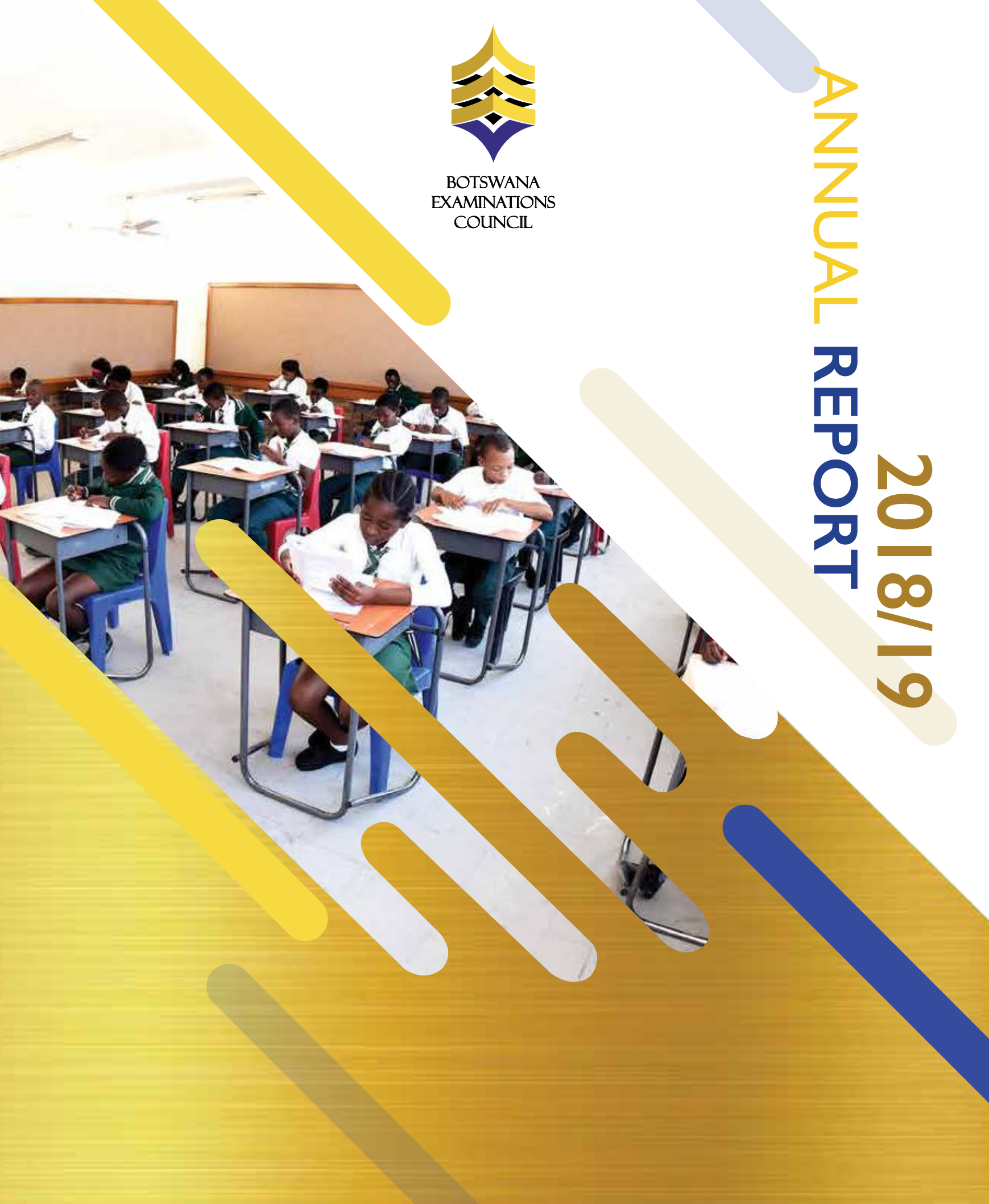




BOTSWANA
EXAMINATIONS
COUNCIL

ANNUAL REPORT

2018/19



*Advancing learning,
certifying your future*



INTERGRITY

TRANSPARENCY

PEOPLE FOCUS

EXCELLENCE



THE HISTORY OF PUBLIC EXAMINATIONS IN BOTSWANA

1960's

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)

The Examinations Council renamed the University of Botswana Lesotho and Swaziland School Examinations Council (UBLS SEC)

1961-66

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

1970's

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

THE HISTORY OF PUBLIC EXAMINATIONS IN BOTSWANA



1980's

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

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.

1990's

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.



THE HISTORY OF PUBLIC EXAMINATIONS IN BOTSWANA

2000's

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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1. Mrs Ludo Thateng Johwa-Mpundisi
Member

2. Prof. Brian Mokopagosi
Executive Secretary

3. Mr. Nasim Miller
Member

4. Dr. Daniel R. Tau
Executive Secretary

5. Dr. Tsheko Gaelebale
Deputy Chairperson

6. Dr. Rappael Dingalo
Member



BEC COUNCIL MEMBERS



7. Dr. Joseph Tsonope
Board Chairperson

8. Mr. Pogiso Thapelo
Board Secretary

9. Mrs. Daisy Molefhi
Member

10. Mr. Tjalebgwa Bakang Bagwasi
Member

11. Mr. Simon Coles
Deputy Permanent Secretary - MoBE
(Member)





1. Mrs. Dorcas Morake
Director, Examination
Administration and Certification

2. Prof. Brian Mokopagosi
Executive Secretary

3. Mrs. Sheila B. Barungwi
Director, Product
Development and Standards

4. Mr. Letlhokwa Galekhutle
Director, Corporate Services

5. Dr. Moreetsi Thobega
Director, Research and Policy
Development

6. Mr. Emmanuel Maite
Director, Human Resource

7. Mr. Ratio Balositse
Acting Direct, Information and
Communications Technology



SECTION 3

HEADS OF SPECIALISED SUPPORT DIVISIONS



1. Mrs. Keramile Masire
Manager, Internal Audit

2. Mrs. Maipelo Sealetsa
Manager, Office of Strategy
Management

3. Mr. Mothusi Ntaui
Manager, Compliance and
Quality Assurance

4. Ms. Fingile Makgalemele
Manager, Corporate
Communications

5. Mr. Thapelo Pogiso
Manager, Legal Services



I am indebted to the Council for providing leadership in this direction and to Management and staff of the BEC for implementing the decision of the Council to move ahead with Transformation.

CHAIRPERSON'S FOREWORD

The BEC Annual Report 2018/19 is a record of performance of the final financial year of the BEC Strategic Plan, 2014 to 2019. While it is report for only one year, it is tempting to use it to reflect on the whole period of the strategic plan. It provides lessons and commitments to a vision that may help in developing the next strategic plan of the organisation. The report should be seen and read not only as the end of a period, but also as a starting point for a larger and reformed Botswana Examinations Council incorporating the new functions of assessment and moderation of pre-tertiary Technical and Vocational Education and Training (TVET).

As was the case during the previous financial year, this report is also a further testimony of the commitment of the BEC, led by the Governing Council, to corporate governance. The review of the Board Charter, drafting of Board committee charters and the induction of Board and Board Committee members are but a few examples of the efforts to engender corporate governance at the Council. Further, the year witnessed concerted effort to implement approved policies, procedures and processes.

We entered into 2018/19 with increased expectation that our Amendment Bill would be approved and passed into law by the National Assembly. This expectation did not materialise. In spite of that, the BEC cautiously moved forward with other aspects of the Transformation agenda, which included development of policies and appointment of consultancies on organisation re-design and due diligence. Significant progress was achieved in these key areas. I am indebted to the Council for providing leadership in this direction and to Management and staff of the BEC for implementing the decision of the Council to move ahead with Transformation.

Another important challenge that continued to haunt the Council was the limited financial resources available to execute its mandate. There is no indication that this position will change in the foreseeable future. This situation calls on the Council, as we move into the future, not only to tighten financial controls to ensure that more is done with less, but also to explore new and innovative income generation streams and to gradually move toward outcome based budgeting with stricter prioritisation of projects and activities.

As the following pages of the report will show, the year under review was a busy, difficult, but a fulfilling one. I commend the report to all those with interest in issues of educational assessment, governance and strategy implementation.



Dr Joseph Tsonope
BEC Board Chairperson





What comes out of the report is that the examinations were conducted well and the results were released on time. Even more important, the conduct of the examinations generally complied with the law and existing procedures and processes and were therefore passed as credible. Cambridge International, which accredit BGCSE, concluded that the examinations met the requirements of the accreditation agreement.



EXECUTIVE SECRETARY'S STATEMENT

The year under review was a very busy one in the life of the Botswana Examinations Council, and this is reflected in the main body of the report. The purpose of the report is not just to fulfil a statutory requirement, but also and most importantly to report to the nation on how the Council utilised the resources allocated to it in order to execute its mandate in terms of the law that established it. It records the performance of each of the directorates and divisions of the Council against the approved annual business plan. The engagement with different stakeholders and partners within and outside the country are also reported on.

The second part of the report contains the audited financial statements of the Council. These outline how the Council utilised the approved annual budget to finance its strategic objectives and operations. The statements show careful financial management and tight control of the allocated resources. The report is structured as shown below:

Governance

This section is essentially an articulation of the commitment of the BEC to corporate governance. It highlights the various ways in which the Council during the year dealt with issues of compliance to existing relevant legislation and processes. The manner in which the Council and Council committees conducted their business to enhance quality and minimise organisational risk is also outlined. For the first time, attendance of scheduled Council meetings and the composition of the various Council committees are reported on. Also important and not previously reported on are the inspection of centres to determine their capacity to administer BEC examinations.

Implementation of the BEC Strategy

The main tool used by the organisation in the execution of the strategy is the annual business plan, which has clearly articulated initiatives driving the broad objectives. Serious efforts are always made to align the budget with the business plan, which is also used as a tool to account to the shareholder on the use of funds provided and the execution of our mandate. The report shows that performance in the implementation of the business plan was generally good and stood at an average of just over 70 percent. The report also outlines the various challenges that made it difficult to perform at even higher levels and proposes mitigation going forward.

Conduct of Examinations

In terms of the Botswana Examinations Act, the main mandate of the Council is to conduct school examinations and any other examinations that they may be asked to conduct by the Ministry of Basic Education. What comes out of the report is that the examinations were conducted well and the results were released on time. Even more important, the conduct of the examinations generally complied with the law and existing

procedures and processes and were therefore passed as credible. Cambridge International, which accredit BGCSE, concluded that the examinations met the requirements of the accreditation agreement. Details are contained in the main body of the report.

Research and Outreach

During the year under review, several research activities were undertaken. Notable among them was the dissemination of the national report of the Trends in Mathematics and Science Study, which attempts to show how our students perform in mathematics and science compared to candidates elsewhere in the world. The Directorate of Research and Policy Development also embarked on a programme to sensitise stakeholders on the purpose and progress made in the development of the Botswana Educational Achievement Monitor (BEAM). Also worth reporting on are the roadshows undertaken by the Division of Corporate Communication in the Gantsi and Kgalagadi districts to sensitise stakeholders on the mandate of the BEC and the services available to them. These roadshows were extremely successful. These are articulated in detail in the report.

BEC Excellence Awards

The BEC Excellence Awards Ceremony, in collaboration with the Ministry of Basic Education, is held annually to celebrate outstanding performance of candidates at the three levels of the general education system. This year the ceremony was held at Mogoditshane Senior Secondary School on 24th August 2018, and His Excellency the President of the Republic of Botswana Dr Mokgweetsi Masisi and the First Lady Mrs Neo Masisi graced the occasion. The awards ceremony was judged by those who attended, candidates, parents, guardians, etc., as very successful. The President encouraged the recipients of the awards to remain focussed over the next years and stay away from behaviours and practices that may distract them from pursuing their dreams.

Regional and International Participation

The BEC continued to participate in regional and international associations. BEC was active in the work of the Southern African Association of Educational Assessment (SAAEA). A significant number of BEC officers and research took part in the 12th Annual Conference of SAAEA in Pretoria, South Africa in May 2018. In spite of the limited financial resources, BEC also played part in the work and conferences of the Association of Educational Assessment in Africa (AEAA) and the International Association for the Evaluation of Educational Achievement (IEA). Some limited short-term training was undertaken due to resources constraints.



Brian Mokopakgosi
Executive Secretary



**SECTION 6
GOVERNANCE
STRUCTURES**

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- 011 - INTERNAL AUDIT
- 012 - QUALITY ASSURANCE
- 013 - GOVERNANCE STRUCTURES
- 016 - DIRECTORATES AND SPECIALISED DIVISION

GOVERNANCE

FRAMEWORK

Botswana Examinations Council (BEC) Governing Body is appointed by the Minister of Basic Education in accordance with section 4 of Botswana Examinations Council Act. The BEC subscribes to good Corporate Governance and therefore, is fully committed to ethical and effective leadership principles as espoused under King IV Code of Corporate Governance. In pursuit of good Corporate Governance, the Council has over and above the BEC Act, adopted the Board Charter, Committees Terms of Reference which among other things, set parameters on the use of privileged information, declaration of conflict of interest and also stipulate the roles and responsibilities of the Council.

In order to ensure that any interest of a Council Member in a particular matter to be considered by the Council is brought to its attention, declaration of interest procedures have been put in place. These declarations are submitted by the Council Members at the beginning of each meeting and are available for review any time. The Board Charter further provides a mechanism for the Council members to seek independent professional advice should the need arise.

The Internal Audit and Compliance and Quality Assurance functions provide independent and objective assurance to the Council and Executive Management on the appropriateness and effectiveness of the Council's governance processes, risk management and internal control environment, as well as identifying corrective actions and suggesting enhancements to these controls and processes.

COMBINED ASSURANCE

The Council has adopted a combined assurance approach to strengthen the effectiveness of controls related to key risk responses and mitigation activities. This corroborative effort provides the Council with a firm evaluation of the risk responses and mitigation controls. The lines of assurance are:

- The organisation's line functions that own and manage risks – first line of assurance;
- Specialist function that facilitates and oversees Quality Assurance and Risk and Compliance Management – second line of assurance;
- Internal assurance provider which is the Internal Audit Division – third line of assurance; and
- Independent external assurance providers which are external auditors who are engaged from time to time – fourth line of assurance.

The effectiveness of these combined assurance structures are determined by the effectiveness of the risk response activities and the overall management of risks that the Botswana Examinations Council may be exposed to from time to time.

WHISTLE-BLOWING

The Botswana Examinations Council has committed itself to upholding best practice standards, honesty, professionalism and ethical behaviour and further endeavours to be open in all matters of public interest while safeguarding confidential information. This is in line with the organisation's values. During the year, the BEC continued in the quest to combat irregularities to deal with concerns or complaints, whether from within or outside the Council.

BEC has zero tolerance for the commission or concealment of fraudulent and illegal acts. Allegations of

GOVERNANCE STRUCTURES

such acts are investigated and pursued to their logical conclusion, including instituting legal action, criminal prosecution, and disciplinary action where warranted.

RISK MANAGEMENT

The Council considers risk management as a key process in pursuit of strategic objectives and in the effective management of related material issues across the organisation. This is in line with Principle 11 of the King IV Code of Corporate Governance which prescribes that the Board should govern risk in a way that supports the organisation in setting and achieving its strategic objectives.

BEC's integrated risk management model considers strategic, operational, financial and compliance as well as reputational risks which are inherent to the business and to the education industry in general. BEC's risk management culture is underpinned by the effective implementation of risk identification and mitigation activities that constitute integrated systems of internal controls, stakeholder engagement activities and application of relevant monitoring mechanisms in line with the organisations Enterprise Risk Management Framework.

During the 2018/19 financial year, the Risk and Compliance Coordinator position was filled. This role was established to assist the Council on effective management of enterprise-wide risks and compliance exposures. The Risk Management Policy and the Enterprise Risk Management Framework were reviewed in line with current risk management best practice standards and the development of the BEC corporate risk register and compliance universe was initiated. This establishes an appropriate base off which the risk management process shall be integrated within the operations of the BEC.

INTERNAL AUDIT

In order to execute its mandate as an oversight body, the Council obtains independent assurance from Internal Audit function on the adequacy and effectiveness of the system of internal controls, risk management, governance processes and compliance to laid down policies, laws and regulations to ensure the achievement of the Council's strategic objectives. The Internal Audit function annually develops a risk based audit plan approved by the Audit Committee and performs audits in line with this plan. During the 2018/19 financial year, Internal Audit issued reports on the following areas:

- Review of the Organisational Culture to ascertain the type of culture within BEC and establish effectiveness of the policies and processes that have influence on culture, looking at adopted practices, core values and ethics. The review also covered leave management, time management, supervision, as well as consequent management;
- Recruitment – a review of the effectiveness of the recruitment process at BEC to ensure that it was in line with best practices;
- Procurement – the emphasis of the review was to ascertain that the Council in its procurement ensures economy, efficiency and effectiveness in the use of limited resources;
- Records Management – Reviewing the effectiveness of controls around records/document management process within the Council, covering integrity, security reliability and accessibility of the same; and
- Trial testing process - a special assignment which was requested by management.

Internal Audit also performed follow up reviews on implementation of audit recommendations and there has been steady improvement which ultimately will result in an improvement of the control environment.



QUALITY ASSURANCE

The Cambridge Assessment International Education conducts annual inspections on selected accredited customers to evaluate the control and administration of the Botswana General Certificate of Secondary Education (BGCSE) examinations in line with the quality control policies and procedures as contained in the applicable documentation.

During the 2018 examination cycle, the Quality and Assurance division partnered with the Cambridge inspector to inspect 21 examination centres. The manner of rating is categorised into four ratings depending on the inspector's assessment of the centre's understanding and implementation of four key dimensions of exam administration on the day of the inspection. These dimensions are security arrangements, the conduct of examinations, the standard of the examination room/set-up and Key times and full centre supervision (where applicable).

