



BOTSWANA
EXAMINATIONS
COUNCIL



Annual **Report** 2019/20

Advancing learning, certifying your future

*Advancing learning,
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).

1961-66

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

1970's

1970

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

1975

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

1977

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

1978/79

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

THE HISTORY OF PUBLIC EXAMINATIONS IN BOTSWANA



1980's

1980

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

1987

- The first 2 year Junior Certificate Examination conducted.
- The first 3 year Cambridge Overseas Certificate Examination conducted.

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).

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 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.

- To advise the Ministry of Basic Education on assessment issues;
- Withhold or cancel examination results if candidates involved in examination malpractice;
- Develop standards for the conduct of examinations in all registered examination 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 training;
- Register and accredit examination centres for general education or equivalent including centres for technical and vocational education and training;
- Conduct regional and international comparability studies and other relevant 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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BEC BOARD MEMBERS



Dr. Joseph Tsonope
Board Chairperson



Ms. Masego Mokubung
Deputy Board Chairperson



Dr. Olefile Molwane
Member



Prof. Richard Tabulawa
Member



Ms. Thateng Ludo Johwa - Mpundisi
Member



Dr. Godson Gatsha
Member



Ms. Ivy Ramalohanye
Member



Prof. Brian Mokopakgosi
Chief Executive Officer



Mr. Pogiso Thapelo
Board Secretary

EXECUTIVE
MANAGEMENT



Prof. Brian Mokopakgosi
Chief Executive Officer



Dr. Moreetsi Thobega
Director, Research and Policy Development



Mrs. Doracs Morake
Director, Examinations Administration
and Certification



Mr. Ratio Balositse
Acting Director, Information and
Communications Technology



Mr. Emmanuel Maite
Director, Human Resources



Mr. Lethokwa Galekhutle
Director, Corporate Services



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

HEADS OF
SUPPORT DIVISIONS



Mr. Mothusi Ntau
Manager, Compliance and
Quality Assurance



Mrs. Maipelo Sealetsa
Manager, Office of Strategy
Management



Mrs. Fingile Makgalemele
Manager, Corporate
Communications



Mrs. Keramile Masire
Manager, Internal Audit



Mr. Pogiso Thapelo
Manager, Legal Services

The 2019-2020 financial year was undoubtedly a watershed period in the history of the Botswana Examinations Council (BEC), as an examinations body. Never before had the BEC been so close to a major change or transformation. The possibility or imminence of change derived from the expanded mandate of the Council, and other government policy pronouncements were made during the year.

One major achievement of the year was the long awaited approval by Parliament of the BEC Amendment Bill in July 2019, which not only expanded the mandate of the BEC, but set in motion the process of transformation of the Council. A new and equally dynamic Board with fewer members than the previous one was appointed. This immediately fulfilled the long desire to transform the Council from a constituency to a competency-based one. Equally important was the completion of two studies on Due Diligence and Organisational Redesign, which outlined the manner and nature of the change necessary to transform the BEC into a high performance organisation, capable of delivering on a new and expanded mandate.

The year also saw the review of the BEC Strategic Plan and the development of a new one, which was approved by the Board in March 2020. This is a three year strategy that is designed to transition the BEC to a high performance organisation, delivering on a mandate that includes among others the assessment and moderation of pre-tertiary Technical and Vocational Education and Training (TVET). This strategy also involved an adaptation to the challenges posed by the COVID-19 pandemic.

Even more exciting was the implementation of the King IV Code on cooperate governance. This was a major commitment on the part of the Council, which clearly set it apart from many parastatals in the economy. By implementing the Code, the Council pronounced its commitment to ethical governance adherence.

The progressively dwindling government subvention of the BEC emboldened the latter to relentlessly explore third income generation streams, including the long-awaited levying of examination fees, based on affordability, emanating from the 1994 Revised National Policy on Education, govt. White Paper no. 2.

Last but not least, it is noteworthy to mention the growing recognition of the BEC in the community of educational assessment in the region and across the continent. This was highlighted by among others, the confidence bestowed upon the BEC by the Southern Africa Association of Educational Assessment (SAAEA) to host the annual international conference in May 2019, as well as the appointment of the Chief Executive Officer, Prof Brian Mokopakgosi, as its Chairman for a period of two years. The CEO was also subsequently appointed to the Executive Committee of the Association of Educational Assessment in Africa (AEAA). Locally, a number of sister organisations have approached the BEC for board induction on good corporate governance adherence.

Several members of the BEC Board and Board Committees left the Council during the year under review. Many of these have served the Council for years on end, and are associated with its successes. We pay tribute to this team of committed and talented women and men who so ably led the Council over many years, some of which were very trying.

This Annual Report of the BEC has many invaluable lessons to learn from. I commend it to all to read.



Dr Joseph Tsonope
Chairperson, Botswana Examinations Council





The following pages of this report show that the financial year 2019-2020 was for the BEC a very busy and rewarding one. As a public entity, the Council records activities during the year to account to the nation on the delivery of its mandate. More importantly, the report serves to account to the Shareholder on the utilisation of the funds allocated to it in the exercise of its mandate. The financial statements that form the second part of the report therefore, provide information on whether or not the funds allocated were used prudently.

The report also covers the contribution of the Council to the general public, engagement with key stakeholders, as well as, engagement at international level. The key thematic areas that the report covers follow below:

Governance

The first section of the report is essentially an outline of the structure of BEC governance. This section focusses on the governance framework including the internal audit, compliance and quality assurance functions and how the organisation manages risk. It then outlines the structures of the Council, starting with the Board, Board Committees going down to management committees and how they operate to strengthen corporate governance across the organisation. It is essentially a demonstration of the commitment to ethical governance.

Strategy Implementation

The next section focusses on the performance of the BEC strategy. As this was the last year of implementation of the strategic plan, the report is not limited to the implementation of the 2019-2020 Annual Business Plan, but also provides an overview of performance over the entire plan period. What comes out of the report is that the performance of the Council over this period exceeded set targets, meaning that the Council was able to achieve its vision of 'a provider of accessible and globally competitive qualifications'. A number of studies, details of which are discussed in the body of the report, are discussed and they show that stakeholders have generally been happy with the manner in which the Council conducts its business.

Progress on BEC Transformation

Very little progress was made during the past five years on the transformation project of the BEC. The past financial year was different, not only did Parliament approve the BEC Amendment Bill that expanded the mandate of the Council, but two important studies were completed during the year. These included the Due Diligence and the Organisational Redesign studies, which assessed the ability of the organisation to transform, the structure and human resources needed to deliver on the new mandate. These two studies were approved by the Board in March 2020, paving way for the transformation of the Council. These developments are adequately articulated in the body of the report.

Implementation of Core Mandate

In terms of the BEC Act, the Council is mandated to conduct school examinations on behalf of the Ministry responsible for Basic Education. The report shows that the performance of the BEC in the execution of this mandate was very good. Also noteworthy was the improved relations with

examiners, contributing to the smooth running of the examinations. As a consequence, the results of the three examinations were released on time or much earlier than in the previous sessions. BGCSE examination results were in fact released two weeks earlier. The report also shows that this year, an effort was made to provide a detailed analysis of the three examinations, especially PSLE and BGCSE in order to show their different purposes.

Research and Policy Development

The Directorate of Research and Policy Development was active in a number of key areas during the year under review. Firstly, a number of studies were undertaken largely to determine the competitiveness and relevance of BEC qualifications as well as the satisfaction levels of stakeholders. Secondly, there was focus on the further development of the Botswana Educational Achievement Monitor (BEAM). At international level, the Council continued participation in international associations and meetings. There was the finalisation of the national report of the Trends in Mathematics and Science Study, and its dissemination to stakeholders. The highlight of the year was the Southern Africa Association for Educational Assessment (SAAEA) conference in May 2020. The details of these varied activities are contained in the body of the report.

Regional and International Partnerships

As in previous years, the Council maintained healthy relations with local and international partners to improve its visibility and image. This section of the report shows noteworthy activities in the implementation of its social responsibility policy.

BEC Annual Excellence Awards

Once again the Council was able to successfully host the 10th Annual Excellence Awards, in collaboration with the Ministry of Basic Education. The colourful event was held at St Joseph's College at which His Honour the Vice President Mr. Slumber Tsogwane officiated. As in previous years, the private sector contributed generously to the awards.

Others

The final parts of the document report on activities around utilisation of funds, the management of human resources and state of Information and Communication Technology infrastructure. What comes out of these pages is the picture of stable human resource environment against uncertainties of possible retrenchments; the push for policy development in the ICT area; and prudent use of the limited resources.

The above accomplishments were possible because of the collective effort of the Board, Board Committees and the staff of the Council. I thank them all for the selfless contribution to the organisation.



Brian Mokopakgosi
Chief Executive Officer

● ● GOVERNANCE STRUCTURES

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GOVERNANCE FRAMEWORK

Botswana Examinations Council (BEC) governance structures have undergone transformation during the year under review following the passing of Botswana Examinations Council Amendment Act of 2019. The Amendment Act which came into force on the 11th October 2019, introduced the following changes to the governance structure of Botswana Examinations Council:

- The Governing Council was changed into a Board and the constitution was changed from constituency based Council of 14 Members into a competency based Board of eight (8) Members (which include the CEO as the ex-officio Member) who are appointed by the Minister responsible for Basic Education. The Board Members should have competence, knowledge and experience in the following areas:

- Curriculum and Educational Measurement and evaluation;
- Educational Research;
- Education and training;
- Finance and audit;
- Human resource management or related field;
- Law; and
- Law enforcement.

- The name 'Chairman' of the Board was changed to Chairperson.

- The name of the Executive Secretary was changed to the Chief Executive Officer and the authority to appoint the Chief Executive Officer was moved from the Council to the Minister after consultation with the Board.

- The Amendment Act further codified Office of the Board Secretary who shall be appointed by the Board on recommendation of the Chief Executive Officer and shall be responsible for recording the proceedings and the decisions of the Board.

- Botswana Examinations Council continues to subscribe to good corporate governance and, therefore, is fully committed to ethical and effective leadership principles as espoused under King IV. In pursuit of good corporate governance, the Council has over and above the BEC Act (as Amended), adopted the Board Charter, Committees Terms of Reference which among other things, set parameters on the use of privileged information, declaration of conflict of interest and also stipulate the roles and responsibility of the Council.

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

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

GOVERNANCE STRUCTURES

The Board

During the year under review and before the passing and coming into effect of the BEC Amendment Act in July 2019, the Council was established in terms of section 4 the BEC Act of 2002 and was made up of 14 members appointed by the Minister of Basic Education. The Council was constituency based and comprised of non-executive members with the exception of the Executive Secretary. The Council consisted of representatives from the Ministry of Basic Education, Botswana Open University, Botswana Qualifications Authority, Human Resources Development Council, Directorate of Public Service Management, Botswana Police, the Public and Private Sector, Teacher organisations, University of Botswana and the Executive Secretary who was an *ex officio* member.

As explained above, the BEC Amendment Act changed the Board composition from constituency based to competency based. It is important to note however that as part of the transitional arrangement, the new Act allowed the old Members to hold office until expiry of their appointment as specified in the Member's instrument of appointment. Old Board Members tenure expired at the end of October 2019 and the Board was reconstituted following the coming into force of the BEC Amendment Act. The new Board was therefore appointed effective 1st November 2019 and has expertise and experience in the areas of Curriculum and Educational Measurement and evaluation; Educational Research; Education and training; Finance and audit; Human resource management or related field, Law and Law enforcement.

The new Board comprised of the following Members:

- (1) Joseph Tsonope – Chairperson
- (2) Ms. Masego Mokubung-Vice Chairperson
- (3) Dr. Olefile Molwane
- (4) Professor Richard Tabulawa
- (5) Dr. Godson Gatsha
- (6) Ms. Thateng Ludo Johwa-Mpundisi
- (7) Ms. Ivy Ramalohlanye
- (8) Professor Brian Mokopagosi- Chief Executive Officer (Ex *officio* Member)

During the year under the review, the following Board Members retired from the Board on the 31st October 2019:

- (1) Dr. Gaelebale N. Tshoko
- (2) Dr. Daniel Tau

- (3) Dr. Raphael Dingalo
- (4) Mr. Simon Coles
- (5) Ms. Daisy Molefhi
- (6) Mr. Nassim Miller
- (7) Mr. Tjalebgwa Bagwasi

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

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 of the BEC, Risk Management, Human Resource matters, Sustainability and Governance. Members contribute to strategy formulation as well as monitoring and measuring the BEC's performance and that of its executive management against key performance indicators.

Attendance of the meetings by Council members during the financial year ended March 2020 is shown in [Table I](#) below.

Board Meetings from 1st November 2019 to 31st March 2020

Following the appointment of the new Board by the Minister for Basic Education, a two day induction workshop was conducted on the 19th and 20th November 2019. The purpose of the induction was to provide information and support they needed as new Board members to be confident and productive in their new role. The aim was to help new members to understand the organisation, the environment in which it operates, and their role in making the organisation a success. The induction among other things covered introduction of new Board

Members to the old Board Members and other key personnel, including the CEO and directors of each functional area of the Council, introduction to strategic plan and financial position of the organisation as well the governance arrangements which were in place.

BOARD COMMITTEES

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

Executive Committee

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

The Executive Committee is chaired by Dr Joseph Tsonope. Other Committee Members are Chairpersons of Board Committees and these are Ms Ivy Ramalohanye, Dr Godson Gatsha, Prof Richard Tabulawa, and the Chief Executive Officer Professor Brian Mokopakgosi.

The Members who retired during the year under review are Dr Gaelebale N.Tsheko and Dr Daniel Tau.

Finance and Audit Committee

The Council, in line with good corporate governance, has established a Finance and Audit Committee (FAC) which is administered through the Finance and Audit Committee Charter. The Committee comprises four (4) members all appointed by the Council; two (2) of whom are members of the Council and two (2) independent members. The

Name of Council Member	Position	31/07/2019	30/10/19	Sitting allowance (BWP)
Dr. Joseph Tsonope	Chairperson	✓	✓	3150
Dr. Gaelebale N.Tsheko	Vice Chairperson	✓	✓	2520
Prof. Brian Mokopakgosi	Executive Secretary	✓	✓	0
Dr. Daniel R.Tau	Member	✗	✓	1260
Dr. Raphael Dingalo	Member	✗	✗	0
Ms. Thateng L. Johwa-Mpundisi	Member	✓	✓	2520
Mr. Tjalebwa B. Bagwasi	Member	✓	✓	2520
Mr. Simon Coles	Member	✓	✓	0
Mr. Nassim Miller	Member	✓	✓	2520
Ms. Daisy Molefhi	Member	✗	✓	1260

Table I: Board Meetings from 1st April to 31st October 2019

Name of Council Member	Position	19 & 20 Nov. 2019	12 Dec. 2019	10 Jan. 2020	27 Mar. 2020	Sitting allowance (BWP)
Dr. Joseph Tsonope	Chairperson	✓ ✓	✓	✓	✓	7875
Ms. Masego Mokubung	Vice Chairperson	✓ ✓	✓	✓	✓	6300
Professor Brian Mokopakgosi	Chief Executive Officer	✓ ✓	✓	✓	✓	0
Dr. Olefile Molwane	Member	✓ ✓	✓	✓	✓	6300
Prof. Richard Tabulawa	Member	✓ ✓	✓	✓	✓	6300
Dr. Godson Gatsha	Member	✓ ✓	✓	✓	✓	6300
Ms. Thateng L. Johwa-Mpundisi	Member	✓ ✓	✓	✓	✓	6300
Ms. Ivy Ramalohanye	Member	✓ ✓	✓	✓	✓	6300

Table 2: The new Board held the meetings as follows during the period under review

Committee is mandated to provide oversight on behalf of the Governing Council over:

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

The Finance and Audit Committee is chaired by Mr. Enoch Mushango who is an external appointee. Other Committee Members are Professor Onkutlwile Othata, Ms. Thateng Ludo Johwa-Mpundisi, Dr. Olefile Molwane and the Chief Executive Officer Professor Brian Mokopakgosi. The Committee is required to meet quarterly and it complied.

Mr. Tjalebgo Bagwasi retired during the year under review.

Human Resource Committee

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

The Committee is chaired by Ms. Ivy Ramalohanye Other Committee Members are Ms. Masego Mokubung, Ms. Mukani Pelaelo Prof. Tachilisa Balule and Prof. Brian Mokopakgosi. The Committee convened three times during the year under review.

Dr. Raphael Dingalo retired during the year under review.

Procurement Committee

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

The Committee is chaired by Mr. Nelson Mokgethi. Other Committee members are Ms. Masego Mokubung, Ms. Ivy Ramalohanye, Ms. Magdeline Motswagole and the Chief Executive Officer Professor Brian Mokopakgosi.

The Members who retired during the year under review are Dr. Raphael Dingalo and Ms. Dudu Boshwaen.

Research Committee

The Research Committee is responsible for approving the research plan for the organisation on behalf of the Board and advises on the conduct of research and policy options emanating from research findings.

The Committee is chaired by Professor Richard Tabulawa. Other Committee Members are Dr. Godson Gatsha, Professor Owen Pansiri, Dr. Keene Boikhutso, Mr. Benjamin Segokgo Thebe, Mr. Kelaotswe Archie Galeboe and the Chief Executive Officer Professor Brian Mokopakgosi.

The Members who retired during the year under review are Dr. Gaelebale N. Tshenko and Mr Simon Coles.

Final Awards Committee

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

The Committee is chaired by Dr. Joseph Tsonope. Other Committee Members are Professor Richard Tabulawa, Mr. Laxton M. Menyatso, Dr. Kebatenne Hulela, Ms. Segomotso Chimbombi, Professor Tshepo Batane, Ms. Mogametsi Kowa and the Chief Executive Officer Professor Brian Mokopakgosi. Dr. Gaelele N. Tshenko retired from the Committee during the year under review.

Examinations Committee

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

The Committee is chaired by Dr. Godson Gatsha. Other Committee Members are Dr. Olefile Molwane, Mr. Kenneth Bugalo Habana, Mr. Lisani Ndaba, Mr. Ronald Motswakhumo, Ms. Ivy Balopi and the Chief Executive Officer Professor Brian Mokopakgosi.

The members who retired during the year under review are Dr. Gaelebale N. Tsheko, Ms. Daisy Molefhi and Mr. Nassim Miller.

DIRECTORATES AND SUPPORT DIVISIONS

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

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

DIRECTORATE OF PRODUCT DEVELOPMENT AND STANDARDS

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

DIRECTORATE OF EXAMINATIONS ADMINISTRATION AND CERTIFICATION

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

DIRECTORATE OF RESEARCH AND POLICY DEVELOPMENT

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

the monitoring of educational and assessment standards. The directorate also oversees the policy development process.

DIRECTORATE OF CORPORATE SERVICES

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

DIRECTORATE OF INFORMATION AND COMMUNICATIONS TECHNOLOGY (ICT)

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

DIRECTORATE OF HUMAN RESOURCES

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

SUPPORT DIVISIONS UNDER THE OFFICE OF THE EXECUTIVE SECRETARY

1. OFFICE OF STRATEGY MANAGEMENT

Responsible for coordinating the development and implementation of the BEC strategy, its monitoring, evaluation and review. This includes Change and Performance management.

2. COMPLIANCE AND QUALITY ASSURANCE DIVISION

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

3. INTERNAL AUDIT DIVISION

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

4. CORPORATE COMMUNICATIONS DIVISION

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

5. LEGAL SERVICES DIVISION

Responsible for providing legal advisory services to the Council and secretarial services to the Board. Strengthening corporate

governance in the organisation by putting in place proper corporate governance architecture and ensuring that the organisation complies with all relevant legislation. In this latter function the office acts as the link between Management and the Board.

