



BOTSWANA  
EXAMINATIONS  
COUNCIL

# 2023/24 ANNUAL REPORT



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certifying your future*



# 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).

### 1961-1966

- 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.

### 1978/1979

- 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 Examinations Unit and RTC 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 Examination conducted Cambridge Overseas Certificate Examination conducted.

## 1990's

### 1992

- 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.

### 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).

## 2000's

### 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.

### 2019

- Parliament passed the Botswana Examinations Council Amendment Act, 2019 which came into force on the 11th October 2019.

# ABOUT

## BOTSWANA EXAMINATIONS COUNCIL



### 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.

BEC is mandated under section 5 of the Botswana Examinations Council Act (Act No. 11 of 2002) as amended by the Botswana Examinations Council (Amendment) Act, 2019 to manage, conduct examinations and assessments in general education and technical, vocational education and training and to award certificates in respect of the said examinations and assessments. The specific functions and responsibilities also include the following:

#### 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 as follows;

- Manage and conduct examinations and assessments in - (a) general education; (b) vocational education training.
- Issue certificates in respect of examinations and assessments in (a) general education; (b) vocational education training.
- Provide policy advice on assessment in education;
- Withhold or cancel examination results of candidates involved in malpractice;
- Award certificates to candidates in respect of examinations or assessments conducted in general education
- Develop standards for the conduct of examinations in all registered examinations centres
- Maintain standards in the system of examinations;
- Generally attend to matters related to the conduct of examinations;
- Develop examinations and assessments in general education, technical and vocational education and training;
- Register and accredit examinations and assessments centres for general education or equivalent including centres for technical and vocational education and training;
- Conduct regional and international comparability studies and other research relevant to its mandate;
- Conduct training, registration and accreditation of examinations personnel;
- Make rules regulating the conduct of examinations and assessments;
- In consultation with the Minister authorise the release of examination results; and
- Perform such other functions as may be conferred on it.

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## BOARD MEMBERS



**Dr. Olefile Bethuel Molwane**  
■ Board Chairperson



**Ms. Masego Izoh Mokubung**  
■ Deputy Board Chairperson



**Mr. Onkagetse Pusoentsi**  
■ Member



**Ms. Kelebogile Lecoge**  
■ Member



**Mr. David Ratsatsi**  
■ Member



**Ms. Ivy Ramalohanye**  
■ Member



**Dr. Moreetsi Thobega**  
■ Chief Executive Officer



**Mr. Pogiso Thapelo**  
■ Board Secretary



**Dr. Moreetsi Thobega**  
■ Chief Executive Officer



**Ms. Lorato Charity Morapedi**  
■ Deputy CEO, Support Services



**Dr. Bathsheba B. Mbongwe**  
■ Deputy CEO, Examinations and Assessment



**Mr. Letso Dibeela**  
■ Director, Assessment Design



**Ms. Annah Lewanika**  
■ Director, Assessment Administration



**Mr. Nametso France**  
■ Acting Director, Human Capital



**Mr. Ratio Balositse**  
■ Head, Corporate IT



**Mr. Wabo Bungile**  
■ Director, Finance



**Ms. Keramile Masire**  
■ Head, Internal Audit



**Ms. Fingile Makgalemele**  
■ Head, Corporate Communications



**Mr. Pogiso Thapelo**  
■ Head, Legal Services



**Ms. Ludo Sefako**  
■ Head, Office of Strategy Management



**Mr. Mothusi Ntau**  
■ Head, Compliance and Risk Management





**'The Board continued to provide succinct oversight over the implementation of the Strategic Plan, the restructuring exercise and the implementation of the new BEC organisational structure.'**

It is once again a great pleasure to present the Botswana Examinations Council 2023/24 Annual Report to all stakeholders. This report reflects our activities and achievements for the reporting period and underscores our unwavering commitment to educational excellence and integrity in assessment.

During the period under review, the Board of Botswana Examinations Council (BEC) continued to ensure good corporate governance while exercising its oversight role over the Council. Acting within the framework of corporate governance, the Board remained committed to ethical and effective leadership principles as espoused in the King IV code of corporate governance. To comply with such principles, the Board effected some changes to its governance structures to enhance its performance. Two experts were appointed to the Council's Board Committees, the Human Resources Committee and the Finance, Audit and Risk Committee. In addition, two Board members whose tenure elapsed in October 2023 had their tenure renewed by November 2023. A new Board Member, with expertise in education was also appointed to the Board in October 2023. This improved the complement to seven (7) out of eight (8) Board Members. The Council continues to engage the parent Ministry on the appointment of the eighth Member, with expertise in finance and audit to provide the required skills mix.

The Board continued to provide succinct oversight over the implementation of the Strategic Plan, the restructuring exercise and the implementation of the new BEC organisational structure. A six (6) months interim scorecard was approved by the Board after the assumption of a new organisational structure which took effect in September 2023 after most positions were populated by August 31st, 2023. It is however, important and pertinent to note that the conclusion of recruitment into new positions was not fully completed due to financial challenges experienced by the Organisation.

With respect to the sustainability of the Organisation, a major challenge has been the lack of funding. It has therefore been difficult for BEC to fully deliver on its mandate. The Council has not been able to implement key operations such as the full implementation of the new Organisational structure. The Council has also not been able to keep to its commitment to the professional development of staff due to financial challenges. However, to mitigate the dire financial situation, the Council has commenced exploring alternative sources of income to diversify its income streams and is also exploring cost containment measures.

Despite the funding challenges experienced, the year under review was marked by the achievement of significant milestones. The BEC successfully administered the 2023 examinations, serving a diverse group of candidates across various regions in Botswana at all three levels of Primary School Leaving Examinations (PSLE), Junior Certificate Examination (JCE) and Botswana General Certificate of Secondary Education (BGCSE). The candidature at PSLE, and BGCSE increased by 5.88% and 3.3% respectively compared to the prior year while at JCE there was a decline of 3.75%. The Board released the 2023 results for the three (3) qualifications in December 2023, January and February 2024 respectively. The achievements in processing of examinations and releasing results successfully were made possible by the innovations that the Council continues to employ within its core business process. Strides were made in employing digital platforms, streamlining processes, and improving examination processes. Key to note is that BEC continued to successfully and innovatively use the electronic marking (e-marking) system and has increased the total number of e-marked components at the BGCSE level from nine (9) in 2022 to 32 (thirty-two) in 2023.

Successes in the innovation front ensured that the Council maintains high standards of quality and security for the examinations, which is paramount in ensuring that every examination conducted is a true measure of candidates' abilities. That notwithstanding, the Council experienced a huge challenge of examination leakage at the BGCSE level during the 2023 examination, which caught the public attention. The leakage occurred at one private examination centre. This malpractice happened because the centre was non-compliant with the BEC's security standards, rules and regulations for the conduct of examinations. Punitive measures were taken against all involved. The Council managed to contain the situation and proceeded with the examinations following the replacement of the leaked examination papers. There were substantial cost implications to restoring the examinations and the Board is grateful to the parent Ministry for the support it provided during this time. The Council remains committed to maintaining the integrity of the examinations and shall continue to enhance security and enforce its regulations. BEC is cognisant of the challenges posed by the evolving educational landscape and is devoted to adapting strategies that meet the needs of all stakeholders.

Finally, I wish to express my deepest gratitude to the Board Members, Staff, Educators, and all our partners for their dedication and hard work during the 2023/24 fiscal year. Their contribution has been invaluable in fostering a culture of excellence and integrity within our organisation.

I look forward to the next year and remain confident that BEC will continue to uphold the highest standards in examinations and to be a trusted partner in the educational journey of the candidates.



Dr. Olefile Bethuel Molwane  
Chairperson, Botswana Examinations Council.





'A key highlight in this was the continued maturation of the electronic-marking (e-marking) initiative that saw 32 components of the BGCSE marked electronically in 2023 compared to nine (9) in the debut year of 2022.'

The 2023/24 report presents the operational responsibilities and achievements of three key departments of the BEC comprising the Office of the Chief Executive Officer (CEO) and two major directorates, one led by the Deputy Chief Executive Officer – Examination Assessment and the other led by Deputy Chief Executive Officer – Support Services.

The year began with heightened activities of the Organisational Re-Design sub-project of the BEC Transformation Project. The Organisational Re-Design was typically a Restructuring Exercise. The year began with the development of robust guidelines for the restructuring exercise. The guidelines were used to govern the population of the new structure which encompassed placement of personnel in the new structure, internal recruitment of staff, external recruitment, appeals procedures and separation with some staff members. Using the guidelines, recruitment of top Management of the Organisation such as Deputy CEOs and Directors, began early in the year and it ran parallel with the placement of lower cadres of staff. Most of the positions in the new structure were filled by the first half of the year under review.

Parallel to the restructuring was the implementation of the 2020-2024 Transitional Strategy. The strategy was formulated

to align the BEC with its expanded mandate which included transformation of the organisation into a High Performance Organisation (HPO). The restructuring exercise was thus a major milestone of the transition strategy. March 2024 marked the end of the Transition Strategy.

Concerning the core mandate, the BEC continued to deliver examinations for the three general education qualifications, the Primary School Leaving Examination (PSLE), the Junior Certificate Examination (JCE) and the Botswana General Certificate of Secondary Education (BGCSE). A key highlight in this was the continued maturation of the electronic-marking (e-marking) initiative that saw 32 components of the BGCSE marked electronically in 2023 compared to nine (9) in the debut year of 2022.

The sustainability of the BEC remained a concern as reflected in the opinion of the external auditors of the BEC. While the parent Ministry of Education and Skills Development assured the BEC of continued support financially, it was observable during the year in question that the Organisation fulfilled its mandate marginally, while operating in the backdrop of a huge budget deficit. This remains a strategic concern because in many instances, the organisation had to revise the scope of some of its flagship activities in response to the constricted budget.

Stakeholder engagements and strategic partnerships were also featured during the year under review. BEC took part in several activities to interact with its stakeholders. The Organisation participated in the Nationwide campaign of Mindset Change and also collaborated with Departments of the Parent Ministry and other Parastatals in taking the Ministry to the people. The Council used these engagements to enlighten its stakeholders about its mandate and offered its products and services to its customers. By the end of the year under review, the BEC CEO gracefully completed his term as the Chairperson of the Southern Africa Association for Educational Assessment (SAAEA). During his tenure, SAAEA established a regional quality assurance mechanism for the examination process.

In conclusion, details of the issues discussed in this statement can be found in the sections of the report that follow.



Dr. Moreetsi Thobega  
Chief Executive Officer

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### Preamble

The development of the Annual Report is a statutory requirement in accordance with the Botswana Examinations Council Act No. 11 of 2002, as amended. The Act obliges the Council to submit to the Minister of Education and Skills Development within 6 months of the end of the financial year, the Annual Report. The Board is responsible for the approval of the Report for publication and submission to the Minister.

## GOVERNANCE FRAMEWORK

Botswana Examinations Council (BEC) Board is appointed by the Minister of Education and Skills Development in accordance with section 4 of Botswana Examinations Council Act Cap 58:03 (As amended by BEC Amendment Act, 2019). Botswana Examinations Council subscribes to good corporate governance and therefore, is fully committed to ethical and effective leadership principles as espoused in the King IV adopted by the Board. Further, the Board has adopted the Board Charter, Committee Terms of Reference which among other things, set parameters on the use of privileged information, declaration of conflict of interest and stipulate the roles and responsibilities.

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

### Governance Structures

#### The Board

The Board of Botswana Examinations Council comprises seven (7) Members appointed by the Minister of Education and Skills Development. The Board comprises a skills mix with competence, knowledge and experience in Curriculum and Educational Measurement and Evaluation, Educational Research, Education and Training, Finance and Audit, Human Resource Management or related fields, Law and law enforcement.

#### The key role of the Board

This includes inter alia, approval of the Strategy and implementation, oversight over risk governance and compliance, financial and organisational performance, human capital strategy and implementation.

The Board comprised the following Members:

- (1) Dr. Olefile Molwane - Chairperson
- (2) Ms. Masego Mokubung – Vice Chairperson
- (3) Ms. Ivy Ramalohanye
- (4) Ms. Kelebogile Lecoge
- (5) Mr. Onkagetse Pusoentsi
- (6) Dr. Moreetsi Thobega – Chief Executive Officer (Ex Officio Member)

#### Board Meetings

The BEC Act (as Amended) requires the Council to meet at least three times annually to discuss matters relating to, amongst other things; Strategy and Performance, Financial Position, Risk Management, Human Resource matters, Sustainability and Governance. The meetings of the Board during the year under review increased significantly primarily due to the peak of the Transformation Project as well as the malpractice crisis which was still.

The Board had a total of 11 Meetings including 3 Ordinary meetings and 8 Special meetings for a range of strategic issues including oversight over the transformation project and recruitment for key positions including two Deputy CEOs, examinations and assessments processes and results of the three levels of PSLE, JCE, and BGCSE among others

## Attendance

Name of Board Member	Position	Attendance
Dr. Olefile Molwane	Chairperson	11/11
Ms. Masego Mokubung	Member	11/11
Dr. Moreetsi Thobega	Member	11/11
Ms. Ivy Ramalohanye	Member	11/11
Ms. Kelebogile Lecoge	Member	11/11
Mr. Onkagetse Pusoentsi	Member	11/11
**Mr. David Ratsatsi	Member	4/4

\*\* Appointed November 2023

## Board Committees

The Board has constituted and delegated some of its mandate to the following Committees:

### Examinations and Assessments Committee (EAC)

#### The Role of the Committee

#### Composition

The Committee was composed of 4 Members, skilled in Human Resources and Law.

The Committee convened four (4) ordinary meetings and five (5) special meetings during the year under review.

The EAC is responsible for providing oversight and direction over how examinations and assessments are conducted. It ensures accessibility, equity and fairness in the conduct of examinations. This includes amongst other things, making decisions on malpractice, special considerations and applications for access arrangements.

#### Composition

The Committee comprised 5 Members, skilled mostly in the areas of education, as well as examinations and assessments as indicated below;

#### Committee Meetings

The Committee had 9 meetings during the year, including 4 ordinary and 5 special meetings.

#### Membership and Attendance

Member	Attendance
Ms Kelebogile Lecoge (Chairperson)	9/9
Ms Masego Mokubung	9/9
Dr. Moreetsi Thobega	9/9
Mr David Ratsatsi	9/9
Prof Tshepo Batane	9/9
Mr Bona Gutu	7/9

### Key Areas of Focus

The Committee provided oversight over the examination and assessments processes, the malpractice crisis that arose during the BGCSE examinations in October 2023, considered the final examinations results for all the three levels of Primary, JCE and BGCSE and recommended same to the Board for approval and release.

### Human Resource Committee

#### The Role of the Committee

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

#### Composition

The Committee was composed of 4 Members as indicated in the table below, with a skills mix of Human Resources and Law. The Committee convened four (4) ordinary meetings and five (6) special meetings during the year under review.

#### Membership and Attendance

Member	Attendance
Ms. Ivy Ramalohlanye (Chairperson)	10/10
Mr. Onkagetse Pusoetsile	10/10
Mr. Benard Ditlhabi	10/10
Dr. Moreetsi Thobega	10/10

### Key Areas of Focus

During the year under review, the Human Resources Committee provided oversight over the implementation of the Transformation Project and made recommendations to the Board on recruitment for the new Organisational Structure and employee welfare issues.

### Finance, Audit and Risk Committee (FARC)

#### The Role of the Committee

The FARC has been mandated with oversight authority over;

- The Financial Reporting Processes,
- Internal Audit Process,
- Corporate Governance and Internal Controls,
- Risk Management,
- Compliance Management, and
- Information and Communication Technology (ICT) Governance.

The Committee is administered through a Charter which outlines delegated responsibilities of Members as assigned by the Board from time to time.

### Composition

During the year 2023/24 the FARC composition changed from three (3) members to four (4). Mr. Onkagetse Pusoentsi was appointed to join the Committee for a full complement as prescribed by the Charter. The Committee then comprised of (2) Members of the Board and two (2) Independent Members. The FARC is chaired by Mr. Pelotsweu Mashlow Motlogelwa who is one of the independent Members. Other members of the committee are Ms. Masego Mokubung and Mr. Ngele Gabriel Ngele.

### Meetings and Attendance

During the year under review, the Committee had 4 ordinary meetings as planned and six (6) special meetings..

Member	Attendance
Mr Marshlow Motlogelwa (Chairperson)	10/10
Ms Masego Mokubung	10/10
*Mr Onkagetse Pusoentsi	10/10
Mr Ngele G. Ngele	10/10

## COMBINED ASSURANCE

As the BEC has opted to adopt the King Code of Corporate Governance as a framework to follow; the Council is well on its way in implementing combined assurance to manage risk. Principle 3.5 of King III introduced combined assurance as a recommended governance practice.

King IV expands on this concept by indicating that, a combined assurance model incorporates and optimises all assurance services and functions so that, taken as a whole, these enable an effective control environment, support the integrity of information used for decision-making by management, the governing body and its committees; and support the integrity of the organisation's external reports.

Some benefits of combined assurance are;

- Coordinated and relevant assurance efforts are directed to the risks that matter most.
- Commitment to enhance controls is demonstrated.
- Assurance activities produce valuable, integrated data, based on collaboration and not silos.
- Reduction in assurance costs through elimination of duplication and better resource allocation.
- A reduction in the repetition of reports by different committees, resulting in improved and more efficient reporting.
- Clarity on risk and audit.

Assurance is provided at BEC by Internal Audit providing independent objective assurance, then the Compliance, Risk Management and Quality Management (integrated within one function of Compliance and Quality Assurance (CQA). The coordinated efforts in the combined assurance within the Council are demonstrated in the integrated CQA function and the working closely of risk and audit functions. The annual internal plan of the internal audit function is based on the organisational risk assessment which is facilitated and reported at Board level by the CQA function. The external auditors also work closely with Internal Audit to maximise assurance efforts as internal audit reports are shared with external auditors.

Whilst combined assurance promotes integration and cohesiveness on the way things are done, it has not taken away levels of responsibility and roles in risk management.

