

# ANNUAL REPORT 2019/2020

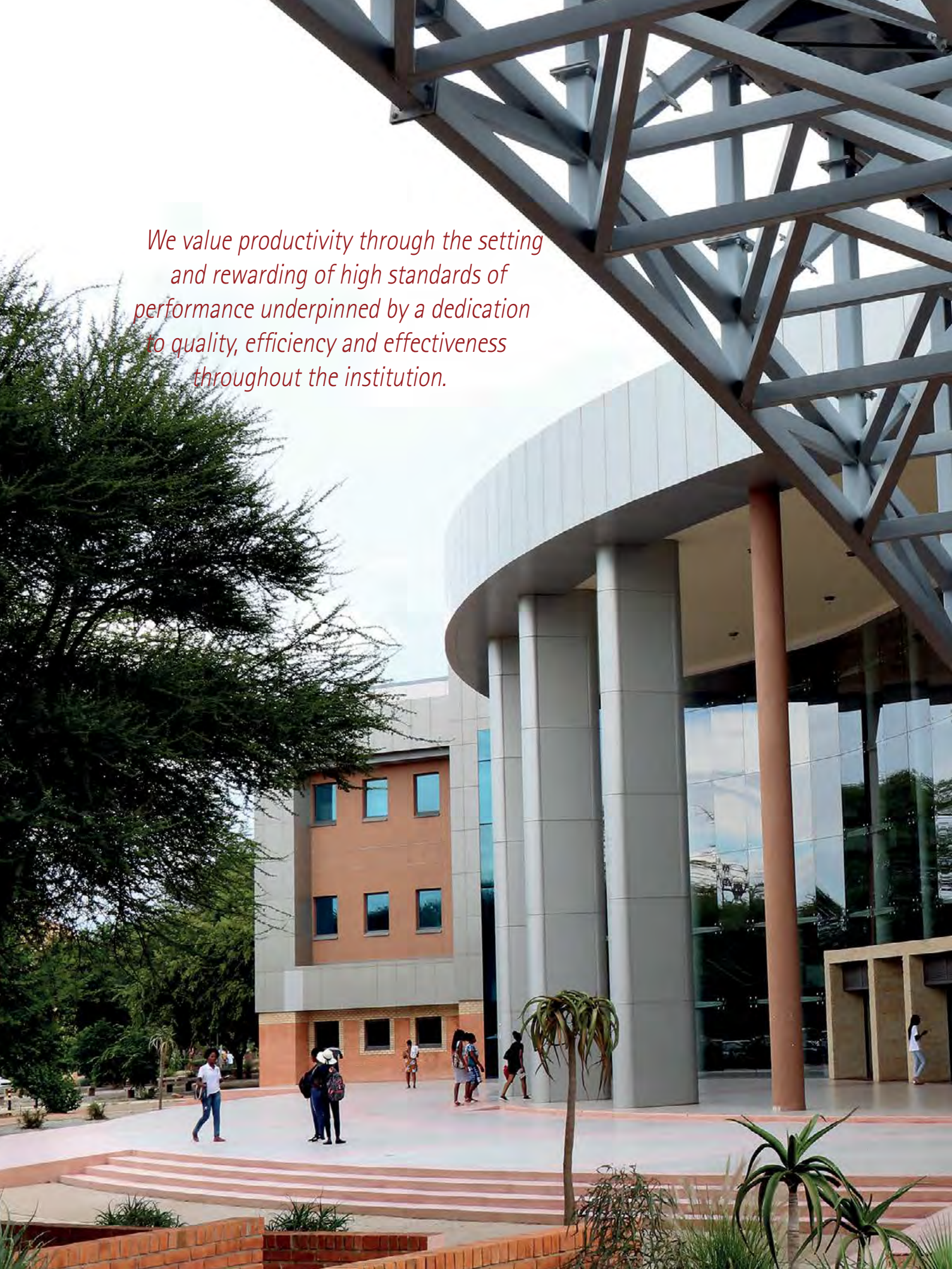


Observe all Covid-19 Protocols









*We value productivity through the setting and rewarding of high standards of performance underpinned by a dedication to quality, efficiency and effectiveness throughout the institution.*

## ACADEMIC INTEGRITY

Expressed in creativity, objective analysis,  
experimentation, critical appraisal,  
independent thought,  
informed debate and intellectual honesty