INTERNAL AUDIT

In order to execute its mandate as an oversight body, the Council obtains independent 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 objectives. The Internal Audit function annually develops a risk based audit plan approved by the Finance and Audit Committee and performs audits in line with this plan. Audits performed by the Internal Audit function don't only look into finance and operations but also issues that may have an adverse impact on the image, ethics and culture of the organisation. During the 2019/20 financial year, Internal Audit performed the following audits on the basis of corporate wide risk assessments which were conducted;

Stakeholder Management

An audit to provide assurance on the robustness of frameworks and effectiveness of adopted practices in stakeholder management was performed. The mandate of BEC as an examination body has high public interest therefore poses reputational risk. So this audit was performed to address any gaps that may have existed with a view to advise management on areas of improvement.

Cash and Bank

BEC is an expenditure driven organisation therefore it is critical to ensure efficient use of the limited resources available. This audit looked at the effectiveness and adequacy of controls around bank and cash.

Monitoring of Control Environment

In their endeavour to ensure continued improvement in the control environment follow up reviews on implementation of prior period audit recommendations were performed quarterly and reported to the Audit Committee.

Advisory

As an assurance function Internal Audit took part during a Board induction which was conducted to orientate Board Members who were appointed during the financial year, to enlighten them on the role and importance of internal audit.

Internal Audit continue to advice management by taking part during key decision making of the business including strategy review.

RISK MANAGEMENT

An effective risk management aligns risk and opportunities to an organisation's vision and mission. Proactive risk management practices ensure governance mechanisms are effective across the value chain, and focuses on both strategic and operational risks, while aligning enterprise-wide risks and opportunities.

The Board of the Botswana Examinations Council (BEC) is responsible for the governance of risk in line with Principle 11 of the King IV Code of Corporate Governance through a formal Enterprise Risk Management Framework and Risk Management Policy. It effects this responsibility through the Finance and Audit Committee (FAC).

In alignment to the three (3) lines of defence, the Board has established a risk management responsibility matrix that is constituted as below:

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 in. 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 control 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 FAC.

The Risk Management and Compliance Management functions are integrated into the Compliance and Quality Assurance Division.

c) Third Line – Assurance Responsibility

The Internal audit function provides the Board and senior management with comprehensive assurance based on the highest level of independence and objectivity within the BEC.

COMPLIANCE

Ethics and Integrity

The BEC finished revising its Conditions of Service Policy and other associate documents. This complement of tools detail BEC commitment to fairness, integrity in its core business, security of information, separation of business and private interests, proper record-keeping and, as well as establishing a respectful and non-discriminatory working environment. This commitment is further endorsed in the Board Charter and other supplementary Board Committees' terms of reference.

Statutory Compliance

The compliance universe continues to be reviewed in accordance with legislative changes and amendments to best practice standards that BEC may subscribe to from time to time. The newly introduced Declarations of Assets and Liabilities Act and its regulations were incorporated into the compliance universe. As is the case, a risk based analysis of the requirements was done and shared accordingly with Management.

During the reporting year, compliance risk assessment was subjected to ten (10) applicable legislation, standards and codes of best practice. Through this exercise, a total of 78 compliance risks were identified. 16 of these were classified as high risks while 22 and 40 were classified as medium and low risks respectfully.

The Declaration of Assets and Liabilities Act requires Management at Band 3 and above including the Board and its Sub-Committees to fully comply with the requirements contained therein. Management was taken through an awareness workshop which was followed by the declaration exercise.

Six (6) high risks were recorded with respect to the Public Procurement and Asset Disposal Act. Although areas have sufficient controls to mitigate exposures. However significant work still needs to be done in terms of training to abreast procuring units with prescribed practices. Procurement is naturally a high risk area that can yield catastrophic consequences to the BEC if not effectively managed.

In relation to the Financial Intelligence Act, there is a need to improve the systems of controls so as to adequately address the risk exposures. The nature of BEC business has minimal activities that would warrant a comprehensive Anti-Money Laundering and Counter-Financing of Terrorism programme. Seven (7) risks identified as high point to such need for improvement. The policy environment with regards to fraud and its management also requires review to close gaps identified. This will therefore avert the likelihood of misappropriation of funds by senior officers in contravention of the Penal Code.

Examination Centres Inspections

Cambridge Assessment International Examinations (Cambridge International) conducts annual inspections for conduct of the Botswana General Certificate in Secondary Education (BGCSE) and Cambridge examinations. This exercise is undertaken as a complement to the accreditation process of the BGCSE qualification as well as to protect Cambridge interests in terms of ensuring that due process is complied with in the conduct of Cambridge examinations. For the 2019 examination series inspections also covered the Junior Certificate examination (JCE) and Primary School Leaving Examinations (PSLE). In total 31 centres were inspected.

Cambridge Inspections

In terms of the number and percentage of ratings, the outcomes of the inspections conducted between 2015 and 2019 are summarised in Figure 1.

For the 2019 examination series there was a reduction in centres that were rated Completely Satisfactory. This was attributable to minor omissions by the invigilation teams. There was a significant increase in centres with Satisfactory with minor points rating as compared to previous years.

The high ratings observed for BGCSE are attributable to the fact that senior secondary schools have been inspected regularly for years by BEC employees as well as Cambridge inspectors and have therefore benefited from improvement recommendations provided post inspection. For lower levels this has not been the case.

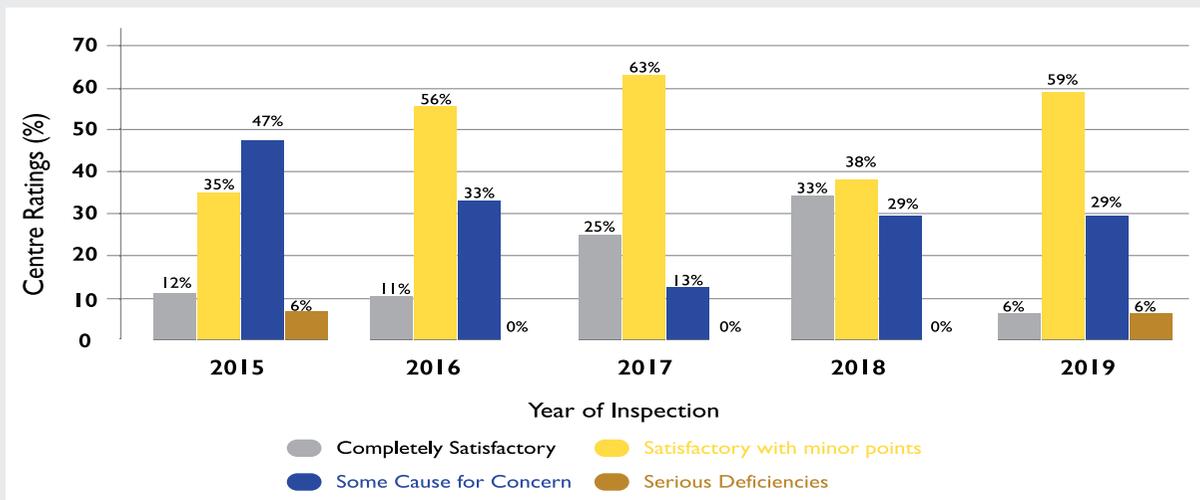


Figure 1: Summary of Cambridge Internation inspections 2015 - 2019

● ● **BEC 2019/20 STRATEGY PERFORMANCE**

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OVERVIEW OF PERFORMANCE BY PERSPECTIVE	P 016
SUSTAINABILITY AND RESOURCES PERSPECTIVE	P 017
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BEC STRATEGY PERFORMANCE

The BEC Strategy was concluded in 2019/20, therefore performance analysis reported under this year is unique because it reports attainment of the Organisation Vision the strategy was driving. The overview of performance will be over the entire period of the strategy (2014 – 2020). The strategy was also preparing for the BEC transition to the expanded mandate. Attainment of the vision and challenges presented thus give a clear indication of BEC overall preparedness for the transition period

BEC STRATEGY PERFORMANCE

The BEC 2014-2019 strategy was approved for implementation by the BEC Council in 2013. The strategy contained the goals which BEC had to implement to achieve the vision “To be a provider of accessible and globally competitive qualifications” by 2018/2019. Annual review of the strategy had been undertaken since its inception including a comprehensive Mid-Term Review in April 2017.

In 2019, the Board made a decision to extend the life of the strategy to 2019/2020 financial year, to allow for the organisational re-design and due diligence studies of the BEC Transformation Project to be finalised. Output from the two studies was seen as critical to the development of a long term vision for BEC. As a result of the extension, the performance analysis is from financial year 2014/2015 to financial year 2019/2020.

The strategy was developed in line with the Balanced Scorecard Institute’s (BSI) “Nine Steps to Success” methodology for strategy development adopted by BEC in 2013. To deliver on the vision of being a Provider of accessible and globally competitive qualifications, along its four perspectives, the Council set out nine strategic objectives, which were increased to ten following the mid-term review of the strategy. These were:

1. Customer/Stakeholder Perspective

- Improve Competitiveness & Relevance of Our Qualifications

2. Sustainability & Resources Perspective

- Improve Financial Performance

3. Efficiency & Effectiveness Perspective

- Improve Assessment Services
- Improve Business Processes
- Increase Access to Products and Services
- Improve Stakeholder Engagement

4. Capacity & Capability Perspective

- Improve Use of Technology
- Improve Knowledge Skills and Organisational re-design
- Improve Work Environment
- Improve Governance

The performance analysis that follows is therefore based on BEC performance against the four Perspectives for the period between 1st July 2014 and 31st March 2020.

STRATEGY PERFORMANCE OVERVIEW

The vision established by the Council as set out in the Strategic Plan was ambitious and far reaching. The performance against the vision was measured through the competitiveness index whose target was set at 65% and measured at 78.28%, giving a positive variance of 13.82%, which meant that BEC achieved its established vision.

1. The competitiveness index was derived from a set of variables determined through various studies such as Customer Satisfaction Survey, Stakeholder Satisfaction Survey, Survey on Competitiveness and Relevance, Market Survey, Examinations Security and Comparability Studies with Cambridge.

2. In general, the stakeholders indicated that they were satisfied with BEC products and services but raised some issues that required improvement. These were later incorporated in the subsequent strategy.

3. As reflected by Figure 2 in terms of implementation of Strategic Initiatives, BEC completed 45.56% with 36.67% on-going. The majority of the on-going initiatives were long-term by nature. Lastly, 17.77% were not implemented due to various limitations, including budget which had remained constant over the period of the strategy.

OVERVIEW OF PERFORMANCE BY PERSPECTIVES

CUSTOMER/STAKEHOLDER PERSPECTIVE

The purpose and outcome of this perspective was to reflect the value creation to the customer through the BEC mission. Therefore the strategic objectives driving this perspective directly linked to the Customer Value Proposition established and provided an indication on attainment of the vision.

Strategic initiatives driving the objectives of this perspective are thus research studies.

BEC established the following Vision which shaped the strategic direction of the organisation:

VISION: To be a provider of accessible and globally competitive qualifications.

To measure attainment of this strategic direction, a Strategic Objective of Improve Competitiveness and Relevance of Qualifications was established. The measure of success for this objective was a Competitive Index, set at 65% and was measured at 78.28%, translating to a positive variance of 13.82% as shown in Figure 3.

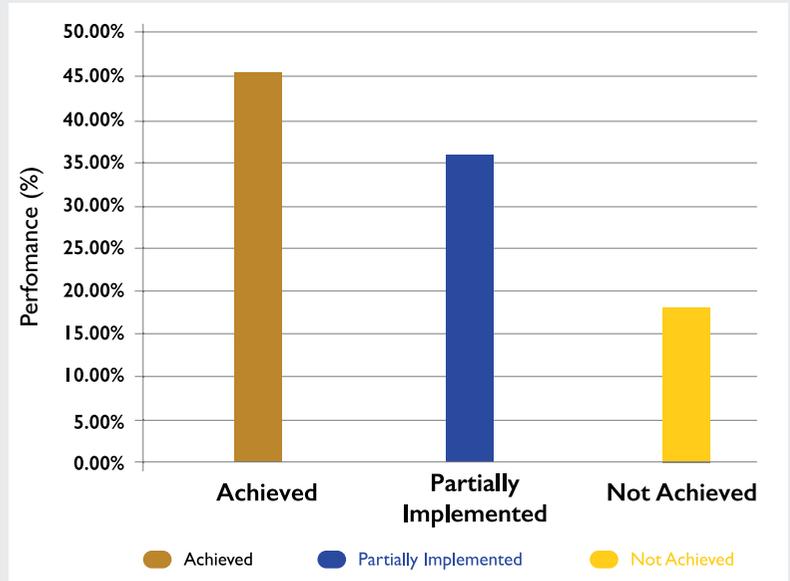


Figure 2: Initiative Implementation

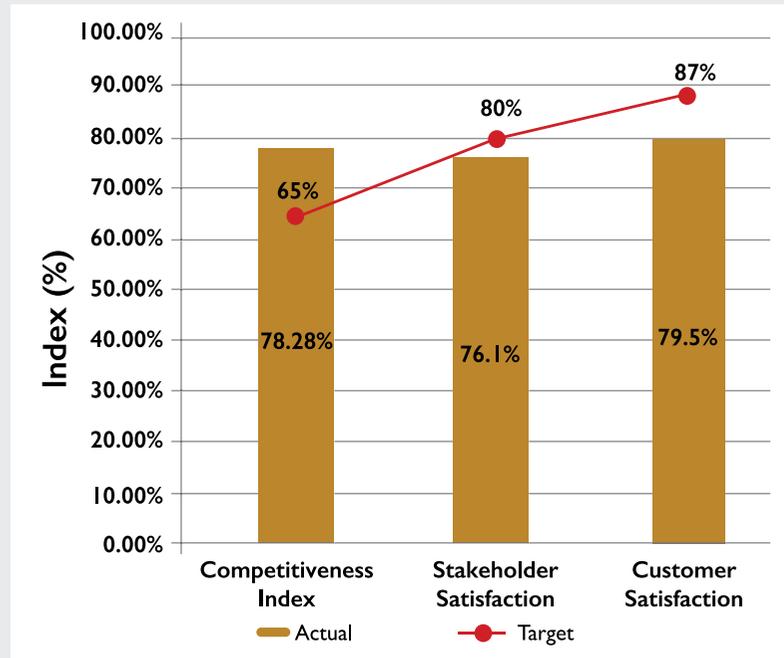


Figure 3: Competitive Index

To determine the competitiveness and relevance of BEC qualifications, a number of studies were conducted. The studies used to produce indices of competitiveness and relevance of BEC as an assessment body were as follows:

- Customer Satisfaction Survey - the study generated an index on external customer satisfaction. The index was found to be 79.48%.
- Stakeholder Satisfaction Survey - the study generated two indices; one was an index for overall stakeholder satisfaction and the other was an index measuring BEC's relevance to vocational and tertiary institutions. Indices obtained were 75.74% and 75.61% respectively.
- Stakeholder Perceptions on Examinations Security - the study generated an index on security of standardised examinations which was found to be 80.50%.
- Market Survey - the study generated an index on private schools market share and it was found to be 63.00%.
- Comparability of Standards - the study generated an index on standard of examinations with respect to Cambridge International standards and it was found to be 99.00%.

The above achievements show that the BEC had exceeded the set target for its 5 year strategy (2014-2020).

SUSTAINABILITY & RESOURCES PERSPECTIVE

The strategic objective of this perspective was to improve financial performance with a reduction in the cost structure and increased revenue.

Through this objective, the goal was to achieve improved financial reporting, minimal budget variances, product-based funding, reduced wastage and increased financial discipline. The annual targets for the budget variance were not always met as a result of variance between Government funding and the Council's operational requirements as shown by Table 4.

ORGANISATIONAL EFFICIENCY & EFFECTIVENESS PERSPECTIVE

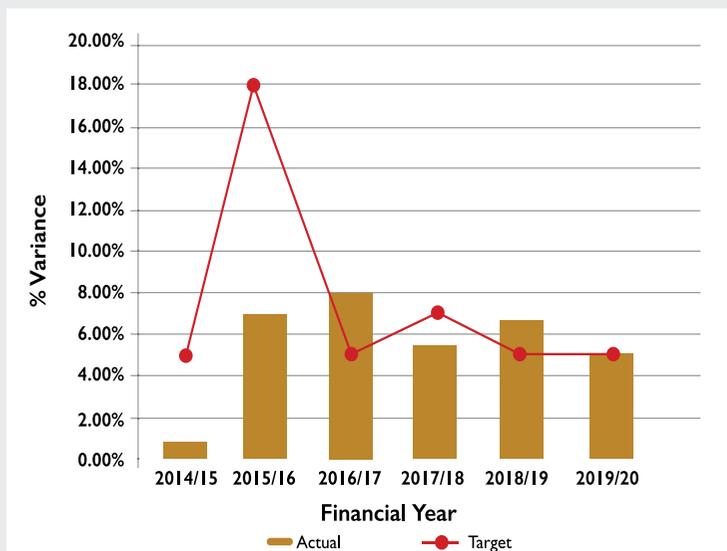


Figure 4: Budget Variance

Financial Year	BEC Requested Budget in BWP	Ministry Approved Budget in BWP	Actual Expenditure in BWP	(Deficit)/Surplus for the year (BWP)	Accumulated Deficit (BWP)
2019/20	258,471,527	235,872,990	331,451,769	(28,249,756)	(61,478,091)
2018/19	264,642,552	226,082,540	279,533,218	7 237 926	(33 228 335)
2017/18	259,324,595	226,082,540	280,343,289	(3 447 951)	(40 466 261)
2016/17	249,492,901	226,082,540	281,317,507	(6 160 547)	(37 018 310)
2015/16	281,240,229	203,697,200	271,162,289	(2 798 162)	(30 587 763)
2014/15	228,835,242	194, 568,372	244,780,199	(9 891 007)	(28 059 601)

Table 3: Approved Funding Vs Operational Requirements

This perspective focused on improving productivity in the business operations. To achieve that, the organisation identified business processes to excel in to satisfy the needs of customers and stakeholders. There were four strategic objectives identified which represented those processes. These were *“Improve Assessment Services”*, *“Improve Business Processes”*, *“Increase Access to Products and Services”* and *“Improve Stakeholder Engagement”*

A considerable amount of work had been undertaken since 2014 to provide timely, reliable, fair, relevant, error free products and services that adhered to quality standards. As indicated by some of the quality performance indicators the errors on the examinations papers never exceeded five (5) against a tolerance of 0 errors and there was a consistent 95% compliance to assessment products and standards and 98% in 2019/20 against a target of 100%. Some of the initiatives that were completed included implementation of examinations processes and procedures, improvement of security measures at examination centres, continual implementation and monitoring of recommendations from Cambridge Assessment International Education (Cambridge) Report and the development of the National Policy on Assessment of General Education and Technical and Vocational Education and Training (TVET) in preparation for implementation of the transformation agenda.

There were a number of initiatives that commenced during implementation of the strategy and were still on-going by the end of the plan period. These constituted 36.67% that were still ongoing by 31st March 2020. Majority of these were initiatives that related to the education sector reforms such as National Human Resource Development Strategy (NHRDS), Education and Training Sector Strategic Plan (ETSSP), National Credit and Qualifications Framework (NCQF) and would be instrumental in attainment of the BEC transformation agenda.