In terms of the number and percentage of ratings, the outcomes of the inspections conducted between 2015 and 2018 are summarised in [Table I](#) below:

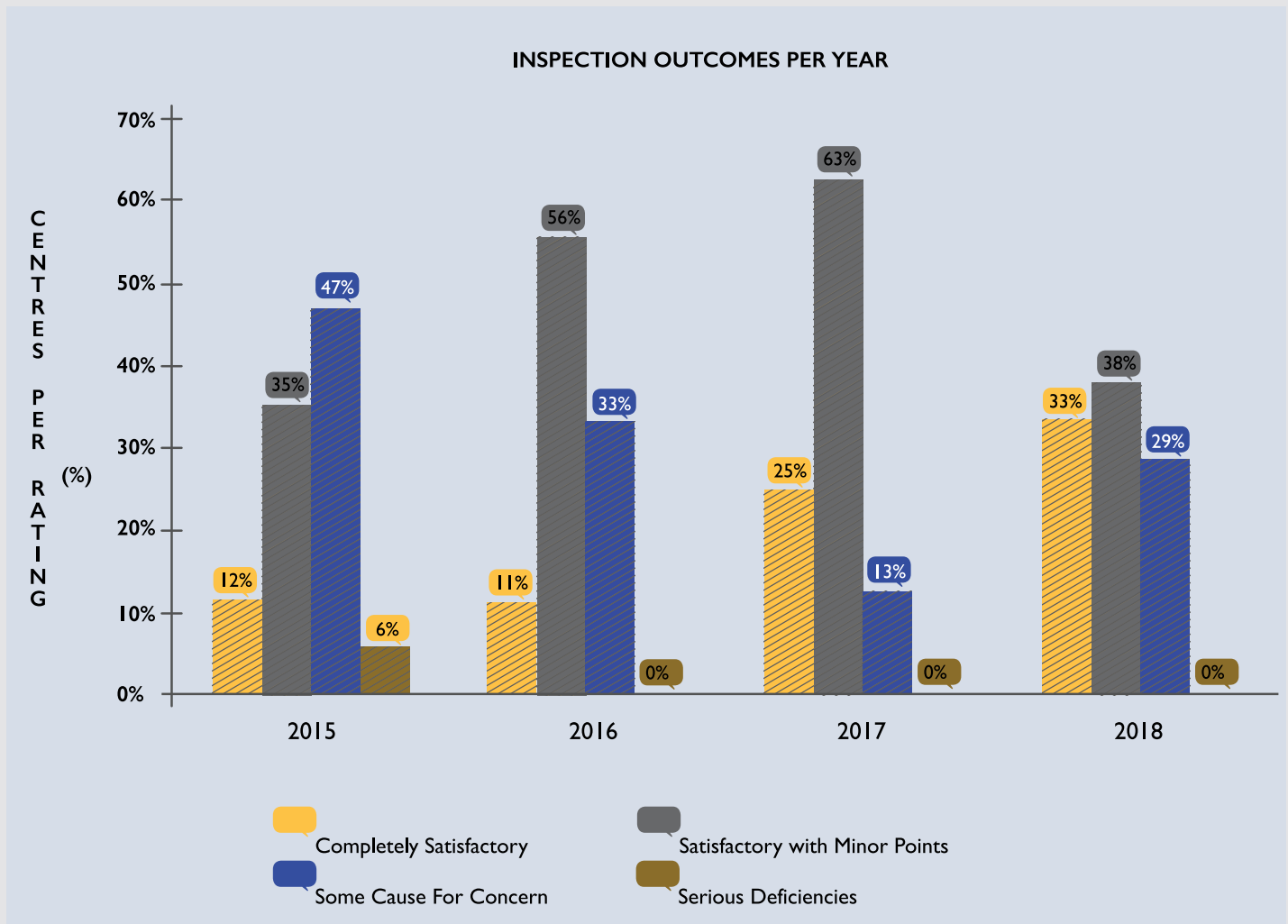


Table I: Inspection Outcomes Per Year

GOVERNANCE STRUCTURES

The results show that there has been an improvement in the 2018 examination cycle in the number of centres that received a “Completely Satisfactory” and “Satisfactory with Minor Points” ratings. There was however an observed increase in the number of centres with “Some Serious Concern” rating during the same examination cycle. As centres become aware of what is expected, BEC expects these numbers to reduce significantly reflecting a commitment from all the parties involved to ensuring that the conduct of examinations is as per set standards.

BEC QUALITY MANAGEMENT SYSTEM (QMS)

Botswana Examinations Council (BEC) was certified against the ISO 9001:2008 standard by Botswana Bureau of Standards (BOBS) in February 2017 and the certification expired on 22nd September 2018. Subsequent to this certification, BEC commenced work on a transition programme from the ISO 9001:2008 to the new ISO 9001:2015 standard.

A transition schedule was developed to update the existing ISO 9001:2008 processes. Chief amongst these processes was to review and align the current documentation to requirements of the new standard. As at end of March 2019 the project progress stood at 80%. In order to reinforce the project team a quality management systems consultant was engaged for the purpose of expediting the transition project. Some key deliverables of the engagement was to guide BEC through the resolution of salient issues relating to the new standard, as well as providing capacity building for auditors.

GOVERNANCE STRUCTURES

THE COUNCIL

The Council is established in terms of section 4 of the BEC Act and is made up of 14 members appointed by the Minister of Basic Education. The Council is constituency based and is comprised of non-executive members with the exception of the Executive Secretary. The Council consists of representatives from the Ministry of Basic Education, Botswana Open University, Botswana Qualifications Authority, Human Resources Development Council, Directorate of the Public Service Management, Botswana Police, the Public and Private sector, Teacher organisations, University of Botswana and the Executive Secretary who is an ex officio member.

In the execution of its duties the Council is guided by a Board Charter, which amongst others, clearly sets out the Board’s role, duties and responsibilities. The Charter provides for Council Committees which assist the Council in executing its functions effectively.

COUNCIL MEETINGS

The BEC Act requires the Council to meet at least three times annually to discuss matters relating to, amongst other things; Strategy and Performance, Financial Position of the BEC, Risk Management, Human Resource matters, Sustainability and Governance. Members contribute to strategy formulation as well as monitoring and measuring the BEC performance and that of its executive management against key performance indicators.

During Financial year under review, induction and governance workshop for Council’s committee members were conducted. The workshop was conducted to improve the effectiveness of the Committees in their respective roles of risk management, compliance and overall governance of the Council.



GOVERNANCE STRUCTURES

Attendance of the meeting by Council members during the 2018-2019 financial year is shown in the [Table 2](#) below:

NAME OF COUNCIL MEMBER	POSITION	6/9/18	13/12/18	28/3/18	SITTING ALLOWANCE (BWP)
Dr. Joseph Tsonope	Chairperson	✓	✓	✓	4725
Dr. Gaelebale N. Tsheko	Vice Chairperson	✓	✓	✓	4725
Professor Brian Mokopakgosi	Executive Secretary	✓	✓	✓	4725
Dr. Daniel Tau	Member	✗	✗	✗	4725
Dr. Raphael Dingalo	Member	✓	✓	✗	4725
Mrs. Thateng L. Johwa-Mpundisi	Member	✗	✓	✓	4725
Mr. Tjalebgwa Bagwasi	Member	✓	✗	✓	4725
Mr Simon Coles	Member	✓	✗	✗	4725
Mr. Nasim Miller	Member	✓	✓	✓	4725
Mrs. Daisy Molefhi	Member	✗	✓	✗	4725

Table 2: Attendance of the meeting by Council members during the 2018-2019 financial year

COUNCIL COMMITTEES

The Council has through the Board Charter set up seven (7) committees to assist it in carrying out its oversight role.

EXECUTIVE COMMITTEE

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

The Executive Committee is chaired by Dr. Joseph Tsonope. Other Committee Members are the Deputy Chairperson Dr. Gaelebale Nnunu Tsheko, Dr. Daniel Rakgomo Tau and the Executive Secretary Professor Brian Mokopakgosi.

FINANCE AND AUDIT COMMITTEE

The Council in line with good Corporate Governance has established a Finance and Audit Committee (FAC) which is administered through Finance and Audit Committee Charter. The Committee comprises four (4) members all appointed by the Council; two (2) of whom are members of the Council and two (2) are independent members. The Committee is mandated to provide oversight on behalf of the Governing Council over:

GOVERNANCE STRUCTURES

- The financial reporting process
- Internal Audit process
- The system of internal controls and risk management
- Corporate and Information and Communication Technology (ICT) governance
- Monitoring compliance with applicable regulations and legislation

The Finance and Audit Committee is chaired by Mr. Enoch Mushango. Other Committee Members are Professor Onkutlwile Othata, Mrs. Thateng Ludo Johwa-Mpundisi, Mr. Tjalebgwa Bagwasi and the Executive Secretary Professor Brian Mokopakgosi. The Committee is required to meet quarterly and it has complied during the year under review.

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 Committee is chaired by Dr. Daniel Rakgomo Tau. Other Committee Members are Dr. Raphael Dingalo, Ms. Mukani Pelaelo and Professor Tachilisa Balule.

PROCUREMENT COMMITTEE

The Committee is responsible for the approval of procurement of goods and services that are above the limit of the Management Tender Committee.

The Committee is chaired by Mr. Nelson Mokgethi. Other Committee members are Dr. Raphael Dingalo, Mrs. Dudu Boshwaen, Mrs. Daisy Molefhi, Mrs Magdeline Motswagole and the Executive Secretary Professor Brian Mokopakgosi.

RESEARCH COMMITTEE

The Research Committee is responsible for approving 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 Committee is chaired by Dr. Gaelebale Nnunu Tsheko. Other Committee Members are Professor Nkobi Owen Pansiri, Mr. Simon Coles, Dr. Keene Boikhutso, Mr. Benjamin Segokgo Thebe, Mr. Kelaotswe Archie Galeboe 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 for Secondary Examination (BGCSE) or any other examination conducted by BEC.



GOVERNANCE STRUCTURES

The Committee is chaired by Dr. Joseph Tsonope. Other Committee Members are Dr. Gaelebale Nnunu Tsheko, Dr. Kebatenne Hulela, Mr. Ndongko Koolese, Mrs. Segomotso Chimbombi, Professor Tshepo Batane, Ms. Mogametsi Kowa and the Executive Secretary Professor Brian Mokopakgosi.

EXAMINATIONS COMMITTEE

The Committee is responsible for 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 Committee is chaired by Dr. Gaelebale Nnunu Tsheko. Other Committee Members are Mr. Nassim Miller, Mrs. Daisy Molefhi, Mr. Kenneth Bugalo Habana, Mr. Lisani Ndaba, Mr. Ronald Motswakhumo, Ms. Ivy Balopi and the Executive Secretary Professor Brian Mokopakgosi.

DIRECTORATES AND SPECIALISED DIVISIONS

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

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

DIRECTORATE OF PRODUCT DEVELOPMENT AND STANDARDS

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

DIRECTORATE OF EXAMINATIONS ADMINISTRATION AND CERTIFICATION

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

DIRECTORATE OF RESEARCH AND POLICY DEVELOPMENT

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

GOVERNANCE STRUCTURES

DIRECTORATE OF CORPORATE SERVICES

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

DIRECTORATE OF INFORMATION AND COMMUNICATIONS TECHNOLOGY (ICT)

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

DIRECTORATE OF HUMAN RESOURCES

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

SUPPORT DIVISIONS UNDER THE OFFICE OF THE EXECUTIVE SECRETARY

1. OFFICE OF STRATEGY MANAGEMENT

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

2. COMPLIANCE AND QUALITY ASSURANCE DIVISION

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

3. INTERNAL AUDIT DIVISION

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

4. CORPORATE COMMUNICATIONS DIVISION

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

5. LEGAL SERVICES DIVISION

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



SECTION 7 BEC 2018/19 STRATEGY PERFORMANCE

018-025 ▼

- 018 - BEC 2018/19 STRATEGY PERFORMANCE
- 020 - CUSTOMER AND STAKEHOLDER PERSPECTIVE
- 020 - SUSTAINABILITY AND RESOURCES PERSPECTIVE
- 020 - ORGANISATION EFFECIENCY AND EFFECTIVENESS
- 024 - ORGANISATION CAPACITY AND CAPABILITY

BEC 2018/19 STRATEGY PERFORMANCE

INTRODUCTION

Financial year 2018/19 marked the 5th year of implementation of the BEC strategy, and the planning period was therefore to end on 31st March 2019. The conclusion of the current strategic plan would result in the development of the next strategic plan, which in effect would be a vehicle for the transformation of BEC into a high performance national examinations and assessment authority with an expanded mandate incorporating pre-primary education and the assessment and moderation of pre-tertiary TVET. During the financial 2018/19 the Organisational Re-design and Due Diligence Studies which are the key sub-projects of the Transformation Project were initiated. The outcomes of these activities were the revised organisational structure and gap analysis reports which would inform the next strategy. These are expected during the first half of the financial year 2019/20. Consequently, the implementation of the strategic plan was allowed to extend slightly into 2019/20 to accommodate these developments.

2018/19 PERFORMANCE OVERVIEW

Analysis of performance over the five years of the strategy shows that the performance area that was adversely impacted by inadequate funding was the organisational capacity and capability perspective, which is critical for the effective implementation of processes and systems.

As an organisation heavily reliant on Government subvention, the BEC recurrent budget for the whole period of the strategy had remained constant against market changes and inflation rate fluctuations. This development resulted in the Council being forced to always rationalise and prioritise the allocated funds to avoid stagnancy and compromises in the delivery of examinations. Budget prioritisation was largely to ensure that the implementation of the examination cycle was adequately provided for, and as a result, inadequate provision was made for other strategic initiatives, making it difficult to fully realise intended

objectives of the strategy. There were only a handful of strategic initiatives funded through the National Development Budget; these were initiatives that were directly intended for Improving Assessments Services and driving the national reforms such as the transformation of BEC. All other initiatives that were targeted at improving business processes, improving access to products and services, improving use of technology, improving knowledge and skills, improving work environment and improving governance had to be done with either very limited funding or no funding at all, using innovative ways to ensure that the organisation remained relevant and that growth was attained.

BEC had been able to execute most of its planned activities, amidst all of the challenges identified above as reflected in this report. It was noted that BEC consistently implemented more than 70% of its planned activities over a period of the strategy. The unattained planned activities however, had a bearing on the attainment of strategic objectives. There were some initiatives that were planned to be completed by 31st March 2019, but were still on-going and are instead expected to be completed during the first half of the next financial year to inform the process of strategy development.

The overall vision of the current strategy is to be a provider of accessible and globally competitive qualifications. The current strategy had planned to carry out a study to assess BEC's competitiveness and relevance of its qualifications as the performance indicator to the vision. This study has various variables to make a composite measure of competitiveness. A number of research studies were initiated, some of which were not completed by the time of reporting and have continued into 2019/20 performance.

An overview of strategy implementation performance during financial year 2018/19 is herein reported along the four strategy perspectives:



I. CUSTOMER AND STAKEHOLDER PERSPECTIVE

BEC embarked on a number of studies to establish the success of the implementation of the strategy by determining the competitiveness and relevance of its qualifications. These studies were; Customer Satisfaction Survey, Stakeholder Satisfaction Survey, Competitiveness and Relevance Survey and the Comparability Studies with CIE. The purpose of the studies was to derive a Competitiveness Index, which is a composite measure. By 31st March 2019, the Competitiveness Index had not yet been established as some of the studies were still on-going. Other indicators depicting the level of satisfaction from Customers and Stakeholders were determined through the Customer Satisfaction Survey, which was completed and was ready for dissemination to stakeholders by 31st March 2019. The Satisfaction Index was recorded at 76%. This was attributed to the Council's commitment to a well-defined quality management system that focusses on addressing and meeting customer needs. Comparability Studies with Cambridge were also facilitated and the report is being used to improve development of the examination products, building towards globally recognised qualifications.

2. SUSTAINABILITY and RESOURCES PERSPECTIVE

The main challenge that created performance bottlenecks in the implementation of the strategy during the period under review and for the entire strategy since its implementation 5 years ago was financial. The Council has over the past five (5) years operated with a budget that is below its requirements. This is despite implementation of Financial Accounting across Organisation Initiative, which included management of budgets and cost cutting efforts. Implementation of a Costing Model by the Council

was also not as successful as hoped for during the period under review. The number of funded products remained as two (Back to School Programme and PSLE examination fees for private schools). The BEC regulations are also still before the Attorney General for review and approval. Once sanctioned, BEC will fully implement the Costing Model, which will allow the Council to apply product based pricing.

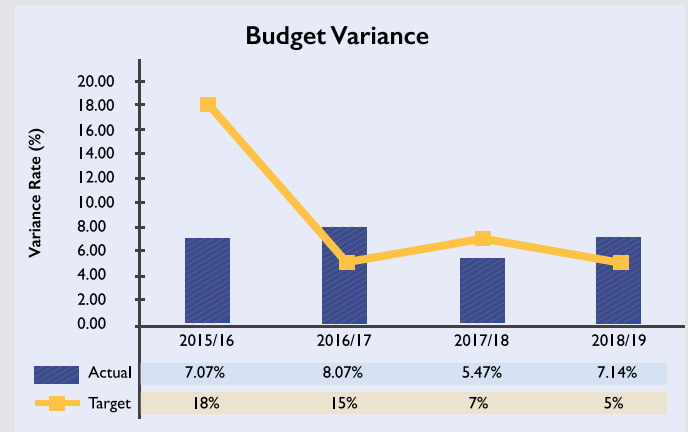


Table 3: Budget Variance

The budget variance as Table 3 above shows, at the end of financial year was at 7.14% against a targeted 5%, which presented a gap in performance. This shortfall was largely attributable to the examiner's standoff during marking, resulting in more expenditure as the marking period had to be extended and some fees renegotiated with the contracted staff. To manage this particular workforce with the view to containing related future expenditure, BEC has engaged a Consultancy to determine the most appropriate fee structures through a consultative process. The consultancy commenced during the period of reporting and the outcome is expected in the next financial year.