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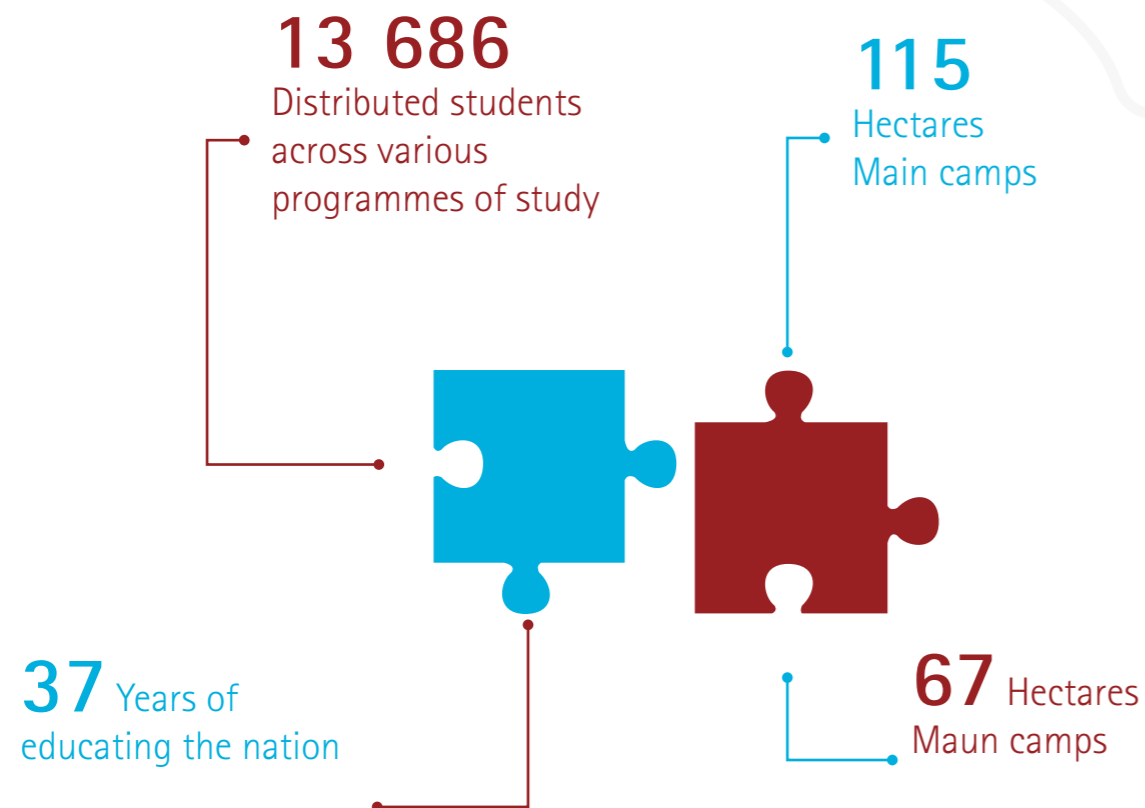


## MISSION

To improve economic and social conditions for the Nation while advancing itself as a distinctively African university with a regional and international outlook.

## VISION

To be a leading centre of academic excellence in Africa and the world.