These initiatives were:

- Development of assessment programmes for adults and other category of learners (ECE, OSEC and ABEP)
- Development of Assessment Programmes for TVET
- Establishment of the TVET function at BEC
- Development of General Education qualifications aligned to General Education Curriculum and Assessment Framework (GECFAF) and National Credit and Qualifications Framework (NCQF)
- Development of Botswana Educational Achievement Monitor (BEAM),
- Development of BEC Assessment Policy
- Development of Assessment Regulations

The main implementation challenges experienced during the period of the plan was human resource constraints due to competing business operations. It is expected that these initiatives would continue in the next strategy.

In an effort to improve quality on all other processes BEC established a Quality Management System (QMS) in line with the 9001 ISO standards. It was during planning period that BEC got ISO Certified against the 9001:2008 Standard, and by the end of the strategy, transition to the 2015 standard was on-going.

Other initiatives that improved productivity included integrated planning, which resulted in implementation of initiatives through the managing by projects (project management) approach and Business Process Management. The roll-out plan for the rest of the processes had been developed for implementation in the subsequent strategy. Some of the performance indicators of the level of productivity and efficiency were the level of Compliance to plans which was consistently above 70% as reflected in [Figure 5](#).

The negative variance from initiatives implementation was largely a result of insufficient resourcing of the strategy and the budget prioritisation that was skewed towards the examination cycle. This impacted implementation of the strategic projects negatively. To improve alignment of budgeting and strategy, it was decided to develop and implement a budgeting and planning framework to be implemented in the next strategy.

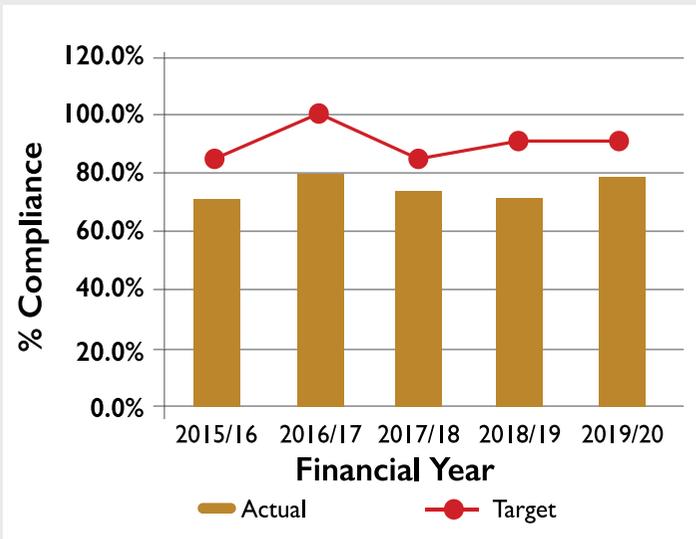


Figure 5: Compliance to Plans

Improving accessibility to BEC products and services is of paramount importance to the BEC mission. Therefore the previous strategy made deliberate efforts to improve processes that created better access. The initiatives implemented over the period of the strategy that were towards improving the uptake of BEC Qualifications and the percentage number of candidates accessing BEC products and services were:

- To conduct Studies to determine Inclusivity in BEC Products and Services (Needs Assessment Survey)
- To conduct Market Review of pricing of products and services
- Execution of Online Registration
- Development and partial implementation of the marketing strategy.

Even though the market share study indicated a 63% market share for the BEC products and services, the performance of private schools uptake indicate that they preferred competing qualifications, hence a continual performance below the target. A continuous decline was recorded from 2015/16-2017/18. This resulted in the conduct of a Needs Assessment and Market Studies to identify specific needs and gaps of the targeted market. By 31st March 2020 the study was completed and recommendations were considered. The outcome of these studies would provide guidance in the development of subsequent strategic plans.

Furthermore, to better understand stakeholder needs, improve collaboration and relationships, as well as corporate image, the organisation developed and implemented a Corporate Communications Strategy, Stakeholder Engagement Plan, Recommendations from the Stakeholder Satisfaction Survey Reports that did not require funding, and the toll-free line. As shown in Figure 6, these resulted in recorded media reports below the target.

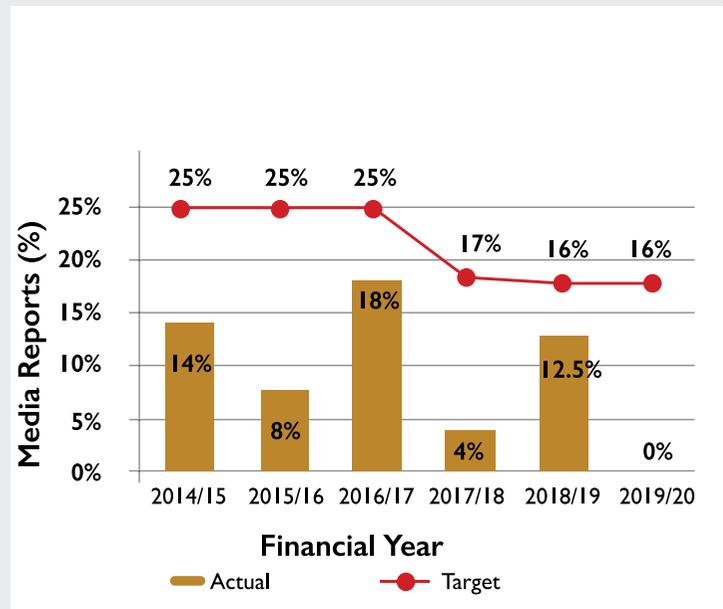


Figure 6: Negative Media Reports on BEC

The latest results, for 2019/20, was recorded at 0% coming down from the 12.5% in 2018/19 which was due to the negative media reporting as a result of the impasse between examiners and the Council, a challenge that had since been addressed through stakeholder engagements and the Review of Procedures for Recruitment of Examination Personnel.

The organisation however, has not been able to implement all the initiatives that were intended to improve stakeholder engagement by 31st March 2020. It is hoped that these will be implemented in the next strategic plans. Examples include, setting up a Service Centre for the entire organisation (Customer Relationship Management System).

CAPACITY & CAPABILITY PERSPECTIVE

To excel in processes and to leverage on available resources, the organisation identified capacities to improve on and these were represented by the following strategic objectives; *Improve Use of Technology; Improve Knowledge Skills and Organisational re-design; Improve Work Environment and Improve Governance.*

To improve the use of technology BEC completed implementation of Botswana National Examinations Processing System I (BNEPS I) Malepa where all the examination levels were processed through the examination processing system. BNEPS II commenced at the beginning of the strategy and it focused on improving efficiencies through implementation of the Business Processing Management (BPM) on the core (examinations related) processes, Information Assurance (ISO 27001:2013) on the examinations related processes and Electronic Document and Records Management System (EDRMS). Only the BPM was completed by end of the planning period.

Furthermore, automation of critical processes, IT Upgrades, and training on various ICT Systems was carried out however acquiring of systems such as the Business Intelligence, Strategy and PMS Management and E-marking were not possible mainly due inadequate funding. To reflect success, one of the indicators was security breaches represented in [Figure 7](#), which started with a zero (0) tolerance limit target and was exceeded by (two) 2 as a result of the malware attacks beyond the control of the Council. The tolerance limit for security breaches was increased to (two) 2 and over (two) 2 years it was successfully recorded at zero (0) except for 2018/19.

Improving knowledge and skills was one of the areas adversely affected by the inadequate budget which had a contrary effect on the outcome the Council had aimed of achieving a diverse, skilled and innovative workforce. One of the main areas of concern was the inadequate training budget to up skill employees. This was corroborated by the results from the employee satisfaction survey which

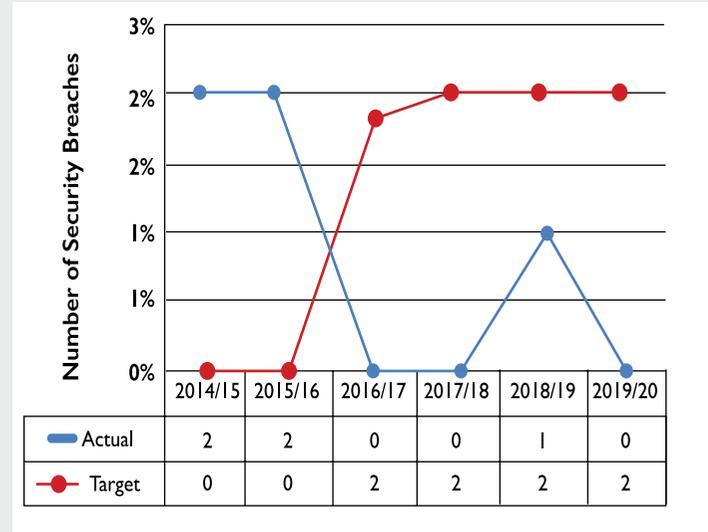


Figure 7: Number of Security Breaches

was recorded at 60.91% during 2018/19 from the 59.7% of the preceeding year. Despite a lower staff satisfaction level, the staff turnover never exceeded 3% over the entire period of the strategy except for 2019/20 which recorded 6.7% staff turnover due to high number of retirements and end of contracts. The freezing of recruitment for some positions as a result of budget constraints and allowing for implementation of the new organisational structure resulted in increased workload for the affected business functions.

By the end of the strategic plan, the organisational redesign exercise had been completed with the structure and recommendations approved by the Board for implementation. Consultations and change management implementation had commenced in preparation for implementation.

Other key initiatives were the Review of Procedures for Recruitment of Examination Personnel which is expected to address challenges experienced with the Contracted Employees (Examiners) in relation to remuneration for services rendered and working conditions, implementation of these are expected in the next strategy.

A conducive working environment is one of the elements that improves the capability to effectively deliver the processes and in an effort to improve work environment, BEC implemented the following initiatives among many

that were planned over the period of the strategy. These were the development and implementation of the Change Management framework and Strategy which had been assimilated into the operations by end of the plan period; facilities improvement which could not be done to the desired level as the resources were inadequate; the development and implementation of the facilities standards (OHSAS-18001 Standards) which could not start as the resources were not adequate however priority was given to the ISO 9001:2015 standards with a plan to implement OHSAS-18001 in the subsequent strategy; there was development and limited implementation of the safety, health and wellness programme due to resource constraints. Despite resources constraint that affected implementation of most interventions that improves the work environment, BEC managed to control and manage the leave plans which were initially at a high cost to the organisation as a result of unclaimed leave days, as reflected by Figure 8.

The average annual leave days in 2019/20 was recorded at 28.7 days against a targeted 16, this had increased from the 11.15 days recorded for 2018/19. It is expected that maintaining the average leave days to the required statutory 16 days, the Council will improve the employee work-life balance and general well-being.

As a way of improving corporate governance, BEC had adopted the King IV Code of Corporate Governance which laid down solid ground for availability of solid internal controls, compliance to the internal controls and sound governance principles with integrated Enterprise wide Risk Management. There was great progress attained over the plan period as the Governance framework was developed resulting in annual Shareholder Compact, Board Charter, Enterprise Risk Management Framework, as well as various policies such as the Whistle Blowing and Quality Policy among others. A policy Vetting Committee was established to oversee the policy development process and had commenced executing its role. Subsequently, BEC established the compliance universe during financial year 2019/20, in line with Principle 13 of the King IV Code of Corporate Governance which prescribes governance of compliance to applicable laws and adopted non-binding rules, codes and standards in a way that supports the organisation being ethical and a good corporate citizen.

Resource constraints did not allow BEC to fully build corporate governance capacity as intended and one of the areas affected was the Board Evaluation and corporate governance training for certain roles in the organisation. Internal resources and PEEPA services were utilised where possible to close capacity gaps in this area.

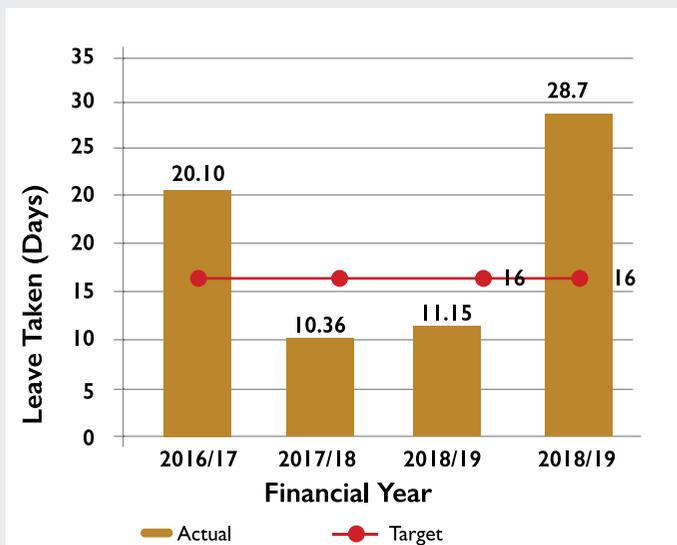


Figure 8: Average Annual Leave Taken

● ● **BEC OUTREACH AND ENGAGEMENTS**

BEC INTERACTS WITH EXTERNAL STAKEHOLDERS	P 023
10TH ANNUAL BHRDS CAREER FAIR AND CLINICS	P 024
BEC ASSISTS MALETE LAND BOARD TO DEVELOP SMS SELF SERVICE PLATFORM	P 025
BEC JOINS NKANGE JSS AS THEY CELEBRATES 30 YEARS OF EXISTENCE	P 026
THE COUNCIL BIDS FAREWELL TO RETIRING BOARD MEMBERS	P 027
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BEC INTERACTS WITH EXTERNAL STAKEHOLDERS



Professor Peter Rule delivering a keynote address at the 2019 SAAEA conference.



Outgoing SAAEA Chairperson Dr. Mafu Rakometsi, inaugurating Prof. Brian Mokopagkosi who assumed the SAAEA chairpersonship.

One of the notable highlights during the year under review was successful the hosting of the 13th Southern Africa Association for Educational Assessment (SAAEA) Conference which was held from the 19th to 22nd May 2019 by Botswana Examinations Council (BEC). SAAEA was established primarily to provide a platform for examinations and assessment developers and administrators, curriculum specialists and researchers to exchange ideas and good practices of conduct of educational assessment within the Southern Africa Development Community (SADC) sub-region. It is a network of examination bodies in Southern Africa. Member countries are Botswana, Lesotho, South Africa, Swaziland, Namibia, Zimbabwe, Zambia, Malawi and Tanzania.

The 13th SAAEA conference was held under the theme "QUALITY ASSESSMENT IN AN ERA OF EDUCATIONAL REFORMS," and was officially opened by the then Assistant Minister of Basic Education, Honourable Thato Kwerepe. Delivering his speech, Hon. Kwerepe highlighted the importance of the chosen theme saying it was crucial especially in Africa as all countries are aspiring to transform their economies into knowledge based economies. "To attain their aspirations, countries would have to transform their education systems so

that they equip their learners with 21st century skills" he asserted.

Delivering his keynote address, Professor Peter Rule, who made a presentation on Assessment and the Question of Quality; Towards Sustainable Assessment for Lifelong Learning and Systematic Learning, said it was paramount for assessment to be valid, reliable, sustainable, critical and fair. "If quality education was to be attained, educationists needed to appreciate that quality education depends on quality assessment even though quality assessment was not a sufficient condition for quality education" he added. The conference also featured round table discussions on the topic of Cost Effective Assessment which were chaired by Professor John Volmink, Dr. Michael Chilala and Dr. Olefile Molwane. A total of forty five (45) abstracts were presented. The conference was attended by 198 delegates from over 14 countries. One of the achievements from the Conference was the publishing of a selection of articles from the 2019 SAAEA Conference.

The Conference Local Organising Committee (LOC) Chairperson, Dr. Moreetsi Thobega hailed the conference as a success. He expressed his heartfelt appreciation to the LOC for their dedication in ensuring that everything went well. He also expressed his gratitude to stakeholders,

presenters and authors who presented papers at the conference. He also expressed gratitude to local and international sponsors that supported the conference," he said. The companies included - RM Results (United Kingdom), DRS (United Kingdom), Benchmark (South Africa), Cambridge International Education (United Kingdom), Stephen Austin (United Kingdom), Botswana Educational Research Association (Botswana), CSX (South Africa), Smith and Ouzman (United Kingdom), and Botosoft (United Kingdom), Higer.

10TH ANNUAL BHRDS CAREER FAIR AND CLINICS



BEC officers providing certifications services to students at the BHRDS fair in Francistown.

During the year under review, Botswana Examinations Council participated at the 10th Annual Botswana Human Resource Development Skills (BHRDS) Fair and Career Clinics. The fairs held in Francistown from 6th to the 8th of March, 2019, in Maun from the 12th to the 13th March, 2019 and the final leg in Gaborone from the 25th to the 29th March 2019.

This career fair provides an opportunity for key stakeholders to share information and guide potential

tertiary education students to make informed career decisions.

The 2019-2020 BHRDS Career Fair was themed 'Career guidance A gateway towards diversifying Botswana's Economy - 10 years and beyond'. In his Official Opening remarks, the then Minister of Tertiary Education, Research, Science and Technology Honorable Thapelo Olopeng stated that the theme came at an opportune time when Botswana was being repositioned to transform from a resource based to a knowledge based economy. He also asserted that Government was also about to announce a team to drive the National Transformation Strategy, through which the National Development Agenda would be driven as espoused in the National Vision 2036.

BEC participated in the fair to disseminate information to stakeholders and also provided certification services as some of the participating Education and Training Institutions were receiving applications from prospective students during the fair.

BEC would continue in its efforts to take its services to the people by participating in the exhibitions and gatherings that attract its key stakeholders.

BEC ASSISTS MALETE LAND BOARD TO DEVELOP SMS SELF SERVICE PLATFORM



Maletse Land Board representatives during their meeting with BEC management.

In line with its Corporate Social Responsibility (CSR) Policy, the BEC assisted Maletse Land Board to roll out a Short Message Service (SMS) self-service platform. The objective of the SMS platform was to assist Maletse Land Board in disseminating information to its stakeholders, reduce turnaround times and facilitate the ease of doing business. BEC has developed an SMS system that is used by students to access their results. The system is also being used by Ministry of Basic Education to disseminate information on Form Four admissions.

The Land Board delegation led by the Secretary Ms. Roselyn Kedimotse subsequently visited the BEC to express their appreciation. The delegation informed the BEC that assistance rendered by the Council earned them the Ministry's "Best Innovative Theme" award and best Land Board in the country.

For his part, the Chief Executive Officer, Professor Brian Mokopakgosi expressed pleasure on behalf of the Management and staff of the BEC to have played a role in assisting the Maletse Land Board with the development of the self-service system.

The Chief Executive Officer assured the Maletse Land Board that BEC will always be available to offer them technical support for this project.

BEC JOINS NKANGE JSS AS THEY CELEBRATES 30 YEARS OF EXISTENCE



Professor Brian Mokopakgosi presenting Ndibo Zwebathu with a laptop. Zwebathu, a former student at Nkange JSS obtained a merit in her 2018 JCE examinations



Nkange JSS School Head Mr. K.O. Mphuthe addressing the audience during the prize-giving ceremony.

The Botswana Examinations Council has once again shown commitment to its efforts to encourage excellence by awarding students who do well in their studies.

