on-the-job training and are continuing to do.

BEC OUTREACH AND ENGAGEMENTS



BOSETU and BTU representatives solidifying the labour relations by signing a Memorandum of Understanding (MoU) to pave way for a platform to discuss issues of mutual concern.



South Koreans volunteers pictured with representatives from BEC and Ministry of Basic Education.

BEC SIGNS MEMORANDUM OF UNDERSTANDING WITH TEACHERS' UNIONS

One of the notable achievements during the year under review was the signing of a Memorandum of Understanding (MoU) between BEC and teachers' unions, namely - Botswana Teachers Union (BTU) and Botswana Sectors of Education and Teachers Union (BOSETU).

The memorandum is seen by all parties as an opportunity to create a conducive environment suitable for working together and helping each other on delivering their respective mandates. BOSETU Secretary General Tobokani Rari applauded the move by the three parties saying it would create a platform for them to engage on issues affecting BEC contracted teachers. Rari explained that teachers are not employees of BEC though the examinations body seasonally engages them. He noted that by virtue of not being the Council's full time employees it was not possible for trade unions to have a direct relationship with BEC on employer-employee issues concerning teachers. He expressed gratitude to BEC management for what in his views was a ground-breaking relationship.

BTU Deputy President Gotlamang Oitsile echoed Rari's sentiments. "It is very important for stakeholders to engage for peaceful and meaningful relations," he emphasised. BEC Executive Secretary Prof. Brian Mokopakgosi's also shared the sentiments of the Union representatives. "The relations have always been cordial with lots of mutual respect but there was need for a formal platform of engagement," he said. Mokopakgosi said BEC values all its critical stakeholders who are very instrumental in ensuring the smooth running of examinations.

SOUTH KOREAN VOLUNTEERS PAY BEC A VISIT

Following the signing of Memorandum of Understanding (MoU) with the Government of South Korea in November 2016, the Ministry of Basic Education (MoBE) organised a visit for the Korean volunteer teachers to the BEC familiarise themselves with the BEC's mandate. The delegation comprised of eleven (11) Korean volunteer teachers and two (2) teacher advisors who would be in Botswana to provide assistance in the teaching of Science, Mathematics and ICT in Government schools.

During their visit to the BEC, the then Acting Executive Secretary Dr. Moreetsi Thobega, gave an overview of BEC mandate before taking the visitors on a tour of the BEC facilities. Dr. Thobega explained that the visit was very crucial in aiding the volunteers to understand how Botswana education system works as well as the BEC's role in examination administration and certification in the country.

One of the volunteers, Insuk Song affectionately called 'Marang', who had been in Botswana for a year teaching at Tshwaragano Community Junior Secondary School in Maun shared her experience of working in Botswana. She expressed herself in Setswana in some instances showing how quickly she adapted to the local lifestyle. The overjoyed Marang who upon completing of her one-year contract the previous year explained that the hospitality she received at Tshwaragano let alone Botswana was world class, and as a result prompted her to renew her contract.

She went on to urge the new volunteers to enjoy the experience and use it to their advantage to make their stay in Botswana more productive, enjoyable and easy.

BEC learnt that teacher volunteers were going to be placed in both Primary and Secondary Schools while Teacher advisors would be placed in Central and South regions to develop robust in-service training programmes for teachers.

BEC OUTREACH AND ENGAGEMENTS



Mantshwabisi School Head Ms. Sethunya Mmusi receiving the sporting equipment from the BEC Executive Secretary Prof. Brian Mokopagosi.



Mantshwabisi Primary School soccer team battling it out with Sirinane Primary School during a friendly encounter.

BEC DONATES SPORTING EQUIPMENT TO MANTSHWABISI PRIMARY SCHOOL

During the 2017 – 2018 financial year, BEC as a way of broadening its Corporate Social Responsibility, donated sporting equipment to Mantshwabisi Primary School.

The donation followed an appeal made in 2014 by the then Minister of Education and Skills Development, Honourable Mokgweetsi Eric Keabetswe Masisi after he visited the school and found it in an appalling condition. He then appealed to the nation and companies to assist Mantshwabisi Primary School with school uniform, solar powered educational devices, sporting equipment and lockers. BEC Corporate Communications Division then met with the former school principal Ms. Kesetsenao Bojase who informed them that during school holidays boarding students are transported to their respective homes and taken back as boarders when the new academic term resumes, but some do not show up to resume their studies after school holidays. This was as a result of lack of recreational facilities in the school to keep the students busy.

One of the initiatives that BEC came up with was writing proposals to the business community on behalf of Mantshwabisi Primary School to solicit sponsorships. Some companies came to the party by helping the school directly. After assessing all the challenges, BEC focused on the lack of recreational facilities which was cited as one of the stressing issues at Mantshwabisi Primary School.

In his remarks during the handing over ceremony, the Executive Secretary of BEC Professor Brian Mokopagosi stated that research findings had shown a direct correlation between physical activities and academic performance. He said students who are involved in sports activities perform better than those students who had never participated in sports.

The donated equipment included goal posts and nets, netball goal posts and nets, volleyball posts and nets, netball balls, volleyball balls, soccer balls, set of twelve volleyball kit for boys and girls each, a set of Netball kit for ten, a set of football kit for fourteen (14) and a goalkeeper set. Mokopagosi expressed hope that the equipment would contribute to the improvement of school results and the physical well-being of the students.

The equipment was received by the School Principal Ms. Sethunya Mmusi on behalf of the school. She expressed gratitude to Botswana Examinations Council for their effort and generosity stating that their donation was an excellent example of relationship between education and sports.

She indicated that the assistance came at a time when the Mantshwabisi students were doing extremely well in sports and promised that the school would take care and make good use of the equipment and the attire. The equipment was expected to impact the lives of Mantshwabisi Primary School students positively.

BEC OUTREACH AND ENGAGEMENTS



Senior Research Officer Dr. Oemetse Mogapi making a presentation at the TIMSS Dissemination workshop in Gaborone.



Stakeholders from various sectors of Education participating at the TIMSS Dissemination Conference in Gaborone.

BEC DISSEMINATES TIMSS 2015 STUDY FINDINGS

One of the highlights of the Council during the period under review was the dissemination of the 2015 Trends in International Mathematics and Science Study (TIMSS), which ended in December 2016. As with the previous studies, the results of the study were disseminated through a national workshop to provide a platform for serious interrogation of the findings and hopefully come up with recommendations that may inform policy reforms/development.

The main purpose of the conference was to receive and interact with findings of research that had been conducted in Botswana, by Botswana researchers. The primary goal of the research was to identify areas of strength as well as areas where there was a need to improve our education system to attain the desired outcomes.

The National Dissemination Conference was officially opened by the Minister of Basic Education (MoBE), Honourable Dr. Unity Dow. She indicated that such gatherings provided a rare and welcome opportunity for key players in the education system to interact and understand the different roles played by each other as they work together to address the challenges facing the country's education system. She went on to say that there was a great need for Ministry of Basic Education, its agencies, community leaders, parents and teachers to engage with each other regularly to ensure that the curriculum was well delivered

within a conducive environment that ensured that effective teaching and learning took place. She also highlighted that the Education Strategy (ETSSP) as well as the curriculum reforms were designed to address the issue of quality and relevance of Botswana's education system. Delegates came from parastatals, Ministry of Basic Education, Ministry of Tertiary Education, Research and Technology, University of Botswana (UB), Botswana College of Distance and Open Learning (BOCODOL), Botswana International University of Science and Technology (BIUST) and other stakeholders.

In his speech the BEC Executive Secretary, Professor Brian Mokopakgosi explained that the reason why BEC led the conduct of a studies like TIMSS is because the BEC mandate is heavily laden with evaluation of teaching and learning. He said examinations results provide rich information about individual candidates' learning achievements and how the education system is performing.

BEC is cognisant of the fact that the gap can only be plugged if findings of TIMSS and other similar comparative and monitoring studies were implemented effectively. The Directorate of Research and Policy Development (RPD) made presentations on how Botswana performed in Mathematics and Science compared to other participating countries. The presentation focused on topics such as, School Environment, Curriculum Implementation and the Research Process of the TIMSS Cycle.

BEC OUTREACH AND ENGAGEMENTS



Manager, Data Processing, Mr Oduetse Setlhare says candidates should embrace the online registration and payment technologies as it can save them time and money



Data Capture Assistant Ms. Boitumelo Lehoti assisting a candidate to register online through the Malepa website.

ONLINE REGISTRATION AND PAYMENT GROWS IN LEAPS AND BOUNDS

During the year under review, Botswana Examinations Council (BEC) solidified its partnership with Orange Botswana and First National Bank Botswana (FNBB) for the continued online payment of Botswana General Certificate of Secondary School (BGCSE) registration fees. This was a deliberate effort to improve customer service as well as access to products and services while meeting the Strategic Objective of Improving Access.

Private candidates were first accorded the opportunity of electronic registration and payment in 2015 when BEC partnered with Orange Botswana to enable candidates to pay their fees using Orange Money.

Figures indicate that in 2015, there were 12422 private candidates, and of this figure only 32 candidates utilised the online registration and payment methods.

In 2016, BEC extended the online facility to the Junior Certificate Examinations (JCE) with additional enhancements. Overall there was an improvement in the use of the online registration and payment facility. A total of 10391 candidates, at both JCE and BGCSE registered for examinations in 2016. Of this figure, 5755 registered using the Malepa online facility and a total of 339 paid using online payment representing 236 candidates who paid using FNBB payment platform and 103 using Orange Money platform. This is a notable improvement in the use of the online facility, attributed to vigorous marketing strategies employed by BEC in the use of social media platforms and other communication channels such as radio and print media.

BEC will continue to promote the online registration facility as it can be accessed anywhere provided the user has access to internet. This will save time and money for customers from far flung areas who previously had to travel to Gaborone to register and pay for their supplementary examinations.

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COMPLIANCE AND QUALITY ASSURANCE

BEC QUALITY MANAGEMENT SYSTEM (QMS)

The Botswana Bureau of Standards (BOBS) certified BEC's QMS against ISO 9001:2008 on 24th February 2017 and the certification expires on 22nd September 2018. The BEC successfully maintained certification as evidenced by the positive conclusions made during the surveillance audit. Process improvements have been noted; as shown partly by a 70% reduction on the number of non-conformities recorded over the reporting period. The BEC customer focus initiatives have also begun to bear some fruits as there was an increase in the number of customer complaints recorded (206%); which reflects positive progress in customer awareness on BEC Customer Relations process.