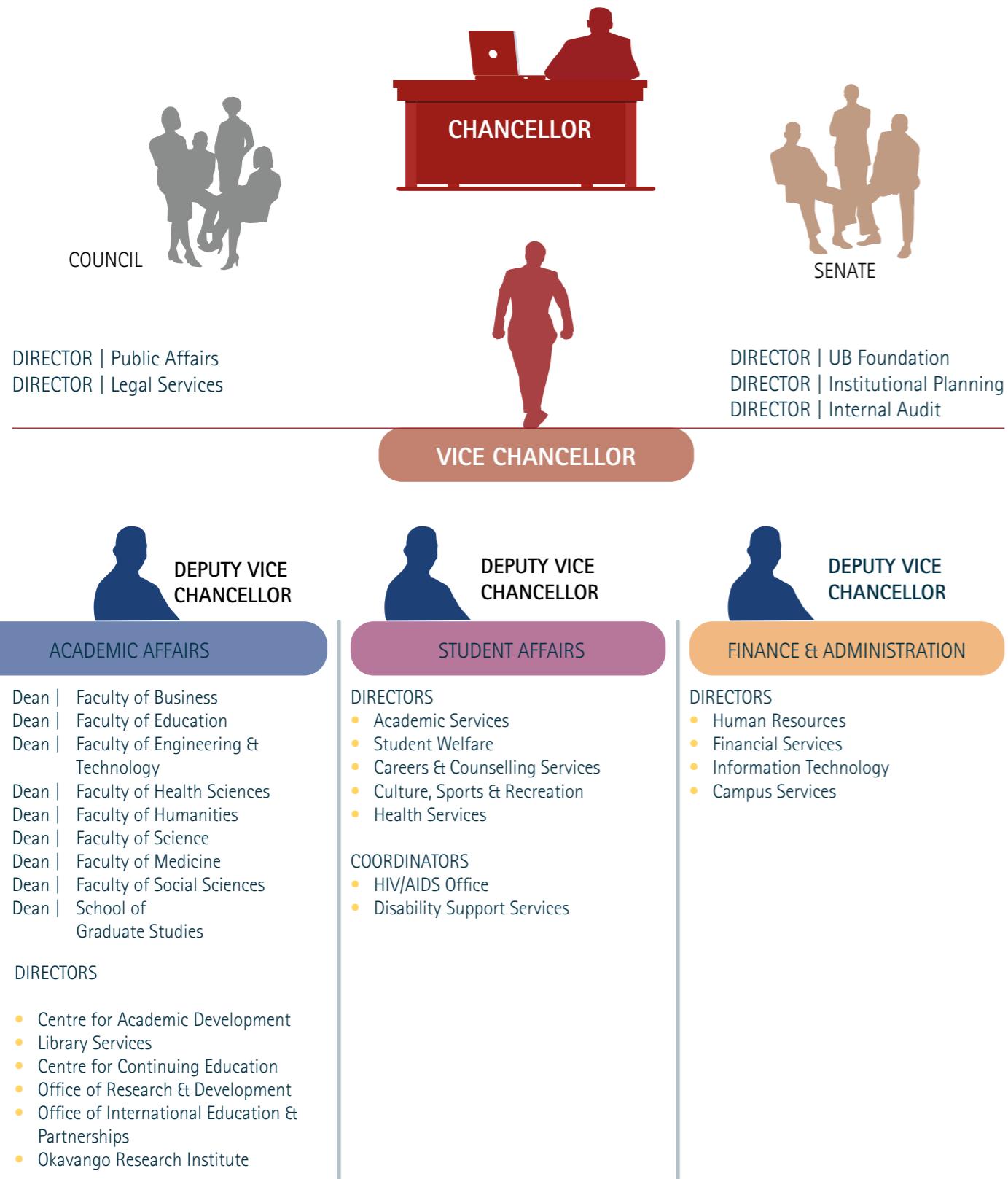
## VALUES

To achieve its Vision and fulfil its Mission the University of Botswana values the following:

- 1 Students:**  
Creating a holistic environment which ensures that learning is their central focus, and by establishing and developing a range of learning, social, cultural and recreational opportunities that will facilitate the full realisation of their potential for academic and personal growth.
- 2 Staff:**  
Fostering a University community through encouraging, supporting, developing and empowering all individuals and groups to achieve the University's goals.
- 3 Academic freedom:**  
Upholding the spirit of free and critical thought and enquiry, through the tolerance of diversity of beliefs and understanding, as well as the open exchange of ideas and knowledge.
- 4 Academic integrity:**  
Expressed in creativity, objective analysis, experimentation, critical appraisal, independent thought, informed debate and intellectual honesty.
- 5 Cultural authenticity:**  
Ensuring that the diversity of Botswana's individual values and cultural heritage form an important part of the academic and organisational life of the institution and reflect its distinctiveness as an African university.
- 6 Internationalism:**  
Through participation in the global world of scholarship, by being receptive and responsive to issues within the international environment as well as the recruitment of an international staff and student body.
- 7 Professional and ethical standards:**  
Upholding the highest professional and ethical behaviour and through openness, honesty, tolerance and respect for the individual.
- 8 Social responsibility:**  
Promoting an awareness of, and providing leadership in responding to the issues and problems facing society.
- 9 Equity:**  
Ensuring equal opportunity and non-discrimination on the basis of personal, ethnic, religious, gender or other social characteristics.
- 10 Autonomy:**  
As an institution that is, through its self-governing structures, independent in action while being responsive to societal needs.
- 11 Public accountability:**  
Ensuring transparent decision-making and open review as well as the full participation of stakeholders in the development of the institution.
- 12 Productivity:**  
Through the setting and rewarding of high standards of performance underpinned by a dedication to quality, efficiency and effectiveness throughout the institution.
- 13 Environmental sustainability:**  
Deepening awareness and ensuring that environmental issues are incorporated into student learning and teaching and research, the development of environmentally sustainable campuses and through contributing to the environmental sustainability agenda in Botswana and beyond.