The three (3) lines of defence are clear within the BEC and set out as follows:

#### **a) First Line – Functional Responsibility**

The Board delegates to Management the responsibility to implement and execute effective risk management through an assessment of risks and opportunities emanating from all functional areas of the organisation that have material effect on stakeholder interests, profit and the communities it operates within. This exercise includes pursuing strategies within predetermined risk tolerance levels.

#### **b) Second Line – Specialist Responsibility**

It is constituted by the:

(i) Finance and Procurement Divisions: they are the controllership functions that monitor financial risks and financial reporting issues.

(ii) Risk Management Function: It facilitates and monitors the implementation of effective risk management practices by operational management and assists risk owners in identifying and managing their area-specific risks and reporting adequate risk-related information throughout the organisation.

(iii) Compliance Management: It monitors various specific risks such as noncompliance with applicable laws and regulations, internal policy, processes and procedures, and best practice standards and codes. In this capacity, the separate function reports directly to the Executive Management Team and to the Board through the FARC.

#### **c) Third Line – Assurance Responsibility**

The Internal Audit function provides the Board and Senior Management with assurance on the effectiveness of governance, risk management, compliance management and internal controls. The Internal Audit function is independent from the operations of the Council as a third line of defence, in order for them to provide objective assurance.

## **BEC Governance Maturity**

### **Background**

A tool to measure BEC's compliance to governance standards was administered for the first time in February 2018 during which a score of 62% was recorded. Since the tool was found to be limited in addressing a key regime in King IV Code of Corporate Governance – “apply and explain”; the Enterprise-wide Governance Maturity Matrix was developed to address the shortfalls identified above. This tool therefore adopted a qualitative as opposed to quantitative approach.

### **2023/24 Governance Maturity Evaluation**

Evaluation for the March 2024 Governance Maturity was carried out through the administration of the Enterprise-wide Governance Maturity. The distribution of results is as presented on **Figure 1** below:

**Board Governance** was found to be predominantly “Established” with reasonable presence in the “Mature” category.

The governance maturity for **Strategy Management** was found to be in the “Progressing” category.

**Business Process Management** was largely in the “Progressing” category with other parameters found to be in “Established” category.

**Morality Ethics and Integrity** was found to be in predominantly in the “Developing” category with other parameters found to be in “Progressing” category.

**Quality Management** was found to be largely “Progressing” with other parameters being in the “Developing” and “Established” categories.

The governance maturity for **Human Resources Management** was found to be predominantly in the “Developing” category.

IT Governance was found to be equally distributed between the “Developing” category and the “Progressing” category.

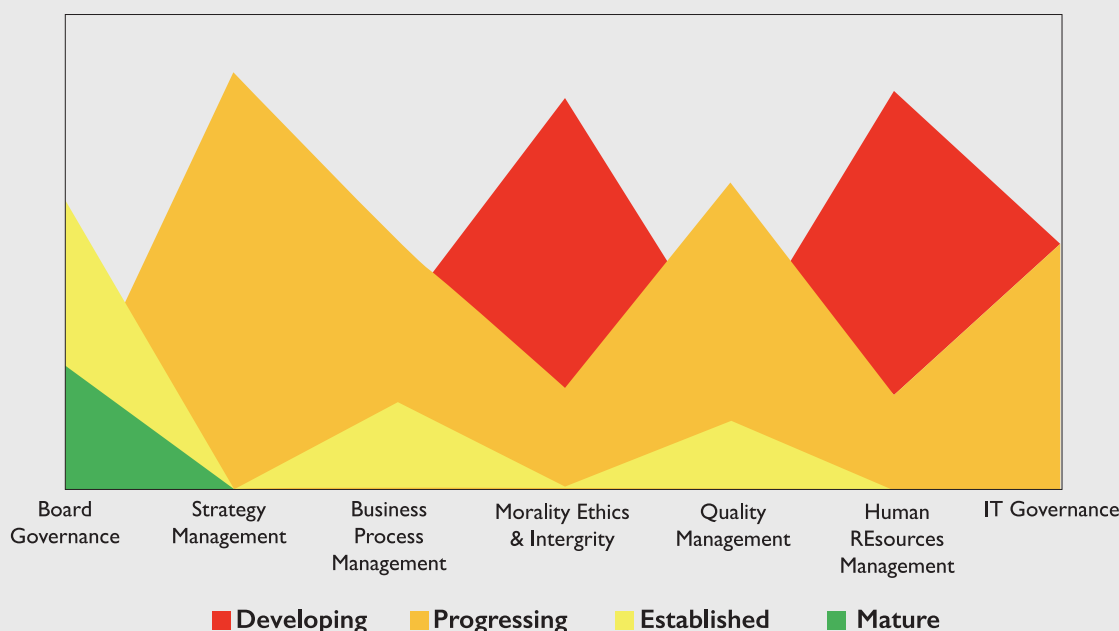


Figure 1 – BEC Governance Maturity, March 2024

The overall **BEC Governance Maturity –2023/24** was found to be predominantly between the “Developing” and “Progressing” categories with lesser parameters found to be in “Established” category. The results show that there was no movement on the overall rating compared to the previous year although some insignificant changes were noted under some individual parameters. There are indications that very few governance areas have matured.

### Review of the Governance Maturity Matrix

Since the Governance Maturity Matrix was developed in 2022, there have been some significant changes in the Council that took place. These include but not limited to the organisational transformation and end of the 2020-2024 strategic period.

It is therefore necessary to review the tool to respond to the major changes in the governance set-up and align it with the new strategic objectives.

## RISK MANAGEMENT

### Risk Governance

The Board of the BEC has established the Enterprise Risk Management Framework and Risk Management Policy in line with Principle 11 of the King IV Code of Corporate Governance. The Board is responsible for the governance of risk and carries out this responsibility through the Finance, Audit and Risk Committee (FARC). The implementation of policy through the framework has therefore resulted in effective and periodic reporting on risks to the FARC and the Board.

### **Enterprise Risk Management (ERM)**

The management of risks is an integral part of corporate governance and sustainability. The Council has embedded risk management in all its processes and procedures at all levels within the business. Throughout the year under review, the ERM process entailed risk identification, assessment, monitoring and reporting and taking into consideration the changing circumstances when responding to risks. The Council was able to maintain business operations running efficiently through initiatives mitigating against all identified risks. Among other risks during the reporting year, the Council paid constant attention to the following as critical risks:

**(a) Leakage of Examination Question Papers:** There is a risk of examination question papers through different sources resulting in reputational loss to the Council. Examinations question papers leaked during the 2023 series.

**(b) Information Security Risk Exposure:** BEC servers and networks risk being hacked resulting in loss of information and server related services. Although the risk materialised during the reporting period, corrective and preventive measures were employed to address it.

**(c) Obsolescence of ICT Equipment:** The risk of system failure due to unavailability of space in the servers remains. This may result in loss of data and delay in processing of exams. Sound policy environment established with Management's commitment to ICT governance. Employment of robust and secure data and information management systems.

**(d) Leave Liability:** As at 31st March 2023, total leave liability stood at P15,479 914.39. Measures put in place resulted in the reduction of leave liability to P10,382,390.86 as of 31st March 2024.

**(e) Declining Capital:** BEC funding from the Government has been on decline for several years. Inadequate capital funding hinders the organisation from undertaking its strategic objectives. The effectiveness of the alternative revenue generation measures employed should have been realised during the 2023/24 financial year.

**(f) Delay in Awarding Contracts:** Some contract awards were delayed for reasons such as registered complaints from bidders. Management had put measures in place to mitigate such incidents.

**(g) Ineffective ICT Governance Monitoring:** It had been established that there are some ineffective security monitoring tools which poses a risk to information security.

**(h) Aging Examinations Processing Equipment (OMR Scanners):** The existing scanners that facilitate the reading of scripts and processing of candidate examination information had exceeded their operational life. This could result in delaying examinations processing.

**(i) Payment for Invigilation and Coursework:** BEC was responsible for administration of payment for invigilation of exams and marking of coursework fees. There was a risk of delay of conduct of exams and release of examination results due to previous experiences with examining personnel regarding compensation disputes.

**(j) Business Continuity Management:** BEC does not have a comprehensive continuity plan for disruptive events. The implementation of the Business Continuity Policy would ensure among other things the availability of exam back-up question papers, an increased pool of examining personnel. Development of Divisional continuity plans will further enhance disaster recovery initiatives.

## BUSINESS CONTINUITY MANAGEMENT (BCM)

Following the establishment of the Business Continuity Management Policy, Management continued with its commitment to ensure continuity of BEC operations before, during and post a disruptive event should it occur. The Council had identified potential threats to the organisation and their impact if realised, the effects of which point to organisational resilience. The BCM implementation at the BEC had been heavily dependent on the robust risk management process. There was therefore need for the development of the area-specific continuity and incident response plans, that were process/function specific. This would enhance the organisation's control environment and ensure effective response that safeguards the interests of key stakeholders, reputation, brand, etc.

## COMPLIANCE

### *Compliance Management*

The BEC Compliance Management is conducted as fulfilment of Principle 13 of the King IV Code of Corporate Governance which prescribes that the Board should govern compliance with applicable laws and adopted, non-binding rules, codes and standards in a way that supports the organisation being ethical and a good corporate citizen.

During the year under review, the BEC had a total of thirty-one (31) established and approved policies. As part of the Transformation Project some policies needed to be reviewed and some developed for continuing suitability or to ensure conformance to the nomenclature set forth in the BEC Amendment Act of 2019.

As new policies were being established and approved, the BEC compliance maturity continued to improve. Periodic Compliance reports were presented to the FARC together with the Compliance Universe.

### *Compliance Universe*

Throughout the reporting period, the compliance universe was reviewed from time to time in accordance with legislative changes and amendments to best practice standards that BEC subscribes to.

An analysis of levels of exposure was determined through examining the existence (or lack thereof) of appropriate controls to mitigate against the occurrence of the identified exposures or the effects thereof if the risk was to manifest.

The legislative changes as discussed below were noted as having significant impact on the BEC compliance environment:

(a) The Financial Intelligence Act was amended in 2022.

(b) The Public Procurement and Asset Disposal Act was replaced by Public Procurement Act No. 24 of 2021.

Assessment of compliance risks as a result of these amendments was conducted during the 2023/24 financial year.

### *Compliance Risks (High Risks)*

There was a risk of noncompliance with the **Public Procurement Act, 2021** and its Regulations. The Council had identified the need for training to bring the skills of the procuring unit in line with prescribed practices.

The BEC had recorded incidents relating to fraud and impersonation. Whilst the incidents were effectively managed, the Council needed to ensure that there were adequate controls to prevent recurrences that could give rise to violation of the Penal Code.

Some deviations from the recommended practices of King IV Code of Corporate Governance point to delayed corporate governance maturity. Ensuring a full complement and capacitation of the Executive Management would be a good starting point.

BEC Act as Amended in 2019: Among other things, the Amended Act empowers the BEC to pursue opportunities for revenue generation. There is a risk that BEC would not take advantage of this provision especially in consideration of its liquidity and under-capitalisation issues.



### ***Disclosure of Compliance Opportunities***

Cost Recovery from Examination Material: Section 17A of the BEC Amendment Act (2019) gives the sole ownership of examination material to the BEC. The Council can fully derive financial returns through sale of the examination papers or material.

The BEC Act also outlines the revenue composition of BEC. In pursuit of implementing the Act, the Council is yet to effectively employ other forms of income generation which include but is not limited to rentals of land and/or buildings.

### ***Quality Management***

The Council is implementing ISO 9001:2015 standard as a basis for its quality management system. During the year under review, the BEC was undergoing transformation and the activities of ISO 9001:2015 Transition project have been placed under the Quality Management and Assurance Sub Project of the Transformation Project. Key aspects and activities of the project were identified and a Project Plan was developed. Some of the key activities include;

- Development or Review of Key QMS Documents
- Training & Change Management.

## **INDEPENDENT ASSURANCE THROUGH INTERNAL AUDIT**

In order to execute its mandate as an oversight body responsible for assurance to the Board, the Council obtains independent and objective assurance from the 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 goals.

### ***Internal Audits***

During the 2023/24 financial year, the following areas were audited in line with the approved risk-based audit plan; Audit reports on the same were issued to management for action and considered by the FARC and further by the Board

- Travel claims and Imprest – The review intended to ensure that the limited resources of the Council are utilised in the most efficient way whilst operations are not compromised.

- Investigation of tender awards – The review followed an anonymous tip-off and was carried out to establish the facts pertaining to the allegations.
- Electronic Marking System – The review undertaken to ensure that the objectives of the project have been met and the Council attained value for money.
- Recruitment of temporary personnel – Review conducted to establish if the process was done fairly following sound recruitment principles and to ensure operational efficiency.

### ***Monitoring of Control environment***

In their endeavour to ensure continued improvement in the control environment, monitoring of the implementation of prior period audit recommendations were performed quarterly and reported to the FARC.

### ***Advisory***

Internal Audit was also part of key Management activities which included the Transformation Project to provide the necessary advice as a governance player for sound decision-making in different aspects of the business.

### ***Coordination of External Audit***

Internal Audit coordinated the activities of the external audit, working closely with key players for the audit of financial statements to ensure that the objectives and strategy approved by the FARC were met. The year although challenging due to the transition of the Council saw BEC submit audited accounts on agreed timelines.

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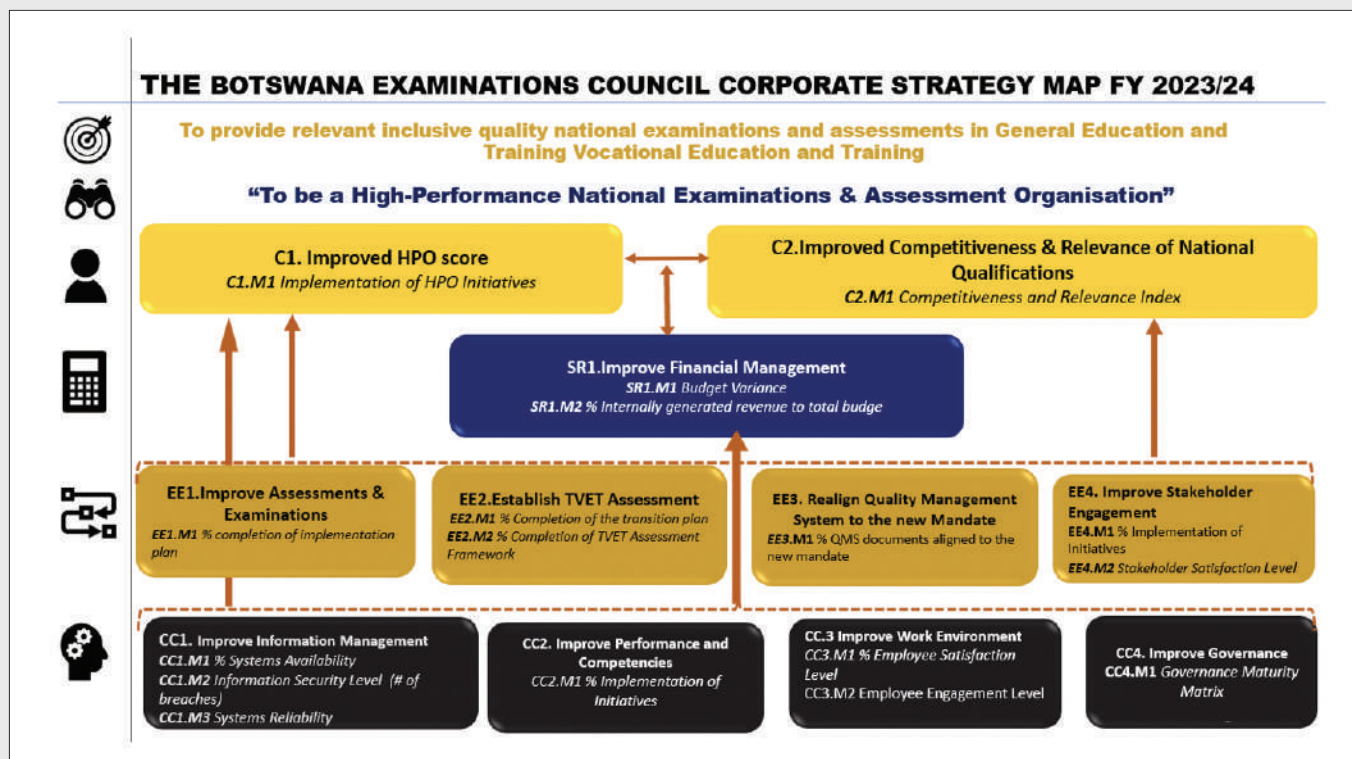


Figure 2: – BEC Corporate Strategy Map FY 2023/24

## Background

The Financial Year 2023/24 marked the last year for the BEC transitional strategy. The 2020-2024 transitional strategy was executed to achieve two primary objectives: aligning the organisation with its expanded mandate and transforming the Botswana Examinations Council (BEC) into a High-Performance Organisation (HPO) for National Assessments and Examinations. This strategy was essential for BEC to effectively manage its expanded responsibilities, including Technical and Vocational Education and Training (TVET) alongside the Primary School Leaving Examination (PSLE), Junior Certificate Examination (JCE) and Botswana General Certificate of Secondary Education (BGCSE).

The key performance indicators (KPIs) for the HPO transformation focused on securing high-quality leadership, cultivating a skilled workforce and fostering a culture of continuous improvement and innovation. This required an organisational commitment to openness and responsiveness to stakeholders. The strategic outcomes aimed for customer and employee satisfaction, driven by an innovative organisational perspective. This involved streamlining processes for enhanced efficiency and delivering reliable assessments, ultimately resulting in high stakeholder satisfaction and a positive organisational reputation.

To ensure alignment with its new mandate, BEC initiated an organisational redesign and restructuring process as part of the broader Transformation Project. This initiative extended beyond the initial completion date of June 2023 due to a prolonged recruitment process. The recruitment delays significantly impacted the development of the 2023-2024 Corporate Scorecard which was crucial for the final year of the 2020-2024 Corporate Strategy.