As part of its commitment to this project, the BEC Board approved the Quality Policy at its sitting on 23rd March 2018. Other achievements include training of the ISO 9001 Implementation Team on ISO 9001:2015 Transition and Auditing. Eleven (11) members of this team also attended training on Risk-based Thinking and Root Cause Analysis. The gap analysis exercise has been conducted and implementation of action plans to address the identified gaps is ongoing.

ENTERPRISE RISK MANAGEMENT (ERM)

The BEC has established an ERM Policy and its Framework in order to ensure that there is a systematic way of identification, analysis, treatment and monitoring of risk within the Council. It is therefore a policy of the Council that risk management work culture is adopted by the Council, its management and employees for managing risks that threaten effective and efficient conduct of school level national examinations in a manner that enhances integrity in the national examination system and ensures public interest.

The BEC Board approved the Risk Management Policy and Framework on 24th June 2015. Implementation was planned to start during the 2015-2016 financial

year. However, this was not realised due to a number of reasons ranging from limited resources to inadequate skills. It was also established that the implementation of the ERM Policy could not be effectively carried out without the Board setting a risk appetite and risk tolerance. As a result, the BEC Board has set the "Risk Rating Limit" as minimum risk score which will trigger mandatory mitigation plan; and the "Risk Consideration Limit" which will be a score which will trigger a suggested mitigation plan.

With the above development in place, a Corporate Risk Register will be developed and aligned to the BEC Strategic Plan followed by risk prioritisation exercise. These are to be presented to the Board on quarterly basis. Risk management operations continue to be improved as per best industry practices.

QUALITY ASSURANCE

A Cambridge International inspection was conducted at sixteen (16) centres in Botswana during the October/November 2017 examination series as part of BEC's quality assurance initiative. These inspections were carried out at centres where examinations for Botswana General Certificate of Secondary Education (BGCSE) were hosted. The inspection results show that there is a year-on-year variation on the number of centres inspected. The reasons for this variation were among other things inclusion of new centres as well as focusing on centres where issues were previously raised.

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 exam administration:

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

REVIEW OF OPERATIONS

It should be noted that 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). The ratings for 'Completely Satisfactory' were awarded where security arrangements and conduct of examinations, as observed by the inspector during the visit, fully complied with the 'Guidelines for Conduct of Examinations' and Cambridge International regulations, where applicable. The ratings of 'Satisfactory with Minor Points' were awarded where the inspector noted minor issues.

In terms of the number and percentage of inspection ratings, the outcomes of the inspections conducted between 2015 and 2017 are summarised in Table below:

Inspection Ratings	Number of Centres Achieving Rating			Percentage of Total Number of Centres Inspected		
	2015	2016	2017	2015	2016	2017
Completely Satisfactory	2	2	4	12%	11%	25%
Satisfactory with Minor Points	6	10	10	35%	55%	62.5%
Some Cause for Concern	8	6	2	47%	34%	12.5%
Serious Deficiencies	1	0	0	6%	0%	0%

Table 1: Cambridge Inspection Results for 2015 - 2017

During the 2017 examination series, 87.5% of Centres received a rating of Completely Satisfactory and Satisfactory with Minor Points. This was quite a significant improvement compared to 66% and 47% recorded during 2016 and 2015 respectively. 12.5% of Centres were rated as Some Cause for Concern and the issues identified were related to security of confidential examination materials and examinations conduct. The BEC continues to put in place corrective measures to address the identified concerns. The Council further commits to continual improvement by ensuring that the process of examinations administration continually develops to meet customer needs and international standards.

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2017 EXAMINATIONS

INTRODUCTION

The past year was quite an eventful one with the system-wide reform through the Education and Training Sector Strategic Plan (ETSSP), continuing to unfold into a number of initiatives. For BEC, a number of Product Development Officers participated in the development of learning outcomes at the invitation of the Department of Curriculum Development and Evaluation (CD&E). BEC also commenced interactive meetings with the Botswana Qualifications Authority (BQA) in an effort to understand the requirements and implications of the National Credit and Qualifications Framework (NCQF) on the work of BEC.

In another event, BEC officers from the Directorates of Examination Administration & Certification and Product Development & Standards attended the annual Cambridge seminar which was on the topic of “quality controls for marking and moderation” in July 2017. Following this seminar, and in continual recognition of the fact that the accuracy of marking is crucial to the validity and reliability of public examinations, BEC developed and implemented assessment tools for the work of Principal Examiners, a quality control structure whose performance the organization had not assessed before. This effort together with others yielded an improved level of accuracy in marking at BGCSE which was evident in the reduction of about 6% in the proportion of candidates whose grades changed during the result enquiry period.

As a sole examination body in the country, BEC continued to receive a number of requests related to benchmarking of best practices in assessment from national agencies. In September 2017, BEC hosted a group of lectures from the Institute of Health Sciences who came to benchmark on test development procedures.

Assessment Syllabuses

There were no new syllabuses developed at all the three qualifications of PSLE, JCE and BGCSE in 2017. However, as best practice requires that syllabuses be reviewed regularly to ensure that they are clear, up to

date and enable valid, reliable and fair assessments, BEC published five revised BGCSE syllabuses for Commerce, Business Studies and the three Home Economics syllabuses. These will be examined for the first time in 2018. The work on Commerce and Business Studies was bringing to completion revision in the Business subjects brought about by global changes in the business world amongst other factors. As BEC also values customer feedback for continual improvement, feedback from examiners, teachers and other stakeholders contributed largely to the review of the three Home Economics syllabuses to improve the validity of the assessment.

Revisions in the syllabuses of Agriculture, Literature in English, English Language and Religious Education at BGCSE commenced in 2017 and are ongoing. Work has also started to rebrand all syllabuses which BEC inherited from the then Division of Examinations Research & Testing and have not been revised since then.

Development of Assessment Materials

A partnership between BEC and Cambridge International continues to enjoy rapid growth. In 2017 this partnership saw BEC taking over the procurement of printing services for the BGCSE assessment materials. This development led to the transfer of “finalization and proofing” of the assessment materials from Cambridge International to BEC. An opportunity born out of this was the training and establishment of local quality assurance structures which performed the tasks successfully as evidenced by the final quality of the assessment materials. Whilst BEC enjoys the partnership with Cambridge International for the BGCSE, the expertise learnt is used in building capacity for the other two qualifications and this saw the quality assurance structures for assessment materials being extended to the other two qualifications.

To support the schools in diagnosing learners’ attainment at the end of the first four years of schooling, BEC continued to develop question papers

REVIEW OF OPERATIONS

for the three standard four syllabuses of Mathematics, English and Setswana. As part of improving the validity and reliability of the assessment materials at PSLE and JCE, BEC continued to pilot all the Multiple Choice components. In September and October 2017, pilot testing for PSLE was conducted in six syllabuses with a sample covering 150 primary schools across the country while for JCE the pilot covered fourteen syllabuses in 104 schools. For BGCSE the question papers were developed and sent to Cambridge International for moderation.

Training

As BEC recognizes the use of skilled examination personnel as a key element in the quality assurance arrangements that underpin its work, the organization trained setters and revisers with the aim of increasing the pool of such personnel in July 2017. In September of the same year, Cambridge International conducted a training session in English Language and Literature in English for question paper setters. BEC product development officers responsible for these syllabuses also attended the training.

BEC also continued to train teachers in the marking of school based components. Improvements in the quality of marking were noted in some of the syllabuses as evidenced by the rise in the number of centres whose marks were not scaled through the BEC moderation process.

2017 EXAMINATIONS

During the 2017 examinations cycle, the BEC conducted three examinations; the Primary School Leaving Examination (PSLE), the Junior Certificate Examination (JCE) and the Botswana General Certificate in Secondary Education (BGCSE). The BEC also developed and printed the Standard Four Attainment Tests which were then distributed to the primary schools.

Registration

Registration of both centres and candidates was conducted well with JCE and BGCSE centres utilising the online registration facility. The number of JCE government centres that registered candidates online continued to increase, moving from 67 in 2016 to 137 in 2017.

Candidature

A total of 44 421 candidates sat for the 2017 PSLE; 22 339 (50.3%) of which were female candidates and 22 082 (49.7%) were male candidates. This was an increase of 4.4% from the previous year.

The total number of candidates who sat for 2017 JCE was 40 600, which was a decrease of 2.1% from the 2016 candidature. The females represented 50.1% (20 327) of the candidature while the males represented 49.9% (20 273). Among the 40 600 candidates, 193 were Back-to-School candidates. Generally there was a decline in candidature in all subjects except Commerce and Accounting, Commerce and Office Procedure, General Science and Music which had slight increases compared to the previous year.

A total of 36 370 candidates sat for the 2017 BGCSE examination, of which 21 167 (58.2%) were females and 15 203 (41.8%) males. There was an increase of 2.6% in candidature compared to the previous year, which was at 35 462. There were 27 489 (75.6%) school candidates from government, government-aided and private schools compared to 26 806 (75.6%) in 2016 and 8 881 (24.4%) private candidates compared to 8656 (24.4%) in 2016. The private candidates' category included 604 Back-to-School candidates.

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Examination Level	Total Candidature	School Candidates	Private Candidates	No. of centres
PSLE	44 421	44 421	-	836
JCE	40 600	39 281	1 319	241
BGCSE	36 370	27 489	8 881	74

Table 2: Summary of the 2017 candidature by level and centres

CONDUCT OF THE EXAMINATIONS

The total number of syllabuses examined across the three examination levels in 2017 was 53. The 53 syllabuses were examined through 139 components varying from multiple-choice, extended response, practical examinations and coursework. During the conduct of examinations, centres were inspected to ensure compliance to examinations regulations and most centres demonstrated satisfactory levels of compliance. A total of 56 inspectors across the three levels were engaged to check compliance at the centres.

Examination Level	No. Of Syllabi	No. Of Components	No. Of Question Papers Administered	Regional Examination Administration	No. of centres Inspected
PSLE	7	9	463 615	30	599
JCE	17	50	990 820	20	218
BGCSE	29	80	575 130	6	67

Table 3: Number of the syllabuses, components and the centres inspected

MARKING AND MODERATION

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 at the centres and externally moderated by trained moderators from BEC. A total of 4 731 examiners, 363 invigilators and 625 moderators were engaged by BEC to invigilate and score candidates' work across the three examination levels.