3. ORGANISATIONAL EFFICIENCY and EFFECTIVENESS

In order for the Council to achieve efficiency and effectiveness, there ought to be deliberate efforts to improve internal processes. This has been done

BEC 2018/19 STRATEGY PERFORMANCE

through a variety of projects to achieve the following objectives: Improve Business Processes, Improve Assessment Services, Improve Access to Products and Services and Improve Stakeholder Engagement. Initiatives towards improving assessment services received funding through the national development plan, while the rest of the objectives had to compete for the limited funding whilst ensuring that the examination cycle activities were implemented without challenges or compromises. Most strategic projects therefore did not have adequate funding.

Notwithstanding the aforesaid, the Council continued in its commitment towards implementation of its Quality Management System as reflected by good performance against process improvement measures. There was a 70% reduction in non-conformities and 7.69% reduction in complaints as a result a continued implementation of the Quality Policy. In spite of delays in transitioning from ISO 9001:2003 standard to the ISO 9001:2015 standard, significant milestones were achieved during the year under review. The Stage I Re-certification Audit was conducted by BOBS on 4-5th February 2019 and the BOBS report is being considered by Management in preparation for the final certifying audit.

The impact of improved efficiency in processes was further reflected on compliance to assessment product standards, which is a new measure that was introduced during the mid-term review. It was recorded at 95% against a 100% target. There were three (3) errors recorded on examination products this financial year (only on question papers). However, these were addressed and did not result in disturbances to the administration of the examinations. Furthermore, there was a 17.3% reduction in enquiries that led to grade change, a measure also introduced during the mid-term review of the strategy. This shows a significant improvement from the 9.4% recorded in the preceding financial year. Additionally, in a bid to improve assessment, the Council started the initiative

on the Development of the BEC Assessment Policy. The second draft of the Code of Practice was developed and shared with internal stakeholders for input.

Some of the management systems that continue to improve the efficiency and effectiveness of the BEC operations are implementation of an integrated planning system which has resulted in 72.53% of Compliance to Plans (Initiative plans and examination cycle). This is a slight increase from the 72.09% recorded during 2017/18. Despite financial constraints and challenges that can easily derail scheduled activities, the Council consistently managed to implement over 70% of planned work over the past 5 years. This measure has been monitored from financial year 2015/16 in a bid to improve planning and projects management.

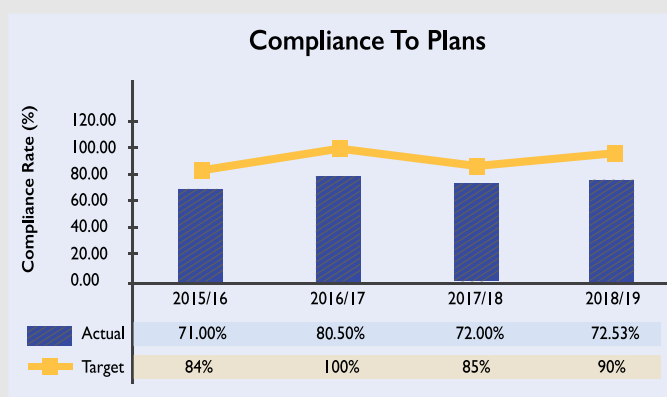


Table 4: Budget Variance

Implementation of the Information Security Management System is another intervention which is expected to increase the credibility of BEC qualifications as it would enhance the information assurance. Information Security policies to drive this system were developed and are going through approval processes, while the Information Security Risks mitigation tasks are being implemented. The culmination of this project is certification against the ISO standard for Information Assurance (ISO 27001). Implementation of the Business Process Management (BPM) System for core business processes was

completed, save for the Product Development and Standards which was at verification stage by the time of reporting. The roll-out plan for the rest of the business processes was also developed in preparation for project sign-off. This is one of the projects that were expected to be completed during 2018/19, but delays caused by stakeholder engagement and verification of mapped process pushed completion date to early months in the next financial year. Upon completion of BPM, automation of processes will thus be seamless.

By end of financial year 2018/19 only 57.14% of processes were automated (4 out of a target of 7), which is same with what was recorded in the previous financial year. There was no improvement on the performance of the measure as some of the processes which were targeted for automation namely; Integrated PMS and Strategy System, E-Marking were not implemented due to resource constraints.

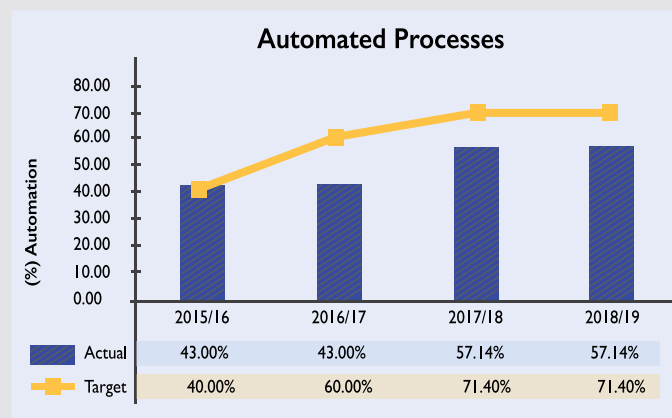


Table 5: Automated Processes

To improve Assessment Services, BEC continued the development and implementation of assessment products & services that meet learner needs such as the Botswana Educational Achievement and Monitoring (BEAM). BEAM, a national level project facilitated by BEC on behalf of the Ministry of Basic Education aims to establish a large scale assessment programme whose utility would be to regularly gauge

the quality of education in Botswana at system level. Such objective would be achieved by investigating the degree to which learning achievement is affected by a set of variables such as student attributes, teacher characteristics, home and school background. The needs assessment for BEAM has been completed and by the time of reporting, the project was at the development phase where a Consultant for developing the framework was still being sourced. There were delays on acquiring this consultancy and this will have a negative impact on completion of the project.

In preparation for the expanded mandate, various transformation initiatives focusing on assessments were initiated. These projects are also at national level and are implemented in collaboration with various functions in the Education Sector. They are long term by nature and are expected to continue to the next BEC Strategy. The Development of the Assessments for Outcome-based Education for Senior Secondary will gain momentum following the approval of the General Education Curriculum and Assessment Framework. This framework was still at the Ministry (MoBE) approval stage by the time of reporting. The revised drafts of the National Policy on Assessment (NPA), Assessment Regulations for Senior Secondary Education, and Glossary of Assessment Terms are in circulation for input, understanding and appreciation by major stakeholders particularly the Ministry of Basic Education (MoBE) and Botswana Qualifications Authority. The instruments, upon finalisation, will be handed over to MoBE to facilitate approval by Cabinet. Development of Assessment for out of school learners had stalled due to lack of progress on curriculum development to inform assessment development. BEC was also challenged by resource constraints for effective implementation of the project.

BEC 2018/19 STRATEGY PERFORMANCE

During 2018/19, there was a 3.6% increase in the number of candidates accessing BEC products and services. This was partially attributed to the implementation of promotional activities that eased accessibility to the BEC services. The number of private schools taking BEC qualifications had not changed from the previous financial year; therefore there was 0% increase. This performance prompted the Council to conduct a Needs Assessment Survey in order to establish customer needs and the reason behind private schools opting for other qualifications instead of BGCSE. The study was on-going and at analysis stage. When completed the survey output is expected to assist BEC in coming up with products that are required by the market which in the long run are expected to improve uptake by private schools. Appropriate promotion efforts will also be developed through the Marketing Strategy which is at draft stage; and is to be further refined when the Needs Assessment Survey is concluded.

of the notable engagements were with students, schools, teachers and the annual Excellence awards which we use as a tool for motivating learners towards excellence. The 9th Excellence Awards ceremony was implemented successfully in collaboration with MoBE, supported by Office of the President and the Business Community.

Some of the project-based engagements for the Transformation project were with BEC Staff and Staff Unions, Construction Industry Trust Fund (CITF), Department of Skills Development and Madirelo Trade and Testing Centre (MTTC), all within the Ministry of Employment, Labour Productivity and Skills Development, as well as the Department of Teacher Training and Technical Education at the Ministry of Tertiary Education, Research, Science and Technology.

Consultative meetings on the National Policy on Assessment for General Education were held with Regional Education Staff, Junior and Senior Secondary School Heads. This policy is critical to the transformation of assessment and its alignment with the education sector reforms. These engagements were held jointly with the Ministry of Basic Education and included sensitisation on the General Education Curriculum and Assessment Framework (GECAF) (formerly National Curriculum and Assessment Framework (NCAF) and the OBE/Pathways programme.

Responses from stakeholder interactions show positive signs of improvement to the BEC image and reputation as evidenced by the 1.6% increase in stakeholder satisfaction index as recorded by the Satisfaction Survey. There was also a notable correlative effect on the number of negative media reports recorded, to stakeholder engagements. Since commencement of the strategy, BEC implemented its Communications Strategy, and the negative media reporting has been recorded as falling below the targeted 25%. The percentage of negative media reporting had increased from the 4% reported in

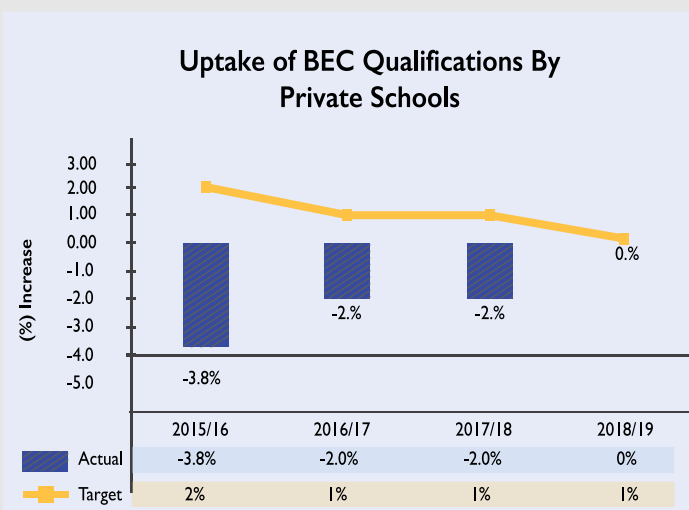


Table 6: Uptake of BEC Qualifications by Private Centre

BEC continued to use various platforms to engage its stakeholders to raise awareness on its mandate, products, services and new developments as well as to solicit ideas for improved efficiency and effectiveness. Some of the engagements were project based while others were sensitisation on the BEC mandate. Some

2017/18 to 12.5% in 2018/19, which was mainly attributed to the stand-off between examiners and BEC including marketing of the examinations.

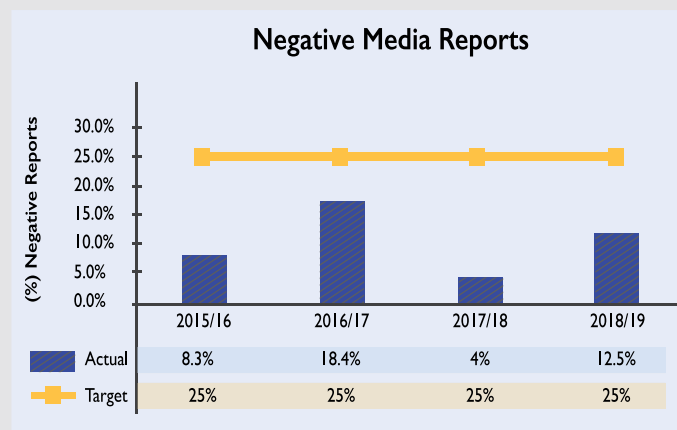


Table 7: Negative Media Reports

4. ORGANISATIONAL CAPACITY and CAPABILITY

The performance area that has been adversely impacted by inadequate funding is the building of capacity and capability for an effective implementation of strategic initiatives. This area entails investing on the human capital, information management systems, conducive work environment and corporate governance frameworks that would facilitate effective implementation of the mandate. To manage information availability, the Council deployed new blade servers and migrated the Windows server virtual machines from the Oracle Virtualisation environment to a Microsoft Virtualisation environment which resulted in a 99.14% of systems availability, therefore, promoting business continuity. For the longer term, the Council had initiated an Electronic Records and Document Management System (ERDMS) project which was at procurement stage by the time of reporting. The Records and Information Management Policy was developed and was going through the approval stages by 31st March 2019.

In terms of managing security breaches, the Council had planned implementation of Information Security Management system (ISO 27001:2013). This project was however still at development phase to make meaningful impact on the measure. During 2018/19, the draft information security policies were going through consultation and approval stage and the Information Assurance Risk Matrix was implemented to minimise the risk of security breaches. For the period under review, one (1) security breach was recorded against a target of two (2) and was fully addressed by the end of the financial year.

To integrate ICT systems, the Council had planned to implement a number of systems such as the E-marking solution, Business Intelligence Solution and automation and integration of performance management system with the strategy, but due to financial constraints, these were not implemented. Instead, the Council integrated systems to improve efficiency at operational level. The Digital Literacy certification initiative with intent to close ICT skills gap for all staff could also not be fully implemented, as it is dependent on updated versions of ICT systems and infrastructure, which the Council currently does not have. A procurement plan for replacement of obsolete ICT infrastructure was developed and would be implemented in the subsequent year, subject to availability of funding.

BEC had managed to keep the staff turnover close to target of 2% as only 2.62% employees resigned. This was despite the 60.91% employee satisfaction index recorded in 2018 which had slightly improved from the 59.7% recorded in 2016. Some of the contributing factors to low satisfaction were inadequate training and staff development due to budget constraints. The Council is however implementing recommendations from the survey to address the areas of concern.

The freezing of recruitment to manage expenses was also another gap that created a negative impact on implementation of some initiatives as work overload

BEC 2018/19 STRATEGY PERFORMANCE

was experienced resulting in delayed implementation on some projects. To address this challenge, some key positions were filled including Human Resources Director, Compliance and Assurance Officer and Legal Services Manager; and a project rationalisation exercise was carried out to understand and manage resource overload on projects. Implementation of recommendations from this study are being implemented on projects. Furthermore, to manage fatigue, an initiative of management of leave was introduced.

One of the key focus for 2018/19 was to design and implement organisational re-design and due diligence studies in preparation for transformation. This process had commenced and a number of milestones were realised. The first milestone was engagement of a Consultancy which commenced work in October 2018, and had since produced an inception report. The Organisational re-design report which included a situational analysis report with a proposed organisational structure was at the draft stage.

The due diligence study was in progress by time of reporting. Change Management and capacity building initiatives for the project were also implemented as per the project schedule. Some of these were change readiness workshops for staff where various professional such as psychologist, financial advisors and change practitioners were engaged; regular updates to staff and staff unions (BOPEU). Furthermore, international benchmarking exercises to gain insights into the organisational structures, operations, quality assurance functions and funding of assessments authorities in those countries. The key focus was to understand the assessment process in multiple pathways system as well as in an outcome based system. A benchmarking report was compiled to inform decisions on the project.

During the period under review, the Board Charter was reviewed, approved and implemented. All statutory Board meetings were held as scheduled. The Board Committees also held planned meetings.

SECTION 8 BEC OUTREACH AND ENGAGEMENTS

026-036 ▼

- 027 - BEC INTERACTS WITH EXTERNAL STAKEHOLDER
- 028 - SOUTH KOREAN VOLUNTEER TEACHER VISIT BEC
- 029 - BEC CELEBRATE WITH SEBAKO PRIMARY SCHOOL
- 030 - BEC EMBARKS ON A ELECTRONIC MANAGEMENT JOURNEY
- 030 - BEC SHARE NOTES WITH OTHER ENTITIES
- 031 - BEC REWARDS TOP ACHIEVERS THROUGH THE ANNUAL EXCELLENCE AWARDS
- 032 - BEC PARTICIPATES IN THE LAUNCH OF BOTSWANA NATIONAL IMPLEMENTATION PLAN FOR SDG 4
- 033 - BEC ENGAGES STAKEHOLDER ON THE BEAM PROJECT
- 034 - BEC EMBARKS ON A ROADSHOW TO KGALAGADI AND GANTSI REGION
- 035 - BEC TIMSS TEAM TAKES 2015 FINDINGS TO STAKEHOLDERS 2015 FINDINGS TO STAKEHOLDERS

BEC OUTREACH AND ENGAGEMENTS

BEC INTERACTS WITH EXTERNAL STAKEHOLDERS

Botswana Examinations Council was among the government and private institutions which participated in the 2018 Business Botswana Fair which took place in Francistown from the 22nd to the 27th May 2018.

The fair is hosted annually and attracts a number of companies and organisations, it also provides a valuable platform for networking and marketing of institutions products and services. During the fair the Business Botswana President, Mr. Gobusamang Keebine said the fair has been in existence since 1994 and has grown to be a national networking platform. He said that many businesses from micro, medium to large scale have benefited from this initiative as some of them started out by merely trading at a stall at this trade fair and they are now proud contributors to the Botswana economy. Held under the banner 'Is tourism, Botswana's hope amidst dwindling mining fortunes', he said Francistown as a host is still reeling from effects of the closure of the Tati Nickel Mine and it is time to make it the best City to do business.

Officially opening the Fair, the Managing Director of Okavango Diamond Company Mr. Marcus Ter Haar said, it was a collective effort to profile Francistown as an investment destination of choice by producing quality goods and services to attract investors. He added that the City provided numerous untapped opportunities for them to diversify into other sectors in order to build a broad-based economy.

Botswana Examinations Council seized the opportunity to interact as well as to showcase and explain various BEC services to customers such as how to prepare for examinations, how to replace lost or damaged certificates, who qualifies for BEC Excellence Awards, how to register and pay for Examinations online, and many others services the Council provides.



Assistant Corporate Communications Officers interacting with stakeholders at The Business Botswana Fair.



Assistant Corporate Communications Officers Jaqueline Mone interacting with stakeholders at The Business Botswana Fair.