In response, leadership refocused to prioritise critical initiatives for the 2023-2024 scorecard. This led to the creation of an interim corporate scorecard which was implemented from October 2023 to March 2024. The organisation performance based on prioritised initiatives from the interim scorecard has been highlighted below under different strategic objectives from the four (4) Balanced Scorecard perspectives:

## Performance Summary

### Customer Perspective: Enhancing Competitiveness and Relevance

BEC undertook a comprehensive evaluation to gauge the competitiveness and relevance of national qualifications. The resulting competitive index, driven by factors such as Private School Market Share, Examination Security, and Relevance to Tertiary Institutions, achieved a score of 73%, slightly below the 78% target. National qualifications maintained integrity and alignment with international standards, particularly in Mathematics.

Efforts to enhance stakeholder engagement yielded a 62.5% satisfaction rate, supported by regional workshops, social media initiatives, and improved communication channels. Moving forward, BEC aims to strengthen these engagement strategies and improve alignment to education requirements.

### Sustainability & Resources Perspective: Financial Sustainability

BEC's strategic financial initiatives included cost-cutting measures and income generation efforts, resulting in notable savings. However, the Council faced a significant budget deficit of P107 million. Going forward, efforts will focus on aligning budgets with operational realities and diversifying revenue streams to ensure long-term financial resilience.

### Organisational Efficiency & Effectiveness Perspective

During the reporting period, BEC prioritised advancements in assessments and examinations, achieving 97% completion of initiatives such as the Primary School Assessment System and Outcome-Based Assessment for the Senior Secondary level. However, challenges in data availability, due to a cyber-attack and other operational disruptions, delayed progress in realigning the Quality Management System (QMS). Despite these setbacks, progress was made in establishing the TVET Assessment Framework, with 35% of foundational work completed. BEC focused on strengthening data security measures and expediting QMS realignment to enhance operational efficiency.

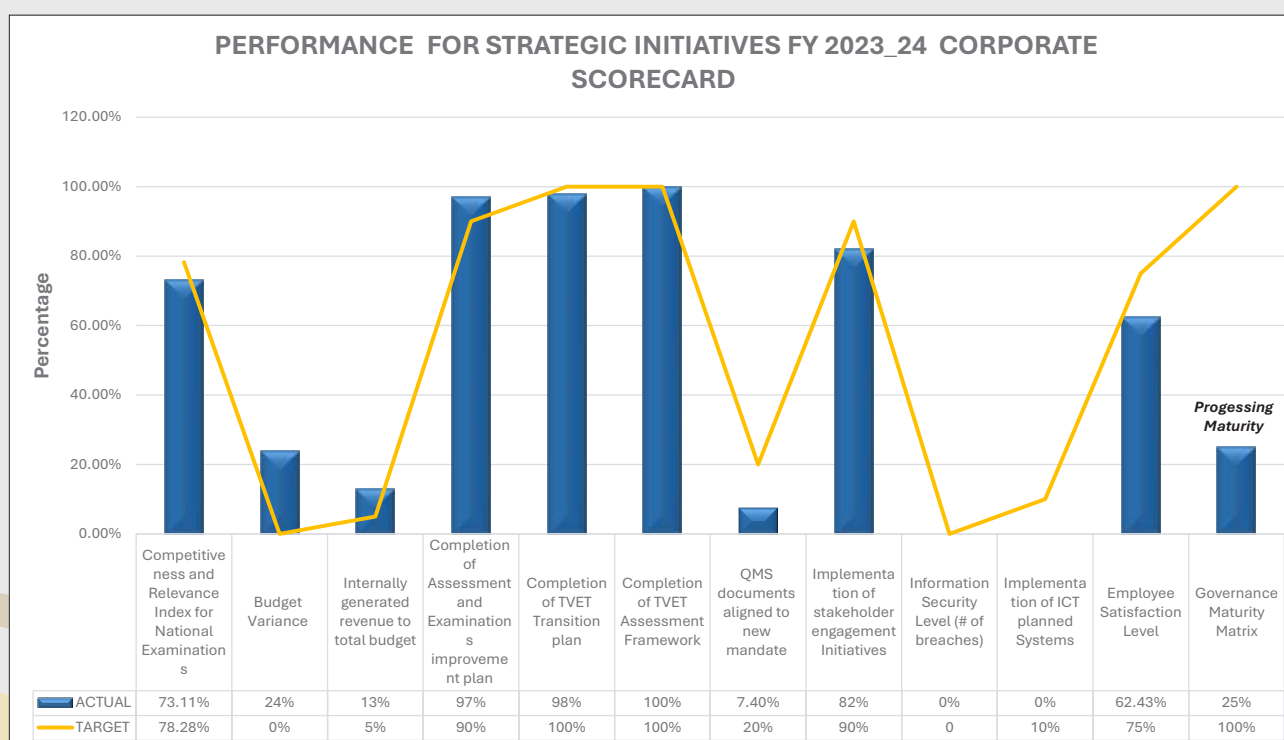


Figure 3 : – Performance for Strategic Initiatives FY 2023/24 Corporate Scorecard

### ***Organisational Capacity & Capability Perspective***

In 2023/24, BEC advanced efforts to strengthen its organisational capacity through improvements in information management, performance evaluation, and governance. A cyber-attack posed significant challenges, but the Council responded with proactive investments in cybersecurity and cloud hosting. BEC plans to implement a unified performance measurement framework to better align individual goals with organisational objectives. Employee satisfaction remained a priority, with efforts to enhance engagement and improve employee value proposition through the Employee Assistance Programme (EAP) and wellness activities. In governance, BEC made progress in moving from the Developing to the Progressing stage of Governance Maturity, with a focus on formalising processes and improving governance structures.

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## Top Achievers Celebrated



His Excellency The President of the Republic of Botswana Dr. Mokgweetsi Keabetswe Masisi presenting the Golden Star Award to Joshua Omaatla Ezekiel.

The BEC's Annual Excellence Awards continue to be the highlight of the Council's annual activities. The Excellence Awards initiative was founded on the backdrop of promoting a spirit of hard work and to foster excellence. The awards provide a platform for interaction with key stakeholders such as teachers, parents, schools, policymakers, academicians and sponsors while celebrating exceptional academic excellence by learners. These awards are held in collaboration with the Ministry of Education and Skills Development and the Office of the State President.

The 14th Annual Excellence Awards ceremony was held on 26th January, 2024 at the BEC Grounds. His Excellency the President of the Republic of Botswana Dr. Mokgweetsi Eric Keabetswe Masisi was the Main Speaker at this momentous event. He highlighted to the recipients that their academic achievements made them deserving and invaluable to be celebrated with genuine enthusiasm. He encouraged the top achievers to keep pushing forward in their academic journey as that is the only way they could witness their hard work blossoming beyond their imagination.

The Chief Executive Officer of BEC Dr. Moreetsi Thobega took time to appreciate and recognise the immense contribution of the two individuals who he specially



The 2022 BGCSE Top Achievers during the 14th Annual Excellence Awards Ceremony.

invited to the ceremony as he felt they had embraced the National Reset Agenda and Mindset Change initiative. The recently retired Naledi Senior Secondary School Head Master Mr. Othusitse Othusitse was recognised for his record performance in ensuring Naledi Senior Secondary School emerges as the only school appearing on the BEC Excellence Awards Top Achievers Stars Magazine for ten (10) consecutive years since its inception, and during the period produced three (3) Golden Stars. Mr. Khumo Ditshamekelo, a teacher at Mojamorago Junior Secondary School in Selibe Phikwe was commended for identifying excelling students from disadvantaged backgrounds, providing financial support and mentoring them to be the Nation's highflyers.

Mr. Joshua Omaatla Ezekiel of Naledi Senior Secondary School emerged as The BGCSE Class of 2022 Golden Star. He paid tribute to his success to a mindset change and intense dedication to his studies, something he said paid a good dividend to his life.

The awards were made possible by sponsorship from Stanbic Bank of Botswana and Debswana Diamond companies, both of whom have been valuable partners to BEC over the years.



## BEC Interacts with its Stakeholders



Deputy CEO - Examinations and Assessment Dr. Bathsheba Mbongwe with Director, Assessment Design Mr. Letso Dibeela listening to the deliberations.



Head, Relations Management, Ms. Lesang Puddefoot delivering a presentation at the engagement forum in Palapye.

During the year under review, BEC continued to engage with its stakeholders as they are deemed key in ensuring the Council's mandate is effectively delivered. The BEC strategic initiative of Improving Stakeholder Engagement is very crucial to BEC in an effort to enlighten its stakeholders about its mandate, operations and other latest developments particularly at a time when BEC is transitioning and aspiring to be a High Performance Organisation (HPO). It was against this background that the BEC hosted Regional Directors, Heads of Centres and Chief invigilators on the 12th of October 2023 in Palapye.

The one day workshop was organised by the Relations Management Department and was an interactive event where participants interacted candidly on the issues concerning examination administration. The event came at a time when BEC was grappling with a serious malpractice issue that affected the 2023 BGCSE examination and prompted the rescheduling of the examination.

When addressing the participants, the BEC Head of Relations Management Ms. Lesang Puddefoot underscored the workshop's importance for giving stakeholders first-hand information about the latest developments on examinations and to discuss the security of examinations. The workshop provided a platform for participants to share their experiences and to propose viable solutions for managing examinations processes. The participants also encouraged BEC to engage them more regularly as they felt the engagement was beneficial to all parties.

The BEC delegate comprised of Deputy Chief Executive Officer (Examinations & Assessment) Dr. Bathsheba Mbongwe, Director, Assessment Design Mr. Letso Dibeela, Head, BEC Executives and officers from the Relations Management and Corporate Communications Departments.



## BEC Overcomes Malpractice Scandal



The Minister of Education and Skills Development, Dr. Douglas Letsholathebe addressing members of the media following the malpractice incident.



Chief Executive Officer, Dr. Moreetsi Thobega briefing the media on the malpractice that rocked the BEC.

The year under review was a challenging one for the BEC as it battled with a malpractice scandal of unimaginable proportion. The 2023 Botswana General Certificate of Secondary Education (BGCSE) examinations were administered relatively well despite the major malpractice experienced at the beginning of the examination cycle.

The malpractice incident affected the BGCSE which saw nineteen (19) components leaked and subsequently prompted BEC to suspend the examinations for two weeks. Following a series of engagements and consultations with the Parent Ministry, the BEC managed to re-print the affected components and the BGCSE examination resumed on the 1st of November 2023 and concluded successfully on the 7th of December 2023. On the 8th of March 2024, the Minister of Education Skills and Development (MESD) Dr. Douglas Letsholathebe, and the BEC Chairman Dr. Olefile Molwane officially released the results for the 2023 BGCSE examination.

At the release of the results press conference, Dr. Letsholathebe informed the public that the BEC Act

prescribes malpractice as a serious offence punishable by law. Letsholathebe emphasised that because there was non-compliance with examination regulations, administrative penalties will be applied to the centre at which the examination leakage was initiated, personnel and candidates who had the leaked 2023 BGCSE questions papers.

The Minister added that any person who commits an offence of Malpractice shall be liable on conviction to a fine not less than P200 000.00 but not more than P500 000.00 or to imprisonment for a term not exceeding ten (10) years, or to both such fine and imprisonment. Dr. Letsholathebe commended the 2023 BGCSE cohort teachers and parents for providing psycho-social support to the learners during the entire examination period. BEC Chief Executive Officer Dr. Moreetsi Thobega said malpractice is an impermissible act that threatens the integrity of qualifications and certificates and assured the public that BEC will do all in its power to uphold the integrity of national examinations in a bid to restore public trust and confidence on the BEC assessments. Thobega added that the matter was reported to law enforcement officers and was still being investigated.

## BEC Partakes in Taking the Ministry to the People



BEC Director, Assessment Design Mr. L. Dibeela giving an overview speech about BEC at the Taking The Ministry to the people event.



BEC staff at Taking the Ministry to the People event in Tshesebe

During the year under review, BEC took part in the Taking the Ministry to the People initiative that was held in Tshesebe. The event was organised by the Ministry of Education Skills and Development (MESD) and was held under the theme - "Driving a knowledge-based economy through skills development and mindset change". The main objectives were to raise awareness of the mandate of the Ministry and to strengthen stakeholder engagement.

When officiating at the event, the Minister of Education and Skills Development Honourable Dr. Douglas Letsholathebe highlighted that MESD is tasked with transforming Botswana from a resource-based to a knowledge-based economy. The Minister emphasised that the Ministry transforms Botswana by educating Batswana to become knowledgeable and skilled citizens who would transform the Country from being dependent on natural resources. Letsholathebe further added that MESD is tasked with ensuring the digitisation of the education system, by equipping schools with internet and availing laptops to learners and teachers. He highlighted that the Botswana Examination Council has embarked on a new marking system dubbed electronic marking (e-marking). E-marking is the use of digital educational technology, specifically designed for marking. The idea of e-marking is that unlike conventional marking

where paper and pen are used and often at a centralised place, e-marking is done remotely through a web-based platform that allows examiners to access the examination items as the marking progresses. For e-marking to be effective, internet connectivity and the use of technology in the form of computers or laptops by trained examiners are basic requirements.

The BEC Director of Assessment and Design Mr. Letso Dibeela added that BEC is tasked with conducting national school examinations on behalf of MESD from Early Childhood, PSLE, JCE, and BGCSE levels and that the Council was tasked with conducting examinations for TVET. BEC also issues certificates in respect of all its examinations. As a way of giving back to the community, BEC donated stationery to Tshesebe Primary School and Tashatha Junior Secondary School to assist the learners sitting for their final examinations. This was done in line with one of the BEC's core values of 'People Focus' which espouses that the community we serve and the nation at large are profoundly important to us and thus BEC is committed to cultivating a culture that is characterised by mutual respect, professionalism, courtesy, compassion and sharing to build lasting and rewarding relationships"

## Molwane aims to turn BEC into an HPO



BEC Board Chairperson, Dr. Olefile Molwane outlining his roadmap of transforming BEC into High Performance Organisation (HPO).

During the 2023/24 fiscal year, the BEC Board Chairperson Dr. Olefile Molwane together with his Board and Management held a face-to-face meeting on the 7th of December 2023. The meeting came at a time when the organisation had completed its restructuring sub-project of the BEC transformation. The strategic meeting allowed the Board and Management to put the organisation's operations for the year under the microscope and to also map a way forward as the BEC begins a new journey post transformation project. The meeting saw a thorough scrutiny of the implementation of projects and strategic objectives the BEC set for itself.

Dr. Molwane took time to appreciate his Board, the BEC Management team and employees for having tirelessly worked together to ensure the transformation exercise was a success. He further expressed his gratitude for the utmost commitment and dedication of the BEC staff especially during the 2023 examination period which was conducted under difficult atmosphere following the examination malpractice incident. The Chairperson said the unison portrayed by the employees was commendable a worthy of praise. Dr. Molwane promised that his Board was geared up to transform the BEC into a High Performance Organisation. "The HPO signs are starting to show and I am confident that soon we will be living in our once long-term vision of being an HPO" he affirmed. He went on to express relief and joy in that the organisational re-design was in the last stages of its final phase. "We have finally managed to complete this part of our long transformation project", he said. Dr. Molwane also said he was impressed by how the BEC managed to keep the organisational redesign away from the front pages in the media, something he said shows just how close the BEC and the workers union are.



## BEC Commemorates Movember



The Chief Executive Officer Dr. Moreetsi Thobega addressing the BEC staff on issues affecting men and how they get can get help.



BEC staff listening to the deliberations by Dr. Kofi Boatey during the November day's commemoration.

During the reporting period, Botswana Examinations Council joined the world in commemorating the men's health awareness month, Movember. The event was held on Friday 24th November, 2023. The BEC staff wore shades of blue as it is the designated colour for the Movember Campaign. Movember is celebrated throughout the month of November each year. In 2023 men around the world united and participated in Movember under the theme "Healthy Men, Healthy World". Seriti Medical Care was invited to educate the BEC Community on health issues affecting their lives.

A representative from Seriti Medical Care Dr. Kofi Boatey said November is a month allocated to encourage physical as well as mental well-being among men, to communicate matters affecting men's health issues, to raise awareness about issues affecting their mental health as men have a lot of mental issues that affect them and are not addressed. He said other issues that are addressed through this campaign are suicide prevention among men. He said according to world statistics, high suicidal cases are recorded from men and he encouraged them to learn to open up about mental and health issues, he also advised them to seek professional help and to always feel free to visit clinics as the main aim of Movember is to provide a platform for men to discuss their health openly, to seek support, and to take proactive steps towards a healthier and happier life. "We are here today to assist you with counseling and health screening services and any other issues that may be affecting your health please feel free to visit us after this meeting", said Dr. Boatey.

Movember is an annual global Men's Health awareness campaign in which men are encouraged to groom mustaches and take part in different health awareness campaigns about issues affecting men's health. It is said to have originated from Australia in 2003 when a team of men decided to groom mustaches to raise awareness about prostate cancer and depression in men. It has since evolved into a global movement with millions of participants and supporters. The campaign has contributed significantly to advancements in men's health research and has encouraged men to take charge of their well-being.

## BEC Participates at the 2024 BHRDS Fair



BEC Board Chairperson, Dr. Olefile Molwane and The Chief Executive Officer Dr. Moreetsi Thobega with Executives from The Ministry of Education and Skills Development touring the stalls.



BEC Participants at the 2024 BHRDS Fair and Career Clinics

**B**otswana Examinations Council was part of the exhibitors that participated at the 2024 Botswana Human Resource Development Skills (BHRDS) Fair and Career Clinics which were held in Francistown on the 13th to 15th March, 2024 and in Gaborone from 19th to 22nd March, 2024.

Botswana Human Resource Development Skills (BHRDS) Fair and Career Clinics is a platform that is aimed at bridging the gap between Botswana's education and training sector and its dynamic labour market. It is through this platform that students who want to apply for higher education are assisted in applying for their desired programs at their chosen tertiary institutions through a career guidance clinic. It is also a platform where learners and education service providers meet and interact about challenges of skills development that they encounter. The fair provided BEC with an opportunity and platform to interact with its key stakeholders as well as to disseminate key messages on the BEC's expanded mandate, products and services.