Examination Level	No. Of Examiners	No. Of Moderators	No. Of Examiners Trained	No. Of Invigilators Trained	No. of Scripts Marked
PSLE	1 129	-	-	-	132 483
JCE	2 196	420	-	223	519 610
BGCSE	1 406	205	213	140	512 416

Table 4: Examination personnel engaged and the number of scripts marked

CANDIDATES WITH SPECIAL NEEDS

Access and Equity

BEC continues to open access to its examinations and assessments to candidates across the various examination levels. As it is best practice, special arrangements were made to accommodate candidates with long-term disabilities as well as those that experienced challenges during examinations and assessments through the access arrangements and special consideration procedures. A number of private candidates also utilised the procedures.

ACCESS ARRANGEMENTS	NO. OF CANDIDATES AT EACH EXAMINATION LEVEL		
	PSLE	JCE	BGCSE
Modified papers	53	208	10
Extra-time	82	283	118
Enlarged print	49	53	34
Reader	71	278	32
Separate room	150	625	163
Braille	3	14	11
Assistive technology devices	1	-	19
Rest breaks	29	37	24
Oral Response/Writer/Scribe	64	246	49
Preferential sitting	8	8	-
Sign language interpreter	20	23	10
Exemptions from Listening Comprehension (Deaf and hard of Hearing)	-	46	1
Alternative to Practical	-	5	-
Coloured paper	-	-	7
Practical assistant	-	14	-

Table 5: Summary of applications for access arrangements

	NO. OF CANDIDATES AT EACH EXAMINATION LEVEL		
	PSLE	JCE	BGCSE
Special Consideration	6	53	41

Table 6: Summary of candidates who applied for special consideration

GRADING

BEC continued to use standard based grading procedures that are robust and transparent. The participation of stakeholders in the process of grading, as in previous years, involved primary school teachers at PSLE, Principal Examiners and members from key stakeholders such as CD&E and Botswana College of Distance and Open Learning for JCE and BGCSE. Before commencement of the grading sessions for JCE & BGCSE, the Principal Examiners were provided with further training in the use of archived material which serve to refresh them on the standards adopted in previous years. The return on investment from this training was evident in the improved quality of reports produced by some of the Principal Examiners, a situation which led to a reduction in the time taken to reach awarding decisions.

The pieces of evidence used in validating awarding decisions at BGCSE included Syllabus Pairs Comparisons from the 2016 examination and a BGCSE/IGCSE comparability study which was conducted for Science Double Award and Mathematics.

2017 EXAMINATION OUTCOMES

PSLE

Performance at syllabus level

In 2017, candidates' performance in three syllabuses of Setswana, Science and Social Studies recorded improvement in the percentage of candidates obtaining Grade C or better. The weight of the improvement centres was on the quality grades of A and B which is an indication of a better cohort in terms of quality. Performance in the rest of the syllabuses that is, Agriculture, Religious & Moral Education, English Language and Mathematics was about the same as that of 2016, in terms of candidates obtaining Grade C or better. Even though candidates' performance in Mathematics was about the same as that of 2016 in terms of the percentage obtaining Grade C or better, the 2017 cohort showed some weakness in the syllabus. However, it is noted that none of the syllabuses

recorded a significant decline in the percentage of candidates obtaining Grade C or better in 2017. Table 7 shows the cumulative percentages of candidates who obtained grade C or better for each of the syllabuses in 2016 and 2017.

Performance at Qualification level

Performance at PSLE qualification level generally showed similar outcomes as those of 2016 with insignificant changes at each grade except at Grade B where performance showed a significant increase of 2.1%. The proportion of candidates who obtained an overall Grade C or better increased by 1.2% from 70.5% in 2016 to 71.7%. The percentage of candidates who obtained Grade A was 17.1% compared to 16.1% in 2016 and thus indicating a rise of 1%. In 2017, 36% of the candidates obtained an overall Grade B compared to 33.9% in 2016, representing an increase of 2.1%. There was a slight increase of 0.8% for candidates obtaining overall grade D compared to those of 2016.

JCE

Performance at Syllabus Level

Generally syllabuses presented a performance similar to that of 2016, which was mostly characterised by lack of quality. The cumulative percentage of candidates obtaining grade C or better remained more or less the same as that of 2016 except in four syllabuses where two of them, Art and French, recorded significant improvements while Music and Home Economics recorded significant declines. In all syllabuses, except for Agriculture, Home Economics and Art, more than 10% of candidates failed to satisfy the criteria for the award of a grade in the syllabus.

Performance at JCE Qualification Level

Generally, the overall performance of the 2017 JCE cohort was more or less the same as that of the 2016 cohort and the quality of the candidates' work remained low. In 2017, 35.80% of candidates met the criteria for the award of Grade C or better compared to 32.54% in 2016. Two candidates satisfied the criteria for the award of a Merit. The percentage of candidates who met the criteria for the award of Grade A in 2017

Special Consideration	NO. OF CANDIDATES AT EACH EXAMINATION LEVEL		
	2016	2017	Difference (%)
Setswana	79.53	82.18	2.65
English	65.64	66.25	0.61
Mathematics	66.43	66.04	-0.39
Science	50.75	54.21	3.46
Social Studies	56.47	59.19	2.72
Agriculture	54.14	55.21	1.07
REME	65.24	64.52	-0.72

Table 7: Cumulative percentages of candidates who obtained grade C or better for each of the syllabuses in 2016 and 2017.

was 1% compared to 0.7% in 2016. Furthermore, as in the previous year, 24.08% of candidates met the criteria for the award of Grade C. In 2017, 16.9% of candidates failed to fulfil the minimum requirements for the award of JCE qualification compared to 17% of last year.

BGCSE

At this level, performance is reported in terms of the number of syllabuses recording either a decline, an improvement or the same level of performance as in the previous year. The comparisons with 2016 use data of candidates who were on full time attendance at government schools only. **Table 8** presents the number of syllabuses for which performance has improved, declined or remained about the same for Grade G or better and Grade C or better.

In terms of performance at syllabus level, it can be noted from the table that the overall performance (Grade G or better) for 2017 was almost similar to that of 2016. However, the quality of performance as measured by Grade C or better suggested that the quality had gone

down as only five syllabuses compared to seven in 2016 recorded improvement in this bracket. The syllabuses for which performance at grade C or better declined are English Language, Setswana, Physics, Commerce, Fashion & Fabrics, Accounting and Physical Education. For English Language and Setswana, the source of the decline continued to be weaknesses in comprehension and summary skills whilst the decline in Physics was attributed to poor performance in practical skills.

On the other hand, significant improvements were noted in the syllabuses of Biology, History, Development Studies, Art & Design and Home Management. Biology had the greatest improvement of around 10% which could be related to changes in the size and or possibly composition of the cohort. It is worth noting that the three separate Sciences (Physics, Chemistry and Biology) continue to experience reductions in the number of entries at the expense of Science Double Award.

	Grade G or Better		Grade C or Better	
	2016	2017	2016	2017
Improved	3	3	7	5
Declined	2	0	5	7
About the Same	20	22	13	13

Table 8: Comparison of syllabuses performance in 2016 and 2017

REVIEW OF OPERATIONS

RESEARCH

During the current reporting period, BEC engaged in various research activities to inform its operations as well as the education system. Some of the notable research activities included release of National Results of TIMSS 2015, completion of the needs assessment exercise for the Botswana Educational Achievement Monitor (BEAM), and identification of themes for the 13th Southern African Association for Educational Assessment (SAAEA) Conference to be hosted by BEC in May 2019.

THE BOTSWANA EDUCATIONAL ACHIEVEMENT MONITOR (BEAM) PROJECT

Botswana has made significant achievements in terms of increasing access to basic education. However, quality of education has remained a cause for concern at national level. This is despite the fact that the first policy on education, Education for Kagisano (1977) and the Revised National Policy on Education (1994) clearly supported monitoring and measurement of quality of education through cyclic surveys. As a result initiatives that aim at monitoring learning achievement and measuring of quality of education are being promoted and BEAM is one such tool.

It is expected that BEAM will generate relevant empirical information for decision making at system level, unlike the national examinations which are about individual candidate achievement. The BEAM project 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 that was 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 was engaged to conduct a Needs Assessment Survey (NAS).

Specific objectives of the NAS were 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.

Provisional recommendations from the survey were as follows:

1. Botswana's education system needs a monitoring and evaluation activity in the form of BEAM to monitor achievement levels and the quality of education.
2. The Botswana Education System is perceived to be ready for the BEAM provided, it is implemented by an established monitoring and evaluation office set within the system, not a once-off survey by consultants.
3. Constant communication with stakeholders about the BEAM is recommended so that the change could be accepted in the education system.
4. Adequate resources will need to be availed for smooth implementation of the BEAM.

The Programme development phase will involve development of assessment frameworks and learner achievement standards and the process for the procurement of Consultant for the BEAM. This phase is currently underway.

NATIONAL RESULTS OF THE TIMSS 2015

Trends in International Mathematics and Science Study (TIMSS) are international assessments of Mathematics and Science at the Standard 4, Form I 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

REVIEW OF OPERATIONS

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.

In the TIMSS 2015 cycle, fifty-seven (57) countries and seven (7) benchmarking entities participated. In total, more than 580,000 learners worldwide participated in the TIMSS studies at Standard 4, Form I and Advanced level. TIMSS 2015 cycle was the fourth for Botswana 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.

After international analysis of data collected through the TIMSS study process, the International Association for the Evaluation of Educational Achievement (IEA) encourages participating countries to make further analysis incorporating country level background data. BEC conducted such analysis which culminated into the TIMSS National Results. A draft report of such analysis was released in October 2017, and was launched through a national dissemination conference. A full and final report will be released after incorporating ideas on the findings from the National and regional dissemination workshops that will be held in June 2018.

The preliminary findings of the national report continue to show that Botswana's achievement levels are 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 cycles of TIMSS has not improved.

The study analysis also pointed to a number of background 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.

SAAEA 2019 CONFERENCE

BEC will be hosting the 13th SAAEA Conference in May 2019. The BEC has crafted the main theme and sub-themes for the conference. The theme for the conference is "Quality Assessment in an Era of Educational Reforms". This theme was motivated by most countries' performance in providing access to education for its citizens, and now the agenda is to improve the quality of education offered. All strategies that drive reforms in education in the SADC Region are advocating for quality education in order to fulfil the objectives of the SADC Protocol on Education and Sustainable Development Goal (SDG) 4 as quality education is seen as a vehicle leading to the attainment of other SDGs.