During the year under review, BEC joined Nkange Junior Secondary School as it celebrated 30th Anniversary in a joint ceremony that also featured the school's prize giving on 6th September, 2019. The celebrations were held under the theme 'Stakeholder participation: Towards Delivering a 21st Century Learner' where the Botswana Examinations Council Chief Executive Officer Professor Brian Mokopakgosi gave a keynote address. Mokopakgosi in his speech noted that this was in sync with the motto of the Ministry of Basic Education 'Delivering the 21st Century Learner'. "The world has since come to the realisation that there is an important role stakeholder can play to produce the kind of learner that can help us realise the economic transformation we all so desire," emphasised Mokopakgosi. He added that BEC contributes directly to the National Human Resource Development Strategy and it will continue to do so to help the nation participate in the fourth Industrial Revolution in order to achieve the status of high-income economy by the year 2036.

Mokopakgosi further stated that celebrating 30 years

provides a rare opportunity to seriously and honestly introspect about how the school had performed over this period and carefully identify strategies to sustain and improve performance. Mokopakgosi also awarded a prize to the school's former student who was the school's best performer for JCE in 2018 Ndibo Zwebathu. She obtained a Merit pass for her Junior Certificate Examination (JCE). The Chief Executive Officer presented her with a laptop from Botswana Examinations Council. He also personally donated P2,000.00 (Two Thousand Pula) from his pocket to the school. He also unveiled the 30th Anniversary plaque in commemoration of the day.

One of the event organisers and Alumni, Mr. Cheneso Maphorisa thanked BEC for participating in their celebrations. He said BEC was an important stakeholder in the education system. He added that together with others of his counterparts sponsored prize-giving ceremonies as a way of giving back to the school.

Giving his remarks, the School Head Mr. K.O. Mphuthe lamented that the school was faced with a lot of challenges such as lack of teaching resources, ill-equipped library, dilapidated structures and appealed to the authorities to move swiftly to address the situation. He added that they are battling with issues of indiscipline and substance

abuse in schools. "Today our schools are faced with challenges of substance abuse, teenage pregnancy, indiscipline and other social ills. It is important for parents, teachers, law enforcement agencies and the community to work hand in hand to arrest this situation before it spirals out of control," he pleaded. Mr. Mphuthe thanked his predecessors for their tireless efforts in shaping the school to become what it is today and also praised Alumni for continuing to assist them in times of need.

THE COUNCIL BIDS FAREWELL TO RETIRING BOARD MEMBERS

Thursday 23th January, 2020 will forever be remembered as a historical moment during which the BEC bid farewell to some of its longest serving Board members.

In his welcome remarks the Chief Executive Officer, Professor Brian Mokopakgosi expressed great gratitude to the outgoing Board members for their selfless service to the organisation. He informed those present that when he joined BEC as a Caretaker in October 2013, the organisation was going through some challenges and the Board was always there to assist. To him that showed that they were fully committed to BEC. Mokopakgosi emphasised that the board members helped BEC to be where it is today. "The Council is now going through a Transformation and Parliament has since approved the BEC Act Amendment Bill, and we are grateful for your contribution," he applauded.

In his speech, The Board Chairperson Dr. Joseph Tsonope thanked the outgoing board members for playing a crucial role in shaping the future of BEC by guiding the Transformation project. He highlighted that their final accomplishment under this project was the approval of the BEC Act Amendment Bill, which was a critical enabling instrument in the transformation of BEC into a High Performance Organisation (HPO) with an expanded mandate that included among others, the transfer of assessment and moderation of Technical and Vocational Education and Training (TVET) to the Council. He also added that ISO 9001 certification was also obtained during their term.

The outgoing Board members were, Dr. Gaelebale Nnunu Tsheko who served as the BEC Board Vice Chairperson. Dr. Tsheko was also the Deputy Chairperson for the Board Executive Committee, Chairperson for the



Outgoing Board members pictured during a farewell dinner held in their honour.

Research Committee. She chaired the Examinations Committee and was also a member of Final Awards Committee. Dr. Daniel Tau was member of the Executive Committee and chaired the Human Resource and Procurement Committees. Ms. Daisy Molefhi served in the Procurement and Examinations Committees, while Dr. Raphael Dingalo served on Human Resource and Procurement Committees. Mr. Simon Coles was a member of the Research Committee, while Mr. Nassim Miller was a member of the Examinations Committee.

Dr. Daniel Tau as the longest serving member of the BEC board extended his gratitude to the BEC Board members and staff members for entrusting them with the delivery of the BEC mandate. He informed the guests that some of them were there at the inception of the Botswana Examinations Council, and therefore, were part of the foundation and it was such an invaluable experience.

BEC DONATIONS IMPROVE MANTSHWABISI'S SPORTING RESULTS



Mantshwabisi Primary School sports committee expressed gratitude to the sports equipment donation.



Sports Committee Mr. Kaelo Kgaswane briefing BEC visitors on how the donations have improved students' lives at their school.

Botswana Examinations Council followed up on its 2017 Corporate Social Responsibility Project at the Mantshwabisi Primary School.

During the visit, the BEC team met with the Sports Committee led by the Chairman Mr. Kaelo Kgaswane.

In his welcome remarks, Mr. Kgaswane informed the visitors that they were gratified to see their donors checking on their project after three years of its inception. Kgaswane said that through the donations from BEC, Mantshwabisi Primary School saw a massive improvement and development in sports especially in volleyball and football. He reported that the major achievement at the school during the past two years was a decline in dropouts, and they believe this was due to students being attracted to sports as teachers engage them even on weekends.

Kgaswane reported that at the National Mini Volleyball competitions, which were held in Selibe Phikwe in 2017, the boys' volleyball team reached semi-finals and finished in position four out of six schools. He continued by saying that in 2018 Mantshwabisi Primary School participated in Botswana Primary School Sports Association (BOPSSA) up to National level where three football players were selected to contest at Nationals in Gaborone and scooped position one.

To add on to their accolades Mantshwabisi Primary School football coach, Mr. Maruping was nominated for level one Development in Football Course that was conducted by Botswana Football Association (BFA). He further reported that in 2019 the volleyball team assembled a strong team that participated in the BOPSSA National Competitions. Three volleyball male players from the school were nominated for Nationals held in Maun and one volleyball female player also formed part of the regional team in Maun. The boys' volleyball team scooped position one.

They expressed gratitude to Botswana Examinations Council for their efforts and generosity. "Our school is outperforming many schools in sports thanks to the BEC's donation, and will always acknowledge them", applauded Mr. Sebobi.

Mantshwabisi Primary School sports Committee updated BEC on its new developments. They informed and highlighted that they have introduced Lawn Tennis and Cricket and appealed to BEC to assist the school with Tennis and Cricket equipment. They also expressed a wish that all the classes could have chess equipment, as chess mends learning, thinking, analytical power, and decision-making ability of a child and could also help students in mathematical resolutions.

10TH BEC ANNUAL EXCELLENCE AWARDS



His Honour The Vice President Slumber Tsogwane presenting a cheque to the 2018 Golden Star Anthony Howard.



The then Assistant Minister of Basic Education, Hon. Thato Kwerepe presenting an Award to BGCSE Special Needs recipient-Visual Impairment Katlo Galefete.

The Annual Excellence Awards of the BEC reached 10 years in 2019.

Having started as a relatively small event in 2009, it was not long before the event attracted recognition from the Office of the President (OP), the then Ministry of Education and Skills Development (MoESD) now the Ministry of Basic Education (MoBE), and the private sector; a partnership that lasts to date. The Excellence Awards are meant to celebrate excelling students and to motivate their peers going forward.

This year's event was held at St Joseph's College where recipients and guests were treated to some glitz and glamour deserving of a decade long celebration. The Chief Executive Officer of Botswana Examinations Council, Professor Brian Mokopagosi described the event as premier and applauded the tenth stars for their notable excellence. "You deserve recognition and congratulations for doing exceptionally well" Mokopagosi emphasised. The CEO went on to express delight for the fact that there had been a slight improvement over the years, and credited the Top Achievers profiling magazine for being a big motivating tool. He urged all to read the fascinating stories carried on the booklet about the 'Top Achievers' to learn what it takes for one to succeed.

His Honour the Vice President of the Republic of Botswana Mr. Slumber Tsogwane who officiated at the event on behalf

of His Excellency the President of the Republic of Botswana Dr. Mokgweetsi Eric Keabetswe Masisi, commended BEC and MoBE for successfully hosting the event annually without a gap year. He said the event provided an opportunity to dialogue on all aspects of education. The Vice President went on to say the recipients were an example between hard work and reward. "My humble advice is that you should receive the honour with humility as you have achieved it with the help of many others around you" he commended.

Anthony Howard was this year recipient of the Golden Star award. The St. Josephs College product was described as a hard worker, and a pleasure to work with by his Deputy School Head Mr. Herbert Setume, who also heaped praise on the school's internal processes and policies. Mr. Setume said they were very honoured to have produced a product that would be envied by both the local and international communities.

The event was made possible by immeasurable support from private sector and government departments, amongst them Botswana Television (Btv) who provided live coverage of the event, Stanbic Bank, Debswana, Dimension Data, Oasis Motel, Human Resource Development Council of Botswana (HRDCB), Collegium, Botswana Prisons Services, Waygard Security (Pty) Ltd, Ranos Pictures, Public Procurement and Asset Disposal Board (PPADB) and Global Printers.

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Work on the system-wide reforms brought about through the Education and Training Sector Strategic Plan (ETSSP) continued to occupy greater space in the education landscape. The BEC continued to receive and work on feedback on the draft National Policy on Assessment (NAP) from the various government ministries. Work towards development of Assessment programmes for the Senior Secondary education commenced following receipt of draft programmes from the department of Curriculum Development & Evaluation (CD&E). The BEC and CD&E also worked jointly on the plan for designing the school based assessment system which is intended to replace the current Primary School Leaving Examination (PSLE).

In July 2019, BEC officers from the Directorates of Examination Administration & Certification and Product Development & Standards attended the annual Cambridge seminar which was on the assessment of “AS and Higher School Leaving Qualifications”. The seminar came timely for Botswana as the provision of the qualification is in the pipeline for the country as reflected in the General Education Curriculum & Assessment Framework (GECAF).

2019 EXAMINATIONS

ASSESSMENT SYLLABUSES

The revision of some of the current BGCSE syllabuses which includes Agriculture, Literature in English, English language & Religious Education at BGCSE which commenced in 2017 had to be terminated as the development of the corresponding OBE syllabuses were gaining momentum throughout the year with a hope of being implemented in 2021.

However, not much was achieved with the OBE syllabuses as the Ministry of Basic Education now realised that they were resource intensive. They could not all be implemented in all schools at the same time, hence a phased-in approach was adopted.

DEVELOPMENT OF ASSESSMENT MATERIALS

The development of assessment materials at all examination levels utilised the question paper development structures used internationally. Cambridge International continued to moderate the BGCSE question papers and also conducted reviews on the quality of marking and quality of final printed papers. The latter followed an agreement in which Cambridge reduced the number of reviews on question papers to two and BEC had to do the finalisation and also source its own printers. Timelines for exchange of assessment materials between the two organisations also continued to be a challenge for BEC despite efforts taken in the previous year to release the development officers from other Council assignments.

BEC also continued to develop the Standard 4 Attainment Tests in the three syllabuses of Mathematics, English and Setswana. Pilot testing of Multiple Choice components was conducted for PSLE and JCE, but this time around greater care was exercised to avoid over representation in the sample. Hence the JCE involved a total of 40 schools and the pilot was conducted from 07– 15 October 2019. The PSLE pilot was conducted from 06 - 17 September 2019 on a refined sample of 48 schools.

TRAINING

BEC continued to conduct workshops for the three BGCSE Home Economics syllabuses which were examined for the first time in 2018. Cambridge International conducted four training sessions in 2019 and 2020. These were on Moderation, Grading, Levels of Response Marking for Religious Education and Development of Assessment Syllabuses for Outcomes Based Education (OBE). In another effort, BEC conducted an examiner training session which targeted unemployed graduate teachers so as to reduce dependency on the practicing teachers.

A group of four Senior Product Development Officers was enrolled on a nine week online professional development course on “Introducing Assessment Practice.” Two of them completed the course and were awarded certificates of participation. The officers reported that the course was very helpful especially with regards to the current developments at Senior Secondary education level.

2019 EXAMINATIONS

The 2019 examinations cycle mainly involved three qualifications; PSLE, JCE and BGCSE that BEC offers. In addition to the three qualifications BEC also produced 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, Educational Testing Services (ETS) as well as aptitude tests to technical colleges in Botswana.

REGISTRATION

The BEC conducted registration of both centres and candidates in the 2019 examinations year at the three school

examination levels. PSLE government schools continued to register using Optical Mark Reader (OMR) entry forms while PSLE private schools and all JCE and BGCSE moved on to full online registration.

CANDIDATURE

The 2019 PSLE was administered to 47518 candidates. This was an increase of 2.34% from the 2018 candidature. At JCE, 41048 sat the examinations compared to 41063 in 2018. While at BGCSE the examinations were administered to 36508 candidates, an increase of 12.44% from the 2018 candidature. The candidature included government school candidates, private school candidates and private candidates.

Examination level	Total candidature	School candidates	Private candidates	No. of Centres
PSLE	47 518	44 659	2 859	830
JCE	41 048	38 608	2 440	245
BGCSE	36 508	21 130	15 378	76
IGCSE, AS & A level	2164	-	2164	2
University of London	25	-	25	1
Educational Testing Services	88	-	88	1

Table 4: Summary of the 2019 Candidature

EXAMINATIONS ADMINISTERED

The BEC administered examinations at primary school, junior secondary school and at senior secondary school levels for 53 local and international syllabuses through 139 papers, these were mainly at general education level. There were also other examinations for local and external institutions which cater for a diverse clientele at TVET and tertiary education level. Table 5 that follows shows the different examinations administered and the personnel used.

Examination level	No. of syllabi	No. of components	No. of question papers administered	No. of invigilators
PSLE	7	9	426,430	-
JCE	17	50	855,300	97 (for BEC private centres only)
BGCSE	29	80	539,809	97 (for BEC private centres only)
IGCSE, AS & A level	84	249	8,184	26
University of London	43	48	54	4
Educational Testing Services	2	6	88	6

Table 5: Number of the Syllabi, Components, Question papers administered and Invigilators

MARKING AND MODERATION

The marking of written papers and moderation of coursework was conducted using practicing teachers who were recruited through a competitive process. Examiners were engaged to mark written and practical examinations while moderators were engaged to validate the marking of school-based assessment. Multiple-choice papers were scored through optical mark reader scanners. In total, 1,070,046 scripts were marked by 4,432 examiners across the three examination levels.

Examination level	No. of examiners	No. of moderators	No. of examiners trained	No. of scripts marked
PSLE	1,103	-	-	138,662
JCE	2,030	419	-	514,702
BGCSE	1,299	173	232	416,682
Total	4,432	592	-	1,070,046

Table 6: Examination personnel engaged and the number of scripts marked

CANDIDATES WITH SPECIAL NEEDS

Access and Equity

In its endeavour to give equal opportunity to all candidates, BEC catered for candidates with special needs through the access arrangements and special consideration procedures. BEC caters for candidates with learning difficulties, visual impairment, hearing impairment, physical disabilities, intellectual/multiple disabilities and those with medical conditions. Candidates with long-term disabilities and those with challenging conditions were catered for through special arrangements and those who sat examinations through adverse conditions were given special considerations during examinations processing. For this period, 21 candidates at PSLE, 29 at JCE and 53 at BGCSE were granted special consideration.

ACCESS ARRANGEMENT	NO. OF CANDIDATES AT EACH EXAMINATION LEVEL		
	PSLE	JCE	BGCSE
Modified papers	375	456	10
Extra-time	626	805	274
Enlarged print	35	52	33
Reader	484	547	70
Separate room	678	1,061	288
Braille	678	11	7
Assistive Technology Devices	11	2	0
Rest breaks	69	74	51
Oral Response/ Writer/Scribe	455	455	81
Preferential sitting	5	3	-
Sign language interpreter	22	-	-
Exemptions from Listening Comprehension (Deaf & hard of Hearing)	-	14	-
Practical assistant	-	-	-
Coloured paper	-	3	-
Alternative to practical	-	43	-

Table 7: Summary of applications for access arrangements

CERTIFICATES ISSUED

In the 2019 examinations cycle the BEC issued certificates for the 2018 examinations at PSLE, JCE and BGCSE. Table 8 shows the number of certificates issued at each level.

	PSLE	JCE	BGCSE
No. of Certificates issued	46,414	40,307	32,390

Table 8: Number of certificate issued

GRADING

BEC continued to use standards based grading procedures, that is; the Angoff procedure at PSLE and a combination of judgement & statistical evidence at JCE and BGCSE. Key stakeholders continued to participate in the grading process at all examination levels. These were primary school teachers for PSLE, Principal Examiners, Curriculum Development & Evaluation, Ministry of Basic Education, Botswana Open University and Ba Isago University for JCE and BGCSE. Cambridge International participated in the BGCSE grading session as required by the accreditation agreement. The pieces of evidence used in validating awarding decisions at BGCSE included the use of Syllabus Pairs Comparisons from the 2018 examination, a comparability study of BGCSE English Language against IGCSE English Language and the changes in forecast grades.

In an effort to improve on the results release dates for JCE and BGCSE, the organisation decided to run the grading sessions in parallel, an effort which bore fruits as the BGCSE results in particular were released two weeks earlier than in the previous year.

2019 EXAMINATION OUTCOMES

PRIMARY SCHOOL LEAVING EXAMINATION (PSLE)

The PSLE is a diagnostic examination across a total of seven syllabuses. To support the diagnostic nature of the examination, each syllabus is divided into domains of learning called Dimensions and grading is conducted at the level of a Dimension. The Dimension grades for each syllabus are then aggregated to obtain a syllabus grade and finally the syllabus grades are aggregated into a qualification grade. The grades available at the three levels (Dimension, Syllabus and Qualification) are on a scale of A to E. Candidates failing to meet the minimum requirements for the lowest grade (E) at any of the levels are unclassified and assigned letter U.

PERFORMANCE AT DIMENSION LEVEL

Candidates' performance at Dimension level was generally similar to that of the previous year across the different syllabuses. The next part of the section gives insights at grades E, C and A as part of the diagnostic information.

GRADE E

The performance at grade E is classified as weak and candidates in this category would have acquired minimal knowledge of the content of the syllabus. Nearly all candidates (> 90%) demonstrated acquisition of minimal knowledge or better, on the content of the various syllabuses as they reached the standard for grade E in all dimensions but this was in exception of the English Language Dimension of "Communication" in which about 13% of the candidates did not meet the minimum requirements for the award of grade E, thus demonstrating that they had not acquired minimal knowledge required.

GRADE C

The performance at grade C is classified as fair and candidates would have a partially developed knowledge and understanding. More than half of the candidates reached a fair level of performance (grade C or better) in all the Dimensions of the different syllabuses except the Dimension of Understanding in Agriculture and in Religious & Moral Education. In other words, for the two syllabuses (Agriculture and Religious & Moral Education), more than half of the candidates failed to demonstrate "Understanding" in the two syllabuses.

GRADE A

The performance at grade A is classified as excellent and candidates would have acquired a sound knowledge with understanding to the extent that they could apply the knowledge to solve new problems. For the content based syllabuses, a small proportion of candidates (<10%) reached grade A in the cognitive dimensions beyond Knowledge whilst for skill based syllabuses like languages, a very small proportion reached grade A in the skill area of Communication.

This observation implies that very few candidates had acquired a sound/excellent knowledge and understanding to the extent that they could apply it to solve new problems.

It was concluded that just like in the previous year, candidates continued to experience challenges in the skill area of Communication in English Language. Across most syllabuses candidates were generally challenged in the Dimensions requiring high order thinking skills (HOTS) but competent at recalling of facts.