Giving a keynote address, the Minister of Education and Skills Development Dr. Douglas Letsholathebe praised HRDC for the 2024 BHRDS Fair. He said it promotes Technical Vocational Educational and Technical (TVET) Skills and indigenous knowledge. He further added that his Ministry continues to bring Information and Communication Technology (ICT) as a priority platform to enable mindset change. He said the initiative is also being rolled out as an alternative pathway in the Ministry's multiple pathways agenda.

Different tertiary institutions such as the University of Botswana, Boitekanelo College, Botho University, Botswana University of Agriculture and Natural Resources, Botswana International University of Sciences and Technology and many others participated at this fair.

## BEC Bids Farewell to Retired Board Members



Ms. Thateng Ludo Johwa-Mpundisi and Professor Richard Tabulawa pictured with their token of appreciation at a dinner hosted in their honour.



BEC Board pictured with outgoing Board members.

During the reporting year, the BEC celebrated two of its retired board members who retired from their service on the 31<sup>st</sup> October 2022 as reported in the year 2022/23 Annual Report. Ms. Thateng Ludo Johwa-Mpundisi and Professor Richard Tabulawa have served as BEC Board Members for seven years and three years respectively having been appointed in 2016 and 2020.

During their tenure in office, the duo was very instrumental in the BEC Transformation Project and the BEC Strategy as the two projects had their full support, and were rolled out in earnest during their term in office. Ms. Johwa-Mpundisi was instrumental in the drafting of the BEC Amendment Act of 2019 which saw BEC taking additional assessment functions such as Early Childhood and Technical and Vocational Education and Training (TVET). Their term in office witnessed a range of achievements including hosting the 13<sup>th</sup> Conference of the Southern Africa Association for Educational Assessment (SAAEA) in 2019. This international conference attracted over 300 delegates from Africa, United Kingdom, United States of America and Asia, Theme of the conference was: Quality Assessment in an Era of Educational Reforms.

Despite the financial challenges faced by the Organisation, during their term of office, the duo was part of the Board that implored the organisation to come up with concrete survival strategies while intensifying the search for multiple income streams. This was achieved by focusing on key sectorial developments while being mindful of the critical requirements of business continuity. Top priorities included registration of BEC with the Botswana Qualifications Authority (BQA) and the implementation of the Education and Training Sector Strategic Plan (ETSSP). Together with other Board members they continuously facilitated BEC to produce credible results that met the laid down assessment standards. It was during their tenure that the BEC birthed and nurtured the then seemingly impossible dream of e-marking which is a success story today and continues to grow in leaps and bounds as they envisioned. Through their leadership, BEC's credibility and image were admired by many organisations.

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## REVIEW OF OPERATIONS

The BEC continued to execute its role in the system-wide reforms through the implementation of the Education and Training Sector Strategic Plan (ETSSP) in addition to its usual examination activities. Some work continued to be undertaken on the development of assessment tools and instruments for Outcome-Based Education (OBE) for all levels.

### ETSSP Related Projects

#### **Development of Outcome Based Assessments (OBA)**

At the BGCSE level, the Phase I OBE syllabuses introduced in 2021 were assessed for the second time in 2023. The syllabuses since inception were implemented at Moeng College and Maun Senior Secondary School only, however, in 2024 the syllabuses were rolled out to four more centres for each syllabus. At the same time, the development of 21 syllabuses for Phase II was completed and will be disseminated around July 2024. These syllabuses will be assessed for the first time in 2025. The development of Phase III OBE syllabuses is at the planning stage.

At the JCE level, the syllabus of French was successfully assessed for the first time in 2023. This is the only Outcome-Based Education (OBE) syllabus at this level.

#### **Development of Primary School Assessment System**

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### **Training**

#### **Training of personnel**

Examining personnel for the syllabuses of Hospitality & Tourism Studies and Biology were trained on item development to address the needs in the two areas. In addition, all Assessment

Design cadre of Executive officers was trained on how to develop an Assessment Syllabus aligned with the OBE philosophy. Furthermore, the Executive officers were trained on the methodology of conducting comparability studies. At the Junior Certificate level, Deputy School Heads, Senior Teachers and French Teachers were trained on the scheme of assessment for the OBE Botswana Junior Secondary Education French syllabus.

BEC was represented by five (5) officers at the Annual Cambridge International Professional Development Seminar for partners focusing on the following themes: Understanding assessment, inclusive assessment, the next big issue for assessment, assessing competencies, assessment standards and formative assessment.

## 2023 EXAMINATION CYCLE ACTIVITIES

### **2023 Examinations**

BEC continued to deliver examinations for three qualifications, PSLE, JCE and BGCSE. In addition to the three qualifications BEC also developed and distributed the Standard Four Attainment tests to primary schools and administered other examinations and assessments for external bodies like Cambridge International Assessment Education, University of London and Educational Testing Services (ETS).

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### **Development of Question Papers**

In 2023, question papers for the three qualifications were finalised for printing as scheduled. Modification of question papers for candidates with special educational needs was



completed expeditiously covering all the identified types of educational needs. The BEC will continue to explore more ways and strategies to increase access through modifications in the coming years.

Due to the delayed implementation of Provider-Based Assessment at the Primary school level, BEC continued to develop the standard four (4) Attainment Tests in the three (3) syllabuses of Mathematics, English and Setswana and all the Primary School Leaving Examinations.

## Grading

All processes leading to the 2023 grading of the syllabuses for all levels were executed well as per procedures and the results were released within scheduled times. However, just like the 2022 cohort at JCE and BGCSE, the 2023 cohort experienced challenges related to the submission of coursework assessment marks because of outstanding labour issues. BEC continues to engage the MESD for a lasting solution to the labour issues.

## 2023 Examination Outcomes

### Primary School Leaving Examination (PSLE)

The PSLE as a diagnostic examination is intended to provide feedback to the education system. Its main purpose is to guide

teachers at the next level on the learning needs of the students. It is for this reason that Centres are given results showing achievement at different cognitive levels. The grades available at this level are on a pass scale of A - E, where Grades A to C are credit passes and D to E are pass grades. The symbol U denotes failure to achieve the minimum requirements for Grade E, i.e., Ungraded, and the symbol X denotes failure to meet requirements for the award of a grade at either syllabus or overall level.

### Performance at Syllabus Level

Generally, performance in 2023 remained more or less the same as that of the previous year in almost all the syllabuses. What is worth noting is that Setswana, Agriculture and Mathematics recorded a significant decline in one of the grades in comparison to the previous year.

Furthermore, almost all candidates at the syllabus level were able to attain the minimum Grade of E across all syllabuses except for Agriculture and Mathematics where there was still a significant number failing to achieve Grade E. Unlike in the previous year, the number of candidates assigned U across the different syllabuses has declined except in Agriculture and Mathematics where it has increased. It was also worth noting that a significant proportion of candidates were assigned U in at least one Dimension across syllabuses as in the previous year.

Year	2023			2022		
	Count	%	Cumulative %	Count	%	Cumulative %
A	10587	20.27	20.27	9084	18.41	18.41
B	9238	17.69	37.96	8842	17.92	36.34
C	17670	33.83	71.79	16850	34.16	70.49
D	10398	19.91	91.70	10318	20.92	91.41
E	4136	7.92	99.62	4181	8.48	99.88
U	34	0.07	99.69	35	0.07	99.95
X	171	0.33	100	23	0.05	100
Total	52235	100		49333	100	

Table 1: – Overall Performance by Grades for 2023 compared to 2022

The percentage of candidates obtaining Grade E or better stood at 99.62% which was a slight decrease of 0.27% from the previous year. This implies that 0.07% (34) of the candidates were unclassified, therefore assigned letter U. The proportion of candidates obtained overall Grade D or better remained almost the same across the two years at 91.70% for 2023 and 91.41% for 2022. The proportion of candidates obtaining Grade C or better has increased insignificantly by 1.30% from 70.49% to 71.79% in 2023.

The percentage of candidates obtaining Grade A was 20.27% compared to 18.41% in the previous year which was an improvement of 1.86%. The candidates who obtained Grade B or better, improved by 1.63% from 36.34% in 2022 to 37.96% in 2023.

It can be concluded that the overall performance in 2023 has improved slightly though not statistically significant from that of the previous year.

### Junior Certificate Examination (JCE)

The main purpose of the JCE is to select candidates proceeding to senior secondary school level. Assessment is based on seventeen syllabuses comprising Core and Options of which candidates sit a minimum of nine (9) but are graded using only seven (7) syllabuses selected according to some specified criteria. The set of grades available for the JCE qualification is A, B, C, D, and E at syllabus level and Merit, A, B, C, D, and E at qualification level. Candidates failing to reach the minimum requirements for the award of a grade either at syllabus or qualification levels are ungraded and assigned letter U.

### Performance at Syllabus Level

The proportion of candidates who satisfy the requirements for the award of a syllabus grade remains lower than 90% for almost all the syllabuses except for Agriculture, Home Economics and Art. This indicates that, in most of the syllabuses, more than 10% of the candidates and as high as 37% for Commerce & Accounting are not awarded a syllabus grade and therefore assigned letter U.

It has been observed that it is still only in the Art syllabus where at least 50% of candidates are awarded credit grades, that is Grade C or better. Commerce & Office Procedures syllabus continues to be the lowest with about 09% of candidates awarded Grade C or better. This indicates that very few candidates gained any useful knowledge and skills from the syllabus. BEC will continue to engage with the relevant stakeholders regarding this performance.

### Performance at Qualification Level

The overall performance of the 2023 cohort has remained more or less the same as that of the 2022 cohort except at Grade E where there is a decline.

Table 2 shows the number of candidates at each qualification grade, the percentage at grade, the cumulative percentage at grade and the difference in cumulative percentages at a grade between 2022 and 2023.

Year Frequency		Merit	A	B	C	D	E	U	X
2023	No.at grade	5	434	4323	10491	13740	5128	6783	405
	% at grade	0.00	1.10	10.50	25.40	33.30	12.40	16.40	1.00
	Cum. %	0.00	1.10	11.60	37.00	70.30	82.70	99.10	100
2022	No.at grade	8	488	4152	10639	14696	5694	5819	1420
	% at grade	0.00	1.20	10.00	25.60	35.40	13.70	14.00	3.31
	Cum. %	0.00	1.20	11.20	36.80	72.30	86.00	96.70	100
Diff. in cum. %		0.00	-0.10	0.40	0.20	-2.00	-3.30	2.40	0

Table 2: – Performance at Qualification Level: Government Centres

In 2023 **37.00%** of candidates obtained Grade C or better compared to **36.80%** in 2022 showing an improvement of **0.20%**. Candidates obtaining Grade B or better increased from 11.20 in 2022 to 11.60 in 2023. The candidates obtaining Grade E or better stand at **82.70%** compared to **86.00%** in 2022, showing a decline of **3.30%**.

Further to note is that **16.40%** of candidates compared to **14.00%** of the previous year did not meet the minimum requirements for the award of Grade E and were assigned letter 'U', an increase of 2.4%.

### Outstanding Performance

The attainment of a Merit is classified as outstanding performance. The requirement for a Merit, is to obtain at least 7 Grade A's at syllabus level following prescribed criteria. In the 2023 series, five (5) candidates from 4 different Centres qualify for the award of a Merit compared to 8 (eight) candidates from 8 different Centres in the previous year. Of the 5 candidates qualifying for the award of a Merit, only one candidate obtained Grade A in all their 9 syllabuses compared to 4 candidates in the previous year.

### Botswana General Certificate of Secondary Education (BGCSE)

The BGCSE is a syllabus-based qualification whose results are used largely for selection into tertiary education. Each

syllabus is graded on an eight-point scale of A\* to G where A\* represents the highest level of performance and G the lowest level. Candidates failing to reach the minimum requirement for the award of grade G are ungraded and assigned letter U.

The next sections present performance at syllabus level and overall performance. The latter is in terms of the proportions at key grades on the best six syllabuses a candidate may have sat. The other category reported is that of "Outstanding Performance" for which the criterion is attainment of at least 6A\*s.

### Performance at Syllabus level

The syllabus-specific reports are presented according to the classification in the curriculum blueprint. The blueprint classifies syllabuses into three broad groups of Core, Science and Optional.

Performance for each syllabus is reported cumulatively at key grades of C, E and G only.

SYLLABUS	GRADE G OR BETTER			GRADE E OR BETTER			GRADE C OR BETTER		
	2023	2022	Diff	2023	2022	Diff	2023	2022	Diff
English Language	99.30	99.33	-0.03	93.80	94.48	-0.68	20.34	19.94	0.40
Setswana	98.71	99.10	-0.39	88.71	91.70	-2.99	35.73	35.47	0.26
Mathematics	94.01	93.51	0.50	58.58	58.04	0.54	32.36	33.44	-1.08
Sci Single Award	88.38	87.44	0.94	36.76	33.97	2.79	5.17	4.37	0.80
Sci Double Award	89.32	91.75	-2.43	53.81	52.72	1.09	23.54	21.60	1.94
Chemistry	99.69	99.95	-0.26	99.28	99.74	-0.46	89.88	91.53	-1.65
Physics	99.69	99.89	-0.20	97.24	97.67	-0.43	74.85	74.54	0.31
Biology	99.69	99.79	-0.10	98.31	97.88	0.43	75.00	72.68	2.32

Table 3: Performance in Core and Science Syllabuses

### The Core Syllabuses

Nearly all candidates met the minimum requirement to be awarded Grade G or better in the languages whilst in Mathematics about 6% of the candidates failed to meet the requirement and therefore assigned letter U. Mathematics continues to be the least performing syllabus of the three even at Grade E or better. Worth noting is that a decline in performance has only been recorded for Setswana at Grade E or better, while for other grades the performance is stable across the three syllabuses. Performance at credit grades continues to be low for all the syllabuses.

### The Award Sciences

Most of the candidates met the minimum requirement to be awarded Grade G or better in the Award Sciences. Performance at Grade E or better has improved for Science Single Award while at Grade C or better continues to be stable but very low for both syllabuses. What is worth noting is that about 12% of the candidates for Science Single Award and 11% of the candidates for Science Double Award are assigned letter U.

### The Separate Sciences

Almost all the candidates qualified to be awarded a syllabus grade in all three separate Sciences. The performance at Grade C or better has improved significantly for Biology. Generally, the performance in all the separate Sciences is more or less the same as that of the previous year across all the grades and notably high.

### Optional Syllabuses

There are eighteen (18) syllabuses in this category. Table 4 shows the performance of the candidates at Grade G or better, Grade E or better and Grade C or better for 2023 and 2022

SYLLABUS	GRADE G OR BETTER			GRADE E OR BETTER			GRADE C OR BETTER		
	2023	2022	Diff	2023	2022	Diff	2023	2022	Diff
History	92.14	88.86	3.28	66.38	64.02	2.36	34.40	34.66	-0.26
Geography	95.85	96.28	-0.43	73.81	73.44	0.37	29.34	30.91	-1.57
Soc Studies	94.69	95.32	-0.63	74.65	69.75	4.90	37.73	32.93	4.80
DVS	95.51	96.95	-1.44	74.23	73.48	0.75	31.02	30.54	0.48
Lit in Eng	93.80	97.82	-4.02	83.61	87.41	-3.80	63.25	65.81	-2.56
RE	98.17	97.44	0.73	86.32	83.61	2.71	34.38	33.40	0.98
Commerce	98.16	96.59	1.57	62.32	63.99	-1.67	19.42	20.13	-0.71
Accounting	96.35	96.31	0.04	82.90	80.84	2.06	61.17	59.95	1.22
Bus Studies	82.50	83.47	-0.97	60.45	63.29	-2.84	33.87	31.02	2.85
Food & Nutrition	96.46	96.02	0.44	77.26	74.88	2.38	28.93	28.19	0.74
Fashion & Fabrics	88.50	86.46	2.04	62.30	64.27	-1.97	27.95	25.07	2.88
Home Mgt	98.54	97.20	1.34	89.98	84.37	5.61	46.47	42.71	3.76
Computer Stud	98.24	99.54	-1.30	89.01	91.32	-2.31	54.37	51.93	2.44
Design & Tech	94.17	98.84	-4.67	88.21	92.29	-4.08	38.50	40.61	-2.11
Art & Design	96.86	96.82	0.04	95.70	95.26	0.44	74.17	69.95	4.22
Agriculture	99.13	98.97	0.16	84.77	87.92	-3.15	37.10	36.84	0.26
Physical Edu	99.15	98.44	0.71	95.46	93.79	1.67	47.82	48.34	-0.52
Music*	94.25	97.50	-3.25	83.52	86.43	-2.91	30.65	34.29	-3.64

Table 4: Performance in the Optional Syllabuses in 2023 and 2022

### Performance at Grade G or better

Performance in History and Fashion Fabrics improved significantly, and performance remained more or less the same in thirteen (13) syllabuses. A decline in performance is recorded in Literature in English, Design and Technology and Music.

### Performance at Grade E or better

Performance improved significantly in six of the syllabuses and remained more or less the same in six syllabuses. There is a decline in performance in six syllabuses.

### Performance at Grade C or better

Performance improved significantly in six of the syllabuses and remained more or less the same in nine syllabuses. There is a decrease in performance in three syllabuses.

Worth noting is that there has been improvement across grade categories for Social Studies and Home management. A decline is observed in Literature in English, Design & Technology and Music across all grade categories.

### Outcome-Based Education Syllabuses

These are the Outcome Based Education syllabuses that were assessed for the second time in 2023. There are four syllabuses in this category. Table 4 shows the performance of the candidates at Grade G or better, E or better and C or better for 2023 and 2022.