## GOVERNANCE STRUCTURE

The University of Botswana was established on 1st July 1982 through the University of Botswana Act, no. 11 of 1982, (Cap 57:01 of the Laws of Botswana). Its governance structure was reconstituted under the revised University of Botswana Act, No. 15 of 2008. The Act provides for the University Council and Senate as the main governing bodies, and for the Chancellor, Chairperson of Council, Vice Chancellor and Deputy Vice Chancellors as its principal officers.



## COUNCIL



The Council is the governing body with the ultimate responsibility of ensuring that the University performs according to the powers conferred upon it by the University Act. The Council sets the strategic direction, approves major policies, plans, annual report and annual statement of accounts. It also monitors and reviews the overall performance of the University; ensures its strategic leadership; promotes engagement between the University and the community; and, through Senate, ensures that high levels of academic standards are maintained.

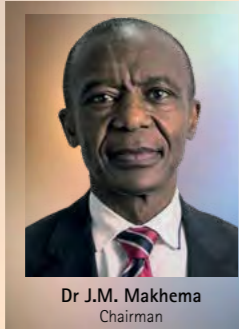
As at 1st April 2019, the University Council comprised of 25 members, 11 of which were appointed by the Minister of Tertiary Education, Research, Science and Technology; three by the Chancellor; two non-resident members by the Council; a further two elected by Senate; and three members elected by Academic Staff, Support Staff; and the student body respectively. The Vice Chancellor and Deputy Vice Chancellors were ex-officio members.

The Chancellor was Ms Linah K. Mohohlo; the Chairperson of Council, Dr J. Makhema; the Vice Chancellor, Prof D. Norris; and acting Deputy Vice Chancellors were Prof O. Nkomazana (Academic Affairs), Prof H. Siphambe (Student Affairs), and Mr L. Mosupi (Finance and Administration).

Council held four ordinary meetings during the year under review.



## COUNCIL MEMBERS



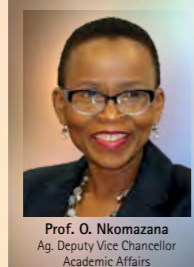
**Dr J.M. Makhema**  
Chairman



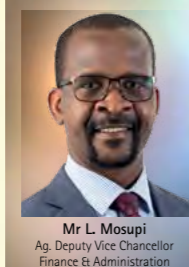
**Mrs. A. Majelantle**  
Vice Chairperson



**Prof. D. Norris**  
Vice Chancellor



**Prof. O. Nkomazana**  
Ag. Deputy Vice Chancellor  
Academic Affairs



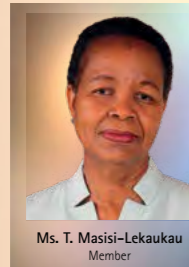
**Mr L. Mosupi**  
Ag. Deputy Vice Chancellor  
Finance & Administration



**Prof. H. Siphambe**  
Ag. Deputy Vice Chancellor  
Student Affairs



**Dr. K. E. Baipoledi**  
Member



**Ms. T. Masisi-Lekaukau**  
Member



**Dr. B. Bulawayo**  
Member



**Ms. M. Masire**  
Member



**Mr. M. Seabole**  
Member



**Ms. R. Maphorisa**  
Member



**Dr. M. Mmalane**  
Member



**Ms. N. Mhutsiwa**  
Member



**Prof. M. Sibara**  
Member



**Ms. V. Molatedi**  
Member



**Dr. P. Mazonde**  
Member



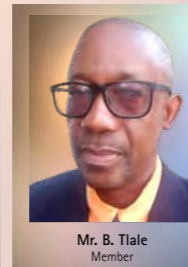
**Ms. E. Richard-Madisa**  
Member



**Prof. B. Chilisa**  
Member



**Prof. A. Chebanne**  
Member



**Mr. B. Tlale**  
Member



**Prof. N. Maphosa**  
Member



**Dr. S. Mosime**  
Member



**Mr. A. T. Yalala**  
Member



**Mr. B. G. Dikgang**  
Member



**Mr. B. Rwelengera**  
Secretary



**Mr. A. Mokwena**  
SRC President

## THE UB SENATE

Senate has the overall responsibility for the development, implementation, monitoring and review of academic policies and programmes, as well as research and community service functions of the University.