To develop the themes, BEC involved various stakeholders who confirmed that indeed the themes fit in the current context and the dynamics of education. Stakeholders involved included, BEC Council Research Committee, Research Department in the Ministry of Basic Education, and the Botswana Educational Research Association.

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SATISFACTION SURVEYS

Customer satisfaction, stakeholder satisfaction and employee satisfaction surveys were conducted and data is being analysed. The Report will be available by August 2018.

COMPREHENSIVE RESULTS ANALYSIS – 2016 EXAMINATION CYCLE

In 2017 BEC disseminated the JCE comprehensive results analysis to all the JCE school heads and regional directors. In these workshops the study on how the top ten performing schools prepare their learners to remain at the top was shared. The participants recommended that the value addition the various schools are adding to their learners should be interrogated and not only the holistic good performance

FEEDBACK FROM EXAMINATION CENTRES

For the 2016 Examination BEC carried out a study on feedback from Centres about assessment materials administered to candidates in the 2016 cycle. The views solicited were ambiguities in items, errors in items, time allocated to the components and any general comment

on the conduct of examinations. A few proportion of centres reported that some components had incidence of error in the items, ambiguity and time misallocation. Centres reported that there are more items in the High Order Thinking (HOT) category. Another concern from centres was the inability to provide candidates with choice when it comes to letter writing and compositions.

MARKING CONSISTENCY

The reliability of examiners' scores during marking is of paramount importance in the examination process. The study conducted at PSLE led to a process improvement in validation of results at subject level by having a report in the Malepa system that will be used to check deviations amongst examiners before final grading.

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CORPORATE SERVICES

Financial Performance and Position

The BEC financial performance and position dipped for the year ended 31 March 2018 mainly because of declining Government funding and increasing administrative expenses. Inevitably, the Council was unable to replace worn out assets since delivery of examinations had to be prioritised. It is creditable that the BEC has been experiencing deficits for more than five years consistently without Government intervention.

However this trend may not be sustainable as the accumulated deficit is about to exceed 33% of total assets, whereas the target is to balance the books.

In order to stay afloat, one of the strategic objectives for the year under review was to cut costs on an annual basis by 5%. In this regard, the total variable examination costs for 2017/18 were P137 809 220 against P146 002 403 in 2016/17, representing a reduction of 6%. This reduction was possible through efficiencies achieved in the areas of examination administration for private candidates, printing and localising some services previously offered by Cambridge International among others. On the other hand general administration costs increased by 5% largely through payroll costs that went up by 11%. It must however be stated that the increase is likely to continue due to the need to replace or repair the BEC aging fixed assets in the coming years.

The organisation's financial position remained fragile due to the decreasing government subvention over three years on the back of yearly inflation and the pressure to increase examiners fees and staff salaries. It is however worth noting that the BEC is ready to directly charge consumers of its services cost recovery rates if Government approves. The new cost recovery rates were partly applied during the 2017 /18 financial year at PSLE level only for privately sponsored candidates.

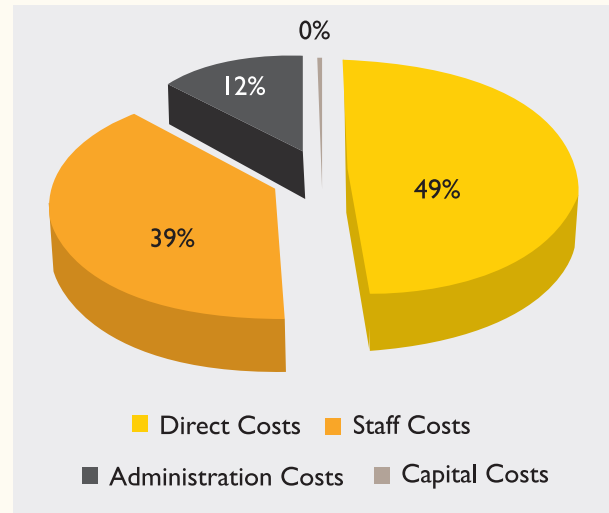


Figure 3: Key Financial Highlights

Facilities

Due to limited budgetary provision for 2017/18 financial year there were no significant replacements and repairs on BEC facilities except on emergency basis. The most affected assets are vehicles, furniture and fixtures that can only be replaced as they have outlived the repairs and maintenance stages. The status quo presents risks of increased replacement costs which may negatively impact the delivery of examinations.

Procurement

It is pleasing to note that the approved procurement manual of Council fully complies with the PPADB rules and regulations. In this regard, the BEC subjected itself to an audit by PPADB to confirm full compliance. The results of this audit which were minor findings have been received by Management and are being implemented. In line with best practice, the Finance and Procurement Committee had been reconstituted from "Finance and Procurement Committee" to "Procurement Committee" (PC). Finance matters are more appropriately processed at the Audit Committee to provide proper checks and balances. The

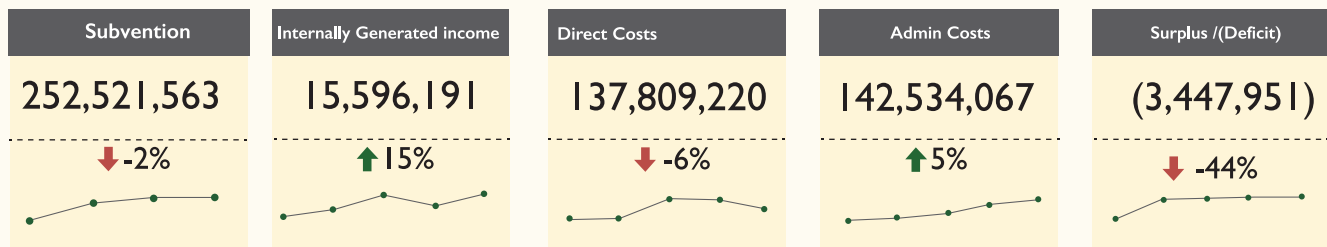
REVIEW OF OPERATIONS

Procurement Committee is now solely responsible for adjudication and award of tenders that are above P1 million and up to P5 million while Council deals with tenders exceeding P5 million.

contracts in all significant procurements. BEC operates an automated procurement system that enables adequate audit trail and transaction tracking.

BEC continues to implement proper procurement strategies in order to reduce costs by encouraging competitive bidding and signing of medium term

MEYRIC NAME	2014	2015	2016	2017	2018
Subvention	121,582,223	216,050,618	248,122,563	256,405,537	252,521,563
Internally generated income	11,962,873	13,117,155	15,521,145	13,563,033	15,596,191
Direct Costs	124,665,248	126,773,278	146,821,981	146,002,403	137,809,220
Admin Costs	113,274,212	118,006,921	124,340,308	135,315,100	142,534,067
Surplus/(Deficit)	(98,461,018)	(9,891,007)	(2,798,162)	(6,160,547)	(3,447,951)



METRIC NAME	REPORT YEAR (2018)	PREVIOUS YEAR (2017)	%CHANGE	5 YEAR TREND
Subvention	252,521,563	256,405,537	↓ -2%	
Internally generated income	15,596,191	13,563,033	↑ 5%	
Direct Costs	137,809,220	146,002,403	↓ -6%	
Admin Costs	142,534,067	135,315,100	↑ 5%	
Surplus/(Deficit)	-3,447,951	-6,160,547	↓ -44%	

Table 9: Five year performance trend analysis

INFORMATION AND COMMUNICATION TECHNOLOGY

ICT DISASTER RECOVERY (DR) SITE

During the year under review Botswana Examinations Council partnered with Public Procurement and Asset Disposal Board (PPADB) to host each other's Disaster Recovery Site (DR). The purpose of a Disaster Recovery Site is to host critical ICT services for failover in the event that the occurrence of an unforeseen event brings down ICT services in the Production Environment. Following the partnership agreement between the two organisations, the BEC embarked on a project to setup the Disaster Recovery Site at PPADB. The project has been completed. Failover tests were conducted, the project sign-off and closure was done on the 30 August 2017. The services replicated at the DR were:

- File server - this server hosts internally and externally developed documents
- ACCPAC - the Financial Management System
- Exchange Server - the email boxes
- Malepa Production Application - this is just the frontend, it excludes the Database
- VIP and ESS - Payroll and Leave Management Module
- Another Active Directory is running off the DR - this authenticates and authorises all users and computers to access the network and its components.

The only outstanding and critical item is that Oracle database licenses for the DR site have to be procured before the DR database could be setup. This has not been possible due to the high cost of additional Oracle Database licenses for the DR. An alternative to this is to continue doing the tape backups and further explore hosting the DR database in the Cloud. The Cloud solution is cheaper than hosting in the physical rack. This is Malepa Database, which host sensitive information, thus BEC ICT is engaging Oracle Corporation on the matter.

PROCUREMENT OF ICT EQUIPMENT

ICT procured a Heavy Duty printer to assist in the printing of examinations materials by the Special Needs Unit in the EAC Directorate. The heavy-duty printer was required to cater for an increase in the number of special needs candidates across the three qualification levels.

ICT acquired 10 Laptops and 6 mobile broadband internet connectivity devices (flyboxes) for the Data Processing Unit to continue the pilot exercise of capturing BGCSE examinations marks directly into the Malepa system from the marking venues. This exercise was undertaken to speed up the processing of examinations.

REVIEW OF OPERATIONS

MICROSOFT ENTERPRISE AGREEMENT (EA)/VOLUME LICENSING

The BEC entered into a three-year contract with Microsoft Corporation in order to benefit from its volume licensing program that provides the flexibility to buy cloud services and software licenses under one agreement, in addition to free upgrades for the selected products for the duration of the contract. The ICT Directorate has made some strides to ensure that the organisation benefits from the Microsoft Enterprise Agreement.

The following products have been implemented in the current financial year:

- System Centre Configuration Manager (SCCM) which used for managing software updates in the client machines
- System Centre Endpoint Protection (SCEP) which is the Microsoft antivirus software used for detecting and deleting computer viruses
- Microsoft Office 365 is the hosting of the email and other office applications on the cloud. During the financial year under review only 17 emailboxes (All for ICT staff) were migrated to the Cloud. This is still under observation by ICT but the ultimate is to migrate all employees' mailboxes to the Cloud. This would enable BEC employees to read their emails from anywhere provided they have access to the Internet. The other major benefit of this is the bigger size of the individual mailboxes on the Cloud. The BEC ICT has also considered the need to upgrade the internet link to cater for the increased internet traffic brought about by accessing the email on the Cloud. As a result the internet link will be increased from 16 MBPS to 20 MBPS through Orange Botswana.
- Upgrade of Domain Controllers from Microsoft Windows Server 2008 to Windows Server 2016 - the Active Directory Server has been upgraded to the latest version at both the Production and Disaster Recovery sites. Microsoft Windows Server 2016 is the latest version in the market.