SYLLABUS	GRADE G OR BETTER			GRADE E OR BETTER			GRADE C OR BETTER		
	2023	2022	Diff	2023	2022	Diff	2023	2022	Diff
Hosp & T Studies*	96.49	87.18	9.31	85.96	57.26	28.70	28.07	6.84	21.23
Animal Prod*	82.50	97.44	-14.94	25.00	56.41	-31.41	0.00	15.38	-15.38
Field Crop Prod*	97.37	95.00	2.37	86.64	72.5	14.14	18.42	5.00	13.42
Horticulture*	85.00	94.87	-9.87	22.50	51.28	-28.78	0.00	7.69	-7.69

Table 5: Performance in OBE Syllabuses in 2023 and 2022

The performance in Hospitality & Tourism Studies and Field Crop Production has improved significantly across all the grade categories. A decline in performance is observed in Animal Production and Horticulture across all the grade categories. Performance at Grade C or better is low for all the syllabuses with Animal Production and Horticulture having no candidates in this category. It has been observed that candidates enrolled in these syllabuses are generally from the low-ability cadre. Therefore, the system should ensure that the pre-vocational path is available to a mixed-ability population so as not to stigmatise the path.

### Overall Performance

This section reports overall performance in terms of the proportion of candidates achieving Grade G or better, Grade E or better, and Grade C or better in six syllabuses in 2022 compared to 2023 as shown in Table 6.

	Total grades	Grade G or better		Grade E or better		Grade C or better		Grade A or better	
		Count	Cum %	Count	Cum %	Count	Cum %	Count	Cum %
2023	203463	195585	96.13	152945	75.17	67015	32.94	7263	3.57
2022	198488	191434	96.45	149164	75.15	64224	32.36	6170	3.11
2021	190371	185527	97.46	145292	76.32	61452	32.28	5732	3.01
2020	186113	180145	96.79	141981	76.29	60382	32.44	5735	3.08

Table 6: Overall Best Performance in Key Grades

The results indicate that among all the grades awarded this year, 96.13% were Grades G or better compared to 96.45 in 2022. The proportion of grades at E or better is 75.17% compared to 75.15% in 2022 which is an improvement of 0.02%. The proportion of grades at C or better is 32.94% compared to 32.36% indicating an improvement of 0.58%. The proportion of grades at A or better improved by 0.48%. The results show that generally, for the four years, there have been gradual improvements across credit grades.

### Outstanding Performance

The criterion for determining outstanding performance in the BGCSE examination is through achievement of at least six (6) A\*s in at least eight (8) of the syllabuses that a candidate may have taken. The provisional number of candidates who met this criterion in 2023 is twenty (20) from seven (7) Centres compared to fourteen (14) from six (6) Centres in 2022. Table 7 shows the profiles of the top candidates from 2019 to 2023.

Year	Number of Centres	Number of Candidates	Top Candidate
2023	7	20	10 A*   B
2022	6	14	9 A*, 1 A, 1 B
2021	11	17	9 A*, 1 A, 1 B, 1 C
2020	12	19	11 A*
2019	7	11	8 A*, 1 A, 1 B

Table 7: Profiles of Top Candidates from 2019 to 2023.

## RESEARCH STUDIES

The BEC underwent a restructuring process under the larger transformation project. The process slowed down the execution of some research projects resulting in the decision to prioritise strategic research studies.

### Measure of Competitiveness and Relevance of our Qualifications

Among the objectives formulated, the organisation aspired to “improve competitiveness and relevance of qualifications”. BEC then commissioned several studies that were to provide indicators for competitiveness and relevance of qualifications and come up with an index. The three prioritized studies were TVET Competitiveness, Stakeholder Satisfaction, and Security of Examinations, which were completed.

### Botswana Educational Achievement Monitor

The Botswana Examinations Council continued implementing the Botswana Educational Achievement Monitor (BEAM) during the year under review. The main aim of the BEAM study is to monitor educational achievement at system level through a large-scale assessment survey. The current BEAM study was conducted at Standard Four (4) level where educational achievement of learners was monitored in Mathematics (Numeracy), English/Reading (Literacy), and Life skills. The BEAM study was established through a two-phase project, the Pre-Establishment Phase which has been completed, and the Development Phase which was ongoing at the

end of the year under review.

The Main Survey data collection across 160 randomly selected primary schools in the country was completed in 2022. Since data collection, the project suffered some setbacks due to resource constraints resulting in delayed progression of processes that follow data collection. However, despite the challenges, the processing of the data was still in progress by 31st March, 2024.

### **Comparability Study**

A comparability study between BGCSE Mathematics and IGCSE Mathematics was conducted and generally, standards in the two syllabuses were reported to be aligned. The study is conducted annually for different syllabuses to ascertain that BGCSE is equivalent to IGCSE.

### **Southern Africa Association for Educational Assessment (SAEAA)**

Botswana is a member of the Southern Africa Association for Educational Assessment (SAAEA) which is made up of nine (9) member countries. Established in 2001 to provide a platform for meaningful engagements of assessment, curriculum and research practitioners within the Southern Africa Development Community (SADC) region. BEC held the Chairmanship and Secretariat of the Association from 2019 up to 2024.

Top on the agenda of the association is the quest by the region to have a regional peer quality assurance system and a lot of traction has been made towards realising the milestone.

### **Association for Educational Assessment in Africa**

Botswana Examinations Council is an affiliate of the Association for Educational Assessment in Africa (AEAA). The AEAA held its 39th conference in Kenya, from 20-25 August 2023, under the theme "Educational Assessment for Nurturing Every Learner's Potential" in which the Council participated.

### **Crisis-Related Mini Projects**

Following the large-scale examination malpractice the BEC experienced in 2023, a mini-study was conducted to understand the extent of challenges brought about by the suspension of examinations and their likely effect on candidates' performance. The findings of the study informed the relevant examination process during the cycle.

## **CORPORATE INFORMATION TECHNOLOGY**

Corporate IT plays a pivotal role in ensuring secure and reliable ICT infrastructure and service availability. In other words, the function provides the basis upon which all technology solutions are provisioned. The BEC relies heavily on technology to realise its mandate within the set timelines. This makes Corporate IT, working collaboratively with Assessment Technology, the heart of the BEC business operations. The risks of ICT outages are dealt with at that level.

### **Malicious Denial of ICT Services**

Other than the day-to-day operational activities, during the year under review BEC experienced a harrowing incident that kept the techies on their toes, day and night. A potentially malicious denial of ICT services occurred on the 9th of October, 2023. What a challenge the organisation had during the peak period! In response to the incident, the BEC Management BEC set up a Crisis Management Committee which sought daily updates towards the restoration of ICT services. The recovery was incrementally achieved, that is, it was not a big-bang service restoration but a process in which certain mission-critical applications were prioritised and recovered ahead of others. It was not an easy recovery exercise, but the organisation managed to come out of the crisis and continued with its mandate.

The Council acknowledged all those who took part in the service recovery and restoration exercise and the consumers of the services for their patience and understanding. We pulled together as the BEC family.



### ***Acquisition of Panda Security's Adaptive Defense 360***

During the 2023/24 financial year, the BEC acquired software for logging and monitoring of some activities taking place on the network as the following have been implemented - the BEC procured and deployed Panda Security's Adaptive Defense 360 to combine Endpoint Protection (EPP) and Endpoint Detection & Response (EDR) capabilities into a single solution. Adaptive Defense 360 also automates capabilities reducing the burden on the BEC IT Team. Adaptive Defense 360 starts with Panda's best-of-breed EPP solution which includes simple and centralised security, remedial actions, real-time monitoring and reports, Profile-based protection, centralised device control, and Web monitoring and Filtering.

### ***Procurement of WatchGuard Authpoint Multi-Factor Authentication***

One of the Information Security measures the Council BEC adopted to guard against possible cyber-attacks was the Watchguard's Multi-Factor Authentication (MFA). This was necessary to ensure that highly privileged users go through more than one method of user verification during the login process. This started with the training of the Corporate IT Team to equip them with the necessary skills on how to install and administer the Watchguard Authpoint Multi-Factor Authentication. The deployment of the solution was still ongoing at the end of the 2023/24 fiscal year.

### ***Procurement of SolarWinds Security Events Manager***

BEC procured SolarWinds Security Events Manager during the year under review. It would be installed in the Cloud

Environment once the BEC ICT services are fully migrated.

### ***Implementation of Immutable Backup Solution***

During the 2023/24 fiscal year the BEC Computer Network was segmented according to functions to ensure backups were on and carried out on a separate network from the Production network. The backups for Windows Servers were done to disk using the VEEAM technology. The solution has proved to be highly effective in terms of backup restores.

### ***Strategic Partnership with Government Printers***

As the BEC continued with the onscreen marking of some of the examinations' scripts, a need to engage other service providers to ensure continuity during marking arose. The partnership was primarily instituted as a fallback system in the event there is a breakdown of the BEC's OMR and Image Scanners and Guillotines. Indeed, the breakdown occurred during the reporting period and the BEC resorted to soliciting alternative facilities and ended up using the Government Printers facilities. The Management and Staff of BEC are eternally grateful for this gesture.

### ***The Release of the 2023 Examinations Results***

The BEC released the 2023 PSLE, JCE and BGCSE Examinations results through the BEC Website and the SMS Communications platforms. Both platforms were up and running with the SMS Communications Platform utilising all three local (3) telco lines.

## **HUMAN CAPITAL**

Human Capital remains a crucial element towards the Council achieving its mandate. During the year under review, the Council implemented a new Organisational Structure as part of the BEC Transformation Project under the sub-project name Organisational Re-Design. This is to transform the Botswana Examinations Council into a High Performance Organisation (HPO) that will drive the assessment of General Education inclusive of Technical and Vocational Education and Training (TVET).

Consequently, the key highlight of this review period was focused on populating or recruiting for the new structure guided by the approved statutory instruments.

### ***Staff Recruitment***

The Council was desirous to recruit and retain the best talent through a compact core team of professionals whose main role was to facilitate and coordinate the transformation process and beyond.

Recruitment Agencies were engaged to facilitate the recruitment process for purposes of professionalism and fairness during the exercise. The Council appointed employment consultancy firms to facilitate recruitment processes such as shortlisting, interviewing and conducting psychometric testing for different levels.

The recruitment was done based on the needs of the organisation and started with the appointment of Deputy Chief Executive Officers and was cascaded to lower thereafter. The BEC establishment before the implementation of the new structure was 195 (one hundred and ninety-five), and the Council had 190 (one hundred and ninety) employees at the close of the reporting period, 31st March 2024.

The BEC transformation exercise introduced two new positions, the Deputy Chief Executive Officer - Support Services and Deputy Chief Executive Officer - Examinations and Assessment as well as the introduction of Heads of Functions.

The key highlight of this phase was therefore, the successful recruitment of two (2) Deputy CEOs, four (4) Directors: for Finance, Human Capital, Assessment Design and Assessment Administration respectively, 13 (thirteen) Heads of Departments, 13 (thirteen) Managers and the placement of 96 (ninety six) professional and technical staff into corresponding positions based on the result of a skills audit, qualifications, related work experience and trainability in the short term. Bands 6 – 9 direct placements witnessed 115 (one hundred and fifteen) clerical and support staff appointed into the new BEC Organisational Structure. The effective migration into the new structure was on 1st July 2023.

### **Staff Welcome Counselling**

The Council provided both psycho-social and financial literacy counselling to all employees, conducted by an external service provider. The counselling sessions were meant to minimise the social and emotional impact of the envisaged separations.

The utilisation of counselling services was reasonably high, with close to 80% and 82% accessing Psychosocial and Financial Literacy Counselling respectively.

### **Separation**

Guided by the Guidelines for Staff Redeployment, Redundancy, Retrenchment and Exit Package the selection criteria for retrenchments were to consider among other things, the employees' qualifications, competencies and trainability in the short term.

All efforts were made to place all employees in line with their qualifications, experience, and competencies. There were 13 (thirteen) employees who opted for Voluntary Separation instead of accepting positions offered to them.

### **Capacity Building**

The Council continued to support and assist employees with Continuous Professional Development (CPD) courses and subscriptions to professional membership bodies.

An Executive and Senior Management capacitation workshop was conducted to enhance management's leadership skills and strategic alignment which is critical during the transformation and in achieving the expanded mandate.

## **PUBLIC PROCUREMENT AND FACILITIES MANAGEMENT**

### **BEC Alignment to Public Procurement ACT**

During the year under review, the Council leadership held a workshop with the Public Procurement Regulatory Authority (PPRA) to discuss the alignment to the new Public Procurement Act and Regulations of 2021. The implementation of the Act was delayed due to the BEC Transformation Project. Following the workshop, the Council developed a plan to fully align with the Act by September 2024.

### **Citizen Empowerment**

The Council floated a total of seven (7) out of nine (9) BEC tenders to 100% Citizen Owned Companies and awarded during the 2023/24 fiscal year. Only two (2) tenders were open to local (Citizens and Foreign Owned) and international companies owing to the specialised nature of services sought.

In an endeavour to empower citizens, BEC has entered into agreements with citizen-owned service providers for services needed to support examinations. During the 2023 examination cycle procurement amounting to P9.2M (Nine Million and Two Hundred Thousand Pula) went towards examining personnel payments, hiring of venues and transportation services. This arrangement ensured that the Council delivered predictable and consistent customer service to clients.

### **Corporate Citizentry**

During the 2023/24 financial year, the Council continued to use public schools for examination marking. As part of its social and community responsibility, the BEC continued to assist with the maintenance of these schools to offer a favorable environment for examination personnel during the marking season and students post examination marking.

The BEC has continued to leverage the use of public facilities and churches around the Country for its activities such as venues for Private Candidates' examinations and the examination marking exercise. In this regard, the BEC has entered into Memoranda of Understanding (MOUs) with Village Development Committees, Town/City/District Councils, Churches and Public Schools. These mutually beneficial relationships facilitated the Government's initiatives on cost containment, local procurement and citizen empowerment.

## 2024/2025 OUTLOOK

The year 2023/24 began with heightened activities of the Organisational Re-Design sub-project of the BEC Transformation Project. The Organisational Re-Design was typically a Restructuring Exercise. As we reached the end of the fiscal year in March 2024, we could look back and confidently exclaim that we have come thus far. The restructuring exercise that had been planned to be implemented at the beginning of the year had largely been effected. The new organisational structure was populated and fully functional by the end of the year under review. March 2024 also marked the end of the four (4) year BEC transitional strategy. Closing the curtain on the two activities kick-starts the downstream activities that the organisation must commit to as we start the new financial year 2024/25.

The end of the transition strategy means that, among other engagements, the organisation should hasten to develop a new strategy – a strategy that will help to drive the BEC's new mandate. As we begin the new year activities for the development of the new strategy are already scheduled. A consultancy company has been engaged to facilitate the development of a new five-year strategy for BEC. The strategy will be informed and influenced by what goes on in the external environment. The first consideration will be the strategic posture of the parent Ministry of Education and Skills Development. The other consideration is that the Transitional National Development Plan (TNDP), which the Council heavily subscribes and reports to, will also come to an end after the National Elections in October 2024. The BEC will, as is always the case, participate in the development of the National Development Plan 12 (NDP 12), which is expected to start immediately after the elections.

The Council begins the new year with a continuing resolve to become a major player in the digital space. The past year saw the expansion of the use of both e-marking and e-authoring platforms. As the new year begins there are prospects for developing digital sub-systems that interface with the already existing systems such as Malepa, e-marking and e-authoring. The council aspires to digitize most of the value chain of examinations.

The sustainability of the BEC remains a concern even in the new year. Financial support from the Shareholder has dwindled over the years. The Council shall continue to develop alternative revenue streams to augment the dwindling subvention. One of the ideas that shall be explored in the new year is to ask the Shareholder to allow BEC to charge examination fees even to public school candidates.

Lastly, the Council begins the year alive to the fact that the BEC CEO will be completing his term as the Chairperson of the Southern Africa Association for Educational Assessment (SAAEA). He will be handing the reigns over to the CEO of the Examinations Council of Eswatini (ECESWA) who will be hosting the 14th SAAEA Conference in May 2025.

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## ANNUAL FINANCIAL STATEMENTS

**BOARD MEMBERS' REPORT**

For the year ended 31 March 2024

The Board Members have pleasure in submitting their report on the annual financial statements of Botswana Examinations Council for the year ended 31 March 2024.

**INCORPORATION**

Botswana Examinations Council (BEC) was established under the Botswana Examinations Council Act (Act No. 11 of 2002) (as amended in 2019).

**NATURE OF BUSINESS**

Botswana Examinations Council's main business is to conduct school examinations and any other examinations for the Ministry of Education, Skills and Development and issue certificates in respect of such examinations.

**FINANCIAL RESULTS AND POSITION**

The results of the Council are clearly set out in the accompanying financial statements set out on pages 52 to 79. The Council employed 190 employees at the reporting date (2023: 199 employees).

The following were Board members during the financial year:

**Chief Executive Officer**

Dr. Moreetsi Thobega

**Chairperson**

Dr. Olefile Bethuel Molwane

**Board Members**

Ms Masego Mokubung

Ms Ivy Ramalohlanye

Mrs Kelebogile Lecoge

Mr Onkagetse Pusoentsi

Mr David Ratsatsi

(appointed 31 October 2023)

**Postal Address**

Private Bag 0070

Gaborone, Botswana

**BANKERS**

ABSA Bank Botswana Limited



First Capital Bank Limited



Access Bank Botswana Limited



First National Bank of Botswana Limited



Stanbic Bank Limited Botswana

**REGISTERED OFFICE**

Plot 54864  
KT Motsete Road  
Gaborone

**AUDITORS**

Plot 67977, Off Tlokweng Road  
Fairgrounds Office Park  
Gaborone

### Going Concern

We draw your attention to the fact that BEC incurred a net loss ("deficit") of P42 445 110 during the year ended 31 March 2024 (2023: net profit ("surplus") of P26 839 691 and, as of that date, BEC's current liabilities exceeded its current assets by P35 907 941 (2023: net current assets of P17,545,800) and its total liabilities exceeded its total assets by P80 808 814 (2023: P38 363 705).

BEC is dependent on the Ministry of Education, Skills and Development (MESD) for financial and operational support. Management has the mandate to utilise the annual subvention grant received from the MESD to fund the expenditure incurred in the facilitation and administration of examinations in the country. The subvention grant approved by the MESD and expected for the 2024/25 financial year amounts to P201 million against a submitted budget of P291 million, resulting in a budget deficit of P90 million.