BEC 2018/19 STRATEGY PERFORMANCE

SOUTH KOREAN VOLUNTEER TEACHERS VISIT BEC

During the reporting period, the Ministry of Basic Education (MoBE) once again identified BEC as a key stakeholder in orientating the South Korean volunteer teachers for the second time following the first visit to BEC during 2017-2018 financial year. BEC was very delighted to host the 2019 cohort of volunteers from Korea, and the acting Executive Secretary Dr. Moreetsi Thobega took them through the BEC overview and mandate. The thirteen volunteers appreciated Dr. Thobega's presentation and even made some suggestions on how they think Botswana can improve her education system.

The volunteers are the third batch following the signing of a Memorandum of Understanding between the Ministry of Basic Education and National Institute for International Education (NIIED) of Ministry of Education of the Republic of Korea in November 2016.

The teachers who will be on one year renewable contract will teach Mathematics, Science and ICT in the local schools. They will be expected to help improve the teaching of the three subjects in line with the Ministry of Basic Education's strategic plan, the Education and Training Sector Strategy Plan (ETSSP).

The teachers were to be posted to Pandamatenga, Kang and Morwa.



Data Processing Supervisor Wame Ponatshego demonstrating to the South Korean volunteers how the Optical Marker Reader operates during a tour of BEC.



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

BEC OUTREACH AND ENGAGEMENTS

BEC CELEBRATE WITH SEBAKO PRIMARY SCHOOL

During the year under review, BEC joined the staff and pupils of Sebako Primary School in Kanye for a prize giving ceremony and their 20th Anniversary celebrations.

Giving a brief history of the school, the School Head Mr. Justice Kgabeng stated that the school opened on 15th July, 1998 with 262 learners being 132 boys and 130 girls. The first group set for PSLE examination in the year 2000. The school has continued to have more boys than girls and the School Head noted that having more boys does not mean more problems. He vowed to turn the school into a high performing one and maintain good academic standing.

For her part, the founding School Head Ms. Lady Kgokong encouraged all stakeholders of the school to work together to improve their school results. She expressed her pride in having been a part of building the school to what it is today and that she treasures the moments spent at the school and the contribution she made during her reign as the school head. One of the former students, Mr. Morapedi Kgosithebe who studied at Sebako from 1998 to 2001 cautioned students to stay away from drugs and gangsterism, he also encouraged them to work hard and respect their elders. He requested parents to play an active role in their kids' education and emphasised that it is important to assist their children with their school work for them to produce better results.

In his keynote address the Executive Secretary of Botswana Examinations Council Professor Brian Mokopakgosi expressed delight to Sebako for inviting him to officiate at the prize giving and 20 years celebrations. He said that prize giving ceremony provides an opportunity to reward and celebrate outstanding performance. He went on to talk about the BEC Annual Excellence Awards stating that they are designed to motivate those still in the school system to emulate the recipients. As part of its Corporate Social Responsibility (CSR) initiative, BEC made donations to the school which included a Laptop for the 2017 PLSE top achiever. Other items included a Printer, printing paper, HB pencils, erasers, and some reference materials. Professor Mokopakgosi also donated P2,000.00 (Two Thousand Pula) from his pocket to the Sebako Primary School.



BEC Executive Secretary Prof. Brain Mokopakgosi handing donations to Sebako Primary School.



BEC donated a printer, printing paper, HB pencils, erasers, and some reference materials to Sebako Primary School..



BEC EMBARKS ON AN ELECTRONIC RECORDS MANAGEMENT JOURNEY

In keeping up with the status of a High Performing Organisation (HPO) as well as organisational strategic objective of improving the Use of Technology, BEC has during the reporting period kickstarted the implementation of Electronic Records and Documents Management System (ERDMS).

The ERDMS seeks to provide secure, reliable and integrated technology solutions in alignment with assessment goals, while delivering efficiencies in BEC's operations. It seeks to facilitate the use of technology and information resources to the satisfaction of the Council, its customers and stakeholders.

ERDMS is a collection of technologies that work together to provide a comprehensive solution for managing the creation, capture, indexing, storage, retrieval, and disposition of records and information assets of the organisation. The system offers a centralised corporate repository where data can easily be retrieved through an access-control system. It forms the single source of the truth for all records and documents as they progress through the record and document lifecycle.

The developed records and documents classification policies will certify correct classification of records and documents, thereby ensuring the correct cataloguing and taxonomy are applied to each record or document, implement approval and escalation workflows for document approval. This system will benefit BEC with better management of information, it will help to reduce the data duplication within the organisation, improve business productivity, decrease organisational risks, comply with national and international regulatory bodies, provide an enhanced retention knowledge base and facilitate Project Documents Upload and Approvals (Integrated Workflow).

BEC SHARE NOTES WITH OTHER ENTITIES

Having embarked on the transformation exercise to become a high performing organisation (HPO), Botswana Examinations Council (BEC) has been hosting different local organisations and those from outside Botswana to benchmark on different areas of operations.

Botswana Investment and Trade Centre (BITC) came to BEC to benchmark about the BEC Annual Excellence Awards, Public Procurement and Asset Disposal Board (PPADB), Construction Industry Trust Fund (CITF), Botswana Unified Revenue Services (BURS) are some of the organisations that came to see how BEC achieved its high-performance status.

During the year under review BEC hosted a team from Motor Vehicle Accident Fund who visited BEC to benchmark on the deployment of Balanced Scorecard Methodology, Business Process Improvement, Change Management as well as some information to use to improve their functions, operations, products and services as an organisation.

The MVA Fund had adopted the Balanced Scorecard Institute's Nine Steps to Success, the Balanced Scorecard Methodology and the Prosci Change Management Methodologies in strategy management and they were interested in knowing the methodology that BEC used to manage processes for effective delivery of the strategy. BEC has been using the Balanced Scorecard and the Prosci Change Management since 2013.

BEC shared with MVA the methodology adopted and how it is can improve their processes efficiency. The BEC CQA Division briefed MVA on the Quality Management System and how it had helped to improve efficiency and transparency within the Council. BEC and MVA also pledged to find ways in which they can foster their collaboration, particularly in the areas of capacity building seeing that the two organisations are facing financial constraints.

BEC OUTREACH AND ENGAGEMENTS

BEC REWARDS TOP ACHIEVERS THROUGH THE ANNUAL EXCELLENCE AWARDS

The Ninth Annual Excellence Awards hosted by Botswana Examinations Council in collaboration with the Ministry of Basic Education continues to impress. The over-riding goal of the Annual Excellence Awards is to encourage good performance during national examinations whereby parents, teachers and students would work hard to produce high results. Candidates who excel at National Examinations are recognised and awarded prizes for their hard work. A total of thirty-seven students across all the three levels of basic education, who sat for PSLE, JCE and BGCSE in 2017 including both mainstream and special education, were awarded during the year under review. The awards also recognise the Best PTA across the three levels.

Speaking at the Annual Excellence Awards ceremony held at Mogoditshane Senior Secondary School the Guest of Honour His Excellency the President of the Republic of Botswana Dr. Mokgweetsi Eric Keabetswe Masisi challenged the recipients to remain focused. "Winning the award this year should not mean that you have accomplished all that you are capable of as an individual", advised His Excellency. He advised the recipients to stay away from behaviours that may distract them from pursuing their dreams.

BEC Executive Secretary Professor Brian Mokopakgosi praised the sponsors who have been supporting this noble initiative for the past nine (9) years. "It is appropriate that I should acknowledge with much appreciation the tremendous contribution made by the private sector to the success of this event. The private sector has over the life of the awards contributed materially. This in no small measure demonstrates their commitment to education in this country", he said. He further added that though the number of awards against the total number of candidates is only a drop in the ocean, top achievers are a small group upon which a nation can build a solid foundation to transform its country into a high income one.



His Excellency The President Dr. Mokgweetsi Eric Masisi presenting a cheque to the 2017 Golden Star Lefika Matlho.



Former Debswana Managing Director mr. Balisi Banyongo presenting an award to one of the PLSE Top Achiever during the Annual Excellence Awards.



BEC 2018/19 STRATEGY PERFORMANCE



Research and Policy Development Director Dr. Moreetsi Thobega presenting at the SDG 4 launch.

BEC PARTAKES IN THE LAUNCH OF BOTSWANA'S NATIONAL IMPLEMENTATION PLAN FOR SDG 4

During the year under review, Botswana Examinations Council participated in the launch of the Sustainable Development Goal (SDG) 4. SDG 4 is described as an ambitious and specific goal to drive the education development agenda from 2016 – 2030 and a means through which all the seventeen (17) SDGs will be achieved. The launch of the implementation plan for SDG 4 was hosted by the Ministry of Tertiary Education, Research, Science and Technology in conjunction with United Nations Educational, Scientific and Cultural Organisation (UNESCO).

When giving a keynote address, United Nations Resident Representative to Botswana Her Excellency Madam Jacinta Barrins briefed the audience that to ensure adequate attention to the different thematic areas of education, SDG 4 has been broken down into seven targets and three means of implementation. The targets and the means of implementation are crafted in such a way that all the critical areas of education, both emerging and the unfinished Education For All (EFA) business could be addressed in some way through the global education agenda.



Representatives from various government departments and private sector listening to the SDG 4 deliberations.

Dr. Moreetsi Thobega, who is the lead facilitator of the SDG 4 development team in his presentation said the plan emanated from the immediate past education agenda of 2015. It had six key education goals, the overall aim was to meet the learning needs of all children, youth and adults by 2015. He further explained what SDG 4 means saying it entails provision of 12 years of free, inclusive and equitable, quality primary and secondary education of which at least 10 years are compulsory, leading to relevant learning outcomes. Challenges that are being met include the fact that education is perceived to be free, however, there are still cost sharing fees which may act as a push out factor for some learners and inadequate monitoring of policies and programmes implementation. The SDGs aim among others, to end poverty, hunger and inequality, to also take action on climate change and the environment, improve access to health and education.

The launch was attended by amongst others Ministers from the Ministry of Tertiary Education Hon. Ngaka Ngaka, Ministry of Basic Education Hon. Bagalatia Arone, Ministry of Employment, Labour and Skills Development Hon. Tshenolo Mabeo.



BEC OUTREACH AND ENGAGEMENTS

BEC ENGAGES STAKEHOLDERS ON THE BEAM PROJECT

During the period under review, Botswana Examinations Council held as a Stakeholder Consultative Meeting for the Botswana Educational Achievement Monitor (BEAM) project.

The Botswana Education Achievement Monitor (BEAM) primary objective is to operationalise recommendation of the Revised National Policy on Education (RNPE) of 1994, which recommended that periodic surveys should be undertaken to evaluate the extent to which the curriculum is meeting the objectives. It recommended that the evaluation should take a more systematic approach in terms of data collection and analysis. The surveys should eventually turn into a systematic national assessment programme which would monitor the progress of education from pre-school to tertiary level.

The BEAM Needs Assessment Survey's (NAS) aim was to gather and to analyse information that would inform the development of an appropriate model of the Botswana Educational Achievement Monitor. The purpose of the NAS is to conduct an environmental scan of the current educational assessment practices in Botswana, to determine the level of stakeholder awareness about BEAM. To also establish stakeholder readiness for BEAM, to determine need indicators for BEAM implementation from stakeholders and to assess the extent to which there is need for the BEAM.

BEC Senior Research Officer, Mr. Tshepiso Masokusuku said NAS was conducted at a time when the education system is expected to develop an internationally competitive workforce that is productive, creative and has international exposure in line with the Botswana National Vision 2036. He further indicated that there is sub-optimal utilisation of Information and Communication Technologies (ICTs) and there are low transition rates from secondary to tertiary education. Masokusuku highlighted that NAS was being conducted at a time when there is a mismatch between the skills produced and the needs of the economy (National Development Plan II, 2016) and when Sustainable Development Goal 4 which urges nations to ensure provision of inclusive, equitable, quality education and the provision of lifelong learning for all is in the process of being realised.

For his part, Dr. Kgosi Motshabi further presented on the Needs Assessment Survey (NAS) Analysis Results, and he stated that there were more female respondents among teachers, students and parents while other stakeholders constituted more males than females. Majority of parents respondents were self-employed and majority of the respondents had children attending schools.



Senior Research Officer Mr. Tshepiso Masokusuku presenting at the BEAM stakeholder conference.



Senior Research Officer Dr. Kgosi Motshabi presenting about NAS.



BEC 2018/19 STRATEGY PERFORMANCE



Assistant Corporate Communications Officer Mr. Mpho Moilwa engaging with stakeholders at Groot Lagte during the road show.

BEC EMBARKS ON A ROAD SHOW TO K GALAGADI AND GANTSI REGIONS

In line with the Botswana Examinations Council's strategic objective of Improving Stakeholder Engagement, the Corporate Communications and Certification Services Divisions embarked on a BEC roadshow in Kgalagadi North and Gantsi North and South.

The aim of the BEC Roadshow is to raise awareness amongst the BEC stakeholders and customers on the Botswana Examinations Council mandate, examinations malpractice, services and information available to all BEC stakeholders in each community hub throughout the country. Furthermore, the roadshow provided a one stop shop for all BEC stakeholders to access free information, resources and advice to assist them in becoming Batswana who can help Botswana transform into a competitive and knowledge based economy. The first BEC roadshow team headed to Kgalagadi and settlements visited included Inalegolo, Diphuduhudu, Zutshwa, Ngwatle, Ukhwi, Ncaang, Monong, Hukuntsi and Kang. Another BEC team managed to cover Gantsi South and North Rural Areas the settlements covered include Kuke, Qabo, Groot Laatge, D'kar, Chobokwane, Bere, Kacgae, Gantsi Regional Education Centre workshop and Gantsi Senior Secondary School Boot camp. The teams made presentations at Kgotla which were attended by the Village Chief, Out of School Education and Training (OSET) Officers, Councilors, VDC members, Social workers, School Heads, Teachers, parents and the youth.

The BEC Corporate Communications Manager Ms. Fingile Makgalemele informed the residents about the BEC mandate, private candidate registration, online registration, remarking, examination malpractice, special needs, annual excellence awards. The Certification Services Officer Mr. Thabo Mogodu disseminated information about certification services such as collection of certificates, replacing lost or damaged certificates, certifying statement and change of names on certificates.

Kuke settlement Councilor Mr. Molwe Monwelwa applauded BEC for taking time to travel all the way to their village and educate the people about BEC products and services. He said he is concerned about the school dropouts in Gantsi region. He said parents should encourage their children to be devoted to school and teach them the importance of education.

For his part Kgosi Besa Dabe of Groot Laatge commended BEC for seeing it fit to come and inform the people about BEC's mandate, he encouraged the people of Groot Laatge to ensure that they collect their certificates as they are an important documents that can be a gateway to a better life as they could provide an opportunity for further studies or employment.



BEC Officer Thabo Mogodu and Jaqueline Monei dispatching certificates to RAD residents during the road show.



BEC OUTREACH AND ENGAGEMENTS

BEC TIMSS TEAM TAKES 2015 FINDINGS TO STAKEHOLDERS 2015 FINDINGS TO STAKEHOLDERS

One of the notable highlights for the 2018-2019 financial year, was the dissemination of the Trends In Mathematics and Science Study (TIMSS) findings to stakeholders in Jwaneng and Francistown.

TIMSS is conducted by International Association for the Evaluation of Educational Achievement (IEA) Netherlands. TIMSS Studies targets fourth and eighth graders, to find out what students know or are able to do in Mathematics and Science. TIMSS is carried out every four (4) years. TIMSS 2015 involved 57 countries and Botswana participated for the fourth consecutive time since 2003.

In his welcome remarks, The Executive Secretary of Botswana Examinations Council Professor Brian Mokopakgosi gave the background of BEC's participation in TIMSS and also stressed that assessment studies such as this one has become part of the organisation's core business. The objectives of the study findings, Manager Research Policy and Development, Mrs. Chawangwa Mudongo, said Education for Kagisano of 1977 recommended action to improve quality of education hence the importance to conduct of large-scale assessment studies such TIMSS, PIRLS, SACMEQ, PISA, MLA. She further implored Regional Directors to implement recommendations from TIMSS at their respective regions and update BEC on the status of the recommendations' implementation.

The TIMSS study Team Leader Dr. Trust Masole, pointed out that Botswana used the ninth graders (Form 2) for TIMSS 2015 and 2011 while other countries used eighth graders (Form 1). He added that for a country to be allowed to participate in TIMSS, its curriculum should match at least 70% of the IEA framework and Botswana curriculum frameworks fit for Mathematics and Science was 94% and 88% respectively.

He decried Botswana's dismal performance in this study. In comparison with other countries which took part in TIMSS



Research and Measurement Manager Chawangwa Mudongo presenting on the recommendations of TIMSS, PIRLS, and ACMEQ .



Senior Research Officer Dr. Mbako Masole presenting on the TIMSS findings..



BEC 2018/19 STRATEGY PERFORMANCE



Senior Product Development Officer presenting about Curriculum.

2015, Botswana was ranked one of the low performing nations with its fellow African nations, South Africa and Morocco, with the highest performing countries being Singapore and Hong Kong in both subjects though Botswana used older students at grade 9 level (Form 2) compared to other countries which used grade 8 students.

Senior Development Product Officer, Mr. Moribola Pharithi whose presentation was based on Curriculum implementation and availability of resources, said findings highlighted that teacher's commitment of matters more than the teacher qualification. However, no single factor was contributing to performance on its own but rather an interaction of factors. He said there are factors that contribute significantly to this low performance though, which are shortages of general school infrastructure, lack or shortages of resources for teaching, lack of human resources, lack of accommodation for the teachers/students etc.



Senior Research Officer Dr. Oemetse Mogapi giving a presentation on learners' performance.