BOTSWANA NATIONAL EXAMINATION PROCESSING SYSTEM PHASE II PROJECTS (BNEPS PHASE II)

The BNEPS Phase II project has three major subprojects namely:

- Business Process Management (BPM)
- Electronic Records and Document Management System (ERDMS)
- Information Assurance System/Information Security Management System.

The implementation of this project commenced during the year under review and will proceed to the next financial year. The overall progress was at 38% as at 31st March 2018.

Achievements per subproject are as follows:

i) Electronic Records and Document Management System (ERDMS); Implementation of the Electronic Records and Documents Management System (ERDMS) was still on-going at the end of the year under review. The subproject completion was at 9% attributable mainly to the planning activities.

ii) Information Security Management System (ISMS); The Gap Analysis phase of the project, the Lead Implementer training and information security policy workshops were conducted during the year under review. The project percentage completion was at 45% at the end of the financial year.

iii) Business Process Management; Process simulation/re-engineering of core processes is still ongoing. The BEC staff met to interrogate the AS-IS processes in order to remove redundancies. This interrogation is to produce the TO-BE processes. The project percentage completion is 68%.

WORLD-WIDE OUTBREAK OF “WANNACRY”

In May 2017, ICT learnt that there was a world-wide outbreak of a very malicious variant of ransomware called “WannaCry”. According to news, this cyber-attack had affected many organizations in 99 countries. This ransomware targeted computers running the Microsoft Windows operating system that had not been patched with a security update that Microsoft had released in March 2017. It worked by encrypting (locking) files on such computers and demanded payment from the owner of the compromised computer before it could provide a key that the owner would use to decrypt (unlock) the files. ICT had to ensure that the ransomware did not attack the BEC computer network through the implementation of several security interventions such as applying the recommended Microsoft Windows Operating System Security Patches on Windows Servers.

PROCESSING OF THE EXAMINATION RESULTS THROUGH MALEPA

During the 2017/18 examination processing period ICT experienced one but very serious technical glitch during the posting of PSLE transactions. The problem was however resolved within two days. The delay did not affect the examination schedule. Instead the system became faster than ever before after the bug was fixed. All other levels did not experience any issues. For the first time after three years ICT Management did not put anyone on standby as things were running very smoothly. Users are also becoming confident in the use of the system.

REGISTRATION MONITOR

The registration monitor is one of the in-house developed solutions to give users statistical information on candidate registration status within Malepa application. The targeted users for this solution are Data Processing and BEC Management. This solution also gives a graphical representation of the data to give the users a clearer view to make informed decision on registration.

REVIEW OF OPERATIONS

Information in the Registration Monitor includes series information, transactions for that particular series and summarizes candidature by centre. Each centre shows a list of registered candidates. This monitor is subject to improvement and it is expected that once users get into using it, they will come up with more ideas to turn it into a tool that will assist them in decision making.

AIRWAY BILL FORMS LABELLING

Another in-house development by ICT was the airway bill forms labelling programme. This was introduced during the year to print airway bill forms off a printer rather than writing on each form manually. The forms are already supplied by the courier companies with a tractor feed holes for dot matrix printers. This provides an easy way to design a template that can be set on a printer. Address labels from Malepa Database were extracted and formatted for printing on airway bill forms.

This small solution has come as a relief for the Records Management Unit. In the past, they would allocate the forms to individuals and manually label more than 800 courier forms if they were to send something to 800 PSLE centres and/or 300 forms to be filled in the case of JCE. Now the office of Records Management Unit sends these forms to a printer to get them labelled within a short period of time.

SMS RESULTS PUBLICATION

The SMS platform has also served as a fast mode for communicating with candidate in situations where spot announcement has to be made such as Exam venue relocations, where candidates may be moved to another venue as it has happened in the past. This would have been difficult without such a communication tool.

Due to voluminous traffic during results enquiries, some customers experienced some delays between sending an enquiry and receiving a response from the server. ICT will continue channelling its efforts towards optimising this solution.

ACCESSING THE RESULTS THROUGH THE WEBSITE

The BEC Website is still being used as an alternative platform to publish and access the results. No issues were recorded in this area during the period under review.

HUMAN RESOURCES

STAFF ESTABLISHMENT

The status quo from 2017/18 financial year still prevailed, as the total establishment had not changed during the reporting period. It should be noted that since 2012/13, creation of new positions had been frozen with a hope that the BEC Transformation project would take off immediately. Implementation of the project had not taken full momentum at the time of reporting.

In order to capacitate its directorates and divisions, BEC continued to recruit temporary employees.

Total number of the BEC establishment for financial year 2017/18 were 198, comprising of 108 females and 90 males respectively.

The table below shows total staff establishment per directorate and Office of the Executive Secretary for 2017/18 financial year.

Directorate Name	Approved Establishment	In Post	Vacant
Corporate Services	56	50	6
Examinations Administration and Certification	46	46	0
Production Development and Standards	45	40	5
Human Resource	22	18	4
Information Communications and Technology	20	17	3
Office of the Executive Secretary	17	15	2
Research and Policy Development	16	12	4
TOTAL	222	198	24
TOTAL VACANCIES: 24 TOTAL ESTABLISHMENT: 222	TOTAL	222	

Table 10: Total staff establishment per Directorate for 2017/18 Financial Year.

REVIEW OF OPERATIONS

TEMPORARY EMPLOYEES OFFERED FIXED TERM CONTRACTS

The number of temporary employees on fixed term contracts remained the same as in the previous reporting period.

DIRECTORATE	DESIGNATION	BAND	GENDER		TOTAL
			M	F	
EAC	Data Capture Assistant	7		7	7
	Programme Assistant	7	2		2
PDS	Office Assistant	7	2	1	3
CS	Maintenance Assistant	7		1	1
	Procurement Officer	6	1		1
RPD	Research Assistant	7	1	4	5
ICT	User Support Technician	6		1	1
ES	Assistant Corporate Communication Officer	6	2	2	4
	Assistant Project Administrator	6		2	2
DHR	PMS Officer	6		1	1
	Office Assistant - Human Resource	8		3	3
TOTAL					30

Table 11: Number and gender of fixed term contract employees per Directorate

TERMINATIONS

Staff retention over the reporting period remained stable at the rate of 1.5% mainly due to the revised packages introduced in 2013/14. All of the reported resignations were voluntary dismissal. An exit interview data collection to establish the real reasons for resigning was started, and would be reported in the next reporting period.

DIRECTORATE	GENDER	TERMINATION DATE	TERMINATION REASON	TOTAL
CORPORATE SERVICES	Male	30/04/2017	Resigned	9
	Female	31/05/2017	Resigned	
EXAMINATIONS ADMINISTRATION AND CERTIFICATION	Male	30/06/2017	Resigned	
	Female	23/02/2018	Pensioned	
	Male	31/03/2018	End of Contract	
RESEARCH AND POLICY DEVELOPMENT	Female	30/09/2017	Resigned	
INFORMATION AND COMMUNICATIONS TECHNOLOGY	Male	06/07/2017	Resigned	
HUMAN RESOURCE	Female	02/02/2018	Dismissed	
EXECUTIVE SECRETARY'S OFFICE	Male	31/08/2017	Resigned	

Table 12: Termination of contracts per Directorate.

RECRUITMENT OF CONTRACT STAFF

The table below shows the number of contract staff (temporary examinations personnel for the 2017/18 examination cycle.) As shown in the 2017/18 annual report, the Council experienced difficulties in the recruitment of examination personnel in the following areas; Religious, Moral Education, Setswana, History, Geography, Social studies, Development Studies, Commerce, and English for BGCSE and Setswana and English for JCE.

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 with a view to introduce a composite fee structure to address these challenges. The revised fee structure was intended to place more weight on marking and other core activities. It had been observed that previously teachers in greater Gaborone and its environs did not benefit from subsistence allowance, and therefore did not find the Council's package attractive. The composite fee that was introduced in the 2017 examinations cycle, saw the number of examiners increase since they benefited equitably.

REVIEW OF OPERATIONS

Examination Level	Moderators	REA's	Invigilators	Examiners	Total
PSLE	0	30	0	1171	1201
JCE	385	20	79	2067	2551
BGCSE	169	6	135	1388	1698
				TOTAL	5450

Table 13: Total number of contract examination personnel recruited for the 2017/18 examination cycle.

A total of 5450 examination personnel were engaged across all the three levels (PSLE, JCE, BGCSE) in this cycle. Challenges were experienced in terms of shortages in certain components in the BGCSE level especially. However, they were overcome through the engagement of some of the examiners who had finished marking their allocated scripts before stipulated marking period ended.

Directorate	PROGRAM OF STUDY						Total	Direct Sponsorship	Loan/Grant	Self Sponsor
	Certificate	Diploma	Professional	Degree	Masters	PhD				
EAC	0	0	0	3	2	2	7	0	3	4
CS	0	1	4	0	1	0	6	0	0	6
PDS	0	1	0	0	17	0	18	17	1	0
RPD	0	0	0	0	2	0	2	0	1	1
ESO	0	0	0	1	0	0	1	0	1	0
ICT	0	0	0	1	0	0	1	0	0	1
HR	1	0	0	6	2	0	9	0	0	9
TOTAL	1	2	4	11	24	2	44	17	6	21

Table 14: Number of employees who were trained over the reporting period.

In spite of the financial hardships experienced during the reporting period, BEC managed to train a total of 44 staff members. About 52% of these were offered loan/grants and direct sponsorship combined, while a further 48% were self-sponsoring.

REVIEW OF OPERATIONS

EMPLOYEES RELATIONS AND WORKING ENVIRONMENT

The employee's relations and working environment sphere continued to experience financial challenges which did not allow the Council to resolve salary related disputes and to fund some aspects of its total reward strategy. Most of the disputes resulted from the implementation of the first phase of pay disparity exercise. Mitigation of the pay disparity issues had been planned for the next financial year.

The BEC continued to enjoy cordial working relations with the staff union, Botswana Public Employees Union (BOPEU) where issues of mutual concern were discussed through the Joint Negotiation and Consultative Committee (JNCC) and all the scheduled annual committee meetings did take place as planned.