By way of a letter of support (which is not legally binding), MESD has committed to offering adequate financial support to Botswana Examinations Council for at least 12 months following the date of signature of the annual financial statements. This support will enable BEC to realise its assets and discharge its liabilities in the normal course of business. The subsequent year budget deficit, together with factors that existed at 31 March 2024 noted in the first paragraph above, cast material uncertainty to BEC's continued operations if MESD does not provide the required financial support as the letter of support is not legally binding.

Subsequent to the reporting date the Council has already received P100.5 million, that is 50% of the 2024/25 subvention grant for its operations from the MESD as per the approved budget. In the event the Council exceeds its forecasted expenditure during the year, a special request can be made to the MESD for additional funding, as done in the past.

The Board has assessed 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 financial statements are therefore prepared based on accounting policies applicable to a going concern and this basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities will occur in the ordinary course of business. However, in the event that the Council does not receive the required financial support of MESD, a material uncertainty exists which may cast significant doubt about the Council's ability to continue as a going concern and, therefore that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

### Events after reporting period date

The Board members are not aware of any material events which occurred after the reporting date and up to the date of issuing these financial statements.



## BOARD MEMBERS' RESPONSIBILITY STATEMENT

### For the year ended 31 March 2024

The Board members are responsible for the preparation and fair presentation of the annual financial statements of Botswana Examinations Council, which give a true and fair view comprising the statement of financial position as at 31 March 2024 and the statements of profit or loss and other comprehensive income, changes in funds and cash flows for the year ended 31 March 2024 and a summary of material accounting policies and notes to the financial statements in accordance with IFRS Accounting Standards. In addition, Board Members are responsible for preparing the Board's members report.

The Board 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 Board has assessed 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 financial statements are therefore prepared based on accounting policies applicable to a going concern and this basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities will occur in the ordinary course of business.

The external auditors are responsible for reporting on whether the financial statements give a true and fair view in accordance with the applicable financial reporting framework.

### Approval of the annual financial statements

The annual financial statements of Botswana Examinations Council as identified in the first paragraph were approved by the Board Members on the 26th of November 2024 and signed on their behalf by



Chairperson  
Dr Olefile Bethuel Molwane



Chief Executive Officer  
Dr Moreetsi Thobega



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## Independent Auditor's Report

To the shareholder of Botswana Examinations Council

### Report on the audit of the financial statements

#### **Opinion**

We have audited the financial statements of Botswana Examinations Council (the Council), which comprise the statement of financial position at 31 March 2024, the statement of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, material accounting policies and notes to the financial statements, as set out on pages 52 to 79.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Botswana Examinations Council at 31 March 2024, and of its financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting 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 Council in accordance with the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Botswana, and we have fulfilled our other ethical responsibilities in accordance with these requirements and 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.



## Occurrence and accuracy of expenses

Refer to the following material accounting policies and notes to the financial statements: note 1.14 - Direct costs and administrative expenses; note 3 - Direct costs; note 6 - Payroll costs.

Key audit matter	How the matter was addressed in our audit
<p>The Botswana Examinations Council (BEC) is solely responsible for administering national examinations in Botswana.</p> <p>BEC incurs significant annual expenditure in discharging its mandate and relies on Government funding for conducting its business.</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 Examinations (BGCSE). The total expenses incurred during the financial reporting year amounted to P358 666 217.</p> <p>Due to the significant risks pertaining to the non-approval of expenditure, recording of expenditure not incurred or expenditure incurred for the purpose other than for which the Council was set up, the magnitude of expense balance in the financial statements and the volume of expense transactions resulting in significant work effort by the audit team, the existence and accuracy of expenses was considered a key audit matter</p>	<p>The procedures we performed to address this key audit matter included the following:</p> <ul style="list-style-type: none"> <li>• We evaluated internal controls over processing, reviewing, monitoring and authorisation of expenses to evaluate whether expenses are in terms of the procurement policy and approved by the appropriate authority levels. This was done through inspection of relevant documents used in the control.</li> <li>• We assessed whether expenses incurred are in terms of the procurement policy by inspecting the details of the supporting documentation relating to a sample of expenses selected for testing. Supporting documentation inspected included supplier invoices, contracts, evidence of appropriate authorization and tender approval documents, where applicable. In addition, we agreed the details in the supporting documentation inspected to the details of the recorded expenses.</li> <li>• We performed a search for unrecorded liabilities by reviewing payments made on a sample basis subsequent to the reporting date to ensure that expenses were recorded in the correct reporting period.</li> <li>• With the assistance of our information technology specialists, we used payroll and cash book records to perform data analytics procedures to identify exceptions, which included duplicated payments, employees with same banking details as suppliers, multiple payments to a beneficiary on a single day and beneficiaries with different bank account numbers. We followed up on exceptions identified through inspecting relevant supporting documentation for a sample to confirm whether they were valid transactions.</li> <li>• We evaluated the adequacy of the disclosures made in the financial statements in relation to the expenses.</li> </ul>



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### ***Material uncertainty related to going concern***

We draw attention to Note 20 to the financial statements indicates that the Council incurred a deficit of P42,445,110 for the year ended 31 March 2024 and, as of that date, the Council's current liabilities exceeded its current assets by P35,907,941 and its total liabilities exceeded its total assets by P80,808,814. As stated in note 20, these events or conditions, along with other matters as set forth in note 20, indicate that a material uncertainty exists that may cast significant doubt on the Council's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

### ***Other information***

The Board members are responsible for the other information. The other information comprises the Board members' report, Board members' responsibility statement and the detailed income statement, which we obtained prior to the date of this report, and the Annual Report, which is expected to be made available to us after that date but does not include the financial statements and our auditor's report thereon.

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

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

### ***Responsibilities of the Board members for the financial statements***

The Board members are responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards), and for such internal control as the Board 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 Board members are responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board members either intend to liquidate the Council 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.



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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 Council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board members.
- Conclude on the appropriateness of the Board 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 Council'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 Council to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board 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 Board 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**  
Firm of Certified Auditors  
Practicing Member: Gosego Motsamai (CAP 035 2024)

5 December 2024  
**Gaborone**



**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

For the year ended 31 March 2024

**IN PULA**

	Note	2024	2023
<b>Revenue</b>			
Government grants	1	284 424 427	315 443 912
Revenue from customers	2	21 157 352	17 076 506
		<b>305 581 779</b>	<b>332,520,418</b>
Direct Costs	3	<b>(209 205 638)</b>	(189 144 401)
<b>Gross surplus</b>		<b>96 376 141</b>	<b>143 376 017</b>
Other income	4	6 824 642	5 601 355
Administrative expenses		(149 460 579)	(127 311 187)
<b>Operating (deficit)/surplus</b>	5	<b>(46 259 796)</b>	<b>21 666 186</b>
Finance income	7	3 814 686	5 173 505
<b>(Deficit)/ Surplus for the year</b>		<b>(42 445 110)</b>	<b>(26 839 691)</b>
Other comprehensive income		-	-
<b>Total comprehensive income</b>		<b>(42 445 110)</b>	<b>26 839 691</b>

## ANNUAL FINANCIAL STATEMENTS

## STATEMENT OF FINANCIAL POSITION

For the year ended 31 March 2024

IN PULA

	Note	2024	2023
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	8	70 293 700	72 041 232
Intangible assets	9	848 426	2 609 168
		<b>71 142 126</b>	<b>74 650 400</b>
<b>Current assets</b>			
Inventories	10	1 455 040	1 094 914
Trade and other receivables	11	30 033 362	16 287 994
Cash and cash equivalents	12	33 167 578	84 793 604
		<b>64 655 980</b>	<b>102 176 512</b>
<b>Total assets</b>		<b>135 798 106</b>	<b>176 826 912</b>
<b>Funds and Liabilities</b>			
<b>Funds</b>			
Accumulated deficit		<b>(80 808 814)</b>	<b>(38 363 705)</b>
<b>Non-current liabilities</b>			
Capital grants	13	<b>116 042 999</b>	<b>130 559 906</b>
<b>Current liabilities</b>			
Trade and other payables	14	95 887 829	66 661 149
Restructuring Provision	15	-	13 366 911
Capital grants	13	4 676 092	4 552 736
Bank overdraft	12	-	49 916
		<b>100 563 921</b>	<b>84 630 712</b>
<b>Total liabilities</b>		<b>216 606 920</b>	<b>215 190 618</b>
<b>Total Funds and liabilities</b>		<b>135 798 106</b>	<b>176 826 913</b>

**STATEMENT OF CHANGES IN FUNDS**

For the year ended 31 March 2024

**IN PULA**

	Accumulated Deficit
Balance at 01 April 2022	(65 203 396)
Surplus for the year	26 839 691
<b>Balance at 31 March 2023</b>	<b>(38 363 704)</b>
Deficit for the year	(42 445 110)
<b>Balance as at 31 March 2024</b>	<b>(80 808 814)</b>

**STATEMENT OF CASH FLOWS**

For the year ended 31 March 2024

**IN PULA**

	Note	2024	2023
<b>Cash flows from operating activities</b>			
Cash flows used in operating activities	16	(52 142 930)	(10 046 792)
<b>Net cash flows used in operating activities</b>		<b>(52 142 930)</b>	<b>(10 046 792)</b>
<b>Cash flows from investing activities</b>			
Interest received	7	3 814 686	5 173 505
Acquisition of plant and equipment	8	(3 702 446)	(4 953 298)
Acquisition of intangible assets	9	(355 200)	(168 603)
Proceeds from disposal of assets		428 050	
<b>Net cash flows from investing activities</b>		<b>185 090</b>	<b>51 604</b>
<b>Cash flows from financing activities</b>			
Capital grants received	13	381 728	20 725 316
<b>Net cash flows from financing activities</b>		<b>381 728</b>	<b>20 725 316</b>
<b>Net movement in cash and cash equivalents</b>		<b>(51 576 111)</b>	<b>10 730 124</b>
Cash and cash equivalents at beginning of year		84 743 689	74 013 565
<b>Cash and cash equivalents at the end of the year</b>		<b>33 167 578</b>	<b>84 743 689</b>
<b>Represented by</b>			
Bank balances	12	33 167 578	84 793 604
Bank over draft	12	-	(49 916)
<b>Cash and cash equivalents at the end of the year</b>		<b>33 167 578</b>	<b>84 743 689</b>

## Material Accounting Policies

For the year ended 31 March 2024

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).

### 1. Statement of compliance

The annual financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards). The financial statements were approved by the Board on 26 November 2024.

#### 1.1 Basis of preparation

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

The preparation of financial statements in accordance with IFRS Accounting Standards 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 IFRS Accounting Standards made in the compilation of these financial statements consist mainly of evaluating the residual values and depreciation methods and depreciation rates applied to property and equipment items (per note 8 and the related accounting policy note), evaluating the useful lives of intangible assets (per note 9 and the related accounting policy note), evaluating trade and other receivables for possible impairment (per note 11 and the related accounting policy note) and the calculation and recognition of provisions (per note 15 and the related accounting policy note).

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.

#### 1.2 Property, plant and equipment

All items of property, plant and equipment are initially recognised at cost which includes any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The cost of an item of property, plant and equipment is recognised as an asset if it is probable that future economic benefits associated with the item will flow to the Council and the cost of the item can be measured reliably.

## Material Accounting Policies

For the year ended 31 March 2024

### 1.2 Property, plant and equipment (continued)

Subsequent to initial recognition, property, plant and equipment is measured at cost less accumulated depreciation and any impairment in value. Land is measured at cost, less any impairment in value and is not depreciated, since the useful life is considered to be indefinite. Land and buildings is valued after every five years by independent valuers for additional disclosure purposes. Furniture, fittings, motor vehicles and computers are shown at cost less accumulated depreciation and any impairment in value.

Subsequent expenditure including the cost of replacing parts of the asset, other than day-to-day servicing costs, are included in the cost of the asset when incurred if it is probable that such expenditure will result in future economic benefits associated with the item flowing to the council, and the cost can be measured reliably.

#### Depreciation

An asset is depreciated from the time that it is available for use. The depreciable amount of an asset, being the cost of the asset less the residual value is recognised in profit or loss on a straight-line basis over the estimated useful life of the asset. Residual value is the estimated amount that an entity would currently obtain from disposal of the asset, after deducting the estimated costs of disposal, if the asset was already of the age and in the condition expected at the end of its useful life. Whilst residual value is equal to or exceeds the carrying value, depreciation is discontinued.

Each part of an item of property, plant and equipment with a cost which is significant in relation to the total cost of the item is depreciated separately.

The residual values, useful lives and depreciation methods applied to assets are reviewed at each financial year end based on relevant market information and management consideration, and are adjusted prospectively, if applicable.

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

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in profit or loss in other operating costs in the year the asset is derecognised.

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.

### 1.3 Intangible assets (software)

Software assets are initially recognised at cost. After initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised, but expensed in profit or loss in the year during which the expenses are incurred.



## Material Accounting Policies

For the year ended 31 March 2024

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: (a) It is technically feasible to complete the software product so that it will be available for use; (b) There is an ability to use the software product and; (c) 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 licenses are capitalised and amortised on a straight-line basis over the license 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, that is 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 financial 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 License fee	Term of the license.

### 1.4 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, plant and equipment items funded by the capital grant is recognised as income in profit or loss. Subsequent movement of those property, plant and equipment items in terms of sale and impairment are treated accordingly in the capital grants.

### 1.5 Financial instruments

#### Initial recognition and measurement

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

## Material Accounting Policies

For the year ended 31 March 2024

### 1.5 Financial instruments Initial recognition and measurement (continued)

the Council recognises the difference as follows:

- 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.

- 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.

### Impairment Financial assets

The Council recognises a loss allowance for expected credit losses (ECL) on investments in debt instruments that are measured at amortised cost which include trade receivables. 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. 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.

### Classification and subsequent measurement

The Council has applied IFRS 9 and classifies its financial assets at amortised cost. The classification requirements is described as below;

**Business model-** The financial asset is held within a business model whose objective is to hold financial assets to collect their contractual cash flows (rather than to sell the assets prior to their contractual maturity to realise changes in fair value. 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.

### Solely Payments of Principal and Interest (SPPI):

The contractual terms of the financial asset give rise, on

## Material Accounting Policies

For the year ended 31 March 2024

### *Classification and subsequent measurement (continued)*

specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding. In making this assessment the Council considers whether the contractual cash flows are consistent with a basic lending arrangement, that is 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 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 or minus the cumulative amortisation using the effective interest rate of any difference between that initial amount and the maturity amount and for financial assets adjusted for any loss allowances.

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.

### **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.

## Material Accounting Policies

For the year ended 31 March 2024

### Financial liabilities

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

### Derecognition of financial liabilities

A financial asset is derecognised when the right to receive cash from the asset has expired, or the council has transferred the asset and the transfer qualifies for derecognition. A transfer qualifying for derecognition occurs when the entity transfers the contractual rights to receive the cash flows of the financial asset, or retains the rights but assumes a contractual obligation to pay those cash flows in full without material delay to a third party under a 'pass-through' arrangement, and where the council has transferred control or substantially all the risks and rewards of the asset. Where the Council has transferred its rights to the cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the entity's continuing involvement in the asset.

The Council derecognises financial liabilities when and only when the Council'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.

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

### Default

For purposes of internal credit risk management, the Council consider that a default event has occurred if there is either a breach of financial covenants by the counterparty or if internal or external information indicates that the counterparty is unlikely to pay its creditors in full.

### Write off policy

Procedurally past due receivables are first subjected to internal collection procedures including any legal procedures that would enhance collection. Once all avenues have been exhausted, management recommends the receivables for write off to Finance Audit and Risk Committee and the Board. Receivables are written off when there is information indicating that the counterparty will not meet its obligation and there is no realistic prospect of recovery. Any recoveries made subsequent to write-offs are recognised in profit or loss.

### 1.6 Non financial assets

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

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is

## Material Accounting Policies

For the year ended 31 March 2024

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. Impairment is assessed at every financial year end or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. Impairment is determined by assessing the recoverable amount of an asset. Where the recoverable amount is less than its carrying value, an impairment loss is recognised.

### 1.7 Prepayments

Prepayments 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 are classified as receivables.

### 1.8 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 through the profit and loss.

## 1.9 Employee benefits

### *Pension contributions*

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

### *Short term employee benefits*

Short-term employee benefits include salaries, allowances and other fringe benefits. Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A provision is recognised for the amount expected to be paid if the entity has a present legal or constructive obligation to pay the amount and the obligation can be estimated reliably. Employee entitlements to annual leave, bonuses, medical aid, housing benefits and severance benefits are recognised when they accrue to them and an accrual is recognised for the estimated liability as a result of services rendered by the employee up to the reporting date.

### *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 or termination of employment.



## Material Accounting Policies

For the year ended 31 March 2024

### 1.10 Provisions

Provisions are recognised when BEC has a present legal or constructive obligation as a result of past events and 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 pretax 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.

### 1.11 Revenue Government subventions

Government subventions are recognised at the fair value where there is a reasonable assurance that the subventions will be received and that BEC has complied with all the 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, is in line with the BEC's financial year. 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.

### Revenue from customers

Botswana Examinations Council receives certification fees, examination registration fees and remarking fees

from customers. The registration fees received from customers during the year is deferred and recognised in the profit or loss in the period the examinations are to be written to match with the related examinations costs.

### Examinations Registration, Invigilation, Certification and Marking fees

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 directors assessed that the provision of Invigilation, Certification and Marking services constitutes performance obligations that are distinct with revenue recognised at a specific point in time. On the other hand, 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 revenue recognition 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.

### 1.12 Finance Income

Finance income comprises interest received on the monies in the call accounts. Revenue is accrued on a time apportionment basis, by reference to the principal outstanding bank balance and the effective interest rate.

### 1.13 Other operating income

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



## Material Accounting Policies

For the year ended 31 March 2024

### 1.14 Direct costs and administrative expenses

These primarily represent the cost 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 but not limited to examination fees, invigilation fees, marking fees, printing costs, travel and subsistence allowances. Major components of administration costs include amongst others, payroll and related costs, amortisation and depreciation, repairs and maintenance, advertising and marketing, electricity and water charges.