**Dr. Joseph M. Makhema**  
Chairman of Council

## Statement by the CHAIRPERSON OF COUNCIL

The University of Botswana continued to grow its aspiration as a premier institution of higher learning in 2019/20. Consistent with increasing demands for graduates to meet the rigours of a technological, innovative, creative and work environment responsive graduate workforce, UB continued to review its programmes to align them to emerging industry needs as well as to local and international accreditation bodies. The Department of Mechanical Engineering revised its Bachelor of Engineering (Industrial) and the Master of Science (Mechanical) programmes with the former initially submitted for external review. Similarly, the Faculties of Humanities and Science reviewed their programmes, with the Chinese Studies Programme introducing specialisations and practical attachment to enable students to interact with the global Chinese community. The Industrial Design and Technology undergraduate programmes in the Faculty of Engineering and Technology were accredited with the Institution of Engineering Designers (IED) in the United Kingdom.

Council approved the following new programmes: Bachelor of Pastoral Care and Counselling and Master of Arts in French Studies in the Faculty of Humanities; and B.Ed. Computer Science, B.Ed. Art Design, B.Ed. Music Education, B.Ed. Sport Science, Post Graduate Diploma in Tertiary Education and MEd Educational Technology in the Faculty of Education. To increase visibility and relevance, the Department of Physical Education was renamed the Department of Sport Science with new four speciality areas of Exercise and Wellness; Recreation and Sport Management; Physical Education and Coaching; and Sport and Exercise Psychology.

I note with pride the progress made by the University in increasing enrolment in foreign languages. This menu includes the Chinese Studies Programme which saw an increase in the number of students enrolling for Mandarin Chinese as electives, French received more members of the public enrolling it as a proficiency course. I am hopeful that the availability of other international languages such as Korean helped to improve students' language competencies and employability.

The mantra of "Education for real World solutions" and the UB Mission to improve economic and social conditions for the Nation inspired The Faculty of Engineering and

Technology (FET) to design and construct a solar PV system for the University's use, with the aim of reducing the overall cost of electricity for the University. FET also worked in collaboration with the Botswana Institute of Geomatics (BIG) to develop a Web map visualization and live tracking dashboard that records data to illustrate real time trends of information on COVID-19 cases in Botswana. This tracking dashboard and similar innovations are essential to mitigate emerging public health challenges such as the COVID-19 in Botswana and globally contributing to strategies for surveillance, programming and intervention.

I applaud the University for its continued research to enhance sustainable communities and livelihoods. Notable research projects included "Strengthening academia-industry linkage and research space in the area of civil engineering for food security in sub-Saharan Africa (SAICE-Africa)" that was funded by the Royal Academy of Engineers (RAE) in the United Kingdom; and the Japanese and UB joint research on 'Linguistic and Music Ethnography of Kalahari Khoe' and 'Core to Core Linguistic Programme' aimed at increasing the visibility and awareness of local music and mother tongue languages in both Universities. It remains a Council and UB vision for the institution to be transformed to a research intensive centre of academic excellence in all academic offerings to improve economic and social conditions for local, regional and global development.

Despite cited progress, sustainable resources, and innovation are required to meet further strategic aspirations.

I wish to thank members of Council for their unwavering support and service to the nation, the UB Executive management Team and Staff for their resilience during the unparalleled COVID-19 challenges, and Ministry of Tertiary Education, Research, Science and Technology (MoTE) for continued tertiary education support.

**Dr Joseph M. Makhema**  
Chairman of Council



## UNIVERSITY OF BOTSWANA GOVERNANCE

The University of Botswana Council being the ultimate governing authority within the University had seven (7) committees, which were as follows:

1. Audit Committee (AC)
2. Executive Committee of Council (ECC)
3. Finance Committee (FC)
4. Human Resources Committee of Council (HRCC)
5. Physical Resources Committee (PRC)
6. Staff Appeals Committee (SAC)
7. Staff Appointments & Promotions Committee (SAPC)

Council, during this financial period, adopted the King III Code on Corporate Governance, having hitherto not subscribed the University to any particular code of governance. The decision to adopt the King III version, as opposed to the then prevailing King IV was made in order to allow the University to systematically adapt and or introduce fundamental structures and processes that are required in order to facilitate substantial compliance to corporate governance as envisaged by the King Code on corporate governance.