SYLLABUS NAME	DIMENSION NAME	GRADE				
		A	B	C	D	E
Setswana	Communication	2.90	21.4	57.9	81.9	93.5
	Knowledge and Understanding	38.4	65.3	83.9	96	100
Mathematics	Application & Reasoning	11.4	27.2	55.6	86.2	98.7
	Computation	4.8	24.7	58.6	84.1	97.6
English	Comprehension	21.9	47.1	71.9	88.8	99.1
	Language use & Communication	18.1	36.2	56.8	73.1	87.4
Science	Application	13.7	22	62.8	94.8	99.1
	Knowledge	17.6	27.4	57.2	85.2	97.2
	Understanding	11.8	18.8	52.1	90.3	98.5
Social Studies	Knowledge	1.6	27.7	36.5	75.7	97.8
	Higher Order Thinking Skills	8.4	26.5	66.6	85.7	99.6
Agriculture	Knowledge	12.3	8.1	59.1	84	96.4
	Understanding	6.2	13.2	37.8	81.1	94
Religious & Moral Ed	Knowledge	13.8	26.2	65.9	87.3	99.6
	Understanding	2	18.9	49.1	87.2	98.8

● Improved ● Declined

Table 9: Performance at Dimension level

PERFORMANCE AT SYLLABUS LEVEL

Most of the syllabuses recorded performance at a level similar to that of the previous year as already observed at Dimension level. However, a decline in performance was recorded in Mathematics largely due to the pronounced decline in the Dimension of "Application & Reasoning". On the other hand Agriculture recorded improvement due to improvement in both Dimensions. Nearly all candidates (> 90%) met the minimum requirement for the award of a grade in all syllabuses even though the proportion for Agriculture remained relatively low.

PERFORMANCE AT QUALIFICATION LEVEL

The outcome at qualification level showed very small improvement but insignificant change which is consistent with performance observed generally at syllabus level. Just like in the previous year, all candidates were eventually awarded a qualification grade.

GRADE	Cumulative Percentage
A	20.8
B	38.9
C	74.4
D	93.6
D	100.0

Table 10: Overall Performance at PSLE

MERIT	A	B	C	D	E	F	U
No. at Grade	3	485	4 198	9 799	13 085	5 436	5 579
Cum.%	0.0	1.3	12.1	37.5	71.5	85.5	100.0

Table 1: Performance at JCE Qualification Level

JUNIOR CERTIFICATE EXAMINATION (JCE)

The main purpose of the JCE is to select candidates proceeding to senior secondary school level. Assessment is based on sixteen syllabuses comprising of Core and Options of which candidates sit a minimum of 9 but are graded using only 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

Minimum requirements for the award of a syllabus grade (Grade E or better)

The proportion of candidates who satisfied the minimum requirements for the award of a syllabus grade (grade E or better) was at the same level as that of the previous year in all syllabuses except for Religious Education and Mathematics where performance significantly improved and declined respectively. Despite the fact that performance was similar to that of the previous year in exception of the two syllabuses stated, it ought to be noted that the proportion of candidates who failed to meet the minimum requirements for the award of a grade remains worrisome. For instance, more than 10% of the candidates failed to reach the minimum requirements for grade E in twelve of the sixteen syllabuses.

PERFORMANCE AT QUALIFICATION LEVEL

Overall performance was at the same level as that of the previous year despite slight differences at syllabus level. This is to be expected as the aggregation from syllabus to qualification level does not follow a linear route.

Only three candidates were awarded a Merit pass compared to six in the previous year whilst about 14%, just like in the previous year, failed to meet the requirements for the award of a JCE qualification.

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 a 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 which 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 two broad groups of Core and Optional. The optional group is further divided into 4 subgroups as follows:

- Sciences
- Humanities and Social Sciences
- Creative, Technical & Vocational
- Enrichment

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

CORE SYLLABUSES (SETSWANA, ENGLISH LANGUAGE, MATHEMATICS)

In this subgroup of syllabuses, nearly all candidates were awarded a grade in Setswana and English Language, whilst in Mathematics about 8% were not awarded a grade as they were assigned letter U just like in the previous year. However, a significant improvement in the syllabus was recorded at grade E or better and grade C or better suggesting that the

cohort was of better quality compared to that of the previous year. It is notable however, that candidates continued to be challenged by the Mathematics syllabus compared to the other two core syllabuses. This is reflected by the lowest performance of about 60% at grade E or better whilst the other two syllabuses recorded over 90% at the same grade.

	Grade G or better	Grade E or better	Grade C or better
English Language	99.9	95.7	18.5
Setswana	99.8	94.1	34.8
Mathematics	92.2	59.7	34.2

 Improved
  Declined

Table 12: Core syllabuses at BGCSE

Science Syllabuses

The performance of candidates in Science Double Award had slight variations but generally was at the same level as that of the previous year across grades. For Science Single Award, performance improved significantly at grades G or better and at grades E or better. The positive achievement at grade G or better reduced the proportion of those candidates who were assigned letter U by about 2% from the previous year.

The Seperate Sciences

Of the three syllabuses; Biology, Chemistry and Physics, performance of candidates across grades G and E was at the same level as that of the previous year. For grade C or better, the performance in Physics improved significantly as candidates demonstrated strengths in physics practical skills whilst for Biology performance declined owing to weaknesses in Biology practical skills. The only logical explanation of the situation observed could be that candidates were exposed to different learning experiences as both syllabuses are taken by the same group of candidates.

	Grade G or better	Grade E or better	Grade C or better
Science Single Award	93.7	33.3	3.2
Science Double Award	96.6	53.3	20.4
Chemistry	100	99.9	90.6
Physics	99.8	97.3	76.4
Biology	99.9	97.9	73.5

 Improved
  Declined

Table 13: Science Syllabuses at BGCSE

Humanities And Social Sciences

All syllabuses in the subgroup (including History) recorded less than 10% of candidates who were Ungraded. For the syllabuses that recorded the same level of performance as that of the previous year at grade E or better, two of them, (History and Geography) recorded significant decline at grade C implying that the quality of the 2019 cohort was lower than that of the 2018 cohort.

It is worth noting that, within this subgroup of syllabuses, Social Studies recorded significant improvements at Grades E and C which was attributed to improved performance in the skill area of Application of which the previous year's cohort was deemed much weaker.

In the case of Literature in English, it ought to be noted that the number of candidates involved in both years was too small for any meaningful comparisons.

	Grade G or better	Grade E or better	Grade C or better
History	91.6	66.5	34.8
Geography	97.3	71.1	27.2
Social Studies	96.8	74.7	34.1
Development Studies	97.9	76.8	33.4
Literature in English	95.9	88.1	67.1

● Improved ● Declined

Table 14: Humanities and Social Sciences at BGCSE

CREATIVE, TECHNICAL & VOCATIONAL

Business Syllabuses

Commerce remained the most popular of the three (3) business syllabuses and also recorded a significant improvement at grades E or better and at grades C or better. Unlike in the previous year, Accounting recorded a significant decline in performance at lower grades whilst Business Studies, on the other hand, showed significant improvement at grades G or better and at grades C or better.

The Home Economics Syllabuses

Of the three (3) syllabuses, Food and Nutrition was the most improved with significant changes at grades E or better and at grades C or better. Home Management remained at the same level of performance as in the previous year whilst Fashion and Fabrics improved significantly at grade C or better, suggesting a better quality cohort.

Other Syllabuses in the Subgroup

The three (3) syllabuses, Agriculture, Art & Design and Design & Technology recorded the same level of performance as in the previous year even through Agriculture showed significant improvement at grade E or better.

	Grade G or better	Grade E or better	Grade C or better
Commerce	97.9	67.2	20.3
Accounting	96.8	83.5	60.9
Business Studies	92.5	63.3	31.5
Computer Studies	99.8	93.4	53.9
Design & Technology	99.9	96.0	42.3
Art & Design	99.9	98.6	66.4
Agriculture	99.3	87.2	38.2
Food & Nutrition	99.9	75.3	29.3
Fashion & Fabrics	95.3	70.7	29.3
Home Management	99.6	90.5	47.5

 Improved
  Declined

Table 15: Creative, Technical & Vocational Syllabuses at BGCSE

Enrichment Syllabuses

Nearly all candidates who entered for each of the syllabuses in this subgroup were graded. Performance in Physical Education across grades was at the same level as that of the previous year.

Music

The size of the cohort for this syllabus was too small (less than 200 candidates) and its composition also fluctuates across years. Therefore, performance information on the syllabus should be interpreted with caution.

Religious Education

A significant improvement was recorded at Grade E or better and further at C or better. However, it ought to be noted that the syllabus continued to record the lowest level of performance in the subgroup as indicated by more than 10% of candidates failing to achieve Grade E or better whilst the other two syllabuses recorded less than 6% of candidates in the same category.

	Grade G or better	Grade E or better	Grade C or better
Physical Education	99.9	98.1	49.4
Religious Education	99.9	88.8	32.2
Music	100	94.6	51.1

 Improved
  Declined

Table 16: Enrichment syllabuses at BGCSE

Worth noting from performance at syllabus level is that the two syllabuses of Mathematics and History continued to record the highest proportion of candidates assigned letter U.

OVERALL PERFORMANCE

This category of performance is based on the best six syllabuses for a candidate. The proportion of candidates who achieved grade G or better in six syllabuses was 97.7 which was very similar to that of the previous year. For those who achieved grade E or better, the proportion was 64.9, which was an improvement of about 4% from the previous year. For grade C or better the proportion was about 21%, which was an improvement of about 4% from the previous year. Overall it was concluded that the cohort was of a better quality than that of the previous year as evidenced by improvements at grades E or better and grade C or better.

OUTSTANDING PERFORMANCE

Eleven (11) from seven (7) centres compared to fifteen (15) from eight (8) centres in the previous year met the criterion for outstanding performance. The top candidate achieved 8A*, 1A and 1B from a total of 10 syllabuses which is slightly lower than the achievement in the previous year where 8A*, 2A and 1B was achieved from 11 syllabuses.

RESEARCH

During the current reporting period, Botswana Examinations Council concluded a five-year strategy that started in 2014. Out of the nine strategic objectives, the Directorate of Research and Policy Development (RPD) research activities were mainly driving the achievement of two strategic objectives during the implementation period. The two were; Improve Competitiveness and Relevance of our Qualifications and Improve Assessment Services. The Directorate led in conducting research studies to either provide strategic measures for attainment of the strategic objectives or provide innovative ideas to improve organisational efficiency towards attainment of the strategic objectives. The studies were carried out cumulatively along the strategy period with the composite measure of competitiveness computed from the indices obtained from the various studies in the final year of strategy. Achievement on the two objectives were as reported below.

IMPROVING ASSESSMENT SERVICES

DEVELOPMENT OF THE BOTSWANA EDUCATIONAL ACHIEVEMENT MONITOR (BEAM)

The Botswana Educational Achievement Monitor (BEAM) is a large scale assessment which aims to guide improvement of quality of education. Botswana has been participating in large scale assessment studies like Trends in International Mathematics and Science Studies (TIMSS), Progress in International Reading Literacy Study (PIRLS) and Southern and Eastern Africa Consortium for Monitoring Educational Quality (SEACMEQ) which all provide the international comparability for our learners. BEAM is a localised version of such studies. It is envisaged that it will provide local context and cover only the curriculum of Botswana education. As a large scale survey many factors relating to opportunity to learn would be investigated and be monitored so as to improve quality of learning outcomes. The project consists of two phases, namely the Pre-Establishment phase and the Development phase.

The **Pre-Establishment** Phase which is the first phase of the project was completed in April 2018. It consisted mainly of stakeholder sensitisation as part of the change management activities and a Needs Assessment survey. The purpose of the Needs Assessment survey was to gather information from stakeholders that would be crucial in determining the key

aspects of the BEAM. For example, subjects and skills to be tested and the levels of education where BEAM would be conducted.

The **Development Phase** of BEAM entails drawing up frameworks of assessment, designing instruments, sampling of schools and students, conducting the pilot survey, linking of students' performance to background variables, report writing and launching the BEAM, as well as capacitating BEC and Ministry of Basic Education (MOBE) staff on processes and procedures necessary for implementing future cycles of BEAM. This phase of the project was awarded to the International Association for the Evaluation of Educational Achievement (IEA) in collaboration with National Foundation for Educational Research (NFER) in November 2019 and were to work closely with BEC staff to build capacity.

TRENDS IN INTERNATIONAL MATHEMATICS AND SCIENCE STUDY (TIMSS) 2015

The National Report of the TIMSS 2015 study has been published into a book that shall be distributed to all BEC Stakeholders. The report provides insightful and invaluable information on learner achievement in Mathematics and Science at grade 9, it also analyses factors that impact teaching and learning in these areas. The report is a must read for educational policy makers, teachers, curriculum developers, educational planners and all other stakeholders interested in improvements in the education sector and the transformation of Botswana into a knowledge-based society. It can be accessed on BEC website: www.bec.co.bw

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

The Botswana Examinations Council hosted the 13th Conference of the Southern Africa Association for Educational Assessment (SAAEA) from the 19th to 22nd May 2019 at the Gaborone International Convention Centre (GICC), Botswana. The Conference theme and subthemes were as follows;

Main Theme: Quality Assessment in an Era of Educational Reforms

I. Using learner performance for accountability purposes: Implications for teaching, learning and awarding decisions.

2. Multiple pathways systems and assessment of learners
3. Assessment in an ever changing Information and Communications Technology environment
4. Achieving equity and inclusivity in assessment for differentiated learner groups and environments
5. Policy Issues: Access to assessment data and information
6. Using examination feedback to support engaging learning environments

The conference was attended by one hundred and ninety-eight (198) delegates from countries listed in [Table 17](#) and forty-five (45) papers covering various themes were presented.

The Assistant Minister of Basic Education, Honourable Thato Kwerepe officially opened the Conference on Monday 20th May 2019. Other dignitaries invited to the opening ceremony included President of SAAEA, Executive Committee of SAAEA, President of the Association of Educational Assessment in Africa (AEAA), Permanent Secretary in the Ministry of Basic Education, Members of BEC Council, BEC Executive Secretary, Chief Executive Officers of other Parastatals, representatives of tertiary institutions in Botswana and delegates from other examination boards.

At the end of the conference, a total of eight (8) papers were taken through a peer-review process and have been published in the Special Issue of the online version of Mosenodi – A Peer Reviewed Journal of the Botswana Educational Research Association (BERA). This was a historic achievement as it was the first time a selection of papers from the SAAEA Conference were published in a peer reviewed journal.

COUNTRY	COUNTRY ATTENDANCE
Botswana	132
India	1
Kenya	1
Lesotho	3
Namibia	4
The Netherlands	1
South Africa	25
Eswatini	6
Tanzania	2
Uganda	5
United Kingdom	7
United States of America	1
Zambia	5
Zimbabwe	5

Table 17: SAAEA 2019 Conference Attendance

INFORMATION AND COMMUNICATIONS TECHNOLOGY

During the year under review ICT did not make any significant procurement. However, ICT assessed ICT Infrastructure with emphasis on user workstations, Peripheral devices, Core Infrastructure, and Software. The outcome of this exercise yielded a State of ICT Infrastructure Report which indicated that the BEC ICT Infrastructure was obsolete and required replacement urgently. The BEC Management presented the report to the BEC Board outlining the extent of obsolescence of the ICT equipment and the associated risks as well as the cost of replacement. The report was also presented to the Ministry of Basic Education (MoBE) Management. The good news is that all parties recognised the need for a replacement exercise and have since made concerted efforts to source funding for such. Ultimately the funding of such a replacement was budgeted for and approved under the BEC Transformation Project. Although the funding was approved the funds have not been released yet. As a result it is envisaged that the ICT equipment replacement exercise would start during the 2020/2021 financial year.

PROCUREMENT OF ICT EQUIPMENT

During the year under review BEC undertook a comprehensive assessment of its ICT infrastructure with emphasis on user workstations, Peripheral devices, Core Infrastructure, and Software. The outcome of this exercise was a State of ICT Infrastructure Report which indicated that the BEC ICT Infrastructure was obsolete and required replacement urgently. The report further outlined the associated risks as well as the cost of replacement. These findings were corroborated by the Transformation Project Due Diligence on Information Technology. This led to a decision for replacement, and concerted efforts to source funding for such were initiated through the BEC Transformation Project and were successful. Ultimately funding was approved under the Mid-term National Development Plan II budget. It is envisaged that the ICT equipment replacement exercise would start during the 2020/21 financial year.

ICT DUE DELIGENCE

ICT participated in the Due Diligence Study to show how it would position itself to support the mandate of the new BEC. The study revealed that ICT needed to reposition itself, refurbish its infrastructure and acquire systems that are strategically aligned and fit the requirements of an organisation that desires to become a High Performance Organisation. The Due Diligence Report was to be reviewed by all key stakeholders and the implementation of the recommendations to start during the financial year 2020/21.

MICROSOFT ENTERPRISE AGREEMENT

In order to benefit from the Microsoft Enterprise Agreement Programme, the BEC renewed its contract with Microsoft Corporation for a further three years. The benefit of going with the programme is to have access to the latest software

that Microsoft releases from time to time. The reason for procuring from Microsoft is that BEC has always been using and continues to use Microsoft products in its server infrastructure as well as other applications. The Enterprise Agreement allows BEC to standardise all its applications to ensure that it is running the same platform on all its devices. The licensing model has a number of benefits including cost savings and simplification of license management by allowing the customer to keep track of license keys. BEC employees are also able to benefit from the programme as they are allowed to purchase Microsoft Office applications at a nominal fee.

OPEN SOURCE SYSTEMS

Although the Microsoft Enterprise Agreement (above) offers cost saving opportunities through licenses consolidation, such is not enough given the gradual reduction of government subvention. In an effort to reduce the cost of licenses the BEC explored the use of open source software. As part of the exploration, the BEC installed and tested the Open Source software in its Training room, including conversion of some Microsoft documents to Open Source documents. The software is currently in use in the Training Room and it is still under observation to ascertain that it works perfectly.

LIMITED COMPUTER FACILITIES

The demand for the use of computer facilities is growing annually and BEC is not always able to meet this demand. This has consequently led to requests to other Government institutions to utilize their computer facilities. During the year under review Botswana University of Agriculture and Natural Resources (BUAN) management was generous enough to grant BEC their space and computing resources for the processing of special needs examinations.

ICT SUPPORT SERVICES

Throughout 2019/20, the BEC ensured that mission critical applications were always up and running and accessible by both internal and external stakeholders. Such applications include but are not limited to Financial Management and Procurement Systems, Human Resources and Payroll, Examination Processing System, Fleet Management System, Library Management System, Email and Internet Services. This is in addition to the workstations, servers and server software and the BEC computer network to enhance communication and collaboration across the organisation. Challenges were experienced as a result of the aging hardware that would sometimes present difficulties during software troubleshooting and installations.

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

1. Electronic Records and Document Management System (ERDMS)

This strategic project was conceptualized to automate the BEC records management processes and to revamp both the website and the intranet. The two were based on dated technology which made their support and maintenance costly and difficult for internal staff. The ERDMS project was split into two sections during implementation to address the Records and the Document aspects of ERDMS separately. The Document Management System, which is the re-design and re-construction of the BEC Website and the BEC Intranet, is at an advanced stage and it is anticipated the duo will be launched before the end of Financial Year 2020/21. The Document Management System will deliver the website, intranet and Microsoft Teams applications on SharePoint. The Microsoft Teams application will be instrumental in the facilitation of online meetings at the BEC after the outbreak of COVID-19. By the time of reporting the Records Management System of the Electronic Document Management System (ERDMS) was at the Procurement Stage.