In order to comply with provision of the Employment Act where staff are required to take a minimum of at least sixteen working days per annum. BEC managed to come up with annual leave plans for members of staff during the year under review. Compliance on leave requirements continued to be enforced and monitored accordingly.

BEC COUNCIL MEMBERS

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CHAIRPERSONS FORWORLD

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2018/2019 OUTLOOK

As we look to the 2018/19 financial year, we do so with renewed enthusiasm and energy. The year promises to be one of great excitement accompanied by significant, but not new challenges. More than ever before, the prospects for the passing of the Botswana Examinations Council Amendment Bill look very real. The approval of the Bill will with certainty unleash energies that will propel the BEC to transform into a high performance national examinations and assessment authority.

With the wise decision of the BEC Council to move forward aspects of the transformation project that are not dependent on new legislation, important preparatory work has been done to ensure that the transformation of the organisation begins in earnest during the next financial year. Most importantly, the tendering process for the acquisition of consultancy work on due diligence and organisational re-design was at very advanced stage and actual work should start and complete in the next financial year. The due diligence study should assist us to properly determine the state of the BEC and connected organisation and what is required to transform the Council into a high performance organisation with an expanded mandate that includes pre-tertiary Technical and Vocational Education and Training. The organisation re-design study should assist us to correctly determine once and for all the structures and human resources required to transform the BEC into a modern organisation.

Other important Strategic Projects include finalisation of work on the Botswana Educational Achievement Monitor (BEAM) and the development of a National Assessment Policy (NAP) on General Education. Finalisation of these strategic projects will see the BEC providing significant feedback to the entire sector, as well as place the organisation at the centre of general education assessment and quality assurance.

Second and equally critical is the fact that 2018/19 financial year will be the final year of implementation of the current BEC Strategic Plan. The BEC is therefore poised to undertake a major review of our current strategy and determine if it works for us and if the approach should change. BEC will also develop a new strategic plan before the close of the year. Given the above, the next strategic plan will be a transformation strategy.

Equally exciting in the next financial year will be the transition from the ISO 9001:2008 standard to the ISO 9001:2015 standard. The 2008 standard expires at the end of September 2018, hence the need to transition to the 2015 one. This requires huge amount of human resources that the BEC does not have, but it is critical to do everything possible to stay in the game.

However, we should not bask in the glow of past success and lose focus on the many risks we face. The risk to our success during the next financial year includes, but is not limited to lack of resources to finance the implementation of the transformation of the BEC; retention of qualified employees due to fear of transformation; resistance of the connected organisations to the process of taking over of the assessment and moderation of pre-tertiary TVET, etc. For BEC to stay on or above the curve, we need to be more innovative and creative to navigate the identified challenges.



ANNUAL FINANCIAL STATEMENTS

BEC Annual Report 2017/2018

**BOTSWANA EXAMINATIONS COUNCIL
(ESTABLISHED UNDER THE BOTSWANA EXAMINATIONS COUNCIL
ACT 11 OF 2002**

ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDING 31 MARCH 2018

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THE COUNCIL'S REPORT

FOR THE YEAR ENDED 31 MARCH 2018

The Council has pleasure in submitting its report and the annual financial statements for the year ended 31 March 2018.

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 063 to 092. The entity employed 230 employees at the reporting date (2017: 235 employees).

Executive Secretary: Prof. Brian Mokopakgosi

Chairman: Dr. Joseph Tsonope

Members of council: Dr Daniel Tau

Mr. Abel Modungwa (Resigned December 2017)

Dr. Gaelebale N. Tsheko

Mrs. Daisy Molefhi

Mr. Nasim Miller

Mr. Tjalebwa Bakang Bagwasi

Dr. Raphael Dingalo

Mrs. Ludo Thateng Johwa-Mpundisi

Mr. Simon Coles

BANKERS



Barclays Bank of Botswana Limited



Capital Bank Limited



African Banking
Corporation Botswana Limited



First National Bank of Botswana
Limited



Stanlib Investment
Management Services



Stanbic Bank
Limited Botswana

REGISTERED OFFICE



Plot 54864
KT Motsete Road
Gaborone

AUDITORS



Plot 67977, Off Tlokweng Road
Fairgrounds Office Park
Gaborone

ANNUAL FINANCIAL STATEMENTS

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COUNCIL'S RESPONSIBILITY STATEMENT

FOR THE YEAR ENDED 31 MARCH 2018

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 31 March 2018 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.

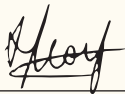
The Council members are also responsible for such internal control as the members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for maintaining adequate accounting records and an effective system of 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 financial statements give a true and fair view 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 **19th September 2018** and signed on their behalf by:



Chairperson
Dr. Joseph Tsonope



Executive Secretary
Prof. Brian Mokopakgosi



**KPMG, Chartered Accountants
Audit**
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Independent Auditor's Report

To the Members of Botswana Examinations Council

Opinion

We have audited the financial statements of Botswana Examinations Council ("the Organisation") set out on pages 063 to 088, which comprise the statement of financial position at 31 March 2018, the statement of profit or loss and other comprehensive income, the statement of changes in funds and the statement cash flows for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

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

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 ethical 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

Key audit matters

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



Existence and accuracy of expenses Refer to accounting poliCIs - Direct costs and administrative expenses	
Key audit matter	How the matter was addressed in our audit
<p>The Botswana Examinations Council is solely responsible for administering exams in Botswana. The majority of expenses are funded by the government through subvention fees.</p> <p>Expenses comprise of direct costs and administrative expenses from facilitating national examinations for the Primary School Leaving Exams (PSLE), Junior Certificate Examinations (JCE) and the Botswana General Certificate of Secondary School Examination (BGCSE). The total expenses incurred during the financial reporting year amounted to P280 343 287.</p> <p>There is a risk from an audit perspective that the expenses are incorrectly classified and therefore could materially misstate the financial statements.</p> <p>Due to the significant risk associated with expense recognition, the magnitude of the expense balance in the financial statements and the volume of transactions resulting in significant work effort by the audit team, this was considered a key audit matter.</p>	<p>In our procedures included:</p> <ul style="list-style-type: none"> • We tested controls relating to the processing, review, monitoring and authorisation of expenses to ensure that it is in terms of the procurement policy and approved by the appropriate authority levels. • In order to verify that expenses incurred are in terms of the procurement policy we inspected the detail of the supporting documentation relating to the expenses selected for testing. We verified that the details inspected agreed to the details of the recorded expenses. • We inspected the annual budget approval and monitoring processes to confirm whether any variances identified were in line with our expectations and historic trends. • We inspected supplier statements and reconciliations on a sample basis in order to determine whether the expenses incurred agree to the supporting documentation. • We performed a search for unrecorded liabilities test by reviewing payments made on a sample basis subsequent to the reporting date to ensure that expenses were recorded in the correct reporting period.

Other Information

The Council members are responsible for the other information. The other information comprises of the information contained in the annual report, but 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 members for the Financial Statements

The Council 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 Council members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.



**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/>

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of Internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 financial statements, including the disclosures, and whether these financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Council members 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.

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

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

KPMG

Certified Auditors

Practicing Member: Francois Roos (20010078:45)

**Gaborone
25 September 2018**

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STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 March 2018

IN PULA

	Note	2018	2017
Revenue			
Government subvention		252 521 563	256 405 537
Certification fees		224 621	247 692
Registration fees		14 933 794	12 863 027
Remarking fees		195 162	133 530
		267 875 140	269 649 786
Cost of revenue			
Direct costs		(137 809 220)	(146 002 403)
		130 065 920	123 647 383
Gross surplus			
Other Income		8 777 582	5 188 386
Administrative expenses		(142 534 067)	(135 315 100)
		(3 690 565)	(6 479 331)
Operating deficit	1		
Finance income	2	242 614	318 784
		(3 447 951)	(6 160 547)
Deficit for the year			

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STATEMENT OF FINANCIAL POSITION

at 31 March 2018

IN PULA

	Note	2018	2017
ASSETS			
Non-current assets			
Property and equipment	3	78 225 707	82 254 680
Intangible assets	4	13 022 856	15 598 835
		91 248 563	97 853 515
Current assets			
Inventories	5	988 232	1 305 572
Trade and other receivables	6	28 618 498	15 769 789
Cash and cash equivalents	7	2 581 062	13 051 368
		32 187 792	30 126 729
Total assets		123 436 355	127 980 244
FUNDS AND LIABILITIES			
Reserves			
Accumulated deficit		(40 466 261)	(37 018 310)
Non-current liabilities			
Capital grants	8	113 993 525	109 988 582
Current liabilities			
Trade and other payables	9	44 178 925	50 272 628
Bank overdraft	7	1 257 806	264 984
Short term portion of capital grants	8	4 472 360	4 472 360
		49 909 091	55 009 972
Total funds and liabilities		123 436 355	127 980 244

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STATEMENT OF CHANGES IN FUNDS

For the year ended 31 March 2018

IN PULA

Balance at 1 April 2016	
Total deficit for the year	
Balance at 31 March 2017	
Total deficit for the year	
Balance at 31 March 2018	

Accumulated Deficit	
	(30 857 763)
	(6 160 547)
	(37 018 310)
	(3 447 951)
	(40 466 261)

STATEMENT OF CASH FLOWS

For the year ended 31 March 2018

IN PULA

	Note	2018	2017
Cash flows (utilised in)/from operations	10	(20 719 793)	5 331 881
Investing activities			
Interest received	2	242 614	318 784
Purchase of plant and equipment	3	(720 115)	(3 555 679)
Additions to intangible assets	4	(265 834)	(42 524)
Proceeds from disposal of motor vehicles	10	-	180 050
Net cash utilised in investing activities		(743 335)	(3 099 369)
Financing activities			
Capital grants received	8	10 000 000	10 325 502
Net movement in cash and cash equivalents			
Cash and cash equivalents at beginning of year		(11 463 128)	12 558 014
		12 786 384	228 370
Cash and cash equivalents at end of year	7	1 323 256	12 786 384

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SIGNIFICANT ACCOUNTING POLICIES

For the year ended 31 March 2018

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. Expenses comprise of direct costs and administrative expenses from facilitating national examinations for the Primary School Leaving Exams (PSLE), Junior Certificate Examinations (JCE) and the Botswana General Certificate of Secondary School Examination (BGCSE). 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 19th September 2018.

BASIS 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 and the related accounting policy note), evaluating the useful lives of intangible assets (per note 4 and the related accounting policy note), evaluating trade and other receivables for possible impairment (per note 6 and the related accounting policy note), and the calculation and recognition of provisions (per note 9.1 and the related accounting policy note).