Further analysis stipulated by Senior Research Officer Dr. Oemetse Mogapi indicates that the factors that explain more variability in learner's performance are directly related with learners themselves. He said the learners' specific factors which accounts more variability to learners academic performance are mostly attitudinal, perceptions, socio-economic status of their homes, bullying, safety of Schools, tutoring and extra lessons, etc. The study recommended that Botswana should benchmark with the high performing countries. Teachers were advised that they should desist from conducting assessment of learning, instead conduct assessment for learning.

Furthermore, it was recommended that Regional Offices should conduct diverse in-service workshops as they refresh teachers and also impart important skills to teachers for effective curriculum implementation. It was also recommended that Government should embark on massive individual school resource audit for effective resourcing of school as there is acute shortage of resources in schools including basic resources such as chalkboard, chalk and manila paper.

SECTION 9
REVIEW OF
OPERATIONS

037-053 ▼

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- 044 - RESEARCH
- 047 - INFORMATION AND COMMUNICATIONS TECHNOLOGY
- 049 - HUMAN RESOURCES
- 050 - CORPORATE SERVICES
- 053 - 2019/2020 OUTLOOK

INTRODUCTION

The past year continued to be occupied with system-wide reforms through the Education and Training Sector Strategic Plan (ETSSP). In the main task of aligning the BEC qualifications to the requirements of the National Credit and Qualification Framework (NCQF), the BEC managed to successfully register with the Botswana Qualifications Authority (BQA) as an Awarding Body. The BEC also developed the draft National Policy on Assessment for General Education which is to guide assessment under the ETSSP reform. The BEC continued to participate in the development of Senior Secondary learning programmes at the invitation of the Department of Curriculum Development and Evaluation (CD&E). BEC staff also continued to be sensitised on the concept of Outcome Based Education (OBE).

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 assessment of "Higher Order Thinking Skills" in July 2018. BEC is currently considering offering assessments of such skills to interested clients.

Assessment Syllabuses

There were no new syllabuses developed at all the three qualifications of PSLE, JCE and BGCSE in 2018.

Five syllabuses at BGCSE were examined for the first time in 2018 following their review in 2017. These are Commerce, Business Studies and the three Home Economics syllabuses. The examinations on these syllabuses experienced (state some) some teething problems which will hopefully be eliminated within a couple of years as standards for these syllabuses are being reestablished and the training of teachers especially in the school-based components continues. The on-going revision of other syllabuses which include

Agriculture, Literature in English, English Language & Religious Education at BGCSE which commenced in 2017 may be halted if the new syllabuses under the ETSSP (General Education Curriculum and Assessment Framework) come into use by 2021.

BEC continued to use its partnership with Cambridge International to build capacity. In 2018, BEC rolled out the question paper development structures used at BGCSE to all components at PSLE and JCE. This resulted in improved quality of question papers and turnaround times at the two levels. In this partnership, and as part of the agreement between the two bodies, Cambridge International moderated all of the BGCSE assessment materials during development stages. However, the new agreement which commenced in 2018 brought with it a requirement for review of almost all operational activities. This included checking of the quality of printed materials and checking the accuracy of marking. Both of these activities were conducted using samples. It ought to be noted however that timelines for exchange of assessment materials between the two organisations continues to be a challenge for BEC mainly because of the engagement of officers in other Council assignments.

BEC also continued to develop the standard 4 Attainment Tests in the three syllabuses of Mathematics, English and Setswana. Pilot testing of Multiple Choice components was conducted for PSLE and JCE. The JCE pilot test was conducted from 03 – 12 October 2018 covering a sample of 104 schools across the country whilst the PSLE one was conducted from 5 – 14 September on a sample of 150 schools.

Training

BEC conducted workshops for all five syllabuses which were being examined for the first time in 2018. These were dissemination workshops which took

REVIEW OF OPERATIONS

teachers through the sample materials and marking criteria for the coursework components in the Home Economics syllabuses at BGCSE.

Cambridge International conducted two training sessions, one on “Principles of Assessment & Proofreading” and the other on a framework used for comparing the levels of demand between qualifications. Both of the workshops were attended by BEC officers and some of the external service providers where necessary.

On another note, BEC enrolled four officers for an online course on “Introduction to Principles of Assessment, A101” and all of them reported that they found the course more beneficial as it addressed most of the issues that they grappled with in their day to day work.

2018 EXAMINATIONS

The 2018 examinations cycle mainly involved three qualifications; PSLE, JCE and BGCSE that BEC offers. The BEC also printed the Standard Four Attainment Tests and distributed them to the primary schools.

REGISTRATION

The BEC conducted registration of both centres and candidates in the 2018 examinations year at the three examination levels. PSLE government schools continued to register using manual forms while PSLE private schools and all JCE and BGCSE have moved on to full online registration.

Candidature

In 2018 the PSLE was administered to 46 436 candidates; 23 428 (50.45%) being females and 23 008 (49.55%) being males. This was an increase of 4.51% from the 2017 candidature. The 2018 JCE was administered to 40 739 private and school candidates, an increase of 1.6%. There were 20 459 females and 20 280 males. This year there were 695 Back-to-School candidates. At BGCSE level, the examinations were administered to 32 490 private and school candidate, a decrease of 12.8%. This decrease was attributed to reduced intake in the government school category. A slight increase was largely recorded in the private candidates category, which included 1 156 Back-to-School candidates.

Examination Level	Total Candidature	School Candidature	Private Candidature	No. of Centres
PSLE	46 436	46 436	-	830
JCE	40 739	39 188	1 551	244
BGCSE	32 490	24 383	8 107	73

Table 8: Summary of the 2017 candidature by level and centres

REVIEW OF OPERATIONS

Compliance to examinations regulations

The BEC administered examinations for 53 syllabuses through 139 papers. Centres administering BEC examinations were monitored for compliance through inspections which were conducted to a sample during the examinations period. During this period, 386 centres were inspected at PSLE, 241 centres at JCE and 67 at BGCSE. For BGCSE a Cambridge International inspector also audited 21 centres. BEC also engaged outsourced invigilators for administration of examinations to private candidates.

Examination Level	No. Of Syllabi	No. Of Components	No. of Question Papers Administered	Regional Examination Administrators	No. Of Centres Inspected	No. of Invigilators
PSLE	7	9	416 672	29	386	-
JCE	17	50	948 973	20	241	93
BGCSE	29	80	522 922	6	67	144

Table 9: Number of the Syllabi, Components and the centres inspected

Marking and Moderation

The marking of written papers and moderation of coursework were conducted using practicing teachers who were recruited through a competitive process. Examiners were engaged to mark written and practical examinations while moderators were engaged to validate the marking of school-based assessment. Multiple-choice papers were scored through optical mark reader machines. In total, 1 088 647 scripts were marked by 4 788 examiners across the three examination levels.

Examination Level	No. of Examiners	No. of Moderators	No. of Examiners Trained	No. of Scripts Marked
PSLE	1 102	-	-	138 662
JCE	2 134	422	1	509 721
BGCSE	1 551	173	213	440 264

Table 10. Examination personnel engaged and the number of scripts marked

REVIEW OF OPERATIONS

CANDIDATES WITH SPECIAL NEEDS

Access and Equity

In its endeavour to give equal opportunity to all candidates, BEC catered for candidates with special needs through the access arrangements and special consideration procedures. BEC caters for candidates with learning difficulties, visual impairment, hearing impairment, physical disabilities, intellectual/multiple disabilities and those with medical conditions. Candidates with long-term disabilities and those with challenging conditions were catered for through special arrangements and those who sat examinations through adverse conditions were given special considerations during examinations processing.

ACCESS ARRANGEMENTS	NO. OF CANDIDATES AT EACH EXAMINATION LEVEL		
	PSLE	JCE	BGCSE
Modified Papers	459	620	15
Extra-time	346	515	219
Enlarged Print	46	28	25
Reader	177	502	45
Seperate Room	321	625	222
Braille	16	5	5
Assistive Technology Devices	15	-	6
Rest Breaks	68	25	25
Oral Response/Writer/Scribe	160	400	61
Preferential Sitting	2	9	-
Sign Language Interpreter	34	23	-
Exemptions from Listening Comprehension (Deaf and Hard of Hearing)	-	27	-
Alternative to Practical	-	-	-
Coloured Paper	-	1	-
Practical Assistant	-	3	-

Table 11. Summary of applications for access arrangements



	PSLE	JCE	BGCSE
Special Consideration	130	120	29

Table 11. Summary of candidates who applied for special consideration

GRADING

BEC continued to use standards based grading procedures, that is; the Angoff Procedure at PSLE and a combination of judgement & statistical evidence at JCE and BGCSE. As part of demonstrating one of its core values, transparency, the BEC continued to have key stakeholders participating in the grading process. These were primary school teachers for PSLE, Principal Examiners and members from Curriculum Development & Evaluation, Department of Basic Education and the Botswana Open University for JCE and BGCSE. Cambridge International participated in the BGCSE grading as required by the accreditation agreement.

The pieces of evidence used in validating awarding decisions at BGCSE included the use of Syllabus Pairs Comparisons from the 2017 examination and a comparability study of BGCSE English Language against IGCSE English Language. For the second year running, the process could not benefit from the use of changes in Forecast Grades due to lack of submission of such by Centres. BEC continues to engage with Centres and MOBE regarding the importance of submitting forecast grades.

2018 EXAMINATION OUTCOMES

PSLE

Performance at syllabus level

Generally, there was improvement in performance at syllabus level and was as in the previous year concentrated at the quality Grades of A and B. For

instance, all of the syllabuses except English Language recorded significant improvement at Grade B and four of them also recorded significant improvement at Grades A. All candidates met the minimum requirements for the lowest grade (grade E) in Setswana and English only. However, the proportion of candidates who failed to meet minimum requirements for grade E was higher in Agriculture than any other syllabus. This is probably an indication that a situation which was revealed by a study on instructional practices in Agriculture at Primary School level about two years ago is still at play.

Performance at Qualification level

Performance at qualification level showed significant improvement at Grades A and B. As in the previous year, 100% of candidates obtained Grade E or better which represents a pass. The credit pass constituted 72.90% representing a slight increase of 1.1% which is not statistically significantly different from that of the previous year.

JCE

Performance at Syllabus Level

Generally, performance at syllabus level in 2018 was better than that of 2017. In 2017 there were improvements in 2 syllabuses only and more so, these were optional syllabuses, but in 2018, improvement was noted in five syllabuses, four of which were from the core syllabus group. In terms of the number of syllabuses recording a decline in performance it was noted that only two syllabuses from the option group recorded a decline in performance, which was the same case as in 2017.

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Performance at Qualification Level

In 2018, Performance at qualification level was significantly better than that of 2017. This was noted from the increase in the number of candidates obtaining each of the grades. In particular the number of candidates awarded Merit, which increased from two (2) in 2017 to six (6) in 2018.

In 2018, 85.80% of candidates met the requirements for Grade E and above, compared to 83.10% in 2017, depicting a significant improvement of 2.70%. Performance at Grade C or better improved significantly as well by 2.10% from 35.90% in 2017 to 38.00%. This improvement is also evident at individual grades as described below.

The percentage of candidates who met the criteria for the award of Grade A in 2018 was 1.30 compared to 1.00 in 2017, while that for those who met the criteria for the award of Grade B was 12.20 compared to 10.10 in 2017. In the case of Grade C, 25.80% of candidates met the criteria in 2018 compared to 24.80% in 2016 whilst for Grade D, the percentage of candidates who met the in 2018 is 34.00 compared to 33.70 in 2017. The percentage of candidates who met the criteria for the award of Grade E in 2018 was 13.80 compared to 13.60 in 2017.

In 2018, 14.20% of candidates compared to 16.90% in 2017, failed to satisfy the minimum requirements for the award of the JCE qualification indicating a significant decrease of 2.70% which is evidence to the fact that performance in 2018 was better than that of 2017

BGCSE

Generally performance in 2018 was slightly better than in 2017. Nine of the 9 syllabuses showed

significant improvement at Grade C or better, only two showed a significant decline whilst performance was at the same level for the rest of the syllabuses. The nine syllabuses which showed significant improvements are Chemistry, Physics, Accounting, Business Studies, Design & Technology, Art & Design, Agriculture, Physical Education and Music. However, performance improvement in Chemistry, Physics and Music in relation to that of 2017 should be interpreted cautiously as there were significant changes in the entries for the three syllabuses.

The two syllabuses in which performance declined significantly are Social Studies and Religious Education. In the case of Social Studies the decline was attributable to the cohort's weaknesses in the skills of "Application and Analysis & Problem Solving" while for Religious Education the decline was attributed to demonstration of lack of knowledge in some of the religions required by the curriculum.

Overall performance

Two measures normally used for reporting overall performance in a subject based qualification are the "proportion of candidates achieving at least 1C in all syllabuses" and the "proportion of candidates achieving 5C's or better in all syllabuses". Both of these measures showed positive changes, supporting the view at syllabus level.

The criterion for outstanding performance at candidate level in the BGCSE examination is achievement of at least 6A*s in eight of the syllabuses that a candidate may have taken. Fifteen (15) candidates from eight (8) centres met this criterion in 2018 compared to 17 candidates from 9 centres in 2017.



RESEARCH

During the year under review, Botswana Examinations Council (BEC) engaged in both operational research activities and research projects. Operational research activities comprise a number of studies that either seek to improve organisational efficiency and effectiveness. Research projects are mainly used to inform policy decisions in the education and training sector. Examples of such activities and projects include:

- 1) Trends in International Mathematics and Science Studies (TIMSS)
- 2) Botswana Educational Achievement Monitor (BEAM), and
- 3) Outcome Based Assessment/Pathways Education project.

Both operational research activities and the research projects were reported under the following four strategic objectives that they drive; *Improve Competitiveness and Relevance of our Qualifications, Improving Assessment Services, Improve Governance, Strengthen Stakeholder Engagements.*

A special activity during the current reporting period was preparations for hosting the 13th Southern African Association for Educational Assessment (SAAEA) Conference that was to be held from 19th to 22nd May 2019.

IMPROVE COMPETITIVENESS AND RELEVANCE OF OUR QUALIFICATIONS

The studies conducted on this strategic objective were meant to generate measures for competitiveness of BEC products and services in the market as well satisfaction level of BEC customers about the Council's products and services. The following specific studies were being carried out to generate desired measures:

- o Customer Satisfaction study

- Stakeholder Satisfaction study
- Feedback from centres on the examinations
- Survey on competitiveness and relevance of BEC products and services
- Development of a measure of competitiveness of BEC products and services
- Comparability of standards study

Measures and indices generated by these studies would be used as baseline for the next BEC strategy cycle beyond 2019.

Improve Governance

The development of policies at BEC is overseen by a Policy Vetting Committee Council. A number of BEC policies that were vetted by the Vetting Committee during the year under review were approved by the BEC Board and accordingly implemented. The approved policies include Certification Policy, Transport Policy, Research Policy, Whistle Blowing Policy, Corporate Social Responsibility Policy and the Quality Policy.

Improve Assessment Services

Two studies that inform this strategic objective are the Botswana Educational Achievement Monitor (BEAM) and the Trends in International Mathematics and Science Study (TIMSS) 2015. The TIMSS study was completed and the national report is being finalised. The BEAM study is also in progress. Procurement of

REVIEW OF OPERATIONS

a consultant who is going to lead in the development phase of BEAM was at an advanced stage. Bids from interested consultants had been received, only waiting to be opened and evaluated.

Improve Stakeholder Engagements

As part of stakeholder engagement the BEC held regional dissemination conferences for the TIMSS 2015 results after the National dissemination which took place in October 2017.

Regional dissemination conferences were held in the south and northern parts of the country, that is, in Jwaneng and Francistown respectively. The Jwaneng dissemination was held on the 13-14th June, 2018 and the Francistown one was held on the 25-26th June, 2018. Six educational regions were targeted by the Jwaneng dissemination conference namely: Southern, South East, Kweneng, Kgatleng, Kgalagadi, and Gantsi. The Francistown targeted four regions namely: North West, North East, Central, and Chobe.

Stakeholders included Regional Directors and their Principal Education Officers, School Heads, Mathematics and Science teachers, Teachers who served as school coordinators during TIMSS administration, and Parents. The attendance in both conferences was varied and satisfactory, averaging 55% of the invited 150 in each region. In Jwaneng 77 participants attended while in Francistown 89 participants attended.

The conferences were very interactive with participants validating and assisting to explain some of the study findings. It was noted that the reason why achievements in the TIMSS studies and indeed in the national examinations were consistently low and declining were as follows:

Lack of equipped laboratories: the available physical structures had been turned into base rooms for classes. All equipment that had been installed had

been removed. There were either no chemicals for the Sciences or the chemicals had long expired. As a consequence, schools were not doing experiments.

No in-service workshops for teachers: teachers who attended the TIMSS workshops confirmed that there were no in-service workshops to help improve them with latest teaching trends. They reported that on average a teacher attended one workshop on pedagogy once in five years.

Lack of instructional support: Regional Offices were not staffed with enough officers to support teachers in instructional delivery. For example, there were only three Science In-Service Officers countrywide servicing all the 10 regions.

Shortage of resources: teaching and learning resources were in acute shortage in schools. For example, 4-5 students share a textbook. Students were not allowed to go to the next level with the previous level text books, thus they only relied on the notes for revision. The situation was reported to be so serious that even basic resources such as chalkboard were dilapidated, mathematical sets were inadequate, in some situations, no calculators and even no chalk.

IMPLEMENTATION OF THE OUTCOME BASED/PATHWAYS EDUCATION PROJECT

One of the programmes from the Education and Training Sector Strategic Plan (ETSSP) is the introduction of Outcomes Based Education (OBE) with different learner pathways. BEC is heavily involved as a project team member in developing the programme. The Organisation is charged with the responsibility of leading reforms in assessment; namely the outcome-based assessments (OBA). A project manager for the OBA was appointed and started developing terms of Reference for a Consultant who will train both BEC personnel and BEC examination



personnel on outcome-based assessments. BEC has also developed a National Policy on Assessment which will guide assessments in the outcome based education environment. The National Policy on Assessment of General Education was drafted together with Assessment Regulations for the Senior School programme - the level that was prioritised in implementing OBE.