2. Information Security Management System (ISMS)

Some Information Security Policies developed under the Information Security Management System (ISMS) project were completed. These policies were intended to enhance Confidentiality, Integrity and Availability of the BEC data. Furthermore, the Corporate Risk Register was updated with the ISMS risks. These risks continue to be monitored in line with the Enterprise Risk Management Framework.

3. Business Process Management

The re-engineering of core processes was completed and the Business Process Management (BPM) project was closed in May 2019. The roll-out plan for other processes across Botswana Examinations Council was developed and shall be executed as part of the ISO 9001:2015 Project.

PROCESSING OF THE EXAMINATION RESULTS THROUGH MALEPA

1. Examination Timetable Change

In October 2019 the timetable was affected by the Election date, candidates were informed of timetable changes due to elections. This has been effective in that Individual Private Candidates received personalised SMSs informing them of where they were to sit for their examination as the SMSs were linked to their records in the BEC database.

2. The 2019 SAAEA Website.

The 13th Southern Africa Association for Educational Assessment (SAAEA) conference was held in Gaborone, Botswana from 19th to 22nd May, 2019. In preparation for the Conference, BEC internally developed a dynamic SAAEA 13th Conference website which provided a platform for online registration and payment. The website also included tagging or barcode scanning of participants' name tags as a way of recording their attendance register. The conference was successful and such technology was welcome by delegates as it eased the attendance of the conference.

3. Results Publication

The BEC Website and the SMS communication platforms were used to publish all three categories (PSLE, JCE and BGCSE) of the 2019 results to the BEC stakeholders. This entailed increasing the bandwidth in collaboration with the Internet Service Provider to mitigate against traffic congestion. BEC collaborated with all mobile operators to ensure minimal cost to the client.

HUMAN RESOURCES

The Botswana Examinations Council (BEC) continues to believe that its main source of sustainable competitive advantage is its people. In acknowledging BEC as a knowledge based organisation it must follow that its strategic plan must be deliberate in ensuring that people management is at the center of all things. This part of the report seeks to highlight the BEC’s people management agenda and how it was pursued during the period under review.

THE TRANSFORMATION AGENDA

The BEC has continued to pursue the transformation agenda it set itself during the previous financial year. This is a journey that seeks to establish BEC as a High Performance Organisation (HPO) as well as strategically position it to deliver on its expanded mandate. The Botswana Examinations Council Act was amended in 2019 to mandate the Council to conduct examinations and assessment in respect of Technical and Vocational Education and Training, Out of School Education and Training and Early Childhood Education. This was in addition to its traditional scope of conducting examinations and assessment for Primary School Leaving Examinations, Junior Certificate of Education and Botswana General Certificate of Secondary Education.

In the report for financial year 2018/19 it was reported that the BEC had appointed consultants who were onsite carrying out comprehensive review of the examinations and assessment functions, overall organisation structure, processes and procedures, information technology landscape, legal and governance issues and office environment. The BEC is pleased to report that the Consultants delivered their report and that the Board – after considering it – allowed Management to undertake a consultation exercise. The consultation process – which is currently being carried out - covers the Trade Union, employees, Ministry of Basic Education and other key stakeholders.

This is a transformational project which will affect the way the BEC does its business. It is because of this that it is expected that it will impact on many people management issues such as General Conditions of Service and all other human resources policies. It will also have implications on the skills and competencies required in the new BEC.

DIRECTORATE NAME	APPROVED ESTABLISHMENT	IN POST	VACANT	TURNOVER (2018/19)
Corporate Services	55	47	8	4
Examinations Administration and Certification	46	53	-7	-
Product Development and Standards	45	38	7	7
Human Resource and Records	23	20	3	2
Information and Communication Technology	20	17	3	1
Chief Executive Officer’s Office	20	21	-1	-
Research and Policy Development	16	17	-1	1
	225	213	12	15
	TOTAL	225		

Table 18: Summary of Approved establishment, inpost and vacant post

During the Financial year under review, the BEC lost 15/225 employees and this translates to 6.7% staff turnover rate compared to the previous year's 3.5%. While there seem to be a drastic increase in turnover, it is important to highlight that of the fifteen employees who exited only two resigned while the others either retired or were dismissed. This speaks to the effectiveness of the measures taken over the years to strengthen the BEC's competitiveness in the labour market. On the other hand, while the vacancy rate stands at 5.3%, it is important to note that many of the Council's positions have been filled with employees on short-term contracts as a way of addressing new emerging human resources needs in the organisation. The Council has taken a deliberate decision to freeze recruitment of new employees pending the implementation of the on-going transformation project.

PEOPLE DEVELOPMENT

The inadequate capacity building resulted in some initiatives not being implemented during the plan period. Despite limited training budget provision, BEC committed to training through projects to capacitate execution of approved projects and the long term commitments such as the one with University of Botswana where seventeen (17) Product Development officers were up-skilled with a Measurement Specialist Masters' Program. Majority of HR policies were at consultation stage and were still to be aligned to the revised mandate for implementation in the subsequent strategy, some of these included the Training Policy.

LABOUR RELATIONS

The Management-employee relations has continued to be a positive one. The relationship is continuing to prove its resilience especially during this period of the organisation restructuring. While there have been areas of disagreement the parties have managed to amicably resolve all such.

The Botswana Examinations Council continues to make efforts to maintain a cordial relationship with the Teacher Unions - Botswana Sectors of Educators Trade Union (BOSETU) and Botswana Teacher's Union (BTU). These Unions represent the Examiners interests mainly because most of the Examiners are teachers. It is important to note that Examiners are not BEC employees and as a result their Trade Unions cannot be recognised in the Botswana Examinations Council. It is for this reason that the parties decided to enter into a Memorandum of Understanding (MOU) in September 2017. This MOU created a consultative platform for both parties and the parties continue to take advantage of this platform to discuss issues of mutual interest.

CORPORATE SERVICES

FINANCIAL PERFORMANCE

This Directorate encompasses the services of finance, office services and facilities and procurement. The broad review of the year ended 31st March 2020 is as hereunder:

FINANCE

The key objectives of this unit are prudent financial management that hinges on budget monitoring, provision of management information and compliance to international Financial Reporting Standards (IFRS) and statutes. During the year under review BEC executed its mandate with the limited funding from the Government. BEC received a subvention of P277.9 million and prioritised examinations direct costs over other priorities across the organisation such as restoration of facilities, replacement of obsolete equipment (e.g. computers), staff development and training. The situation is not expected to stabilise any time soon in light of the on-going developments and impact around the world brought about by the COVID-19 pandemic.

PARTICULAR HIGHLIGHTS DURING THE YEAR:

BEC delivered its examinations at a cost of P292.5 million, which exceeded the subvention received by 5.2%. A deficit of P28.2 million was recognised in the income statement. This is solely as a result of a P39 million provision

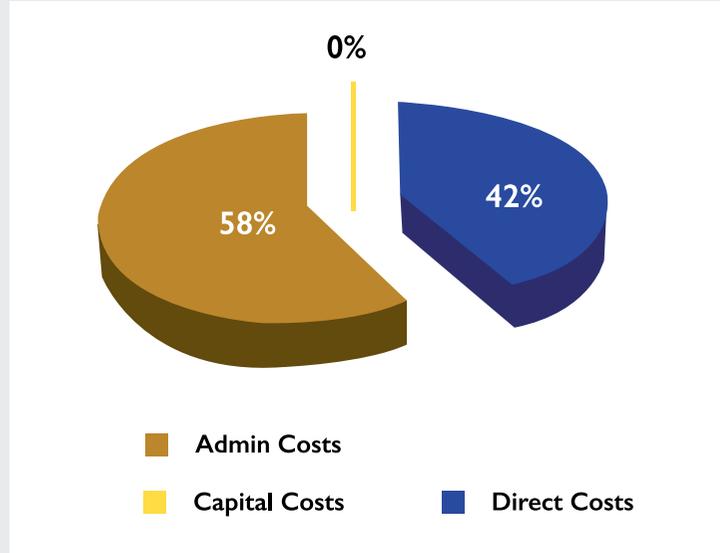


Figure 9: Key Financial Highlights

for restructuring costs in relation to the BEC Transformation Project. This increased BEC deficit which accumulated over the years to P61.5 million.

Total cash and cash equivalents available for the Council was P24 million as at 31st March, 2020 of which P21 million

METRIC NAME	2016	2017	2018	2019	2020
Subvention	248,122,563	256,405,537	252,521,563	260,520,104	277,887,575
Internally generated income	15,521,145	13,563,033	15,596,191	16,182,192	18,766,569
Direct Costs	146,821,981	146,002,403	137,809,220	139,754,295	139,135,206
Admin Costs	124,340,308	135,315,100	142,534,067	139,778,923	192,316,563
Surplus/(Deficit)	(2,798,162)	(6,160,547)	(3,447,951)	7,237,926	(28,249,756)

Metric	2019 Value	% Change
Subvention	277,887,575	↑ 6.7%
Internally Generated income	18,766,569	↑ 16%
Direct Costs	139,135,206	↓ 0.4%
Admin Costs	192,316,563	↑ 37.6%
Surplus/(Deficit)	(28,249,756)	↑ 490.3%

METRIC NAME	REPORT YEAR(2020)	REPORT YEAR (2019)	%CHANGE
Subvention	277,887,575	260,520,104	↑ 6.7%
Internally generated income	18,766,569	16,182,192	↑ 16%
Direct Costs	139,135,206	139,754,295	↓ 0.4%
Admin Costs	192,316,563	139,778,923	↑ 37.6%
Surplus/(Deficit)	(28,249,756)	7,237,926	↓ 490.3%

Table 19: Key BEC financial performance for the past 5 years

related to development project funds. BEC has outstanding liabilities of P33 million, matched against current assets of P35 million. Included in the current assets total is the 2017/2018 financial year outstanding subvention balance of P8.6 million, and should the government default on settling the amount, BEC will fail to service its short term commitments in the next financial year (2020-2021).

OFFICE SERVICES AND FACILITIES

During the year under review, BEC secured marking venues and facilitated examinations administration by way of providing security, transportation and logistics for the distribution of the examinations material. It also ensures adequate storage and disposal of expired material

For the sourcing of venues, for the year ended 31st March, 2020 BEC renovated three Government schools at a cost in excess of P1 million for use as marking venues. A further amount of P6 million was used to provide examination venues for private candidates. During the 2019-2020 financial year, the BEC decided to actively develop infrastructure that would not require marking venues for all examinations levels, through the use of technology such as e-marking. A small e-marking pilot was conducted and it yielded encouraging results.

For the examination registration that commenced in February 2020, BEC managed to successfully transfer two (2) examination centres to Botswana Open University. It is a long standing BEC intention to ultimately stop arranging examination centres but instead perform the accreditation role.

THE BEC FLEET

During the year under review the Council continued operating with an aging fleet of ten (10) to fourteen (14) years old. It should be noted that BEC services a minimum of 1150 examination centres, year on year spread all over the country. It is on the back of this requirement that transport is a constant critical success factor of the Council's mandate. However, it is pleasing to note that the BEC Board of Directors in February 2020 approved a budget provision of P2 million specifically for the replacement of the aged fleet and useful lives of the fleet were also reviewed to a maximum of ten (10) years.

PROCUREMENT

The main objectives for this service are to speedily facilitate procurement of goods and services and to ensure full compliance to the Public Procurement and Asset Disposal Board (PPADB) act and accompanying regulations.

BEC continued to implement proper procurement strategies in order to reduce costs by encouraging competitive bidding and signing contracts with specific deliverables in all significant procurements. BEC also operates an automated procurement system to enable adequate audit trail. It is pleasing to note that ninety percent (90%) of BEC tenders were awarded to local companies, with Economic Diversification Drive (EDD) applied in all tenders throughout the year ended 31st March, 2020.

During the 2019-2020 financial year, BEC consistently implemented all Government initiatives such as reservation and preference schemes in all procurement activities. This included policies such as the Economic Empowerment Policy and lately the Statutory Instrument No.23 of 28th February, 2020. The debriefing process has been made a mandatory procedure for all tenders and as a result, BEC proudly eliminated procurement related queries.

However, BEC still experienced difficulties in finding citizen service providers in the areas of Printing of Examination Material, Printing of Optical Mark Reader (OMR) Forms and ICT related consultancies. It is a matter of high concern that where such procurement activities are available from citizen contractors, the prices are usually exorbitantly higher than the budget estimates resulting in tender cancellation due to inadequate funds. In most of the cases, these exorbitant prices were without any meaningful value addition by citizens, which makes it difficult to justify the high costs.

OUTLOOK

As we move into the 2020/21 financial year, there are two critical factors that are likely to determine the shape and pace of developments at the BEC. These include the level of resources available to the organisation and the way in which the Corona virus develops in Botswana, the region and indeed globally. If not controlled, these may derail the BEC from implementation of its new strategy and transformation into a high performance organisation.

When the financial year came to an end in March 2020, the threat of COVID-19 was becoming a reality in Botswana. In fact, only a month into the new financial year, the country went into its very first coronavirus related lockdown. The signs were already showing that timelines for implementation of major strategic projects were going to be negatively impacted. The timelines for deliverables under the BEC Transformation Project were clearly not going to be met. The threat to the conduct of examinations, core business of the Council, was obvious. Effective management of the pandemic as it evolved was key to any success during the next financial year.

The BEC had been experiencing severe financial challenges over the past few year, and there was no indication that the situation would improve in the near future. Even as the year began, there was still no clarity on whether or not, and at what level, Government would finance the implementation of the new BEC organisational structure. This gloomy situation, occurring in the context of looming budget cuts, created a state of uncertainty for the Council during the New Year.

● ● ANNUAL FINANCIAL STATEMENTS

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THE COUNCIL'S REPORT

For the year ended 31 March 2020

The Council has pleasure in submitting its report and the annual financial statements for the year ended 31 March 2020.

INCORPORATION

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

NATURE OF OPERATIONS

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

FINANCIAL RESULTS AND POSITION

The BEC's financial results and position are reflected in the financial statements set out on pages 073 to 088. The entity employed 223 employees at the reporting date (2019: 226 employees).

Executive Secretary Chairman

Prof. Brian Mokopagosi
Dr Joseph Tsonope

Members of Council

Mrs Ludo Thateng Johwa-Mpundisi	
Ms. Masego Mokubung	(appointed 01 November 2019)
Dr. Olefile Molwane	(appointed 01 November 2019)
Professor Richard Tabulawa	(appointed 01 November 2019)
Dr. Godson Gatsha	(appointed 01 November 2019)
Ms. Ivy Ramalohlanye	(appointed 01 November 2019)
Dr Daniel Tau	(resigned 31 October 2019)
Dr Gaelebale NTsheko	(resigned 31 October 2019)
Mrs Daisy Molefhi	(resigned 31 October 2019)
Mr Nasim Miller	(resigned 31 October 2019)
Mr Tjalebwa Bakang Bagwasi	(resigned 31 October 2019)
Dr Raphael Dingalo	(resigned 31 October 2019)
Mr Simon Coles	(resigned 31 October 2019)

BANKERS



Barclays Bank of Botswana Limited



First Capital Bank Limited



African Banking
Corporation of Botswana
Limited



First National Bank of Botswana
Limited



Stanlib Investment
Management Services
(Proprietary) Limited



Stanbic Bank
Limited Botswana

REGISTERED OFFICE



Plot 54864
KT Motsete Road
Gaborone

AUDITORS



Plot 67977, Off Tlokweng Road
Fairgrounds Office Park
Gaborone

THE COUNCIL'S REPORT (CONTINUED)

For the year ended 31 March 2020

GOING CONCERN

BEC incurred a deficit of P28 249 756 for the year ended 31 March 2020 (2019: surplus of P7 237 926), and as at that date, the current liabilities exceeded current assets by P2 679 718 (2019: P7 861 690) and its total liabilities exceeded its total assets by P61 478 091 (2019: P33 228 335).

The current year expenses include a provision for restructuring costs amounting to P39 million in relation to the BEC Transformation Project which is scheduled for 2022 financial year. On 25 August 2020, funding for the BEC Transformation Project amounting to P102 million was approved by Parliament. The funding will cover the expected restructuring cost recognised at year end.

BEC is dependent on the Ministry of Basic Education for financial and operational support. Management has the mandate to utilise the annual subvention grant received from the Ministry of Basic Education to fund the expenditure incurred in the facilitation and administration of examinations in the country. The Subvention grant approved by the Ministry of Basic Education and expected for the 2020/21 financial year amounts to P232 million. The government is committed to fully support the BEC in the 2020/21 administration of the examinations. Management believes that the approved subvention grant will be sufficient for the Organisation to discharge its examination mandate for the 2020 examinations cycle. Subsequent to the reporting date, the Organisation has received P138 million from the Ministry of Basic Education as per the approved budget. Historically, there is no instance where the approved grant budget has not been honoured and the grant funds were not provided.

Management has prepared a cashflow forecasts for the next twelve-month period ended 30 September 2021 that shows a positive closing cash position. Management is confident of the successful completion of the 2020 examinations cycle, considering its strategy to maximise liquidity and control operational costs.

The Council 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 prepared based on accounting policies applicable to a going concern. 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.

On March 11, 2020, the World Health Organisation declared the Coronavirus COVID-19 outbreak to be a pandemic. The Botswana Government responded to the pandemic by taking stringent steps to help contain the spread of the virus, including stringent movement restrictions, self-isolation/quarantine and social distancing measures. The pandemic is an unprecedented challenge for humanity and for the economy globally, and at the date of finalisation of the financial statements its effects are subject to significant levels of uncertainty.

Due to the advent of COVID-19 pandemic, the resultant lockdown movement-restrictions effected in order to prevent the spread of the virus resulted in significant disruptions to the national school learning calendar and affected student preparation of examinations. As a result, the examinations cycle was moved to a later date during the year to align to the national schools' examinations calendar.

The Organisation has engaged the relevant stakeholders such as the Ministry of Basic Education and COVID-19 task team to formulate a revised plan for the 2020 examinations cycle. Similarly, to align with the COVID-19 protocols, BEC expects to incur extra costs to hire additional venues due to decentralization of moderation and marking activities across COVID -19 zones.

THE COUNCIL'S REPORT (CONTINUED)

For the year ended 31 March 2020

Going concern (continued)

This increase in costs will affect operating deficit/surplus of the Organisation. All other costs are expected to remain at the normal budgeted levels.

The Organisation has already received 50% of the 2020/21 subvention grant for its operations. In the event the Organisation exceeds its forecasted expenditure during the year due to COVID-19 requirements, a special request can be made to the Ministry of Basic Education for additional funding. These special requests for extra funding haven't been denied in the previous years.

While COVID-19 is expected to result in an increase in the operating deficit due to additional expenditure on protective equipment and venue hire, the impact thereof is not expected to affect the Organisation's ability to continue operating into the foreseeable future. The Organisation is mindful of the impact of COVID-19 on future cash inflows and has responded by implementing cost reduction measures such as deferring all non-critical payments for the rest of the financial year. Management is monitoring the situation very closely and the appropriate cost containment decisions will be made if required.

COUNCIL'S RESPONSIBILITY STATEMENT

For the year ended 31 March 2020

The Council 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 at 31 March 2020 and the statements of profit or loss and other comprehensive income, changes in funds and cash flows for the year then ended, and the notes to the financial statements, which include a summary of significant accounting policies in accordance with International Financial Reporting Standards. In addition, Council members are responsible for preparing the council's report.