## UNIVERSITY OF BOTSWANA KING III COMPLIANCE CHECKLIST – 2020

Key: ✓ = Compliant R = Under review N/A = Not Applicable

N = Non-Compliant

CHAPTER 1: ETHICAL LEADERSHIP AND CORPORATE CITIZINSHIP			
Principle No	Principle description	Management Comments	Compliance Indicator Key
1.1	The Board should provide effective leadership based on an ethical foundation	The University Council has adopted the King III code of corporate governance.	✓
1.2	The Board should ensure that the company is and is seen to be a responsible corporate citizen	The Council ensures that the University is and is seen to be a responsible corporate citizen, for example through the activities of the UB Foundation.	✓
1.3	The Board should ensure that the company's ethics are managed effectively	The University Council has approved various policies on ethics and has put structures in place to ensure their effective management.	R
CHAPTER 2: BOARDS AND DIRECTORS			
2.1	The Board should act as the focal point for and custodian of corporate governance	In terms of the University of Botswana Act, The University Council acts as the focal point and custodian of the corporate governance.	✓
2.2	The Board should appreciate that the strategy, risk performance and sustainability are inseparable	Council has approved a revised strategy which integrates high level strategy with risk performance and institutional sustainability. Strategy implementation, performance and monitoring are a standing agenda item for Council meetings.	✓
2.3	The Board should provide effective leadership based on ethical foundation	The Council has adopted King III on corporate governance and is also in the process of developing an ethics policy.	✓
2.4	The Board should ensure that the company is and is seen to be a responsible corporate citizen	The Council ensures that the University is and is seen to be a responsible corporate citizen, for example through the activities of the UB Foundation.	✓



2.5	The board should ensure that the company's ethics are managed effectively	The University Council has approved various policies on ethics and has put structures in place to ensure their effective management.	√
2.6	The board should ensure that the company has an effective and independent audit committee	An independent Audit Committee is in place and comprises of 3 non-executive members with an independent non-executive Chairperson. The Committee meets at least four (4) times in a year.	√
2.7	The board should be responsible for the governance of risk	The Audit Committee monitors the effectiveness and adequacy of the risk management process and reports to Council.	√
2.8	The board should be responsible for information technology (IT) governance	The Audit Committee monitors the effectiveness of the IT governance and reports to the Council.	√
2.9	The board should ensure that the company complies with applicable laws and considers adherence to non-binding rules, codes and standards	Through the Audit Committee, and the Finance Committee, Secretary to Council/ Director of Legal Services, Council ensures adherence to applicable laws, non-binding rules, codes and standards.	√
2.10	The board should ensure that there is effective risk-based internal audit	The University has an established Internal Audit Department that carries out risk-based internal audits.	√
2.11	The board should appreciate that stakeholders perceptions affect the company's reputation	Through the establishment of the Public Affairs Department, University Council ensures that stakeholder perceptions and reputational risk are managed effectively.	√
2.12	The board should ensure the integrity of the company's integrated report	The Council ensures integrity of the integrated report through a three-stage process from Management, Audit Committee and final approval by Council.	√
2.13	The board should report on the effectiveness of the company's internal controls	The Executive Management ensure internal controls are in place while both the Internal and external auditors report through the Audit Committee to Council. Council then approves the report for publishing in the annual report.	√

2.14	The board and directors should act in the best interest of the company	The Council and Council members through provisions contained in the University of Botswana Act and the Council Charter are required to act in the best interest of the University, hence all are aware of their fiduciary responsibilities.	√
2.15	The board should consider business rescue proceedings or other turnaround mechanisms as soon as the company is financially distressed as defined in the act	The Council does consider business rescue proceedings or turnaround mechanisms through the Finance and Audit Committees.	√
2.16	The board should elect a chairman of the board who is an independent non-executive director. The CEO of the company should not also fulfill the role of chairman of the board	The Chairman of Council is a non-executive Director and the Vice Chancellor, (CEO) would not serve as chair under any circumstances.	√
2.17	The board should appoint the chief executive officer and establish a framework for the delegation of authority	In compliance with the University of Botswana Act, Council recommends appointment of the Vice Chancellor, (CEO) to the Minister and there are guidelines for the delegation of authority across various functions.	√
2.18	The board should compromise a balance of power, with a majority of non-executive directors. The majority of non-executive directors must be independent	The Council comprises of 24 members with 14 being non-executive and independent members.	√
2.19	Directors should be appointed by a formal process	There is a formal process in place for the appointment of the Council members.	√
2.20	The induction of and ongoing training and development of directors should be conducted through formal process	New Council members are given an induction pack that contains necessary legal documents, codes and standards that govern the operations of the institution.	√
2.21	The board should be assisted by a competent, suitably qualified and experienced company secretary	A suitably qualified Director of Legal Services serves as the Secretary to Council.	√
2.22	The evaluation of the board, its committees and individual directors should be performed every year	The evaluation of Council, its Committees and members shall be carried out at for the year from April 2020 to March 2021.	R