PREPARATION FOR THE 13TH CONFERENCE OF THE SOUTHERN AFRICA ASSOCIATION FOR EDUCATIONAL ASSESSMENT, 2019.

The Executive Committee of the Southern African Association for Educational Assessment (SAAEA) approved Botswana Examinations Council's bid to host the 13th SAAEA Conference in May 2019. The BEC Board further pledged full support to BEC during preparation and hosting of the Conference. BEC began the preparatory work for hosting the conference immediately after consultation with all relevant stakeholders. Such preparatory work included appointing a local organising committee (LOC) as a structure to undertake overall planning and implementation of conference activities.

Conference main theme and subthemes were formulated and approved by the Executive Committee of SAAEA. The final themes are as follows:

MAIN THEME: QUALITY ASSESSMENT IN AN ERA OF EDUCATIONAL REFORMS

Subthemes:

1. Using learner performance for accountability purposes: Implications for teaching, learning and awarding decisions
2. Multiple pathways systems and assessment of learners
3. Assessment in an ever changing Information and Communications Technology environment

4 .Achieving equity and inclusivity in assessment for differentiated learner groups and environments

5.Policy Issues: Access to assessment data and information

6. Using Examination Feedback to Support Engaging Learning Environments

There would also be a round table discussion on Cost Effectiveness of Assessment

At the time of writing this report, the Honourable Minister of Basic Education Mr. Bagalata Arone had agreed to officiate at the event. Keynote speakers had been contacted and had agreed to present papers at the conference. A website www.saaea2019.org was developed specifically for the Conference during the year under review. The website was fully functional and interactive. Sixty-four (64) abstracts were already received from the following Countries: Botswana (40), Lesotho (2), Malawi (2), Nigeria (1), South Africa (7), Zambia (4), Zimbabwe (7) and United Kingdom (1). Potential sponsors such as Stephen Austin and Sons, Smith & Ouzmann, R.M. Results, and Cambridge International were approached and had already pledged some sponsorship towards the conference. The Local Organising Committee for Conference was continuing to engage with more potential sponsors to come to the party and was hopeful that more sponsors would pledge their support for the 13th SAAEA Conference.

REVIEW OF OPERATIONS

INFORMATION AND COMMUNICATIONS TECHNOLOGY

The ICT Directorate provides the infrastructure to enable the smooth operation of the Council as well as delivering high end services to our key stakeholder. This entails provision of secure, reliable and integrated technology solutions in alignment with assessment goals, while delivering efficiencies in BEC's operations. It also includes facilitating the use of technology and information resources to the satisfaction of the Council, its customers and stakeholders.

PROCUREMENT OF ICT EQUIPMENT

Some Personal Computers (PCs), heavy duty printers, specialised monitors, colour printers and projectors were procured different directorates within BEC. ICT also acquired six laptops for the Data Processing Unit in the Examinations Administration and Certification Directorate 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.

INTERNET SERVICES

BEC renewed the contract for the Provision of Internet Services with Orange Botswana by a further three years. The new contract started from 16th March, 2018 and will come to an end on the 15th March, 2021. Under this contract Orange provides BEC with corporate internet of 20Mbps bandwidth using a fibre optic cable connection.

2nd LEVEL SUPPORT CONTRACTS

Following the expiry of the contract for the support and maintenance of ACCPAC, BEC entered into a contract with Acctech Botswana to provide the same services. The duration of this contract is for three (3) years and it will run from the 1st November, 2018 to the 30th October, 2021.

The company called RPC Data was engaged for second level support for MALEPA on a five months

contract during the peak period. The contract started from October 2018 to Feb 2019. Having a maintenance contract for a critical system the size of Malepa is mandatory for as long as the system is in use. However, ICT has been gradually reducing the duration of the contract based on the number of calls escalated to RPC Data.

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

The BNEPS Phase II project continued during the year under review through its three major subprojects;

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

The project status is at 71% since the inception of the BNEPS II Project in 2015. Achievements per subproject are as follows;

Electronic Records and Document Management System (ERDMS); The Project completion is at 53%, significant progress has been made in the implementation of the Document management system on SharePoint and the development of the Records policy and retention plan. It must however be noted that the project was at 9% when the financial year 2018/19 started.



REVIEW OF OPERATIONS

Information Security Management System (ISMS); The completion rate of the project sat at 60% during the year under review. The Risk register and framework have been developed and are currently being implemented. All ICT policies have been developed and are going through the approval processes before they can be implemented.

Business Process Management; The project percentage completion is 99%, having been at 68% at the beginning of the year under review. All core processes have been developed and approved. A roll out plan for the development and implementation of the remaining management and support processes was developed and was awaiting approval by the PSC as at 31 March 2019.

REGISTRATION MONITOR

The Candidate Registration monitor has been optimised on the backend to provide faster retrieval of Data.

SMS SYSTEM FUNCTIONS

- Examination Venue Spot Announcements
In October 2018 during Examinations, candidates were informed of venue changes. This has been effective in that Individual Private Candidates received personalised SMS informing them of where to sit a particular component.
- ITW8 Forms Emailing to Examining Personnel
In June 2018 most Examining personnel were sent their ITW8 tax return certificate from BEC through email. This process has been improved using SMS so that the examining personnel may change the email address by sending them via SMS. This process would automatically update the Examining Personnel email address at BEC.

- Pilot Statement of Entry Request
This pilot facility has been developed to enable individual private candidates to send their application number and their email address to BEC requesting for their Statement of Entry.

PUBLICATION OF RESULTS

- Website
The BEC Website is still being used as an alternative platform to publish the results. No issues have been recorded in this area.
- SMS
Voluminous traffic during results enquiries remains a challenge. Some customers experienced some delays between sending an enquiry and receiving a response from the server. ICT is continually investigating and making improvements to the SMS communication platform.

RECEIVING AND DISPATCH OF EXAMINATION PACKAGE

- Scanning of PSLE Material
ICT improved the way Examinations papers were received and dispatched especially the PSLE Examination. This specifically was to improve the security by scanning the incoming packages from Examination Printers and dispatching of boxes to centres. The system provided an easy way of monitoring receipt and dispatch of Examination Papers by supervisors from their offices and printing real time reports.

REVIEW OF OPERATIONS

HUMAN RESOURCES

The Botswana Examinations Council's strategic agenda has made sound people management a business imperative. The Council has determined that, as a knowledge based organisation, its only sustainable source of excellence in the execution of its mandate is its people. The people-agenda has therefore started dominating all efforts to reposition the BEC for higher performance.

The Transformation Agenda

During the financial year under review the BEC people-agenda was largely influenced by two (2) key developments:

- i. The decision by the Botswana Government to expand the BEC mandate to not only delivering examinations administration and assessment for PSLE, JCE and BGCSE but also Pre-School, TVET and OSET.
- ii. The decision by the Governing Council to transform the BEC into a High Performance Organisation (HPO).

In response to these developments, the BEC started a transformation process through which it seeks to re-invent itself. During this financial year, the focus was mainly on defining the project as well as identifying the resources needed to execute it – including appointment of consultants. To this end, the BEC appointed DE CHAZAL DU MEE (DCDM) and Economic and Management (E&M) Consultants to provide consultancy services on the due diligence and organisational redesign. As part of their deliverables the Consultants will, among others, make comprehensive proposals on the new organisation structure, job profiles, job grading and salary structure. These will continue to be aligned to the vision and mission of the Council as well as take into consideration the demands of the expanded mandate and those of the HPO.

The Consultants commenced work during the month of March 2019 and are expected to deliver their final reports in October 2019 after which the implementation process will take its course.

Building the Human Resources Governance

As part of its efforts to reposition itself, the BEC has determined to overhaul its human resources management policy environment. This, again, is in line with its desire to become a High Performance Organisation (HPO). During the year under review the following policies were considered:

- i. The review of the General Conditions of Employment commenced during the month of February 2019.
- ii. The review of the training policy was completed. It is awaiting approval by the Governing Council.
- iii. The BEC developed the occupational Health, Safety and Wellness policy.

During the Financial year under review, the BEC kept a healthy 3.5% staff turnover rate. This speaks to the effectiveness of the measures taken over the years to strengthen its competitiveness in the labour market. On the other hand, the 13% vacancy rate is quite significant as it continues to affect the organisation's ability to deliver its mandate effectively. The vacancy rate is expected to increase during the next financial year (2019/2020) as the organisation has taken a deliberate decision to freeze recruitment of new employees pending the implementation of the on-going transformation project.

Relationship Management – Labour

The Management/employee relations in the Botswana Examinations council continues to progress on a



REVIEW OF OPERATIONS

DIRECTORATE	APPROVED ESTABLISHMENT	IN POST	VACANT	TURNOVER (2018/19)	TOTALS
CORPORATE SERVICES	56	46	10	2	56
EXAMINATION ADMINISTRATION AND CERTIFICATION	47	45	2	-	47
PRODUCT DEVELOPMENT AND STANDARDS	45	40	5	-	45
HUMAN RESOURCE	21	17	4	2	21
INFORMATION COMMUNICATIONS AND TECHNOLOGY	20	17	3	-	20
EXECUTIVE SECRETARY'S OFFICE	18	16	2	2	18
RESEARCH AND POLICY DEVELOPMENT	16	13	3	1	16
TOTAL	223	194	29	7	223
	TOTAL	223			

Table 12. Total Staff establishment per Directorate for 2018/19 financial year

positive trajectory. This also applies to relationship with BOPEU who are the recognised Trade Union in BEC. The parties continued to collaborate in dealing with issues of mutual interest.

Notwithstanding the above, the BEC Council and Management is alive to the challenges around relationships with Teacher-Unions with whom the Council has a Memorandum of Understanding. It appears the challenges were centered mainly on the remuneration of Examiners. The parties have since agreed to commission a consultancy aimed at comprehensively reviewing the conditions of engagement of all Examiners. The consultants are expected to start work during the 2019/2020 financial year. The outcome of this exercise should provide sufficient guidance to both parties and enable them to reach common understanding on the issues that often pose challenges especially during marking sessions.

Positioning our People for Excellence

The Botswana Examinations Council has commenced a process by which organisational and individual performance are looked at from a holistic point of view. The organisation is refining all its people management tools – recruitment and selection criteria, talent management programs, managing performance, rewarding talent and ensuring the organisation strengthens its ability to attract and retain top talent in the labour market. This is a key development whose impact is expected to be felt in the coming financial year.

REVIEW OF OPERATIONS

CORPORATE SERVICES

Financial Performance

BEC faced similar challenges to the previous three financial years. The challenges are precipitated by the constant Government Subvention of P226 million. This anomaly in the funding of BEC necessitated that a deliberate effort to deliver the same quality of products, be put in place at the beginning of the financial year. To this end BEC prioritised examinations direct costs over, among others refurbishment of facilities, external travel, and use of private venues for conferences/training. However, it must be emphasised that this path is not sustainable as the BEC infrastructure is already showing signs of acute stress.

The positive showing in this year's financial results though most welcome should not be misinterpreted to suggest that BEC is adequately funded, as this position is short lived and is a result of reversals of previous years accounting estimates that never materialised. Amounts totalling P2,860,405 that were provided for in previous years relating to legal proceedings against BEC were reversed as BEC triumphed over its opponents, BEC also encouraged staff members to go on leave which led to the reduction in the leave provisions.

The solvency of the Council as at the end of the financial year is not a positive one as the current assets are outweighed by current liabilities by amounts in excess of P33 228 335. This means the BEC is likely to struggle to meet its short term commitments relating to both recurrent and development expenditure.

Facilities

The state and condition of facilities as at end year was a cause for concern as it is characterised by old and obsolete fittings. These include aged air-conditioning units that experience frequent breakdowns. Derelict floor carpets that trap dust and are difficult to clean are a common feature in the BEC main building. Office

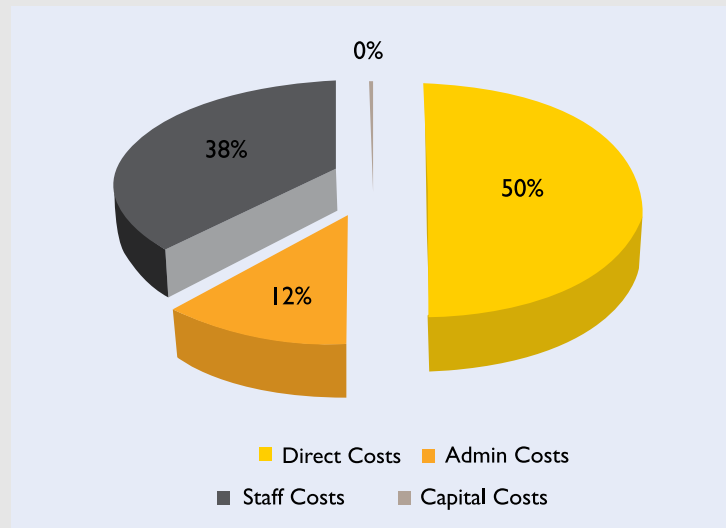


Figure 1. Key Financial Highlights

furniture is too old and does not pass the ergonomic test. This leads to occupational ailments that affect staff productivity and service delivery negatively. The building has not been repainted since inception and the paint has been negatively affected by elements. There is acute shortage of office space and there is a need to open up the walls and create open plan offices that can accommodate more officers. Vehicles are reducing in number because most of them have reached their extended useful life and BEC has no resources to replace them. This inadequate fleet affects the smooth delivery of the Council mandate. It is worth noting that the move to use government facilities for examination and marking venues has resulted in huge cost savings though not enough to mend the current situation. Such government facilities would have been found in a sorry state of disrepair that prompts the BEC to incur unplanned expenditure maintaining them, which never formed part of the BEC budget.

Procurement

In procurement BEC boasts of a highly compliant process that has passed the PPADB Audit. During the year under review BEC thwarted attempts by a couple of unsuccessful bidders who wanted to derail

REVIEW OF OPERATIONS

the process and accord themselves a second chance by using adherence to rules, regulations and statutes as an excuse. The cases never took off the ground as even the Government Ministries that were asked by the bidders to intervene could not see any fault with the way BEC executed the entire procurement process. Though the procurement process is lengthy and often a source of frustration on procuring entities, it is hailed by management as the most reliable and transparent process with plans underway in the next financial year to fully review and align with the global procurement current trends.

METRIC NAME	2015	2016	2017	2018	2019
Subvention	216,050,618	248,122,563	256,405,537	252,521,563	260,520,104
Internally generated income	13,117,155	15,521,145	13,563,033	15,596,191	16,182,192
Direct Costs	126,773,278	146,821,981	146,002,403	137,809,220	139,754,295
Admin Costs	118,006,921	124,340,308	135,315,100	142,534,067	139,778,923
Surplus/(Deficit)	(9,891,007)	(2,798,162)	(6,160,547)	(3,447,951)	7,237,926

Subvention	Internally Generated income	Internally Generated income	Admin Costs	Surplus /(Deficit)
260,520,104	16,182,192	139,754,295	139,778.923	7,237,926
↑ 3%	↑ 4%	↑ 1%	↓ -3%	↑ 310%

METRIC NAME	REPORT YEAR (2019)	REPORT YEAR (2018)	%CHANGE
Subvention	260,520,104	252,521,563	↑ 3%
Internally generated income	16,182,192	15,596,191	↑ 4%
Direct Costs	139,754,295	137,809,220	↑ 1%
Admin Costs	139,778,923	142,534,067	↓ -3%
Surplus/(Deficit)	7,237,926	-3,447,951	↑ 310%

Table 13. 2018 and 2019 trend comparison

REVIEW OF OPERATIONS

2019/2020 OUTLOOK

The preceding report has shown that during 2018/19, a lot was achieved with the limited resources available to the Council. The next financial year is unlikely to be any different in terms of resources allocated. We enter the next year with heightened risk and vulnerability. But the year promises to be even more exiting in terms of the agenda of the Council. The challenge is to maintain staff motivation and tight financial controls to ensure that the organisation achieves more with less.

With the commencement of the organisation redesign and due Diligence studies, and the finalisation of the Policy on Assessment of General Education, we move forward with confidence that the transformation of the BEC into a high performance national examinations and assessment authority will fully take-off. More than ever before, we are confident that the BEC Amendment Bill will be passed by the National Assembly and consequently pave the way for the transfer of the assessment and moderation of TVET to the Botswana Examinations Council. A great opportunity will also be provided by the development of a new BEC Strategic Plan, which should make the transformation of the Council a core part of it.

Another opportunity that the BEC should ride on in the next financial year is the mid-term review of the National Development Plan I I. The review of the Plan may, although there is no certainty, provide new resources that may reduce the risk level and vulnerability faced by the Council. New funding may assist the Council to upgrade its outdated and high risk technology infrastructure, allow for the renovation of the current BEC facility to accommodate the Council's expanded mandate that includes TVET, OSEC, OSET, and the implementation of overdue innovations such as e-marking.

What is critical in the next financial year is to carefully manage the human capital of the Council to ensure that we stay focussed, and that as we transition to the new organisation, business continuity is not affected.



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

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FINANCIAL STATEMENTS**

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ANNUAL FINANCIAL STATEMENTS

THE COUNCIL'S REPORT

FOR THE YEAR ENDED 31 MARCH 2019

The Botswana Examinations Council ("Council" or "BEC") has pleasure in submitting its report and the financial statements for the year ended 31 March 2019.

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 Basic Education 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 8 to 40. The entity employed 226 employees at the reporting date (2018: 230 employees).

Executive Secretary: Prof. Brian Mokopakgosi

Chairman: Dr Joseph Tsonope

Members of the Council: Dr Daniel Tau

Dr Gaelebale NTsheko

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



COUNCIL'S RESPONSIBILITY STATEMENT

FOR THE YEAR ENDED 31 MARCH 2019

The Council members are responsible for the preparation and fair presentation of the financial statements of Botswana Examinations Council which give a true and fair view, comprising the statement of financial position at 31 March 2019 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. In addition, Council members are responsible for preparing the Council's report.