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

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

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

APPROVAL OF ANNUAL FINANCIAL STATEMENTS

The annual financial statements of Botswana Examinations Council, as identified in the first paragraph, were approved by the Council members on **28th September 2020** and signed on their behalf by:



Chairperson

Dr. Olefile Molwane



Executive Secretary

Prof. Brian Mokopakgosi



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

To the Council Members of Botswana Examinations Council

Opinion

We have audited the financial statements of Botswana Examinations Council (the Organisation) set out on pages 60 to 88, which comprise the statement of financial position at 31 March 2020, and the statement of profit or loss and other comprehensive income, the statement of changes in funds and the statement of cash flows for the year then ended, significant accounting policies and the notes to the financial statements.

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

Basis for opinion

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

Key audit matters

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



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Existence and accuracy of expenses	
Refer to note 1 and accounting policies - Direct costs and administrative expenses	
Key audit matter	How the matter was addressed in our audit
<p>The Botswana Examinations Council is solely responsible for administering exams in Botswana. The majority of expenses are funded by the government through subvention fees.</p> <p>Expenses comprise of direct costs and administrative expenses from facilitating national examinations for the Primary School Leaving Exams (PSLE), Junior Certificate Examinations (JCE) and the Botswana General Certificate of Secondary School Examination (BGCSE). The total expenses incurred during the financial reporting year amounted to P331 451 769.</p> <p>Due to the significant risk associated with expense recognition, the magnitude of the expense balance in the financial statements and the volume of transactions resulting in significant work effort by the audit team, this was considered a key audit matter</p>	<p>Our procedures included:</p> <ul style="list-style-type: none"> • We evaluated internal controls over processing, reviewing, monitoring and authorisation of expenses to ensure that it is in terms of the procurement policy and approved by the appropriate authority levels. • We verified that expenses incurred are in terms of the procurement policy by inspecting the detail of the supporting documentation relating to the sample of expenses selected for testing. In addition, we verified that the supporting document details inspected agreed to the details of the recorded expenses. • We inspected the annual budget approval and monitoring processes to confirm whether any significant variances identified were appropriately authorised. • With the assistance of our information technology specialists, we performed data analytics procedures using payroll records and bank payment data to identify unusual trends and relationships relating to payments made to suppliers and employees. We followed up on exceptions identified through inspecting relevant supporting documentation for a sample to confirm whether they were valid transactions.

Other Information

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

Our opinion on the financial statements does not cover the other information and we do not express 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.

KPMG, a partnership domiciled in Botswana and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

Partners: G Motsamai *AG Devlin **JA Venter
* British **South African
VAT Number: P03623901112



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Responsibilities of the Council members for the Financial Statements

The Council members are responsible for the preparation of the financial statements that give a true and fair view in accordance with International Financial Reporting Standards, and for such internal control as the Council members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Council members are responsible for assessing the Organisation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Council members either intend to liquidate the Organisation or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organisation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Council members.
- Conclude on the appropriateness of the Council members' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organisation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Organisation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



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

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

KPMG

Certified Auditors

Practicing member: Gosego Motsamai (20030026)

Certified Auditor of Public Interest Entity

BAOA Certificate Number CAP 0035 2019

Gaborone

30 September 2020

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 March 2020

IN PULA

	Note	2020	2019
Revenue			
Government subvention		277 887 575	260 520 104
Certification fees		204 403	214 547
Registration fees		18 282 926	15 337 969
Remarking fees		279 240	197 880
		296 654 144	276 270 500
Cost of revenue			
Direct costs		(139 135 206)	(139 754 295)
Gross surplus		157 518 938	136 516 205
Other Income		5 383 352	10 068 848
Administrative expenses		(153 316 563)	(139 778 923)
Restructuring Costs		(39 000 000)	-
Operating (deficit)/(surplus)	1	(29 414 273)	6 806 130
Finance income	2	1 164 517	431 796
(Deficit)/Surplus/ for the year		(28 249 756)	7 237 926

STATEMENT OF FINANCIAL POSITION

at 31 March 2020

IN PULA

	Note	2020	2019
ASSETS			
Non-current assets			
Property and equipment	3	71 089 875	74 533 429
Intangible assets	4	8 539 668	10 655 033
		79 629 543	85 188 462
Current assets			
Inventories	5	1 095 708	1 200 020
Trade and other receivables	6	9 171 686	19 980 780
Cash and cash equivalents	7	24 697 521	11 384 968
		34 964 915	32 565 768
Total assets		114 594 458	117 754 230
FUNDS AND LIABILITIES			
Reserves			
Accumulated deficit		(61 478 091)	(33 228 335)
Non-current liabilities			
Capital grants	8	99 427 916	110 767 168
Restructuring Provision	10	39 000 000	-
		138 427 916	110 767 168
Current liabilities			
Trade and other payables	9	33 040 650	35 926 220
Bank overdraft	7	489 566	26 878
Short term portion of capital grants	8	4 114 417	4 262 229
		37 644 633	40 215 397
Total Funds and liabilities		114 594 458	117 754 230

STATEMENT OF CHANGES IN FUNDS

For the year ended 31 March 2020

IN PULA

	Accumulated Deficit
Balance at 1 April 2018	(40 466 261)
Total surplus for the year	7 237 926
Balance at 31 March 2019	(33 228 335)
Total deficit for the year	(28 249 756)
Balance at 31 March 2020	(61 478 091)

STATEMENT OF CASH FLOWS

For the year ended 31 March 2020

IN PULA

	Note	2020	2019
Cash flows generated from operating activities	11	11 948 616	5 405 334
Investing activities			
Interest received	2	1 164 517	431 796
Purchase of plant and equipment	3	(257 404)	(662 414)
Additions to intangible assets	4	(169 898)	(139 882)
Proceeds from disposal of motor vehicles		164 034	
Net cash generated/(utilised) in investing activities		901 249	(370 500)
Financing activities			
Capital grants received	8	-	5 000 000
Net movement in cash and cash equivalents		12 849 865	10 035 834
Cash and cash equivalents at beginning of year		11 358 090	1 323 256
Cash and cash equivalents at end of year	7	24 207 955	11 358 090

SIGNIFICANT ACCOUNTING POLICIES

For the year ended 31 March 2020

IN PULA

Statement of compliance

Botswana Examinations Council ("BEC") was established under the Botswana Examinations Council Act (No. 11 of 2002) to conduct school and any other examinations for the Ministry of Education and Skills Development and issue certificates in respect of such examinations. Expenses comprise of direct costs and administrative expenses from facilitating national examinations for the Primary School Leaving Exams (PSLE), Junior Certificate Examinations (JCE) and the Botswana General Certificate of Secondary School Examination (BGCSE). The address of its registered office is Plot 54864, KT Motsetse Road, Gaborone, Botswana.

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

These financial statements were approved by the Council members on 28 September 2020.

Basis of preparation

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

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

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

other sources. Actual results may differ from these estimates.

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

Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future years if the revision affects both current and future years. Significant judgements with regards to the application of IFRSs made in the compilation of these financial statements consist mainly of evaluating the residual values, depreciation methods and depreciation rates applied to property and equipment items (per note 3 and the related accounting policy note), evaluating the useful lives of intangible assets (per note 4 and the related accounting policy note), evaluating trade and other receivables for possible impairment (per note 6 and the related accounting policy note), and the calculation and recognition of provisions (per note 10 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.

Property and equipment

Property and equipment is initially measured at cost.

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

Property and equipment subsequent to acquisition is

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

For the year ended 31 March 2020

IN PULA

Property and equipment (Continued)

measured at cost less accumulated depreciation and impairment losses.

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

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

Depreciation

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

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

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

Repairs and maintenance

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

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

Intangible Assets**Software and licenses**

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

Costs associated with maintaining computer software programmes are recognised as an expense in profit or loss as incurred. Costs that are directly associated with the development of identifiable software products controlled by BEC that will probably generate economic benefits beyond one year and for which the costs can be measured reliably, are recognised as intangible assets when the following criteria are met:

- It is technically feasible to complete the software product so that it will be available for use;
- There is an ability to use the software product and;
- It can be demonstrated how the software product will generate probable future economic benefits.

Direct costs include the software development employee costs and other directly related development costs. Costs relating to the acquisition of licences are capitalised and amortised on a straight-line basis over the licence period when available for use.

Subsequent expenditure on capitalised intangible assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised as an expense in profit or loss as incurred.

Amortisation shall begin when the asset is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Amortisation is recognised on a straight-

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

For the year ended 31 March 2020

IN PULA

Intangible Assets (Continued)

line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each annual reporting period, with the effect of any changes in the estimate being accounted for on a prospective basis. The estimated useful lives are as follows:

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

Capital grants

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

Impairment**Financial assets**

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.

Non-financial assets

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

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

Impairment losses recognised in the prior periods are assessed at each reporting date for any indication that these losses have decreased or no longer exist. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

For the year ended 31 March 2020

IN PULA

Non- Financial assets (Continued)

extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation and amortisation, if no impairment was recognised.

Inventories

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

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

Employee benefits**Pension contributions**

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

Short term employee benefits

Employee entitlements to annual leave, bonuses, medical aid, housing benefits and severance benefits are recognised when they accrue to employees and an

accrual is recognised for the estimated liability as a result of services rendered by the employee up to the reporting date. These accruals are calculated at undiscounted amounts based on current wage and salary rates.

Severance benefits

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

Profit sharing and bonus schemes

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

Revenue**Government subventions**

Government subventions are recognised at their fair value where there is reasonable assurance that the subventions will be received and BEC has complied with all required conditions.

These subventions are based on approved expenditure agreed with the Ministry of Basic Education on an annual basis. The annual period to which these subventions relate to agrees to the financial year of BEC.

Subventions relating to costs are deferred and recognised in profit or loss over the period necessary to match them with the costs they are intended to compensate.

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

For the year ended 31 March 2020

IN PULA

Revenue (continued)**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 recognition of revenue is postponed until the significant act is executed.

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

Finance income

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

Income taxes

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

Financial instruments**Initial recognition and measurement**

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, 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.

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

For the year ended 31 March 2020

IN PULA

Financial assets**Classification and subsequent measurement**

The Council has applied IFRS 9 and classifies its financial assets as amortised cost. The classification requirements for debt measured at amortised cost are described below:

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

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

other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss.

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

Measurement methods: Amortised cost and effective interest rate

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

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

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

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with maturities of three months or less from the acquisition date that are subject to an insignificant risk

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

For the year ended 31 March 2020

IN PULA

*Financial assets (continued)**Cash and equivalents (continued)*

of changes in their fair value and are used by the Council in the management of its short-term commitments.

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

Prepayments and deposits

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

Trade receivables

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

Derecognition of financial assets

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

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

Financial liabilities

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

Derecognition of financial liabilities

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

Provisions

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

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

For the year ended 31 March 2020

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Provisions (continued)

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

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

Foreign currencies

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). Transactions conducted in foreign currencies are translated to Pula at the foreign exchange rate ruling at the date of the transaction. Assets and liabilities

denominated in foreign currencies at the reporting date are translated to Pula at the foreign exchange rate ruling at that date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Other operating income

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

Direct costs and administrative expenses

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

Standards and interpretations which became effective during the year

The standards and interpretations which became effective during the year ended 31 March 2020 are summarised as follows:

Standard/Interpretation		Grade C or better
IFRS 16	Leases	No impact on these financial statements
IFRIC 23	Uncertainty over Income Tax Treatments	No impact on these financial statements
Amendments to IFRS 9	Prepayment features with Negative Compensation	No impact on these financial statements
Amendments to IAS 28	Long-term Interests in Associates and Joint Ventures	No impact on these financial statements
Amendments to IAS 19	Plan Amendment, Curtailment or Settlement	No impact on these financial statements
Amendments to IFRSs 3 & 11, IASs 12 & 23	Annual Improvements to IFRSs 2015-2017 Cycle	No impact on these financial statements

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

For the year ended 31 March 2020

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New standards and interpretations not yet effective

The following new standards, amendments to standards and interpretations are not yet effective for the year ended 31 March 2020, and have not been applied in preparing these financial statements.

IFRS 17: Insurance Contracts

IFRS 17 supersedes IFRS 4 Insurance Contracts and aims to increase comparability and transparency about profitability. The new standard introduces a new comprehensive model ("general model") for the recognition and measurement of liabilities arising from insurance contracts. In addition, it includes a simplified approach and modifications to the general measurement model that can be applied in certain circumstances and to specific contracts, such as:

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

Under the new standard, investment components are excluded from insurance revenue and service expenses. Entities can also choose to present the effect of changes in discount rates and other financial risks in profit or loss or other comprehensive income. The new standard includes various new disclosures and requires additional granularity in disclosures to assist users to assess the effects of insurance contracts on the entity's financial statements. The standard is effective for annual periods beginning on or after 1 January 2023. Early adoption is permitted. The standard is not expected to have an impact on the organisation's financial statements.

Amendments to References to Conceptual Framework in IFRS Standards

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

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

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

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

Definition of a Business (Amendments to IFRS 3)

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

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

- Confirm that a business must include inputs and a process, and clarified that: (i) the process must be

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

For the year ended 31 March 2020

IN PULA

Definition of a Business (Amendments to IFR 3) (Continued)

substantive and (ii) the inputs and process must together significantly contribute to creating outputs.

- Narrow the definitions of a business by focusing the definition of outputs on goods and services provided to customers and other income from ordinary activities, rather than on providing dividends or other economic benefits directly to investors or lowering costs; and
- Add a test that makes it easier to conclude that an organisation has acquired a group of assets, rather than a business, if the value of the assets acquired is substantially all concentrated in a single asset or group of similar assets.

The amendments are effective for business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 January 2020 and to asset acquisitions that occur on or after the beginning of that period. Earlier application is permitted. The amendment is not expected to have any impact on the organisation's financial statements.

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

The IASB refined its definition of material to make it easier to understand. It is now aligned across IFRS Standards and the Conceptual Framework.

The changes in Definition of Material (Amendments to IAS 1 and IAS 8) all relate to a revised definition of 'material' which is quoted below from the final amendments.

"Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity."

The Board has also removed the definition of material omissions or misstatements from IAS 8 Accounting

Policies, Changes in Accounting Estimates and Errors.

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

Interest Rate Benchmark Reform (Amendments to IFRS 9, IAS 39 and IFRS 7)

Amendments to IFRS 9, IAS 39 and IFRS 7 have now been issued to address uncertainties related to the ongoing reform of interbank offered rates (IBOR). The amendments provide targeted relief for financial instruments qualifying for hedge accounting in the lead up to IBOR reform.

The amendments address issues affecting financial reporting in the period leading up to IBOR reform, are mandatory and apply to all hedging relationships directly affected by uncertainties related to IBOR reform.

The amendments are effective from 1 January 2020. Early application is permitted. The amendments are not expected to have a significant impact on the financial statements of the organisation.

Classification of liabilities as current or non-current (Amendments to IAS 1)

Under existing IAS 1 requirements, companies classify a liability as current when they do not have an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period. As part of its amendments, the Board has removed the requirement for a right to be unconditional and instead, now requires that a right to defer settlement must have substance and exist at the end of the reporting period.

There is limited guidance on how to determine whether a right has substance and the assessment may require management to exercise interpretive judgement.

The existing requirement to ignore management's intentions or expectations for settling a liability when determining its classification is unchanged. The amendments are to be applied retrospectively from the effective date and are not expected to have a significant

NOTES TO FINANCIAL STATEMENTS

For the year ended 31 March 2020

IN PULA

1 Operating deficit/surplus	2020	2019
The operating (deficit)/surplus is stated after taking into account the following:		
<i>Income</i>		
Unwinding of Government grants	4 114 717	4 262 299
- Capital grants (included in Other income)	7 372 417	4 174 119
- Income grants (included in Revenue) (Note 8)	11 487 134	8 436 418
<i>Expenses</i>		
Auditors' remuneration - Current year	379 320	283 993
Amortisation of intangible assets (Note 4)	2 285 263	2 507 705
Consultancy fees	917 867	159 850
Travel and subsistence allowances	8 086 368	9 246 385
Depreciation (Note 3)	3 672 158	4 354 692
Exchange loss	2 190 697	445 510
Salaries and allowances	100 417 590	98 459 696
Gratuity (Note 9.1)	7 863 442	7 536 079
Leave pay (Note 9.1)	1 204 046	4 914 214
Pension costs – defined contribution plan	7 533 860	7 663 225
Profit on disposal of motor vehicles	135 234	-
Restructuring costs (Note 10)	39 000 000	-
Number of employees	223	226
2 Finance income		
Interest received - bank	1 164 517	431 796

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2020

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3 Property and equipment

	Land and buildings	Motor vehicles	Computer Equipment	Office Equipment	Furniture and Fittings	Total
Cost						
Balance at 1 April 2018	86 163 220	6 622 277	18 256 871	10 751 373	8 042 265	129 836 006
Additions	-	-	662 414	-	-	662 414
Balance at 31 March 2019	86 163 220	6 622 277	18 919 285	10 751 373	8 042 265	130 498 420
Additions	-	-	185 985	-	71 419	257 404
Disposal	-	(288 000)	(46 012)	-	-	(334 012)
Balance at 31 March 2020	86 163 220	6 334 277	19 059 258	10 751 373	8 113 684	130 421 812
Accumulated depreciation						
Balance at 1 April 2018	(14 498 613)	(5 041 688)	(16 691 693)	(10 035 882)	(5 342 423)	(51 610 299)
Charge for the year	(1 723 264)	(508 426)	(1 071 351)	(259 665)	(791 986)	(4 354 692)
Balance at 31 March 2019	(16 221 877)	(5 550 114)	(17 763 044)	(10 295 547)	(6 134 409)	(55 964 991)
Charge for the year	(1 723 264)	(378 436)	(696 393)	(209 244)	(664 821)	(3 672 158)
Disposal	-	259 200	46 012	-	-	305 212
Balance at 31 March 2020	(17 945 141)	(5 669 350)	(18 413 425)	(10 504 791)	(6 799 230)	(59 331 937)
Carrying value at 31 March 2020	68 218 079	664 927	645 833	246 582	1 314 454	71 089 875
Carrying value at 31 March 2019	69 941 343	1 072 163	1 156 241	455 826	1 907 856	74 533 429

Land and buildings comprise of commercial property which is located on Plot 54864 in the Gaborone Administrative District, measuring 1.8501 ha and held under Certificate of Registered Title No. 2423/09 dated 2nd November, 2009. The land and buildings were acquired at an original cost of P85 500 000 under a 50 year state grant lease.

The market value of land and buildings was determined by Real Reach (Pty) Ltd, an external independent valuer, having appropriate recognised professional qualifications and recent experience in the location and category of the property being revalued. The valuation was performed on 04 August 2017. The valuer provides the fair value of the entity's land and buildings at least every three years, however Council members consider the appropriateness of the most recent valuation of land and buildings at each reporting date. The fair value is determined on the open market value which is the price at which the property might reasonably be expected to be sold at the date of the valuation, assuming an arm's length transaction between a willing seller and a willing buyer and that a reasonable period of time is allowed for the disposal of the property and was determined at P122 million (2019: P122 million). The gross replacement value was determined at P132 million (2019: P132 million).

The fair value of the land and buildings was determined in August 2017 and is regarded as appropriate fair value at the reporting date. No significant disruptions occurred between the reporting date and valuation date and therefore the open market value at the valuation date and the financial reporting date is considered to be the same.