2.23	The board should delegate certain functions to well-structured committees but without abdicating its own responsibilities	The Council has delegated some functions to various sub-committees of Council all of which make recommendations to Council for approval.	√
2.24	A governance framework should be agreed between the group and its subsidiary boards	The University of Botswana currently has no subsidiaries.	Not applicable
2.25	Companies should remunerate directors and executives fairly and responsibly	The University of Botswana has market related pay structure in place.	√
2.26	Companies should disclose the remuneration of each individual director and certain senior executives	The details of remuneration are included as part of the annual report.	√
2.27	Shareholders should approve the company's remuneration policy	The University of Botswana has pay structure in place that is approved by Council periodically. The pay structure is incorporated into the annual budget which is approved by the Ministry as the shareholder.	√
<b>CHAPTER 3: AUDIT COMMITTEES</b>			
3.1	The board should ensure that the company has an effective and independent audit committee	The Audit Committee is in place and functional.	√
3.2	Audit committee members should be suitably skilled and experienced independent non-executive members	The Audit Committee comprises of 3 non-executive members all of whom are suitably skilled and experienced.	√
3.3	The audit committee should be chaired by an independent non-executive director	The Audit Committee is chaired by an independent non-executive director.	√
3.4	The audit committee should oversee integrated reporting	The Audit Committee oversees the integrated reporting.	√
3.5	The audit committee should ensure that a combined assurance model is applied to provide a co-ordinated approach to all assurance activities	Both internal and external auditors report to the Council through the Audit Committee.	√
3.6	The audit committee should satisfy itself of the expertise, resources and experience of the company's finance function	Through the reviews by the Internal Audit Department, the Audit Committee satisfies itself of the expertise, resources and experience.	√

3.7	The audit committee should be responsible for overseeing of internal audit	The Audit Committee oversees the internal audit function.	√
3.8	The audit committee should be an integral component of the risk management process	The Audit Committee oversees the risk management process.	√
3.9	The audit committee is responsible for recommending the appointment of the external auditor and overseeing the external audit process	The Audit Committee recommends to Council the appointment of the external auditor and the auditor attends Audit Committee meetings by invitation.	√
3.10	The audit committee should report to the board and shareholders on how it has discharged its duties	The Audit Committee reports to the Council on a quarterly basis which in turn reports to the shareholder.	√
<b>CHAPTER 4: THE GOVERNANCE OF RISK</b>			
4.1	The board should be responsible for the governance risk	The Audit Committee monitors the effectiveness and adequacy of the risk management process and reports to Council.	√
4.2	The board should determine the levels of risk tolerance	Risk tolerance levels are determined by various committees of Council. Council will consolidate risk appetite across the institution once the risk management structures are in place.	R
4.3	The risk committee or audit committee should assist the board in carrying out its risk responsibilities	The Audit Committee assists Council by overseeing the risk management process.	√
4.4	The board should delegate to management the responsibility to design, implement and monitor the risk management plan	Council has delegated to management the responsibility to design, implement and monitor the risk management plan.	√
4.5	The board should ensure that risk assessments are performed on a continual basis. Board and audit committee are responsible for risks	The Internal Audit Department carries out continual risk assessments and reports to Council through the Audit Committee.	√
4.6	The board should ensure that frameworks and methodologies are implemented to increase the probability of anticipating risks	The existing risk management frameworks and methodologies are being implemented and monitored by Council to increase the probability of anticipating risks.	R



4.7	The board should ensure that management considers and implements appropriate risk responses	Council through the Audit Committee, ensures management considers and implements all agreed risk responses.	√
4.8	The board should ensure continual risk monitoring by management	Council through the Audit Committee, ensures continual risk monitoring by management.	√
4.9	The board should receive assurance regarding the effectiveness of the risk management process	Council receives assurance through both the Audit Committee and external auditor of the risk management process.	√
4.10	The board should ensure that there are processes in place enabling complete, timely, accurate and accessible risk disclosure to stakeholders	Currently this is achieved through the quarterly reports from the Audit Committee.	√