### 1.15 Taxation

BEC is exempt from tax under the Botswana Income Tax (Amendment) Act number 14 of 2015.

### 1.16 Related parties

A related party is a person or an entity that is related to the reporting entity; person or a close member of that person's family is related to a reporting entity if that person has control, joint control, or significant influence over the entity or is a member of its key management personnel; key management personnel of the Council having authority and responsibility for planning directing and controlling the activities of the Council directly or indirectly including any directors of the Council.

### 1.17 Foreign currencies

Items included in the financial statement 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 transactional rate. Assets and liabilities denominated in foreign currencies at the reporting date are translated to pula at closing rate. Foreign exchanges gains and losses resulting from the settlement of such transactions and from the translations of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

### 1.18 Standards and interpretations effective and adopted in the current year

In the current year the Council has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

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

If a parent loses control of a subsidiary which does not contain a business as a result of a transaction with an associate or joint venture, then the gain or loss on the loss of control is recognised in the parents' profit or loss only to the extent of the unrelated investors' interest in the associate or joint venture. The remaining gain or loss is eliminated against the carrying amount of the investment in the associate or joint venture. The same treatment is followed for the measurement to fair value of any remaining investment which is itself an associate or joint venture. If the remaining investment is accounted for in terms of IFRS 9 then the measurement to fair value of that interest is recognised in full in the parents' profit or loss."

The effective date of the amendment is to be determined by the IASB. **No impact on the Council's financial statements.**

#### **Deferred tax related to assets and liabilities arising from a single transaction - Amendments to IAS 12**

The amendment adds an additional requirement for transactions which will not give rise to the recognition of a deferred tax asset or liability on initial recognition.

#### **1.18 Deferred tax related to assets and liabilities arising from a single transaction - Amendments to IAS 12 (continued)**

## Material Accounting Policies

For the year ended 31 March 2024

Previously deferred tax would not be recognised on the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting profit or loss. The additional requirement provides that the transaction at the time of the transaction must not give rise to equal taxable and deductible temporary differences.

The amendment is effective for years beginning on or after 01 January 2023. **No impact on the Council's financial statements.**

### Disclosure of accounting policies: Amendments to IAS 1 and IFRS Practice Statement

IAS 1 was amended to require that only material accounting policy information shall be disclosed in the financial statements. The amendment will not result in changes to measurement or recognition of financial statement items, but management will undergo a review of accounting policies to ensure that only material accounting policy information is disclosed.

The amendment is effective for years beginning on or after 01 January 2023.

**No impact on the Council's financial statements.**

### Definition of accounting estimates: Amendments to IAS 8

The amendment is effective for years beginning on or after 01 January 2023. **No impact on the Council's financial statements.**

### IFRS 17 Insurance Contracts

The IFRS establishes the principles for the recognition measurement presentation and disclosure of insurance contracts issued.

The standard is effective for years beginning on or after 01 January 2023. **No impact on the Council's financial statements.**

## Annual Improvement to IFRS Standards 2018-2020: Amendments to IFRS 1

A subsidiary that uses the cumulative translation differences exemption may elect in its financial statements to measure cumulative translation differences for all foreign operations at the carrying amount that would be included in the parent's consolidated financial statements based on the parent's date of transition to IFRS if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary.

The amendment is effective is for years beginning on or after 01 January 2023. **No impact on the Council's financial statements.**

### 1.19 New standards and interpretations not yet effective

The Council has chosen not to early adopt the following standards and interpretations which have been published and are mandatory for the Council's accounting periods beginning on or after 01 April 2024 or later periods: Classification of liabilities as current or non-current. Non-current liabilities with covenants (Amendments to IAS 1) (effective 1 January 2024)

Lease Liability in a Sale and Leaseback (Amendments to IFRS 16) (effective 1 January 2024)

Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7 (effective 1 January 2024)

The above new amended IFRS and IFRIC interpretations, which have been issued, both those which become effective in the current year and those that are not yet effective do not have a significant impact to the Council.

## Notes to the annual financial statements

For the year ended 31 March 2024

### IN PULA

	2024	2023
<b>1 Government grants</b>		
Subventions	274 325 240	302 804 840
Unwinding of deferred project grants (Note 13)	10 099 187	12 639 071
	<b>284 424 427</b>	<b>315 443 912</b>
<b>2 Revenue from customers</b>		
Certification fees	727 574	183 040
Registration fees	20 248 425	16 724 428
Remarking fees	181 353	169 037
	<b>21 157 352</b>	<b>17 076 506</b>
<b>3 Direct costs</b>		
Examiners' meals	371 756	79 450
External examinations fees	32 784 873	30 399 701
Grading and grade review	774 107	754 011
Invigilation fees	66 182 228	54 841 498
Coursework fees	2 603 250	20 142 044
Marking fees	57 011 660	54 782 927
Moderation fees	2 613 830	1 634 414
Paper development	1 373 332	720 499
Other examination administration	5 423 494	4 778 619
Printing costs	20 301 011	9 019 179
Setting fees	2 506 609	1 511 583
Travel and subsistence allowances	4 244 026	5 001 014
Venue hire costs	13 015 462	5 479 462
	<b>209 205 638</b>	<b>189 144 401</b>
<b>4 Other income</b>		
Unwinding of capital grant (Note 13)	4 676 092	4 552 736
Foreign exchange gains/loss	1 504 819	-
Profit/loss on disposal of property, plant and equipment	261 010	-
Sale of tender documents	23 200	-
Excellence awards	150 000	150 000
Sundry income	209 521	898 619
	<b>6 824 642</b>	<b>5 601 355</b>
<b>5 Operating surplus/(deficit)</b>		
<b>Unwinding of government grants:</b>		
Capital grants (included in other income) (Note 13)	(4 676 092)	(4 552 736)
Income grants (included in government grants) (Note 13)	(10 099 187)	(12 639 072)

## Notes to the annual financial statements (cont'd)

For the year ended 31 March 2024

### IN PULA

	2024	2023
Auditors' remuneration - audit of the financial statements	457 731	448 873
Amortisation of intangible assets (Note 9)	2 115 942	2 189 050
Consultancy fees	49 705	42 613
Depreciation (Note 8)	5 282 938	4 725 465
Foreign exchange loss/gain	-	586 266
Inventories expenses (Note 10)	1 724 952	1 655 216
Legal fees	409, 974	389 587
Loss on disposal of property, plant and equipment	-	30 882
Travel and subsistence allowances	608 750	33 118
Staff costs (Note 6)	109 906 956	108 178 994
Reduction in restructuring provision (Note 15)	(1 233 288)	(23 507 298)
<b>6 Staff Costs</b>		
Salaries and allowances	94 813 743	92 016 250
Gratuity costs	8 933 012	6 511 352
Leave pay costs	(999 272)	2 065 716
Pension costs – defined contribution plan	7 159 472	7 585 675
	<b>109 906 956</b>	<b>108 178 994</b>
Number of employees	<b>190</b>	<b>199</b>
<b>7 Finance Income</b>		
Interest - short-term deposit accounts	3 687 273	5 106 349
Interest - other banks	127 413	67 156
<b>Total</b>	<b>3 814 686</b>	<b>5 173 505</b>

## Notes to the annual financial statements (cont'd)

For the year ended 31 March 2024

## IN PULA

## 8 Property Plant and Equipment

## Financial year 2024

## Cost

	Land and Buildings	Motor Vehicles	IT equipment	Office Equipment	Furniture and Fittings	Total
Opening balance at 1 April 2023	86 163 220	7 312 372	24 311 532	14 634 932	8 389 648	140 811 704
Additions	137 405	-	547 348	3 017 693	-	3 702 446
Disposals	-	(1 668 968)	(3 237 650)	(240 310)	(10 434)	(5 157 362)
Adjustments			31 356		(31 356)	-
<b>Balance at 31 March 2024</b>	<b>86 300 625</b>	<b>5 643 404</b>	<b>21 652 586</b>	<b>17 412 315</b>	<b>8 347 858</b>	<b>139 356 788</b>

## Accumulated depreciation

Opening balance at 1 April 2023	23 114 938	5 368 613	21 039 146	11 232 175	8 015 600	68 770 471
Depreciation charge for the year	1 723 264	800 365	1 705 682	1 021 256	32 371	5 282 938
Depreciation on disposals	-	(1 502 071)	(3 237 518)	(240 299)	(10 433)	(4 990 322)
	<b>24 838 202</b>	<b>4 666 907</b>	<b>19 507 310</b>	<b>12 013 131</b>	<b>8 037 537</b>	<b>69 063 088</b>
<b>Net book value at 31 March 2024</b>	<b>61 462 423</b>	<b>976 497</b>	<b>2 145 276</b>	<b>5 399 184</b>	<b>310 321</b>	<b>70 293 700</b>

## Financial year 2023

## Cost

	Land and Buildings	Motor Vehicles	IT equipment	Office Equipment	Furniture and Fittings	Total
Opening balance at 1 April 2022	86 163 220	7 621 195	23 120 726	10 903 796	8 358 292	136 167 229
Additions	-	-	1 190 806	3 731 136	31 356	4 953 298
Disposals	-	(308 823)	-	-	-	(308 823)
<b>Balance at 31 March 2023</b>	<b>86 163 220</b>	<b>7 312 372</b>	<b>24 311 532</b>	<b>14 634 932</b>	<b>8 389 648</b>	<b>140 811 704</b>

## Accumulated depreciation

Opening balance at 1 April 2022	21 391 673	4 846 190	19 656 290	10 716 401	7 712 395	64 322 949
Charge for the period	1 723 265	800 365	1 382 856	515 774	303 205	4 725 464
Depreciation on disposals		(277 941)				(277 941)
<b>Net book value at 31 March 2023</b>	<b>23 114 938</b>	<b>5 368 613</b>	<b>21 039 146</b>	<b>11 232 175</b>	<b>8 015 600</b>	<b>68 770 472</b>

## Net book value at 31 March 2023

<b>63 048 282</b>	<b>1 943 760</b>	<b>3 272 386</b>	<b>3 402 756</b>	<b>374 048</b>	<b>72 041 232</b>
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## Notes to the annual financial statements (cont'd)

For the year ended 31 March 2024

### IN PULA

Land and Buildings comprise of commercial property which is located on Plot 54864 in Gaborone measuring 1,8501 hectares and held under certificate of registered title number 2423/09 dated 02 November 2009. The land and buildings were acquired at a cost of BWP85.5 million under a 50 year state grant lease.

The market value of the land and buildings was determined by Maruping Real Estate services (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 3 August 2022. The valuer provides the fair value of the entity's land and buildings at least every five years. 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 arms length transaction between a willing seller and a willing buyer and that a reasonable period of time is allowed for the disposal of the property and was determined at BW136 million. The gross replacement value was determined at BWP178.7million.

The fair value of the land and buildings was determined in August 2022 is regarded as appropriate fair value at the reporting date. No significant disruptions occurred between the valuation date and the reporting date and therefore the open market value at the valuation date and the financial reporting date is considered to be the same.

#### 9 Intangible assets (software)

##### Financial year 2024

	BEC Software	BEC Website	BNEPS Licenses	BNEPS Programmes	Total
<b>Cost</b>					
Opening balance at 01 April 2023	4 600 033	380 226	2 355 300	23 429 361	30 764 920
Additions	355 200	-	-	-	355 200
<b>Balance at 31 March 2024</b>	<b>4 955 233</b>	<b>380 226</b>	<b>2 355 300</b>	<b>23 429 361</b>	<b>31 120 120</b>
<b>Accumulated depreciation</b>					
Opening balance at 01 April 2023	3 917 712	380 226	2 355 300	21 502 514	28 155 752
Amortisation charge for the year	189 095	-	-	1 926 847	2 115 942
<b>Balance at 31 March 2024</b>	<b>4 106 807</b>	<b>380 226</b>	<b>2 355 300</b>	<b>23 429 361</b>	<b>30 271 694</b>
<b>Net book value at 31 March 2024</b>	<b>848 426</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>848 426</b>

##### Financial year 2023

	BEC Software	BEC Website	BNEPS Licenses	BNEPS Programmes	Total
<b>Cost</b>					
Opening balance at 01 April 2022	4 431 430	380 226	2 355 300	23 429 361	30 596 317
Additions	168 603	-	-	-	168 603
<b>Balance at 31 March 2023</b>	<b>4 600 033</b>	<b>380 226</b>	<b>2 355 300</b>	<b>23 429 361</b>	<b>30 764 920</b>
<b>Accumulated depreciation</b>					
Opening balance at 01 April 2022	3 870 420	380 226	2 355 300	19 360 756	25 966 702
Amortisation charge for the year	47 292	-	-	2 141 758	2 189 050
<b>Balance at 31 March 2023</b>	<b>3 917 712</b>	<b>380 226</b>	<b>2 355 300</b>	<b>21 502 514</b>	<b>28 155 752</b>
<b>Net book value at 31 March 2023</b>	<b>682 321</b>	<b>-</b>	<b>-</b>	<b>1 926 847</b>	<b>2 609 168</b>



## Notes to the annual financial statements (cont'd)

For the year ended 31 March 2024

### IN PULA

#### *Intangible assets (software) (Continued)*

The remaining amortisation period of intangible assets is nil for BNEPS programmes and 1 to 3 years for BEC Software.

Intangible assets relate to cost incurred towards in BNEPS programme, a programme used for the capturing of candidates 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 intangible asset accounting policy note. Management has evaluated the carrying amount of BNEPS programme by using the political, economic, social and technological environment (PESTEL) analysis. The PESTEL 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 amount of intangible assets.

#### **External**

Economic, social and economic environment.

#### **Internal**

- Obsolescence or physical damage.
- Asset is idle or is part of the restructuring or held for disposal.
- Worse economic performance than expected.

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

	2024	2023
<b>10 Inventories</b>		
Consumable stocks - at cost	1 455 040	1 094 914
	<b>1 455 040</b>	<b>1 094 914</b>

Inventories recognised as an expense during the year ended 31 March 2024 amounted to BWP 1 724 952 (2023: BWP 1 655 216). Inventories are not impaired and there were no write-offs in the current and prior year.

<b>11 Trade and other receivables</b>		
Subvention receivable from Botswana Government	28 923 258	15 395 230
Other receivable	300 917	138 985
Prepayments	809 187	753 778
	<b>30 033 362</b>	<b>16 287 993</b>

Management assessed the expected credit losses and default risk for trade and other receivables to be zero.

## Notes to the annual financial statements (cont'd)

For the year ended 31 March 2024

IN PULA

	2024	2023
<b>12 Cash and cash equivalents</b>		
Cash at the bank	5 418 775	3 329 897
Short term deposits	27 748 781	81 463 707
Cash on hand	22	-
	<b>33 167 578</b>	<b>84 793 604</b>
Bank overdraft	-	(49 916)
Total	<b>33 167 578</b>	<b>84 743 689</b>

The carrying value of cash and cash equivalents is considered to approximate their fair value. Short term deposits denote funds invested with Vunani Fund Managers, Access Bank Botswana and Capital Bank Limited as these have short term maturities of less than 3 months and are considered cash and cash equivalents.

<b>13 Capital grants</b>	<b>2024</b>	<b>2023</b>
<b>Government grants for intangible assets</b>		
Balance at beginning of the year	72 923 958	67 666 285
Capital grants received during the year	381 728	20 725 316
Less: Amortisation of capital grants	(2 951 926)	(2 828 570)
Less: Projects related expenses incurred during the year*	(10 099 187)	(12 639 072)
Balance at end of the year	<b>60 254 573</b>	<b>72 923 958</b>
<b>Government grants for property, plant and equipment</b>		
Balance at beginning of year	62 188 684	63 912 850
Less: Amortisation of capital grants	(1 724 166)	(1 724 166)
<b>Balance at end of the year</b>	<b>60 464 518</b>	<b>62 188 684</b>
<b>Total grants at the end of year</b>	<b>120 719 091</b>	<b>135 112 642</b>
At the reporting date the capital grants can be analysed as follows:		
Current	4 676 092	4 552 736
Non Current	116 042 999	130 559 906
	<b>120 719 091</b>	<b>135 112 642</b>

\* These relate to project costs that do not meet the recognition criteria for intangible assets. Refer to note 19 for details of projects and related capital commitments.

## Notes to the annual financial statements (cont'd)

For the year ended 31 March 2024

## IN PULA

14 Trade and other payables	2024	2023
Trade payables	33 596 683	32 707 462
Accrued expenses	28 979 904	8 673 816
Other payables *	14 260 461	3 687 916
Payroll related accruals (Note 14.1)	15 769 732	18 971 893
Deferred revenue **	3 281 048	2 620 062
	<b>95 887 828</b>	<b>66 661 149</b>

\* Included in other payables are payroll related accruals such as PAYE

\*\* Included in deferred revenue is the JCE and BGCSE registration income received during the year for examinations to be written in the following year.

## 14.1 Payroll-related accruals

	Gratuity	Leave	Total
Balance at 1 April 2022	4 995 261	15 621 913	20 617 174
Additional accrual during the year	6 511 352	2 065 716	8 577 068
Payments during the year	(8 056 178)	(2 166 172)	(10 222 349)
<b>Balance at 31 March 2023</b>	<b>3 450 435</b>	<b>15 521 458</b>	<b>18 971 893</b>
Additional accrual during the year	8 933 012	(999 272)	7 933 740
Payments during the year	(5 780 020)	(5 355 879)	(11 135 901)
<b>Balance at 31 March 2024</b>	<b>6 603 426</b>	<b>9 166 307</b>	<b>15 769 732</b>

The leave pay accrual included in payroll and statutory liabilities ( BWP 9 166 307) is calculated using the outstanding number of leave days due to the employees as at the end of the financial year. The leave pay accrual will unwind as employees utilise their leave entitlement.

The gratuity amount (BWP 6 603 426) is calculated based on 30% of basic salaries and allowances for fixed term contract employees that accrued as at 31st March 2024.