NOTES TO FINANCIAL STATEMENTS

For the year ended 31 March 2020

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4 Intangible assets

	BEC Software	BEC Website	BNEPS Licence Fee	BNEPS Programmes	Total
Cost					
Balance at 1 April 2018	3 633 502	380 226	2 355 300	23 429 361	29 798 389
Additions	139 882	-	-	-	139 882
Balance at 31 March 2019	3 773 384	380 226	2 355 300	23 429 361	29 938 271
Additions	169 898	-	-	-	169 898
Balance at 31 March 2020	3 943 282	380 226	2 355 300	23 429 361	30 108 169
Accumulated Depreciation					
Balance at 1 April 2018	(3 246 283)	(380 226)	(2 355 300)	(10 493 724)	(16 755 533)
Charge for the year	(365 947)	-	-	(2 141 758)	(2 507 705)
Balance at 31 March 2019	(3 612 230)	(380 226)	(2 355 300)	(12 935 482)	(19 283 238)
Charge for the year	(143 505)	-	-	(2 141 758)	(2 285 263)
Balance at 31 March 2020	(3 755 735)	(380 226)	(2 355 300)	(15 077 240)	(21 568 501)
Carrying amounts at 31 March 2020	187 547	-	-	8 352 121	8 539 668
Carrying amounts at 31 March 2020	161 154	-	-	10 493 879	10 655 033

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

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

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

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

External

- Economic, social and political environment.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2020

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*Intangible assets (continued)***Internal**

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

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

	2020	2019
5 Inventories		
Consumable stocks - at cost	<u>1 095 708</u>	<u>1 200 020</u>

Inventories are not impaired and there were no write-offs in the current and prior year.

6 Trade and other receivables		
Prepayments	327 230	1 073 358
Trade receivables	8 851 456	18 907 422
	<u>9 178 686</u>	<u>19 980 780</u>

The fair value of receivables is equal to the carrying amounts due to the short-term nature of these balances. Trade receivables include P8 564 116 (2019: P18 564 116) due from the Ministry of Basic Education per note 12.

	2020	2019
7 Cash and cash equivalents		
Cash at bank	15 180 799	8 004 593
Short term deposits	9 514 222	3 377 875
Cash on hand	2 500	2 500
	<u>24 697 521</u>	<u>11 384 968</u>
Bank overdraft	(489 566)	(26 878)
	<u>24 207 955</u>	<u>11 358 090</u>

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

NOTES TO FINANCIAL STATEMENTS

For the year ended 31 March 2020

IN PULA

7 Cash and cash equivalents (Continued)

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

	2020	2019
Cash at bank net of bank overdraft	14 691 233	7 977 715
Short term deposits	9 514 222	3 377 875
Cash on hand	2 500	2 500
	24 207 955	11 358 090

8 Capital Grants

Government grants for intangible assets

Balance at beginning of year	45 555 382	47 073 267
Capital grants received during the year	-	5 000 000
Unwinding of capital grants	(2 195 883)	(2 343 765)
Expenses incurred during the year*	(7 372 716)	(4 174 119)
Balance at end of year	35 986 783	45 555 383

*Expenses incurred relate to project costs that do not meet the recognition criteria for intangible assets. Refer to note 15 for details of projects and related capital commitments.

Capital grants for property and equipment

Balance at beginning of year	67 474 084	71 392 618
Unwinding of capital grants	(1 918 534)	(1 918 534)
Balance at end of year	67 555 550	67 474 084
Total grants at end of year	103 542 333	115 029 467

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

	2020	2019
Short term portion	4 114 417	4 262 299
Long term portion	99 427 916	110 767 168
	103 542 333	115 029 467

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2020

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	2020	2019
9 Trade and other payables		
Trade payables	2 349 041	2 378 331
Accrued expenses	5 974 294	4 467 020
Other payables	1 633 503	2 914 602
Payroll related accruals and Provisions (Note 9.1)	22 251 786	25 897 830
Deferred revenue	832 026	268 437
	33 040 650	35 926 220

9.1 Payroll related accruals

	Gratuity	Legal Fees and Litigation	Leave	Total
Balance at 01 April 2018	11 760 783	4 688 948	11 562 445	28 012 176
Additional provisions during the year	6 590 853	477 481	2 395 063	9 463 397
Reversal of accrual	-	(2 860 405)	-	(2 860 405)
Payments during the year	(7 047 738)	(970 585)	(699 015)	(8 717 338)
Balance at 31 March 2019	11 303 898	1 335 439	13 258 493	25 897 830
Additional accruals during the year	7 863 422	26 680	1 204 046	9 094 148
Reversal of accrual	-	(533 120)	(1 677 493)	(2 210 613)
Payments during the year	(10 124 387)	(405 192)	-	(10 529 579)
Balance at 31 March 2020	9 042 933	423 807	12 785 046	22 251 786

Legal fees and litigation

No payments were made regarding the salary disparity adjustments during the year (2019: P970 585). The residual accrual relating to this liability is P397 127.

A legal dispute from the prior year relating to an unfair dismissal claim of a former employee was settled out of court during the current year. The settlement amounted of P405 192.

In addition, another legal dispute with a former employee regarding wrongful dismissal in the prior year, was dismissed by the court of law in the current year and the related provision of P533 120 was reversed during the year.

The Council is involved in several legal disputes with former employees at the reporting date. The potential loss cannot be reliably determined. Management is of the view no further claims will materialise. The Council is defending these claims.

NOTES TO FINANCIAL STATEMENTS

For the year ended 31 March 2020

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	2020	2019
10 Restructuring provision		
Change for the year	39 000 000	-
Closing balance	39 000 000	-

During the year, the BEC committed to a plan to transformation project to ensure its sustainability. The BEC has obtained the necessary regulatory approvals from its Council Members and the Ministry of Basic Education for the project, timelines and planned expenditure during the year. Following announcement of the plan and informing those impacted, the BEC recognised a restructuring provision of P39 million. Estimated costs are based on the terms of the relevant contracts. The restructuring costs are expected to be paid in the 2021/22 financial reporting year. On 25 August 2020, funding for the BEC Transformation Project amounting to P102 million was approved by Parliament. The funding will adequately cover the expected restructuring costs recognised at year end.

	2020	2019
11 Cash flows generated from operating activities		
Operating (deficit)/surplus	(29 414 273)	6 806 130
Adjustment for:		
Depreciation (Note 3)	3 672 158	4 354 692
Amortisation of intangible assets (Note 4)	2 285 263	2 507 705
Unwinding of capital grants (Note 8)	(11 487 134)	(8 436 418)
Profit on disposal of motor vehicles	(135 234)	-
Restructuring costs	39 000 000	-
Changes in working capital:		
Movement in inventories	104 312	(211 788)
Movement in trade and other receivables	10 809 094	8 637 718
Movement in trade and other payables	(2 885 570)	(8 252 705)
	11 948 616	5 405 334

12 Related party transactions**(a) Transactions with Ministry of Basic Education**

Government subvention revenue		
- Current year receipts	270 514 859	256 345 985
- Unwinding of grants received in prior years	7 372 716	4 174 119
	277 887 575	260 520 104
Capital grants received during the year	-	5 000 000

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2020

IN PULA

12 Related party transactions (continued)

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

	2020	2019
(b) Receivable due from Ministry of Basic Education		
Government subvention	8 564 116	18 564 116

These balances are interest free, unsecured and without any fixed repayment terms.

(c) Key management personnel

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

Management - basic salary	3 770 407	3 360 796
Management - allowances	2 391 238	2 123 751
Management - gratuity and leave pay	5 616 312	2 944 312
Management – total	11 777 957	8 428 759
Sitting allowances – council members	556 879	383 477
	12 334 836	8 812 336

13. 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).

The fair value of cash equivalents, trade and other receivables and trade and other payables approximate their carrying values due to their short-term nature. BEC had no financial assets or liabilities classified at fair value through profit or loss at the current or previous reporting date.

NOTES TO FINANCIAL STATEMENTS

For the year ended 31 March 2020

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13. Fair values (continued)

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

	Financial assets and liabilities		
	Total	Financial assets/ liabilities at amortised cost	Other assets and liabilities
2020			
Assets			
Trade and other receivables	9 171 686	9 171 686	-
Cash and cash equivalents	24 697 521	24 695 021	2 500
	<u>33 869 207</u>	<u>33 866 707</u>	<u>2 500</u>
Liabilities			
Trade and other payables	33 040 650	10 788 864	22 251 786
Bank overdraft	489 566	489 566	-
	<u>33 530 216</u>	<u>11 278 430</u>	<u>22 251 786</u>
2019			
Assets			
Trade and other receivables	19 980 780	19 980 780	-
Cash and cash equivalents	11 384 968	11 382 468	2 500
	<u>31 365 748</u>	<u>31 363 248</u>	<u>2 500</u>
Liabilities			
Trade and other payables	35 926 220	10 028 390	25 897 830
Bank overdraft	26 878	26 878	-
	<u>35 953 098</u>	<u>10 055 268</u>	<u>25 897 830</u>

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2020

IN PULA

14. Financial Instruments

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

The Council members have overall responsibility for the establishment and oversight of the entity's risk management framework.

The entity's risk management policies are established to identify and analyse the risks faced by the entity, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the entity's activities.

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

Interest rate risk

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

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

	2020	2019
Fixed deposits	9 514 222	3 377 875
Call accounts	15 062 376	7 902 718
Bank overdraft	(489 566)	(26 878)
	24 087 032	11 253 715

The following interest rates were applicable during the year:

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

NOTES TO FINANCIAL STATEMENTS

For the year ended 31 March 2020

IN PULA

14. Financial Instruments (continued)**Interest rate risk (continued)**

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

	2020	2019
Fixed deposits	47 571	16 889
Call accounts	75 312	39 514
Bank overdraft	(2 448)	(134)
Net decrease in operating deficit/increase in surplus	<u>120 435</u>	<u>56 269</u>

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

Credit risk

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

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

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

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

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

	2020	2019
Trade receivables	8 844 456	18 907 422
Bank balances	24 695 021	11 382 468
	<u>33 539 477</u>	<u>30 289 890</u>

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2020

IN PULA

14. Financial Instruments (continued)

Interest rate risk (continued)

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

2020	Total	Past due by over 90 days
Trade receivables	8 844 456	8 828 833
	<hr/>	<hr/>
2019		
Trade receivables	18 907 422	18 891 834
	<hr/>	<hr/>

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

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

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

Liquidity risk

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

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

NOTES TO FINANCIAL STATEMENTS

For the year ended 31 March 2020

IN PULA

Financial Instruments (continued)

Liquidity risk (continued)

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

2020	Carrying amount	Contractual cash flows	Within 1 year
Trade payables	2 349 041	(2 349 041)	(2 349 041)
Other payables	8 439 823	(8 439 823)	(8 439 823)
Bank Overdraft	489 566	(489 566)	(489 566)
	<u>11 278 430</u>	<u>(11 278 430)</u>	<u>(11 278 430)</u>

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

Currency risk

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

Dollar and Great British Pound Sterling.

2020	GBP	ZAR	USD	Pula Equivalent
Bank balances	2 584	-	-	38 050

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2020

IN PULA

Financial Instruments (continued)**Currency risk (continued)**

2020	GBP	ZAR	USD	Pula Equivalent
Bank balances	4 150	-	-	58 432
Trade and other payables	-	(472 000)	-	(344 560)
Trade and other payables	-	-	(9 059)	(97 565)
	4 150	(472 000)	(9 059)	(383 693)

An exchange rate of 1 GBP / 14.72 BWP (2019: 1 GBP / 14.08 BWP) was used for the conversion of foreign denominated balances at the reporting date. The organisation had no South African Rand and United states dollar denominated financial instruments on hand at the end of the reporting date. Exchange rates of 1 ZAR / 0.73 BWP, 1 USD/10.77 were used for the conversion of foreign denominated balances at the previous reporting date.

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

	2020	2019
GBP	(3 812)	(5 843)
ZAR	-	34 456
USD	-	9 756
Net increase in operating deficit	(3 812)	38 369

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

15. 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. Total accumulated project expenditure as at the reporting date was P2 515 952 and committed funds at the reporting date amounted to P3 484 048.

The total approved budget for BEAM is P9 954 000. Total accumulated project expenditure as at the reporting date was P2 607 390 and committed funds at the reporting date amounted to P7 346 610.

NOTES TO FINANCIAL STATEMENTS

For the year ended 31 March 2020

IN PULA

Financial Instruments (continued)**Commitments (continued)**

The total approved budget for BEC Transformation Project is P10 000 000. Total accumulated project expenditure as at the reporting date was P7 413 698 and committed funds at the reporting date amounted to P2 586 301.

The Pathways project which is a sub project within the BEC Transformation Project had total accumulated project expenditure as at the reporting date of P2 100 222 and committed funds at the reporting date amounted to P7 899 778.

16. Going concern

BEC incurred a deficit of P28 249 756 for the year ended 31 March 2020 (2019: surplus of P7 237 926), as at that date, the current liabilities exceeded current assets by P2 679 718 (2019: P7 861 690) and its total liabilities exceeded its total assets by P61 478 091 (2019: P33 228 335).

The current year expenses include a provision for restructuring costs amounting to P39 million in relation to the BEC Transformation Project which is scheduled for 2022 financial year. On 25 August 2020, funding for the BEC Transformation Project amounting to P102 million was approved by Parliament. The funding will cover the expected restructuring cost recognised at year end.

BEC is dependent on the Ministry of Basic Education for financial and operational support. Management has the mandate to utilise the annual subvention grant received from the Ministry of Basic Education to fund the expenditure incurred in the facilitation and administration of examinations in the country. The Subvention grant approved by the Ministry of Basic Education and expected for the 2020/21 financial year amounts to P232 million. The government is committed to fully support the BEC in the 2020/21 administration of the examinations. Management believes that the approved subvention grant will be sufficient for the Organisation to discharge its examination mandate for the 2020 examinations cycle. Subsequent to the reporting date, the Organisation has received P138 million from the Ministry of Basic Education as per the approved budget. Historically, there is no instance where the approved grant budget has not been honoured and the grant funds were not provided.

Management has prepared a cashflow forecasts for the next twelve-month period ended 30 September 2021 that shows a positive closing cash position. Management is confident of the successful completion of the 2020 examinations cycle, considering its strategy to maximise liquidity and control operational costs.

The Council 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 prepared based on accounting policies applicable to a going concern. 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.

On March 11, 2020, the World Health Organisation declared the Coronavirus COVID-19 outbreak to be a pandemic. The Botswana Government responded to the pandemic by taking stringent steps to help contain the spread of the virus, including stringent movement restrictions, self-isolation/quarantine and social distancing measures. The pandemic is an unprecedented challenge for humanity and for the economy globally, and at the date of finalisation of the financial statements its effects are subject to significant levels of uncertainty.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2020

IN PULA

16. Going Concern (Continued)

Due to the advent of COVID-19 pandemic, the resultant lockdown movement-restrictions effected in order to prevent the spread of the virus resulted in significant disruptions to the national school learning calendar and affected student preparation of examinations. As a result, the examinations cycle was moved to a later date during the year to align to the national schools' examinations calendar.

The Organisation has engaged the relevant stakeholders such as the Ministry of Basic Education and COVID-19 task team to formulate a revised plan for the 2020 examinations cycle. Similarly, to align with the COVID-19 protocols, BEC expects to incur extra costs to hire additional venues due to decentralization of moderation and marking activities across COVID -19 zones. This increase in costs will affect operating deficit/surplus of the Organisation. All other costs are expected to remain at the normal budgeted levels.

The Organisation has already received 50% of the 2020/21 subvention grant for its operations. In the event the Organisation exceeds its forecasted expenditure during the year due to COVID-19 requirements, a special request can be made to the Ministry of Basic Education for additional funding. These special requests for extra funding have not been denied in the previous years.

While COVID-19 is expected to result in an increase in the operating deficit due to additional expenditure on protective equipment and venue hire, the impact thereof is not expected to affect the Organisation's ability to continue operating into the foreseeable future. The Organisation is mindful of the impact of COVID-19 on future cash inflows and has responded by implementing cost reduction measures such as deferring all non-critical payments for the rest of the financial year. Management is monitoring the situation very closely and the appropriate cost containment decisions will be made if required.

DETAILED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 March 2020

IN PULA

	NOTE	2020	2019
Revenue	1	296 654 144	276 270 500
Cost of revenue			
Direct costs	2	(139 135 206)	(139 754 295)
Gross surplus		157 518 938	136 516 205
Other income	3	5 383 352	10 068 848
Administrative expenses			
Advertising, marketing and publicity		(1 181 833)	(1 376 577)
Association of Educational Assessment in Africa expenses		(38 223)	(72 396)
Amortisation of intangible assets		(2 285 263)	(2 507 705)
Auditors' remuneration		(379 320)	(283 993)
Bank charges		(241 196)	(217 897)
Consultancy fees		(917 867)	(521 423)
Depreciation		(3 672 158)	(4 354 692)
Electricity and water		(1 579 579)	(1 801 270)
Excellence awards		(888 068)	(790 993)
General expenses		(2 368 776)	(201 576)
Hotel and accommodation		(506 389)	(775 406)
Insurance		(1 557 641)	(1 107 617)
Legal fees		277 240	2 182 297
Licenses and subscriptions		(2 238 107)	(2 484 580)
Meals and entertainment expenses		(267 034)	(241 700)
Miscellaneous		(7 672 480)	(4 575 010)
Motor vehicle expenses		(567 383)	(511 739)
Office cleaning and supplies		(967 614)	(727 742)
Printing and stationery		(2 190 996)	(4 185 486)
Recruitment costs		(5 799)	(183 766)
Repairs and maintenance		(5 304 336)	(3 699 359)
Salaries	4	(107 951 450)	(106 028 601)
Security		(1 383 291)	(602 501)
Sitting allowance		(556 879)	(383 477)
Staff welfare		(235 711)	(151 977)
Telephone, courier, freight and postage		(1 662 377)	(729 374)
Trends in International Mathematics and Science Study expenses		(2 359 905)	(306 426)
Training expenses		(1 199 994)	(301 894)
Exchange Loss		(2 190 697)	-
Travel and subsistence allowances		(1 223 437)	(2 836 043)
		(153 316 563)	(139 778 923)
Restructuring costs		(39 000 000)	-
Operating (deficit)/surplus		(29 414 273)	6 806 130

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

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

For the year ended 31 March 2020

IN PULA

	2020	2019
1 Revenue		
Government subvention	277 887 575	260 520 104
Certification fees	204 403	214 547
Registration fees	18 282 926	15 337 969
Remarking fees	279 240	197 880
	296 654 144	276 270 500
2 Direct costs		
Examiners' meals	2 436 688	5 259 263
External examinations fees	20 340 731	21 465 326
Grading and grade review	725 753	794 672
Invigilation fees	36 198 784	31 223 643
Marking fees	49 205 656	50 414 752
Moderation fees	2 629 194	2 762 755
Other examination administration	2 106 597	3 364 871
Printing costs	10 968 255	10 452 430
Setting fees	336 039	283 802
Travel and subsistence allowances	8 081 238	8 885 851
Venue hire costs	6 106 271	4 846 930
	139 135 206	139 754 295
3 Other income		
Unwinding of capital grants	4 114 417	4 262 299
Exchange loss	-	(445 510)
Sale of tender documents	25 375	65 688
Profit on disposal of property, plant and equipment	135 234	-
Sundry income	1 108 326	6 186 371
	5 383 352	10 068 848
4 Salaries		
Acting allowances	1 209 602	1 068 514
Management salary, allowances, gratuity and leave pay	11 777 957	8 428 860
Salaries	87 430 031	88 868 003
	100 417 590	98 365 377
	7 533 860	7 663 224
	107 951 450	100 028 601

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