Property and equipment

Property and equipment is initially measured at cost.

Cost includes those initially incurred to acquire or construct an item as well as borrowing costs for qualifying assets if the recognition criteria are met.

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

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SIGNIFICANT ACCOUNTING POLICIES *continued*

For the year ended 31 March 2018

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:

- 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 licences

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 are as follows:

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

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SIGNIFICANT ACCOUNTING POLICIES *continued*

For the year ended 31 March 2018

Capital grants (*Continued*)

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.

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.

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SIGNIFICANT ACCOUNTING POLICIES *continued*

For the year ended 31 March 2018

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.

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 reasonable assurance that the subventions will be received and BEC has complied with all required conditions. These subventions are based on approved expenditure agreed with the Ministry of Basic Education on an annual basis. The annual period to which these subventions relate to agrees to the financial year of BEC.

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.

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SIGNIFICANT ACCOUNTING POLICIES *continued*

For the year ended 31 March 2018

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. 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 parties.

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 less impairment. Prepayments and deposits are classified as loans and receivables.

Trade receivables, including amounts due from related parties

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.

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SIGNIFICANT ACCOUNTING POLICIES *continued*

For the year ended 31 March 2018

Financial liabilities (*continued*)

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.

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.

Direct costs and administrative expenses

Direct costs and administrative expenses primarily represent the costs required to conduct and facilitate national examinations and support administrative functions. Expenses are recognised as soon as they are incurred by the organisation. Major components of direct costs include amongst others examination fees, invigilation fees, marking fees, printing costs, travel and subsistence allowances. Major components of administration costs include amongst others payroll and related costs for employees, amortisation and depreciation, repairs and maintenance, advertising and marketing, electricity and water, printing and stationary.

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For the year ended 31 March 2018

Standards and interpretations which became effective during the year

The standards and interpretations which became effective during the year ended 31 March 2018 are summarised as follows:

Standards/interpretations		Impact
IAS 12 amendments	Recognition of Deferred Tax Assets for Unrealised Losses	No impact on these financial statements
IAS 7	Disclosure amendments	No impact on these financial statements

Standards and interpretations not yet effective

All Standards and Interpretations will be adopted at their effective date (except for those Standards and Interpretations that are not applicable to the entity).

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.

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 2018 with retrospective application. Early adoption is permitted. The standard is not expected to have an impact on the classification and measurement of the organisation's financial asset instruments due to the nature of these financial assets. The standard may have an impact on the organisation's impairment loss accrual which is expected to increase. A detailed assessment of the impact on the organisation's impairment accrual will be performed and the impact disclosed in the financial statements for the following financial year.

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

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SIGNIFICANT ACCOUNTING POLICIE *continued*

For the year ended 31 March 2018

Standards and interpretations not yet effective (*continued*)

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 is not expected to have a significant impact on the organisation's financial statements as the organisation has not entered into significant operating lease agreements at the reporting date.

Prepayment Features with Negative Compensation (Amendments to IFRS 9)

The amendments clarify that financial assets containing prepayment features with negative compensation can now be measured at amortised cost or at fair value through other comprehensive income (FVOCI) if they meet the other relevant requirements of IFRS 9.

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

Long-term Interests in Associates and Joint Ventures (Amendment to IAS 28)

The amendments clarify that an entity applies IFRS 9 to long-term interests in an associate and joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied.

The amendments apply for annual periods beginning on or after 1 January 2019. Early adoption is permitted. The standard is however not expected to have a significant impact on the organisation's financial statements due to the nature of its operations.

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 2019 and early application is permitted. These amendments are not expected to have any impact on the organisation's financial statements.

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

Currently, there is ambiguity over how a company 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.

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. These

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SIGNIFICANT ACCOUNTING POLICIES *continued*

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Standards and interpretations not yet effective (Continued)

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

amendments are not expected to have any impact on the organisation's financial statements.

Transfers of Investment Property (Amendments to IAS 40)

The IASB has amended the requirements in IAS 40 Investment property on when an 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 organisation'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. This interpretation is not expected to have a significant impact on the organisation's financial statements.

IFRS 17 Insurance contracts

IFRS 17 supersedes IFRS 4 Insurance Contracts and aims to increase comparability and transparency about profitability. The new standard introduces a

new comprehensive model ("general model") for the recognition and measurement of liabilities arising from insurance contracts. In addition, it includes a simplified approach and modifications to the general measurement model that can be applied in certain circumstances and to specific contracts, such as:

- Reinsurance contracts held;
- Direct participating contracts; and
- Investment contracts with discretionary participation features.

Under the new standard, investment components are excluded from insurance revenue and service expenses. Entities can also choose to present the effect of changes in discount rates and other financial risks in profit or loss or other comprehensive income.

The new standard includes various new disclosures and requires additional granularity in disclosures to assist users to assess the effects of insurance contracts on the entity's financial statements.

The standard is effective for annual periods beginning on or after 1 January 2021. Early adoption is permitted. This standard is not expected to have any impact on the organisation's financial statements.

IFRIC 23 Uncertainty over Income Tax Treatments

IFRIC 23 does not introduce any new disclosures but reinforces the need to comply with existing disclosure requirements about:

- judgments made;
- assumptions and other estimates used; and
- the potential impact of uncertainties that are not reflected.

IFRIC 23 applies for financial periods beginning on or after 1 January 2019. Earlier adoption is permitted. This standard is not expected to have any impact on the organisation's financial statements.

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1 Operating deficit

The operating deficit is stated after taking into account the following:

Income

Unwinding of Government grants

Expenses

Auditors' remuneration

Current year

Amortisation of intangible assets (Note 4)

Consultancy fees

Travel and subsistence allowances

Depreciation (Note 3)

Exchange gain

Salaries and allowances

Gratuity (Note 9.1)

Leave pay (Note 9.1)

Pension costs – defined contribution plan

Profit on disposal of motor vehicle

Number of employees

2 Finance income

Interest received - bank

	2018	2017
Unwinding of Government grants	5 995 057	4 135 245
Auditors' remuneration	251 558	232 741
Amortisation of intangible assets (Note 4)	2 841 813	2 795 645
Consultancy fees	1 116 307	572 570
Travel and subsistence allowances	13 964 936	31 535 369
Depreciation (Note 3)	4 749 088	4 885 700
Exchange gain	(1 315 414)	(196 817)
Salaries and allowances	87 852 375	82 573 214
Gratuity (Note 9.1)	9 492 280	7 332 202
Leave pay (Note 9.1)	4 387 997	2 128 796
Pension costs – defined contribution plan	7 055 213	6 749 134
Profit on disposal of motor vehicle	-	(180 050)
Number of employees	230	235
Interest received - bank	242 614	318 784

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3 Property and equipment

	Land and buildings	Motor vehicles	Computer Equipment	Office Equipment	Furniture and Fittings	Total
Cost						
Balance at 1 April 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
Additions	-	-	365 028	355 087	-	720 115
Balance at 31 March 2018	86 163 220	6 622 277	18 256 871	10 751 373	8 042 265	129 836 006
Accumulated depreciation						
Balance at 1 April 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)
Charge for the year	(1 723 264)	(508 426)	(1 236 305)	(478 911)	(802 182)	(4 749 088)
Balance at 31 March 2018	(14 498 613)	(5 041 688)	(16 691 693)	(10 035 882)	(5 342 423)	(51 610 299)
Carrying amounts						
Net book value at 31 March 2018	71 664 607	1 580 589	1 565 178	715 491	2 699 842	78 225 707
Net book value at 31 March 2017	73 387 871	2 089 015	2 436 455	839 315	3 502 024	82 254 680

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, 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 eight months prior 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.

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4 Intangible assets

	BEC Software	BEC Website	BNEPS Licence Fee	BNEPS Programmes	Total
Cost					
Balance at 1 April 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
Additions	265 834	-	-	-	265 834
Balance at 31 March 2018	3 633 502	380 226	2 355 300	23 429 361	29 798 389
Accumulated depreciation					
Balance at 1 April 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)
Charge for the year	(700 055)	-	-	(2 141 758)	(2 841 813)
Balance at 31 March 2018	(3 246 283)	(380 226)	(2 355 300)	(10 793 724)	(16 755 533)
Carrying amounts					
Net book value at 31 March 2018	387 219	-	-	12 635 637	13 022 856
Net book value at 31 March 2017	821 440	-	-	14 777 395	15 598 835

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

- Obsolescence 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 BEC.

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	2018	2017
5 Inventories		
Consumable stocks - at cost	988 232	1 305 572
6 Trade and other receivables		
Prepayments	671 759	-
Trade receivables	27 946 739	15 769 789
	28 618 498	15 769 789

The fair value of receivables is equal to the carrying amounts due to the short term nature of these balances. Trade receivables include P27 716 054 (2017: P15 769 789) due from the Ministry of Basic Education per note 11.

	2018	2017
7 Cash and cash equivalents		
Cash at bank	2 165 806	12 645 878
Short term deposits	412 756	402 990
Cash on hand	2 500	2 500
	2 581 062	13 051 368
Bank overdraft	(1 257 806)	(264 984)
	1 323 256	12 786 384

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:

	2018	2017
Cash at bank	908 000	12 380 894
Short term deposits	412 756	402 990
Cash on hand	2 500	2 500
	1 323 256	12 786 384

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8 Capital Grants

Government grants for intangible assets

	2018	2017
Balance at beginning of year	41 149 790	33 025 823
Capital grants received during the year	10 000 000	10 325 502
Unwinding of capital grants	(2 354 216)	(2 201 535)
Expenses incurred during the year	(1 722 307)	-
Balance at end of year	47 073 267	41 149 790

Capital grants for property and equipment

Balance at beginning of year	73 311 152	75 244 862
Unwinding of capital grants	(1 918 534)	(1 933 710)
Balance at end of year	71 392 618	73 311 152
Total grants at end of year	118 465 885	114 460 942

At the reporting date the capital grants can be analysed as follows:

	2018	2017
Short term portion	4 472 360	4 472 360
Long term portion	113 993 525	109 988 582
	118 465 885	114 460 942

9 Trade and other payables

Trade payables	889 676	4 526 430
Accrued expenses	1 372 899	4 796 356
Other payables	13 714 597	12 691 048
Provisions (Note 9.1)	28 012 176	28 258 794
Deferred revenue	189 577	-
	44 178 925	50 272 628

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9.1 Provisions	Gratuity	Legal Fees and Litigation	Leave	Total
Balance at 01 April 2016	12 677 826	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	11 415 144	8 786 640	8 057 010	28 258 794
Additional provisions during the year	9 492 280	627 672	4 387 997	14 507 949
Payments during the year	(9 146 641)	(4 725 364)	(882 562)	(14 754 567)
Balance at 31 March 2018	11 760 783	4 688 948	11 562 445	28 012 176

BEC was involved in a legal dispute 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 31 March 2017, a provision of P6 095 716 was recognised relating to this claim. A payment of P4 725 364 was made in November 2017 and a settlement of P970 585 was made in July 2018. Management and the Union have agreed that the matter has been settled and no further claims are expected.