	2024	2023
15 Restructuring provision		
Balance at the beginning of the year	13 366 911	36 874 209
Reduction of restructuring provision during the year	(1 233 288)	(23 507 298)
Payments	(12 133 623)	-
<b>Balance at the end of the year</b>	<b>-</b>	<b>13,366,911</b>

## Notes to the annual financial statements (cont'd)

For the year ended 31 March 2024

IN PULA

### Restructuring provision (Continued)

During the financial year ended 31 March 2020, the Council committed to a transformation project which was likely to lead to retrenchments. Following announcement of the plan and informing those impacted through issuance of section 25 letters to employees, an obligation of P39 million was raised in the books of the Council. However, due to impact of COVID-19, the restructuring exercise did not progress as was planned because of the restrictions of the state of emergency.

In 2021/22, BEC made headway with the transformation and agreements were made with the Union. The provision was reviewed considering agreements with Union and resolutions of the Board, the associated costs of restructuring was then reduced to P36.9 million.

In February 2023, the Ministry provided the Council with P10 million of the approved P39 million for restructuring, however by the year ended 31 March 2023, retrenchments had not yet taken effect. Management reviewed the provision of P 36.9 million and estimated the cost of retrenchments to be P 13.4 million. The Council had expected to have disbursed the separation packages to all employees unable to transition to the new structure by November 2023.

Placements into the new organizational structure as agreed with the Union and approved by the Board were carried out during the year under review, and P12.5 million was spent on retrenchment packages. The remaining balance of P1.3 million in the restructuring provision was cleared to zero after all payments were completed.

16 Cash flows generated from operating activities	2024	2023
Operating (deficit)/surplus	(46 259 796)	21 666 187
Adjustments for non-cash items:		
Depreciation (Note 8)	5 282 938	4 725 465
Amortisation of intangible assets (Note 9)	2 115 942	2 189 050
Unwinding of capital grants (Note 13)	(14 775 279)	(17 191 809)
(Profit)/loss on disposal of property, plant and equipment	(261 010)	30 882
Reduction in restructuring provision	(13 366 911)	(23 507 298)
<b>Changes in working capital:</b>		
(Decrease)/in inventories	(360 126)	(33 102)
Increase in trade and other receivables	(13 745 366)	(3 214 328)
Increase in trade and other payables	29 226 678	5 288 161
	<b>(52 142 930)</b>	<b>(10 046 792)</b>

## 17 Related party transactions

### (a) Relationships

#### Related party

Government of Botswana

Ministry of Education and Skills Development (MESD)

Board Members

Executive management

#### Relationship

Shareholder

Parent Ministry (representing shareholder)

Key Management

Key Management

## Notes to the annual financial statements (cont'd)

For the year ended 31 March 2024

### IN PULA

#### 17 Related party transactions (Continued)

##### (b) Transactions and balances with related parties

Related party transactions consist of amounts due from entities under common ownership or control of directors and shareholders. Related party transactions are conducted on mutually agreed terms and conditions in the normal course of business.

##### (i) Ministry of Education and Skills Development (MESD)

###### *Income/(expense) transactions with MESD*

The Government subvention and capital grants are based on budgets approved by the Council and submitted to the MESD. Transactions and account balances with the Government of Botswana through MESD and government related entities are disclosed as below;

	2024	2023
Government subventions revenue	274 325 240	302 804 840
Current year subventions	10 099 187	12 639 071
Unwinding of deferred projects grants received in prior years	<b>284 424 427</b>	<b>315 443 911</b>
Capital grants received during the year	<b>381 728</b>	<b>20 725 316</b>

###### *Receivable due from MESD*

Ministry of Education and Skills Development  
These balances are interest free, unsecured and are without any fixed payment terms

<b>28 923 258</b>	<b>15 395 230</b>
-------------------	-------------------

##### (ii) Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all directors, executive and non-executive. Key management personnel have been defined as the board members and the prescribed officers of the entity. The definition of related parties includes close family members of key management personnel.

Key personnel remuneration is analysed as follows:	2024	2023
Management - basic salary	3 633 089	3 128 618
Management - allowances	2 630 556	2 201 556
Management - gratuity and leave pay	3 231 819	4 557 643
Management total	<b>9 495 464</b>	<b>9 887 817</b>
Sitting allowances and other related costs for board members (see breakdown below)	672 698	342 405
	<b>10 168 162</b>	<b>10 230 222</b>

Related party transactions were conducted on mutually agreed terms and conditions.

## Notes to the annual financial statements (cont'd)

For the year ended 31 March 2024

### IN PULA

#### 17 Related party transactions (Continued)

Sitting allowances and other related costs for board members	2024	2023
<b>Board members:</b>		
Dr O Molwane	114 278	86 625
Professor Richard Tabulawa	-	6 300
Ms Ivy Ramalohlangye	95 605	61 740
Kelebogile Lecoge	98 170	35 280
Onkagetse Pusoentsi	82 020	41 580
Masego Mokubung	96 760	42 840
Ludo Thateng Johwa-Mpundisi	-	17 640
David Ratsatsi	57 260	-
<b>Other committees:</b>		
Pelotshweu Motlogelwa	36 065	17 640
Gabriel Ngele	20 080	8 820
Tshepo Batane	23 040	11 340
Lisani Ndaba	-	1 260
Sheila Sefhedi	-	1 260
Donald Matlhodi	-	2 520
Onalenna Senwedi	-	1 260
Gobopane Chabaditsile	2 520	1 260
Gopolang Matebele	1 260	2 520
Bernard Dithlhabi	14 080	1 260
Gabriel Bagwasi	-	1 260
Kobontle Kgakge	1 260	-
Richard Molosiwa	6 000	-
Bona Gutu	20 520	-
Titoga Mnindwa	1 260	-
Sheila Sfhedi	1 260	-
Lesego Tawana	1 260	-
		-
	<b>672 698</b>	<b>342 ,405</b>

#### 18 Financial risk management

Exposure to credit, interest rate, currency and liquidity risks arises in the normal course of business. It is the council's objective to minimise its exposure to the various financial risks through its risk management policies and procedures.

The council 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 council's exposure to each of these risks, the council's objectives policies and processes for measuring and managing these risks and the council's management of capital. Further quantitative disclosures are included.



## Notes to the annual financial statements (cont'd)

For the year ended 31 March 2024

### IN PULA

#### 18 Financial risk management(Continued)

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

##### 18.1 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 deposits the risk is not significant.

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

	2024	2023
Fixed deposits	27 748 781	81 463 707
Call accounts	5 418 797	3 329 897
Bank overdraft	-	(49 916)
	<b>33 167 578</b>	<b>84 743 689</b>

The following interest rates were applicable during the year;

Fixed deposits	7%	4%
Call accounts	0.25% - 0.5%	0.25% - 0.5%

With average interest rates applicable as disclosed above an increase of 50 basis points in interest rates during the reporting period would have had the following impact:

Fixed deposits	138 744	407 319
Call accounts	27 094	16 649
Net increase in operating surplus	<b>165 838</b>	<b>423 968</b>

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.

## Notes to the annual financial statements (cont'd)

For the year ended 31 March 2024

### IN PULA

#### Interest risk (Continued)

##### 18.2 Liquidity risk

The council 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 Council set limits on the minimum proportions of maturing funds available to meet such calls and unexpected levels of demand.

The council ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 60 days including the servicing of financial obligations. This excludes the potential impact of extreme circumstances that cannot reasonably be predicted such as natural disasters. The maturity profile of non-derivative financial liabilities based on contractual cash flows is as follows:

##### Exposure to liquidity risk

2024	Carrying amount	Contractual cash flows	Within 1 year
Trade payables	33 596 683	33 596 683	33 596 683
Other payables	39 959 318	39 959 318	39 959 318
	<b>73 556 001</b>	<b>73 556 001</b>	<b>73 556 001</b>

2023	Carrying amount	Contractual cash flows	Within 1 year
Trade payables	32 707 462	32 707 462	32 707 462
Other payables	14 981 794	14 981 794	14 981 794
	<b>47 689 256</b>	<b>47 689 256</b>	<b>47 689 256</b>

\* Prior year figures for other payables have been amended to exclude deferred revenue which is not a financial instrument.

##### 18.3 Foreign currency management

Foreign exchange risk arises from commercial transactions, recognised assets and liabilities. It is the council's policy to fully cover all committed exposures.

	Average rate		Closing rate	
	2024	2023	2024	2023
<b>ZAR</b>	0.73	0.74	0.75	0.71
<b>USD</b>	0.07	0.08	0.07	0.07
<b>GBP</b>	17.34	16.05	17.96	16.74

A reasonably possible change in the council's material translational foreign currencies, with all other variables being equal, will increase or decrease the surplus or accumulated surplus of the council.

The sensitivity of the council to such changes is presented in the table below:

	USD	GBP	Pula Equivalent
<b>2024</b>			
Bank balances	-	9 250	166 113
Trade and other payables	13 628	1 623 284	29 099 217
	<b>13 628</b>	<b>1 632 535</b>	<b>29 265 329</b>

## Notes to the annual financial statements (cont'd)

For the year ended 31 March 2024

IN PULA

### Foreign currency management (Continued)

#### 2023

Bank balances	-	9 569	160 157
Trade and other payables	-	1 811 602	30 321 690
	-	<b>1 821 171</b>	<b>30 481 847</b>

A 10 percent strengthening of the Pula against these currencies at the reporting date would have had the impact below. This analysis assumes that all other variables in particular interest rates remain constant:

An exchange rate of 1 GBP /17.9573 BWP (2023: 1 GBP / 16.7375 BWP) and USD: 14.2450 (2023: Nil ) were used for the conversion of foreign denominated balances at the reporting date.

	2024	2023
BWP equivalence on ZAR	19 413	-
BWP equivalence on GBP	2 907 120	3 048 185
Net increase in operating surplus	<b>2 926 533</b>	<b>3 048 185</b>

#### 18.4 Credit risk

Credit risk arises from trade and other receivables and investments in cash and cash equivalents. The council's maximum exposure to credit risk is equal to the carrying amount of these classes of assets.

The council had a low credit risk through the amounts due from related parties. Amounts due from the related parties are monitored through the entity's normal credit control process. BEC does not hold any collateral as security. The carrying amount of council's receivables is denominated in Botswana Pula.

#### Credit quality of financial assets

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates:

Financial assets	Rating	2024	2023
		BWP	BWP
Cash and cash equivalents	High grade	33 167 578	84 793 604
Trade and other receivables	High grade	30 033 362	16 287 994

#### Ratings

High grade - debtors are considered to have low credit risk when they have high quality credit standing or a guarantee on the amount owing is provided.

#### 18.5 Fair values

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

**Level 1** - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

**Level 2** - Inputs other than quoted prices included within level 1 that are observable for the asset or liability either directly (that is as prices) or indirectly (that is derived from prices).

**Level 3** - Inputs for the asset or liability that are not based on observable market data (that is unobservable inputs).

## Notes to the annual financial statements (cont'd)

For the year ended 31 March 2024

IN PULA

### Fair Values (Continued)

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

	Total	Fair values	Financial assets/ liabilities at amortised cost	Other assets and liabilities
<b>2024</b>				
<b>Assets</b>				
Trade and other receivables	29 224 175	28 923 258	28 923 258	300 914
Cash and cash equivalents	33 167 578	33 167 578	33 167 578	-
	<b>62 391 753</b>	<b>62 090 836</b>	<b>62 090 836</b>	<b>62 090 836</b>
<b>Liabilities</b>				
Trade and other payables	95 887 830	19 050 780	76 837 049	19 050 780
	<b>95 887 830</b>	<b>19 050 780</b>	<b>76 837 049</b>	<b>76 656 345</b>

Assets and liabilities are short-term in nature so the carrying amount approximate fair value as the impact of discounting is negligible.

Trade and other receivables in the statement of financial position include prepayments which are not financial assets and hence excluded from the tables above.

	Total	Financial assets/ liabilities at am- ortised cost	Other assets and liabilities
<b>2023</b>			
<b>Assets</b>			
Trade and other receivables	15 534 216	15 395 230	138 985
Cash and cash equivalents	84 793 604	84 793 604	-
	<b>100 327 820</b>	<b>100 188 835</b>	<b>138 985</b>
<b>Liabilities</b>			
Trade and other payables	66 661 149	45 069 194	21 591 955
Bank overdraft	49 916	-	49 916
	<b>66 661 149</b>	<b>45 069 194</b>	<b>21 591 955</b>

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable mentioned above.

### 19 Capital 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.

The total approved budget for BNEPS is P6 000 000 (2023: P6 000 000). Total accumulated project expenditure as at the reporting date was P3 005 496 (2023: P2 948 952) and committed funds at the reporting date amounted to P 2 994 504 (2023: P3 051 048). There was no activity on the project in the current year.

## Notes to the annual financial statements (cont'd)

For the year ended 31 March 2024

### IN PULA

#### 19 *Capital commitments (Continued)*

The total approved budget for BEAM is P9 954 000 (2023: P9 954 000). Total accumulated project expenditure as at the reporting date was P10 335 728 (2023: P10 335 728). A payment of P381 728 was made from recurrent budget to project account clear the over committed funds at the reporting date to P Nil (2023: P381 728).

The total approved budget for BEC Transformation Project is P78 625 316 (2023: P78 625 316). There was no additional funding received during the year. Total accumulated project expenditure as at the reporting date was P27 801 249 (2023: P18 061 804) and committed funds at the reporting date amounted to P 50 824 067 (2023: P60 563 512).

The Pathways project which is a sub-project within the BEC Transformation Project had total accumulated project expenditure as at the reporting date of P9 823 241 (2023: P9 625 748) and committed funds at the reporting date amounted to P 176 759 (2023: P374 252).

#### 20 **Going Concern**

We draw your attention to the fact that BEC incurred a net loss ("deficit") of P42 445 110 during the year ended 31 March 2024 (2023: net profit ("surplus") of P26 839 691 and, as of that date, BEC's current liabilities exceeded its current assets by P35 907 941 (2023: net current assets of P17,545,800) and its total liabilities exceeded its total assets by P80 808 814 (2023: P38 363 705).

BEC is dependent on the Ministry of Education, Skills and Development (MESD) for financial and operational support. Management has the mandate to utilise the annual subvention grant received from the MESD to fund the expenditure incurred in the facilitation and administration of examinations in the country. The subvention grant approved by the MESD and expected for the 2024/25 financial year amounts to P201 million against a submitted budget of P291 million, resulting in a budget deficit of P90 million.

By way of a letter of support (which is not legally binding), MESD has committed to offering adequate financial support to Botswana Examinations Council for at least 12 months following the date of signature of the annual financial statements. This support will enable BEC to realise its assets and discharge its liabilities in the normal course of business. The subsequent year budget deficit, together with factors that existed at 31 March 2024 noted in the first paragraph above, cast material uncertainty to BEC's continued operations if MESD does not provide the required financial support as the letter of support is not legally binding.

Subsequent to the reporting date, the Council has received P100.5 million, that is 50% of the 2024/25 subvention grant for its operations from the MESD as per approved budget. In the event the Council exceeds its forecasted expenditure during the year, a special request can be made to the MESD for additional funding, as done in the past.

The Board has assessed 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 financial statements are therefore prepared based on accounting policies applicable to a going concern and this basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities will occur in the ordinary course of business. However, in the event that the Council does not receive the required financial support of MESD, a material uncertainty exists which may cast significant doubt about the Council's ability to continue as a going concern and, therefore that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

#### 21 **Events after reporting date**

The Board members are not aware of any material events which occurred after the reporting date and up to the date of issuing these financial statements.

**DETAILED INCOME STATEMENT**

For the year ended 31 March 2024

**IN PULA**

<b>Revenue</b>	<b>2024</b>	<b>2023</b>
Government grants	284 424 427	315 443 912
Revenue from customers	21 157 352	17 076 506
	<b>305 581 778</b>	<b>332 520 418</b>
Direct costs	(209 205 638)	(189 144 401)
	96 376 140	143 376 017
Other income	6 824 642	5 601 355
	<b>103 200 783</b>	<b>148 977 373</b>
Administrative expenses		
Bank charges	(229 981)	(572 774)
Advertising marketing and publicity	(593 768)	(725 761)
Association of Educational Assessment in Africa expenses	(95 123)	(44 250)
Amortisation of intangible assets (Note 9)	(2 115 942)	(2 189 050)
Depreciation (Note 8)	(5 282 938)	(4 725 465)
Auditors' remuneration	(457 731)	(448 873)
Consultancy fees	(49 705)	(42 613)
Electricity and water	(1 877 004)	(2 007 674)
Excellence awards	(789 731)	(791 377)
General expenses	(191 600)	(86 449)
Hotel and accommodation	(546 302)	(489 141)
Insurance	(1 451 845)	(1 233 519)
Legal fees	(409 974)	(389 587)
Profit/loss on disposal of property, plant and equipment	-	(30 882)
Licenses and subscriptions	(4 319 172)	(3 636 207)
Meals and entertainment expenses	(298 870)	(122 262)
Miscellaneous	(10 099 187)	(12 639 072)
Motor vehicle expenses	(597 298)	(713 228)
Office cleaning and supplies	(449 858)	(489 207)
Printing and stationery	(2 414 259)	(2 835 182)
Repairs and maintenance	(3 619 861)	(3 942 617)
Salaries (Note 6)	(109 906 956)	(108 178 994)
Staff welfare	(297 927)	(171 671)
Sitting allowance	(753 905)	(564 047)
Security	(1 157 720)	(1 380 304)
Telephone, courier, freight and postage	(814 341)	(717 520)
Trends in International Mathematics and Science Study expenses	(1 041 658)	(73 394)
Training expenses	(222 462)	(174 157)



**DETAILED INCOME STATEMENT (CONT'D)**

For the year ended 31 March 2024

**IN PULA**

Foreign exchange loss (note 5)	-	(586 266)
Travel and subsistence allowances	(608 750)	(816 941)
Reduction of restructuring provision	1 233 288	23 507 298
	<u>(149 460 579)</u>	<u>(127 311 187)</u>
Finance income	3 814 686	5 173 505
Operating surplus / (deficit) for the year	<u>(42 445 111)</u>	<u>26 839 691</u>

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