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

The external 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 FINANCIAL STATEMENTS

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



Chairperson

Dr. Joseph Tsonope



Executive Secretary

Prof. Brian Mokopakgosi



**KPMG, Chartered Accountants
Audit**
Plot 67977, Off Tlokweng Road,
Fairground Park
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Web <http://www.kpmg.com/>

Independent Auditor's Report

To the Council Members of Botswana Examinations Council

Opinion

We have audited the financial statements of Botswana Examinations Council ("the Council") set out on pages 8 to 40, which comprise the statement of financial position at 31 March 2019, 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 2019, 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 policies - 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 P279 442 023.</p> <p>Due to the magnitude of the expense balance in the financial statements and the volume of expenses and the resulting significant work effort by the audit team, the recognition of expenses was considered a key audit matter.</p>	<p>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. Supporting documentation inspected included supplier invoices, evidence of appropriate authorisation and proof of receipt of goods and services. 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 were completed and agreed 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 the Councils' report and the Council's responsibility statement and the detailed statement of profit and loss and other comprehensive income. Other information does not include the financial statements and our auditor's report thereon.

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

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



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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.

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.

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

September 2019

ANNUAL FINANCIAL STATEMENTS

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 March 2019

IN PULA

	Note	2018	2017
Revenue			
Government subvention		260 520 104	252 521 563
Certification fees		214 547	224 621
Registration fees		15 337 969	14 933 794
Remarking fees		197 880	195 162
		276 270 500	267 875 140
Cost of revenue			
Direct costs		(139 754 295)	(137 809 220)
		136 516 205	130 065 920
Gross surplus			
Other Income		10 068 848	8 777 582
Administrative expenses		(139 778 923)	(142 534 067)
		6 806 130	(3 690 565)
Operating deficit	1		
Finance income	2	431 796	242 614
		7 237 926	(3 447 951)

ANNUAL FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION

For the year ended 31 March 2019

IN PULA

	Note	2018	2017
ASSETS			
Non-current assets			
Property and equipment	3	74 533 429	78 225 707
Intangible assets	4	10 655 033	13 022 856
		85 188 462	91 248 563
Current assets			
Inventories	5	1 200 020	988 232
Trade and other receivables	6	19 980 780	28 618 498
Cash and cash equivalents	7	11 384 968	2 581 062
		32 565 768	32 187 792
Total assets		117 754 230	123 436 355
FUNDS AND LIABILITIES			
Reserves			
Accumulated deficit		(33 228 335)	(40 466 261)
Non-current liabilities			
Capital grants	8	110 767 168	113 993 525
Current liabilities			
Trade and other payables	9	35 926 220	44 178 925
Bank overdraft	7	26 878	1 257 806
Short term portion of capital grants	8	4 262 299	4 472 360
		40 215 397	49 909 091
Total equity and liabilities		117 754 230	123 436 355



ANNUAL FINANCIAL STATEMENTS

STATEMENT OF CHANGES IN FUNDS

For the year ended 31 March 2019

IN PULA

	Accumulated Deficit
Balance at 1 April 2015	(37 018 310)
Total deficit for the year	(3 447 951)
Balance at 31 March 2016	(40 466 261)
Total deficit for the year	7 237 926
Balance at 31 March 2017	(33 228 335)

STATEMENT OF CASH FLOWS

For the year ended 31 March 2019

IN PULA

	Note	2019	2018
Cash flows generated from/(utilised in) operating activities	10	5 405 334	(20 719 793)
Investing activities			
Interest received	2	431 796	242 614
Purchase of plant and equipment	3	(662 414)	(720 115)
Additions to intangible assets	4	(139 882)	(265 834)
Net cash utilised in investing activities		(370 500)	(743 335)
Financing activities			
Capital grants received	8	5 000 000	10 000 000
Net movement in cash and cash equivalents		10 035 834	(11 463 128)
Cash and cash equivalents at beginning of year		1 323 256	112 786 384
Cash and cash equivalents at end of year	7	11 358 090	1 323 256



ANNUAL FINANCIAL STATEMENTS

SIGNIFICANT ACCOUNTING POLICIES

For the year ended 31 March 2019

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 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 _____.

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.

Significant judgements and estimates

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), the calculation and recognition of payroll related accruals and provisions (per note 9.1 and the related accounting policy note), and the assessment of going concern (per note 15).

Contracts with customers often include promises to deliver multiple services. Determining whether such bundled services are considered i) distinct performance obligations that should be separately recognized, or ii) non-distinct and therefore should be combined with another good or service and recognized as a combined unit of accounting may require significant judgement.

Changes in significant accounting policies

The organisation has initially applied IFRS 9 Financial Instruments and IFRS 15 Revenue with Customers with effect from 1 April 2018. A number of other new standards and interpretations were also effective from 1



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April 2018. These standards and interpretations however did not have a material impact on the entity's financial statements.

IFRS 9 – Financial Instruments

IFRS 9 sets out the requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items.

On its effective date IFRS 9 superseded IAS 39 Financial Instruments: Recognition and Measurement. The new accounting policies as a result of the adoption of IFRS 9 are set out under the financial instruments heading of the significant accounting policies. The entity applied the transitional provision of IFRS 9 (7.2.15), hence comparative figures have not been restated. Due to historical experience and the nature of the organisation's financial assets, there was no difference between the carrying amount of financial instruments as at 31 March 2018 and the carrying amount at the beginning of the annual reporting period (1 April 2018), which is the date of initial application in the opening retained earnings of the annual reporting period ended 31 March 2019.

Classification and measurement of financial assets and financial liabilities

IFRS 9 contains three principal classification categories for financial assets: measured at amortised cost, fair value through other comprehensive income and fair value through profit or loss. The classification of financial assets under IFRS 9 is based on the business model utilised to manage a financial asset and its contractual cash flow characteristics. IFRS 9 eliminates the previous IAS 39 categories of held to maturity, loans and receivables and available for sale. IFRS 9 largely retains the existing requirements in IAS 39 for the classification and measurement of financial liabilities. The adoption of IFRS 9 has not had a significant effect on the entity's accounting policies related to financial liabilities.

The following table explains the original measurement categories under IAS 39 and the new measurement categories under IFRS 9 for each class of the financial assets and financial liabilities as at 1 April 2018. The effect of adopting IFRS 9 on the carrying amounts of the financial assets as at 1 April 2018 relates solely to the new impairment requirements.

	Measurement basis Based on Classification		Carrying Amount	
	Previous (IAS 39)	New (IFRS 9)	Previous 31 March 2018 BWP	New 1 April 2018 BWP
Trade and other receivables	Loan and Receivables	Amortised cost	28 618 498	28 618 498
Cash and cash Equivalents	Loan and Receivables	Amortised cost	2 581 062	2 581 062
Trade and other payables	Other financial liabilities	Other financial liabilities	15 977 172	15 977 172
Bank overdraft	Other financial liabilities	Other financial liabilities	1 257 806	1 257 806

The measurement categories and carrying amounts of financial liabilities have not changed.



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Classification and measurement of financial assets and financial liabilities continued

IFRS 15 Revenue from Contracts with Customers

IFRS 15 superseded the following revenue Standards and Interpretations on its effective date: IAS 18 Revenue; IAS 11 *Construction Contracts*; IFRIC 13 *Customer Loyalty Programmes*; IFRIC 15 *Agreements for the Construction of Real Estate*; IFRIC 18 *Transfers of Assets from Customers*; and SIC 31 *Revenue – Barter Transactions Involving Advertising Services*.

IFRS 15 introduced a 5-step approach to revenue recognition. The core principle of IFRS 15 is that the entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

A 5-step approach to revenue recognition is as follows:

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

Under IFRS 15, the entity recognises revenue when (or as) a performance obligation is satisfied, i.e. The Council recognises revenue from registration, certification and re-marking fees over time the performance obligation is discharged. The recognition and measurement of the entity's revenue streams were assessed and considered in line with those of the new standard. The new accounting

policies are set out under the revenue heading Exam Registrations, Invigilation, Certification and Re-marking fees.

The entity has adopted IFRS 15 using the modified retrospective approach. Under this transition method, the entity elected to apply this standard retrospectively only to contracts not complete at the date of initial application. The application of IFRS 15 had a nil impact on the opening balance at 1 April 2018 which is the date of initial application. Apart from providing more extensive disclosures on the entity's revenue transactions, the application of IFRS 15 has not had a significant impact on the financial position and/or financial performance of the entity

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 are recognised in profit or loss as an expense when incurred.



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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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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 (Policy applicable from 1 April 2018)

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

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

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.

Financial assets (Policy applicable before 1 April 2018)

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.



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

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

Inventories

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

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

Employee benefits

Pension contributions

BEC contributes to a defined contribution pension plan for its permanent citizen employees. The fund is managed by an independent third party, Alexander Forbes Financial Services Botswana (Proprietary) Limited. 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.



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Employee Benefits continued

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.

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.

Exam Registration, Invigilation, Certification and Remarking fees (Policy applicable after 1 April 2019)

The Council renders academic examination and certification services to private primary and secondary school candidates. In addition, the Council invigilates examinations on behalf of Cambridge and other examining bodies. The members assessed that the provision of Invigilation, Certification and Remarking services constitutes performance obligations that are distinct with revenue recognised at a specific point in time. Exam registration represent a series of interrelated services with performance obligations which are not distinct. When services are performed by an indeterminate number of acts over a specified time frame, revenue is recognised on a straight-line basis over the specified time frame unless there is evidence that some

other method better represents the stage of completion. When a specific act is much more significant than any other acts, the recognition of revenue is postponed until the significant act is executed.

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

Exam Registration, Invigilation, Certification and Remarking fees (Policy applicable before 1 April 2018)

Registration, invigilation, certification and remarking fees comprises of fees payable by private school candidates and private candidates. These fees are recognised on an accrual basis in the period when examinations are held and/or services rendered.

Finance income

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

Income taxes

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

Financial instruments

Initial recognition and measurement (Policy applicable after 1 April 2018)

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual



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

(a) When the fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. a Level 1 input) or based on a valuation technique that uses only data from observable markets, the difference is recognised as a gain or loss.

(b) In all other cases, the difference is deferred, and the timing of recognition of deferred day one profit or loss is determined individually. It is either amortised over the life of the instrument, deferred until the instrument's fair value can be determined using market observable inputs, or realised through settlement.

Initial recognition and measurement (Policy applicable before 1 April 2018)

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 (Policy applicable after 1 April 2019)

Classification and subsequent measurement

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

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

Business model: the business model reflects how the Council manages the assets in order to generate cash flows. That is, whether the Council's objective is solely to collect the contractual cash flows from the assets or is to collect both the contractual cash flows and cash flows arising from the sale of assets. If neither of these is applicable (e.g. financial assets are held for trading purposes), then the financial assets are classified as part of 'other' business model and measured at FVPL. Factors considered by the Council in determining the business model for a group of assets include past experience on how the cash flows for these assets were collected, how the asset's performance is evaluated and reported to key management personnel, how risks are assessed and managed and how managers are compensated. For example, the liquidity portfolio of assets, which is held by the Council as part of liquidity management and is generally classified within the hold to collect and sell business model. Securities held for trading are held principally for the purpose of selling in the near term or are part of a portfolio of financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking. These securities are classified in the 'other' business model and measured at FVPL.

SPPI: Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, the Council assesses whether the financial instruments' cash flows represent solely payments of principal and interest (the 'SPPI test'). In making this assessment, the Council considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement,



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Financial Assets (Policy Applicable after 1 April 2019) continued

the related financial asset is classified and measured at fair value through profit or loss.

The Council reclassifies debt investments when and only when its business model for managing those assets changes. The reclassification takes place from the start of the first reporting period following the change. Such changes are expected to be very infrequent and none occurred during the period.

Measurement methods: Amortised cost and effective interest rate

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

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

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

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with maturities of three months or less from

the acquisition date that are subject to an insignificant risk of changes in their fair value and are used by the Council in the management of its short-term commitments.

Bank overdrafts, which are payable on demand and form an integral part of the Council's cash management, are included as a component of the cash and cash equivalents for the purpose of the statement of cash flows. Bank overdrafts are disclosed as current liabilities in the statement of financial position.

Prepayments and deposits

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

Trade receivables

Trade receivables are amounts due for services provided in the normal course of business. These amounts are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less an impairment accrual.

Derecognition of financial assets

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

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



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Financial assets (Policy applicable before 1 April 2018)

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 (Policy applicable from 1 April 2018)

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



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*Financial liabilities (Policy applicable from 1 April 2018)
Continued*

Derecognition of financial liabilities

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

Financial liabilities (Policy applicable before 1 April 2018)

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

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

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

Financial liabilities comprise of trade and other payables. Trade and other payables, are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

These amounts are classified as current liabilities if payment is due within twelve months (or in the normal operating cycle of the business, if longer). If not they are presented as non-current liabilities.

Gains and losses on subsequent measurement

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

Offset

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

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



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translation if 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 entity. 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.

Standards and interpretations which became effective during the year

The standards and interpretations which became effective during the year ended 31 March 2019 are summarised as follows:

Standard/Interpretation		Impact
IFRS 15	Revenue from Contracts with Customers	No significant impact on these financial statements. Impact is discussed under the revenue accounting policy note.
IFRS 9	Financial Instruments	This standard had an impact on these financial statements as discussed under the financial assets accounting policy note.
Amendments to IFRS	Share-based payment	No impact on these financial statements.
IFRS 4 amendments	Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts	No impact on these financial statements.
Amendments to IAS 40	Transfers of Investment Property	No impact on these financial statements.
IFRIC 22	Foreign Currency Transactions and Advance Considerations	No impact on these financial statements.

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New standards and interpretations not yet effective

The following new standards, amendments to standards and interpretations are not yet effective for the year ended 31 March 2019, and have not been applied in preparing these financial statements.

IFRS 16 Leases

IFRS 16 was published in January 2016. It sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract, i.e. the customer ('lessee') and the supplier ('lessor'). IFRS 16 replaces the previous leases standard, IAS 17 Leases, and related interpretations. IFRS 16 has one model for lessees which will result in almost all leases being included on the Statement of Financial Position. No significant changes have been included for lessors.

The standard is effective for annual periods beginning on or after 1 January 2019, with early adoption permitted only if the entity also adopts IFRS 15. The transitional requirements are different for lessees and lessors. The standard is not expected to have a significant impact on the entity's financial statements as the entity has not entered into significant operating lease agreements at the reporting date.

IFRIC 23: Uncertainty over Income Tax Treatments

IFRIC 23 clarifies the accounting for income tax treatments that have yet to be accepted by tax authorities. Specifically, IFRIC 23 provides clarity on how to incorporate this uncertainty into the measurement of tax as reported in the financial statements. IFRIC 23 does not introduce any new disclosures but reinforces the need to comply with existing disclosure requirements about:

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

IFRIC 23 applies for annual periods beginning on or after 1 January 2019. Early adoption is permitted. This standard is not expected to have a significant impact on the entity's financial statements.

Amendments to IFRS 9: Prepayment Features with Negative Compensation

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. This standard is not expected to have any impact on the entity's financial statements.

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

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 IASB has decided to defer the effective date for these amendments indefinitely. Adoption is still permitted.

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



SIGNIFICANT ACCOUNTING POLICIES

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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. The standard is not expected to have an impact on the entity's financial statements.

Long term interest in Associates and Joint Ventures (Amendments to IAS 28)

The amendments clarify that an entity applies IFRS 9 to long term interest 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 periods beginning on or after 1 January 2019. Early adoption is permitted. These amendments are not expected to have any impact on the entity's financial statements.

Plan Amendment, Curtailment or Settlement (Amendment to IAS 19)

The IASB's amendments to IAS 19 address the accounting when a plan amendment, curtailment or settlement occurs during a reporting period.

The amendments clarify that:

- on amendment, curtailment or settlement of a defined

benefit plan, it is now mandatory for entities to use the updated actuarial assumptions to determine the current service cost and net interest for the period; and

- the effect of the asset ceiling is disregarded when calculating the gain or loss on any settlement of the plan and is dealt with separately in other comprehensive income (OCI).

The amendments should be applied prospectively to plan amendments, curtailments or settlements that occur on or after 1 January 2019, with earlier application permitted. The standard is not expected to have an impact on the entity's financial statements.

Amendments to References to Conceptual Framework in IFRS Standards

The IASB decided to revise the Conceptual Framework because certain important issues were not covered and certain guidance was unclear or out of date. The revised Conceptual Framework, issued by the IASB in March 2018, includes:

- A new chapter on measurement;
- Guidance on reporting financial performance;
- Improved definitions of an asset and a liability, and guidance supporting these definitions; and
- Clarifications in important areas, such as the roles of stewardship, prudence and measurement uncertainty in financial reporting.

The IASB also updated references to the Conceptual Framework in IFRS Standards by issuing Amendments to References to the Conceptual Framework in IFRS Standards. This was done to support transition to the revised Conceptual Framework for companies that develop accounting policies using the Conceptual Framework when no IFRS Standard applies to a particular transaction.

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SIGNIFICANT ACCOUNTING POLICIES

For the year ended 31 March 2019

New standards and interpretations not yet effective Continued

Although this is expected to be rare, some companies may use the Framework as a reference for selecting their accounting policies in the absence of specific IFRS requirements. In these cases, companies should review those policies and apply the new guidance retrospectively as of 1 January 2020, unless the new guidance contains specific scope outs.

Definition of a Business (Amendments to IFRS 3)

Defining a business is important because the financial reporting requirements for the acquisition of a business are different from the requirements for the purchase of a group of assets that does not constitute a business. The proposed amendments are intended to provide entities with clearer application guidance to help distinguish between a business and a group of assets when applying IFRS 3.