A legal dispute with regards to unfair dismissal of a former employee during the year has been recognised as a claim amounting to P627 672. The case is currently on-going at the respective court, however the parties are evaluating an option for settlement outside of court.

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 (2017: P2 690 924).

	2018	2017
10 Cash flows from/ (utilised in) operating activities		
Operating deficit	(3 690 565)	(6 479 331)
Adjustment for:		
Depreciation (Note 3)	4 749 088	4 885 700
Amortisation of intangible assets (Note 4)	2 841 813	2 795 645
Unwinding of capital grants (Note 8)	(5 995 057)	(4 135 245)
Profit on disposal of motor vehicles	-	(180 050)
Changes in working capital:		
Movement in inventories	317 340	(718 972)
Movement in trade and other receivables	(12 848 709)	(2 990 468)
Movement in trade and other payables	(6 093 703)	12 154 602
	(20 719 793)	5 331 881

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10 Cash flows from/(utilised in) operating activities (continued)

In the statement of cash flows, proceeds from the disposal of motor vehicle comprise:

	2018	2017
Net book amount (Note 3)	-	-
Proceeds from disposal of motor vehicle	-	180 050

11 Related party transactions

(a) Transactions with the Ministry of Basic Education

Government subvention	252 521 563	256 405 537
Capital grants received during the year	10 000 000	10 325 502

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 Basic Education.

(b) Receivables from the Ministry of Basic Education

Government subvention	18 537 856	-
Back to School Programme	7 271 738	15 668 379
PSLE	1 906 460	-
	27 716 054	15 668 379

These balances are interest free, unsecured and without any fixed repayment terms. Subsequent to year end the receivables relating Back to School and PSLE were settled.

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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:

	2018	2017
Management - basic salary	3 608 568	3 393 142
Management - allowances	2 272 212	2 099 153
Management - gratuity and leave pay	3 226 177	1 232 386
Management - total	9 106 957	6 724 681
Sitting allowances – council members	361 540	156 452
	9 468 497	6 881 133

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.

The entity's assets 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
2018						
Assets						
Property and equipment	78 225 707	-	-	78 225 707	-	78 225 707
Intangible assets	13 022 856	-	-	13 022 856	-	13 022 856
Inventories	988 232	-	-	988 232	988 232	-
Trade and other receivables	28 618 498	28 618 498	-	-	28 618 498	-
Cash and cash equivalents	2 581 062	2 578 562	-	2 500	2 581 062	-
	123 436 355	31 197 060	-	92 239 295	32 187 792	91 248 563

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12 Fair values (continued)

The entity's 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
2018						
Liabilities						
Deferred grants	118 465 885	-	-	118 465 885	4 472 360	113 993 525
Trade and other payables	44 178 925	-	15 977 172	28 201 753	44 178 925	-
Bank overdraft	1 257 806	-	1 257 806	-	1 257 806	-
	<u>163 902 616</u>	<u>-</u>	<u>17 234 978</u>	<u>146 667 638</u>	<u>49 909 091</u>	<u>113 993 525</u>

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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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:

	2018	2017
Fixed deposits	412 756	402 990
Call accounts	2 054 237	7 789 028
Bank overdraft	(1 257 806)	(264 984)
	1 209 187	7 927 034

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%

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13. Financial instruments continued)

Interest rate risk (continued)

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:

	2018	2017
Fixed deposits	2 064	2 015
Call accounts	10 271	38 945
Bank overdraft	(6 289)	(1 325)
Net decrease in operating deficit	<u>6 046</u>	<u>39 635</u>

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. Subsequent to the reporting date, P9.1 million was received from the total P27 million outstanding. 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.

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13. Financial instruments (continued) Interest rate risk (continued)

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

	2018	2017
Trade receivables	27 946 739	15 769 789
Bank balances	2 578 562	13 048 868
	30 525 301	28 818 657

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

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

	Total	Past due by over 90 days
2018		
Trade receivables	27 946 739	27 946 739
2017		
Trade receivables	15 769 789	15 769 789

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 settlement history of the Ministry of Basic Education 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 the banks concerned are subsidiaries of major internationally 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.

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13. Financial instruments (continued) Interest rate risk (continued)

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.

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

2018	Carrying amount	Contractual cash flows	Within 1 year
Trade payables	889 676	(889 676)	(889 676)
Other payables	15 087 496	(15 087 496)	(15 087 496)
Bank overdraft	1 257 806	(1 257 806)	(1 257 806)
	<u>17 234 978</u>	<u>(17 234 978)</u>	<u>(17 234 978)</u>
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)
Bank overdraft	264 984	(264 984)	(264 984)
	<u>22 278 818</u>	<u>(22 278 818)</u>	<u>(22 278 818)</u>

Currency risk

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

2018	GBP	ZAR	Pula Equivalent
Bank balances	6 135	-	82 352
	<u>6 135</u>	<u>-</u>	<u>82 352</u>
2017			
Bank balances	365 071	-	4 781 426
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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13. Financial instruments (continued)

Interest rate risk (continued)

An exchange rate of 1 GBP / 13.42 BWP (2017: 1 GBP / 13.09 BWP) was used for the conversion of foreign denominated balances at the reporting date. The entity had no South African Rand denominated financial instruments on hand at the current reporting date. An exchange rate of 1 ZAR / 0.78 BWP was used for the conversion of foreign denominated balances at the previous 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:

	2018	2017
GBP	(7 487)	(127 024)
ZAR	-	27 975
Net increase in operating deficit	(7 487)	(99 049)

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 P1 176 745 and committed funds at the reporting date amounted to P4 823 255.

The total approved budget for BEAM is P9 954 000. Total accumulated project expenditure as at the reporting date was P1 489 544 and committed funds at the reporting date amounted to P8 464 456.

The total approved budget for BEC Transformation Project is P5 000 000. Total accumulated project expenditure as at the reporting date was P194 254 and committed funds at the reporting date amounted to P4 805 746. A further P10 000 000 was released for the Pathways project which is a sub project within the BEC Transformation Project. As at year end no expenditure had been incurred.

15. Going concern

BEC incurred a deficit of P3 447 951 for the year ended 31 March 2018 and its total liabilities exceeded its total assets by P40 466 261. BEC is dependent on the Ministry of Basic Education for financial and operational support. The Ministry of Basic Education has approved the Council's 2018/2019 budget and is continuing to provide financial support to the Council through the payment of government subventions and grants.

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DETAILED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 March 2018
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	NOTE	2018	2017
Revenue	1	267 875 140	269 649 786
Cost of revenue			
Direct costs	2	137 809 220	146 002 403
Gross surplus		130 065 920	123 647 383
Other income	3	8 777 582	5 188 386
Administrative expenses			
Advertising, marketing and publicity		1 432 150	925 154
AEAA expenses		-	23 402
Amortisation of intangible assets		2 841 813	2 795 645
Auditors' remuneration		251 558	232 741
Bank charges		227 765	229 722
Consultancy fees		1 116 307	572 570
Depreciation		4 749 088	4 885 700
Electricity and water		1 398 311	1 543 163
Excellence awards		673 875	865 580
General expenses		2 631 438	802 524
Hotel and accommodation		465 406	267 660
Insurance		1 554 866	1 486 330
Legal fees		632 372	6 159 660
Licenses and subscriptions		1 498 413	2 951 836
Meals and entertainment expenses		444 397	235 819
Miscellaneous		66 321	1 095 034
Motor vehicle expenses		520 405	413 675
Office cleaning and supplies		564 525	817 796
Printing and stationery		2 312 740	2 268 544
Recruitment costs		37 063	96 371
Repairs and maintenance		3 859 940	3 822 844
Salaries	4	108 787 865	98 783 346
Security		807 977	548 242

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DETAILED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME *(continued)*

For the year ended 31 March 2018

IN PULA

	NOTE	2018	2017
Sitting allowance		484 929	156 452
Staff welfare		27 251	71 741
Telephone, courier, freight and postage		932 407	910 940
TIMMS expenses		91 233	422 063
Training expenses		740 447	251 079
Travel and subsistence allowances		3 383 205	1 679 467
		142 534 067	135 315 100
Operating deficit		(3 690 565)	(6 479 331)

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

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DETAILED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 March 2018
IN PULA

	2018	2017
1 Revenue		
Government subvention	252 521 563	256 405 537
Certification fees	224 621	247 692
Registration fees	14 933 794	12 863 027
Remarking fees	195 162	133 530
	267 875 140	269 649 786
2 Direct costs		
ABE and student expenses	-	107 847
Consultancy	-	20 154
Examiners' meals	4 724 062	12 090 646
External examinations fees	20 274 267	34 367 648
Grading and grade review	776 657	415 121
Invigilation fees	25 791 077	26 857 659
Marking fees	49 655 021	20 796 010
Moderation fees	2 670 524	2 749 698
Other examination administration	3 893 763	2 536 075
Printing costs	9 868 357	9 509 525
Sitting fees	339 444	212 661
Travel and subsistence allowances	13 964 936	31 535 369
Venue hire costs	5 851 112	4 803 990
	137 809 220	146 002 403
3 Other income		
Unwinding of capital grants	5 995 057	4 135 245
Exchange gain/(loss)	1 315 414	196 817
Profit on disposal of motor vehicles	-	180 050
Sale of tender documents	30 500	49 250
Sundry income	1 436 611	627 024
	8 777 582	5 188 386

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DETAILED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (continued)

For the year ended 31 March 2018

IN PULA

	2018	2017
4 Salaries		
Acting allowances	807 417	627 210
Management salary, allowances, gratuity and leave pay	7 137 656	6 724 681
Salaries	93 787 579	84 682 321
	101 732 652	92 034 212
Pension contributions	7 055 213	6 749 134
	108 787 865	98 783 346

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