In October 2018 the IASB issued this amendment to make it easier for companies to decide whether activities and assets they acquire are a business or merely a group of assets. The amendments:

- Confirm that a business must include inputs and a process, and clarified that: (i) the process must be substantive and (ii) the inputs and process must together significantly contribute to creating outputs.
- Narrow the definitions of a business by focusing the definition of outputs on goods and services provided to customers and other income from ordinary activities, rather than on providing dividends or other economic benefits directly to investors or lowering costs; and

- Add a test that makes it easier to conclude that an entity has acquired a group of assets, rather than a business, if the value of the assets acquired is substantially all concentrated in a single asset or group of similar assets. The amendments are effective for business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 January 2020 and to asset acquisitions that occur on or after the beginning of that period. Earlier application is permitted. The amendment is not expected to have any impact on the entity's financial statements.

Definition of Material (Amendments to IAS 1 and IAS 8)

The IASB refined its definition of material to make it easier to understand. It is now aligned across IFRS Standards and the Conceptual Framework. The changes in Definition of Material (Amendments to IAS 1 and IAS 8) all relate to a revised definition of 'material' which is quoted below from the final amendments. "Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity."

The Board has also removed the definition of material omissions or misstatements from IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.

The amendments are effective from 1 January 2020 but may be applied earlier. The amendment is not expected to have a significant impact on the entity's financial statements.



ANNUAL FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS

For the year ended 31 March 2019

IN PULA

1 Operating deficit	2019	2018
The operating deficit is stated after taking into account the following:		
<i>Income</i>		
Unwinding of Government grants	<u>8 436 418</u>	<u>5 995 057</u>
Auditors' remuneration	283 993	251 558
Amortisation of intangible assets (Note 4)	2 507 705	2 841 813
Consultancy fees	521 423	1 116 307
Travel and subsistence allowances	9 246 385	13 964 936
Depreciation (Note 3)	4 354 692	4 749 088
Exchange gain	445 510	(1 315 414)
Salaries and allowances	98 459 696	87 852 375
Gratuity (Note 9.1)	7 536 079	9 492 280
Leave pay (Note 9.1)	4 914 214	4 387 997
Contributions to defined pension plan	<u>7 663 224</u>	<u>7 055 213</u>
Number of employees	<u>226</u>	<u>230</u>
2 Finance income		
Interest received - bank	<u>431 796</u>	<u>242 614</u>



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NOTES TO FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2019

IN PULA

3 Property and equipment

	Land and buildings	Motor vehicles	Computer Equipment	Office Equipment	Furniture and Fittings	Total
Cost						
Balance at 1 April 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
Additions	-	-	662 414	-	-	662 414
Balance at 31 March 2019	86 163 220	6 622 277	18 919 285	10 751 373	8 042 265	130 498 420
Accumulated depreciation						
Balance at 1 April 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)
Charge for the year	(1 723 264)	(508 426)	(1 071 351)	(259 665)	(791 986)	(4 354 692)
Balance at 31 March 2019	(16 221 877)	(5 550 114)	(17 763 044)	(10 295 547)	(6 134 409)	(55 964 991)
Net book value at 31 March 2019	69 941 343	1 072 163	1 156 241	455 826	1 907 856	74 533 429
Net book value at 31 March 2018	71 664 607	1 580 589	1 565 178	715 491	2 699 842	78 225 707

3. Property and equipment (continued)

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 2 November 2009. The land and buildings were acquired at an original cost of P85 500 000.

The latest 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 Council'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. The fair value was determined at P122 million with a gross replacement value of 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.



ANNUAL FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2019

IN PULA

4 Intangible assets

	BEC Software	BEC Website	BNEPS Licence Fee	BNEPS Programmes	Total
Cost					
Balance at 1 April 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
Additions	139 882	-	-	-	139 882
Balance at 31 March 2019	3 773 384	380 226	23 429 361	23 429 361	29 938 271
Accumulated amortisation					
Balance at 1 April 2017	(2 546 228)	(380 226)	(2 355 300)	(10 793 724)	(16 755 533)
Charge for the year	(700 055)	-	(39 383)	(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)
Charge for the year	(365 947)	-	-	(2 141 758)	(2 507 705)
Balance at 31 March 2019	(3 612 230)	(380 226)	(2 355 300)	(12 935 482)	(19 283 238)
Carrying amounts					
Net book value at 31 March 2019	161 154	-	-	10 493 879	10 655 033
Net book value at 31 March 2016	387 219	-	-	12 635 637	13 022 856

4. Intangible assets (continued)

Intangible assets relate 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
- Asset is idle, part of a restructuring or held for disposal
- Worse economic performance than expected.



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NOTES TO FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2019

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Intangible Assets Continued

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

	2019	2018
5 Inventories		
Consumable stocks - at cost	<u>1 200 020</u>	<u>988 232</u>

There were no inventory write-offs in the current period (2018: PNil)

6 Trade and other receivables		
Prepayments	1 073 358	671 759
Trade receivables	<u>18 907 422</u>	<u>27 946 739</u>
	<u>19 980 780</u>	<u>28 618 498</u>

The fair value of receivables is equal to the carrying amounts due to the short term nature of these balances. Trade receivables include P18 564 116 (2018: P27 716 054) due from the Ministry of Basic Education per note 11.

	2019	2018
7 Cash and cash equivalents		
Cash at bank	8 004 593	2 165 806
Short term deposits	3 377 875	412 756
Cash on hand	2 500	2 500
	<u>11 384 968</u>	<u>2 581 062</u>
Bank overdraft	<u>(26 878)</u>	<u>(1 257 806)</u>
	<u>11 358 090</u>	<u>1 323 256</u>

Short term deposits denotes funds invested with Stanlib Investment Management Services (Proprietary) Limited, African Banking Corporation of Botswana Limited and First Capital Bank Limited. Cash and cash equivalents comprise the amounts disclosed above



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NOTES TO FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2019

IN PULA

8 Capital Grants

Government grants for intangible assets

Balance at beginning of year	47 073 267	41 149 790
Capital grants received during the year	5 000 000	10 000 000
Unwinding of capital grants	(2 343 765)	(2 354 216)
Expenses incurred during the year	(4 174 119)	(1 722 307)
Balance at end of year	45 555 383	47 073 267

Capital grants for property and equipment

Balance at beginning of year	71 392 618	73 311 152
Unwinding of capital grants	(1 918 534)	(1 918 534)
Balance at end of year	69 474 084	71 392 618

Total grants at end of year	115 029 467	118 465 885
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At the reporting date the capital grants can be analysed as follows:

Short term portion	4 262 299	4 472 360
Long term portion	110 767 168	113 993 525
	115 029 467	118 465 885

9 Trade and other payables

Trade payables	2 378 331	889 676
Accrued expenses	4 467 020	1 372 899
Other payables	2 914 602	13 714 597
Payroll related accruals and Provisions (Note 9.1)	25 897 830	28 012 176
Deferred revenue	268 437	189 577
	35 926 220	44 178 925



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NOTES TO FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2019

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9.1 Payroll related accruals and Provisions

	Gratuity	Legal Fees and Litigation	Leave	Total
Balance at 01 April 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
Additional accruals during the year	7 536 079	477 481	4 914 214	12 927 774
Reversal of prior period accrual	(945 226)	(2 860 405)	(2 519 151)	(6 324 782)
Payments during the year	(7 047 738)	(970 585)	(699 015)	(8 717 338)
Balance at 31 March 2019	11 303 898	1 335 439	13 258 493	25 897 830

Payments during the year amounting to P970 585 (2018: P4 725 364) were made in regard to the salary disparity adjustments claim recognised in the prior years. The residual accrual amounted to P399 767 at the reporting date (2018: P1 370 352). Management is of the view that no further claims are to be expected.

A legal dispute from the prior year with regards to unfair dismissal of a former employee had been revised to P405 192 (2018: P627 672). The matter had been settled out of court as both parties agreed. Payment relating to the claim was made subsequent to year end on 17 April 2019.

Another legal dispute with a former employee from prior years was heard and dismissed by the High court during the year. The related provision of P2 690 924 was therefore reversed.

10 Cash flows generated from (utilised in) operating activities

	2019	2018
Operating surplus/(deficit)	6 806 130	(3 690 565)
Adjustment for:		
Depreciation (Note 3)	4 354 692	4 749 088
Amortisation of intangible assets (Note 4)	2 507 705	2 841 813
Unwinding of capital grants (Note 8)	(8 436 418)	(5 995 057)
Changes in working capital:		
Movement in inventories	(211 788)	317 340
Movement in trade and other receivables	8 637 718	(12 848 709)
Movement in trade and other payables	(8 252 705)	(6 093 703)
	5 405 334	(20 719 793)



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NOTES TO FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2019

IN PULA

	2019	2018
11 Related party transactions		
(a) Transactions with Ministry of Basic Education		
Government subvention	260 520 104	252 521 563
Capital grants received during the year	5 000 000	10 000 000

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.

(a) Receivable due from Ministry of Basic Education

Government subvention	18 564 116	18 537 856
Back to School Programme	-	7 271 738
PSLE	-	1 906 460
	18 564 116	27 716 054

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

11 Related party transactions (continued)

(c) Key management personnel

Key personnel remuneration consists of short term employee benefits paid to council members and senior management. Key personnel remuneration is analysed as follows:

Management - basic salary	3 360 796	3 608 568
Management - allowances	2 123 751	2 272 212
Management - gratuity and leave pay	2 944 312	3 226 177
Management - total	8 428 859	9 106 957
Sitting allowances – council members	383 477	361 540
	8 812 336	9 468 497



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NOTES TO FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2019

IN PULA

12. Fair values

IFRS 13 Fair value measurement 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 Council 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 and liabilities are categorised as follows:

	Total	Financial assets and liabilities	
		Financial assets/ liabilities at amortised cost	Other assets and liabilities
2019 (IFRS 9)			
Assets			
Property and equipment	19 980 780	19 980 780	-
Intangible assets	11 384 968	11 382 468	2 500
	<u>31 365 748</u>	<u>31 363 248</u>	<u>2 500</u>

Liabilities

Deferred grants	35 926 220	10 028 390	25 897 830
Trade and other payables	26 878	26 878	-
	<u>39 953 698</u>	<u>10 055 268</u>	<u>25 897 830</u>

	Total	Financial assets and liabilities		
		Loans and receivables	Financial assets/ liabilities at amortised cost	Other assets and liabilities
2018 (IFRS 9)				
Assets				
Property and equipment	28 618 498	28 618 498	-	-
Intangible assets	2 581 062	2 578 562	-	2 500
	<u>31 199 560</u>	<u>31 197 060</u>	<u>-</u>	<u>2 500</u>

Liabilities

Deferred grants	44 178 925	-	15 977 172	28 201 753
Trade and other payables	1 257 806	-	1 257 806	-
	<u>45 436 731</u>	<u>-</u>	<u>17 234 978</u>	<u>28 201 753</u>



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NOTES TO FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2019

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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 oversee 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:

	2019	2018
Fixed deposits	3 377 875	412 756
Call accounts	7 902 718	2 054 237
Bank overdraft	(26 878)	(1 257 806)
	<u>11 253 715</u>	<u>1 209 187</u>

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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NOTES TO FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2019

IN PULA

Financial instruments 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:

	2019	2018
Fixed deposits	16 889	2 064
Call accounts	39 514	10 271
Bank overdraft	(134)	(6 289)
Net decrease in operating deficit	56 269	6 046

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 entity's. Refer to 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, P10 million was received from the total P18.9 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.

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

	2019	2018
Trade receivables	18 907 422	27 946 739
Bank balances	11 382 468	2 578 562
	30 289 890	30 525 301



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NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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Financial instruments Continued

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
2019		
Trade receivables	18 907 422	18 891 834
2018		
Trade receivables	27 946 739	27 946 739

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.

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.

ANNUAL FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2019

IN PULA

Financial instruments Continued

Liquidity risk continued

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

2019	Carrying amount	Contractual cash flows	Within 1 year
Trade payables	2 378 331	(2 378 331)	(2 378 331)
Other payables	7 381 622	(7 381 622)	(7 381 622)
Bank Overdraft	26 878	(26 878)	(26 878)
	<u>9 786 831</u>	<u>(9 786 831)</u>	<u>(9 786 831)</u>

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>

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, United States Dollar and Great British Pound Sterling.

The table below shows BEC's exposure to currency risk:

2019	GBP	ZAR	USD	Pula Equivalent
Bank balances	4 150	-	-	58 432
Trade and other payables	-	(472 000)	-	(344 560)
Trade and other payables	-	-	(9 059)	(97 565)
	<u>4 150</u>	<u>(472 000)</u>	<u>(9 059)</u>	<u>(383 693)</u>

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, United States Dollar and Great British Pound Sterling.

2018

Bank balances	<u>6125</u>	-	-	<u>82 352</u>
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NOTES TO FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2019

IN PULA

Financial instruments Continued

Currency risk continued

An exchange rate of 1 ZAR / 0.73 BWP (2018: 1 ZAR / 0.80 BWP), 1 USD / 10.77 BWP and 1 GBP / 14.08 BWP (2018: 1 GBP / 13.42 BWP) was used for the conversion of foreign denominated balances at the reporting date. The entity had no South African Rand and United states dollar denominated financial instruments on hand at the prior reporting date. An exchange rate of 1 ZAR / 0.80 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:

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

	2019	2018
GBP	(5 843)	(7487)
ZAR	34 456	-
USD	9 756	-
Net increase in operating deficit	38 369	(7487)

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 four 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. These projects are being funded through National Development Plan (NDP).

The total approved budget for BNEPS is P6 000 000. Total accumulated project expenditure as at the reporting date was P1 715 824 and committed funds at the reporting date amounted to P4 284 177.

The total approved budget for BEAM is P9 954 000. Total accumulated project expenditure as at the reporting date was P1 789 962 and committed funds at the reporting date amounted to P8 164 038.

The total approved budget for BEC Transformation Project is P10 000 000. Total accumulated project expenditure as at the reporting date was P5 197 764 and committed funds at the reporting date amounted to P4 802 236.

A further P10 000 000 was released for the Pathways project. Total accumulated project expenditure as at the reporting date was P824 691 and committed funds at the reporting date amounted to P9 175 309.



ANNUAL FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2019

IN PULA

15. Going concern

BEC incurred a surplus of P7 237 926 for the year ended 31 March 2019 and its total liabilities exceeded its total assets by P33 228 335. BEC is dependent on the Ministry of Basic Education for financial and operational support. Management has the mandate to utilise the annual subvention revenue received from the Ministry of Basic Education to incur expenditure in the facilitation and administration of examinations in the country. The Ministry of Basic Education has approved the Council's 2019/2020 budget and is continuing to provide financial support to the Council through government subventions and grants.

The Council has made an assessment of the ability of BEC 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.

ANNUAL FINANCIAL STATEMENTS

DETAILED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 March 2019

IN PULA

	NOTE	2019	2018
Revenue	1	276 270 500	267 875 140
Cost of revenue			
Direct costs	2	139 754 295	137 809 220
Gross surplus		136 516 205	130 065 920
Other income	3	10 068 848	8 777 582
Administrative expenses			
Advertising, marketing and publicity		1 376 577	1 432 150
AEEA expenses		72 396	-
Amortisation of intangible assets		2 507 705	2 841 813
Auditors' remuneration		283 993	251 558
Bank charges		217 897	227 765
Consultancy fees		521 423	1 116 307
Depreciation		4 354 692	4 749 088
Electricity and water		1 801 270	1 398 311
Excellence awards		790 993	673 875
General expenses		201 576	2 631 438
Hotel and accommodation		775 406	465 406
Insurance		1 107 617	1 554 866
Legal fees		(2 182 297)	632 372
Licenses and subscriptions		2 484 580	1 498 413
Meals and entertainment expenses		241 700	444 397
Miscellaneous		4 575 010	66 321
Motor vehicle expenses		511 739	520 405
Office cleaning and supplies		727 742	564 525
Printing and stationery		4 185 486	2 312 740
Recruitment costs		183 766	37 063
Repairs and maintenance		3 699 359	3 859 940
Salaries	4	106 028 601	108 787 865
Security		602 501	807 977
Sitting allowance		383 477	484 929
Staff welfare		151 977	27 251
Telephone, courier, freight and postage		729 374	932 407
TIMMS expenses		306 426	91 233
Training expenses		301 894	740 447
Travel and subsistence allowances		2 836 043	3 383 205
		139 778 923	142 534 067
Operating surplus/(deficit)		6 806 130	(3 690 565)

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



ANNUAL FINANCIAL STATEMENTS

DETAILED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)

For the year ended 31 March 2019

IN PULA

	2019	2018
1 Revenue		
Government subvention	260 520 104	252 521 563
Certification fees	214 547	224 621
Registration fees	15 337 969	14 933 794
Remarking fees	197 880	195 162
	276 270 500	267 875 140
2 Direct costs		
Examiners' meals	5 259 263	4 724 062
External examinations fees	21 465 326	20 274 267
Grading and grade review	794 672	776 657
Invigilation fees	31 223 643	25 791 077
Marking fees	50 414 752	49 655 021
Moderation fees	2 762 755	2 670 524
Other examination administration	3 364 871	3 893 763
Printing costs	10 452 430	9 868 357
Setting fees	283 802	339 444
Travel and subsistence allowances	8 885 851	13 964 936
Venue hire costs	4 846 930	5 851 112
	139 754 295	139 809 220
3 Other income		
Unwinding of capital grants	4 262 299	5 995 057
Exchange (loss)/gain	(445 510)	1 315 414
Sale of tender documents	65 688	30 500
Sundry income	6 186 371	1 436 611
	10 068 848	8 777 582
4 Salaries		
Acting allowances	1 068 514	807 417
Management salary, allowances, gratuity and leave pay	8 428 860	7 137 656
Salaries	88 868 003	93 787 579
	98 365 377	101 732 652
	7 663 224	7 055 213
	106 028 601	108 787 865

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