**CHAPTER 5: THE GOVERNANCE OF INFORMATION TECHNOLOGY**

5.1	The board should be responsible for IT governance	The Audit Committee monitors the effectiveness of the IT governance and reports to the Council.	√
5.2	IT should be aligned with the performance and sustainability objectives of the company	The current IT policy is being reviewed to align it to the new strategy.	R
5.3	The board should delegate to management the responsibility for the implementation of an IT governance framework	The Council has delegated to management the responsibility for implementation of the IT governance framework.	√
5.4	The board should monitor and evaluate significant IT investments and expenditure	Council through the Finance Committee monitors and approves significant IT investments and expenditure.	√
5.5	IT should form an integral part of the company's risk management	IT risk features prominently in the institution's risk management framework.	√
5.6	The board should ensure that information assets are managed effectively	The IT policy and risk management framework provide for effective management of information assets.	√
5.7	A risk committee and audit committee should assist the board in carrying out its IT responsibilities	Currently the Audit Committee oversees IT governance and reports to Council.	R

**CHAPTER 6: COMPLIANCE WITH LAWS, RULES, CODES AND STANDARDS**

6.1	The board should ensure the company complies with applicable laws and considers adherence to non-binding rules, codes and standards	Through the Audit Committee, and the Finance Committee, Secretary to Council/ Director of Legal Services, Council ensures adherence to applicable laws, non-binding rules, codes and standards.	√
6.2	The board and its individual directors should have a working understanding of the effect of applicable laws, rules, codes and standards on the company and its business	New Council members are given an induction pack that contains necessary legal documents, codes and standards that govern the operations of the institution.	√
6.3	Compliance risk should form part of the company's risk management process	Regulatory compliance risk is regularly monitored through the Legal Services and Internal Audit Departments.	√
6.4	The board should delegate to management the implementation of an effective compliance framework and processes	The compliance framework and processes are under development and shall be delegated to management to implement.	R

**CHAPTER 7: INTERNAL AUDIT**

7.1	The board should ensure that there is an effective risk-based internal audit	The University has an established Internal Audit Department that carries out risk-based internal audits.	√
7.2	The board should follow a risk-based approach to its plan	The Council has approved a risk-based annual internal audit plan.	√
7.3	Internal audit should provide a written assessment of the effectiveness of the company's system of internal control and risk management	The Internal Audit function provides an assessment of the institution's system of internal control and risk management through its quarterly reports.	√
7.4	The audit committee should be responsible for overseeing internal audit	The Audit Committee oversees the internal audit function.	√
7.5	Internal audit should be strategically positioned to achieve its objectives	Internal Audit is strategically positioned to achieve its objectives as it reports directly to Council through the Audit Committee.	√



CHAPTER 8: GOVERNING STAKEHOLDER RELATIONSHIPS			
8.1	The board should appreciate that stakeholder perceptions affect a company's reputation	Through the establishment of the Public Affairs Department, University Council ensures that stakeholder perceptions and reputational risk are managed effectively.	√
8.2	The board should delegate to management to proactively deal with stakeholder relationships, stakeholders and the outcomes of these dealings	Through the establishment of the Public Affairs Department, University Council ensures that stakeholder perceptions and reputational risk are managed effectively.	√
8.3	The board should strive to achieve the appropriate balance between its various stakeholder groupings, in the interest of the company	The University of Botswana Act provides for an appropriate balance between the various stakeholder groupings.	√
8.4	Companies should ensure equitable treatment of shareholders	The University has only one shareholder, being the government of Botswana.	√
8.5	Transparent and effective communication with stakeholders is essential for building and maintaining their trust and confidence	The Public Affairs Department, is charged with conducting public awareness campaigns and effective stakeholder communication that help build trust and confidence.	√
8.6	The board should ensure that disputes are resolved as efficiently and expeditiously as possible	The University Council has put in place structures to ensure expeditious dispute resolution processes.	√
CHAPTER 9: INTEGRATED REPORTING AND DISCLOSURE			
9.1	The board should ensure integrity of the company's integrated annual report	The Council ensures integrity of the integrated report through a three-stage process from Management, Audit Committee and final approval by Council.	√
9.2	Sustainability reporting and disclosure should be integrated with the company's financial reporting	Sustainability reporting is an integral part of the University's financial report.	√
9.3	Sustainability reporting and disclosure should be independently assured	Sustainability reporting is independently assured by the external auditors on an annual basis.	√

## UNIVERSITY OF BOTSWANA OF BOTSWANA AUDIT COMMITTEE

The primary role of the Audit Committee (AC) is to assist Council to fulfill its oversight functions in areas such as the integrity of financial reporting, the effectiveness of the risk management framework and internal control system as well as consideration of compliance matters. The Audit Committee is also responsible for assessing the quality of the audit conducted by and the independence and objectivity of the external auditor and making a recommendation to the Council on the appointment or reappointment of the external auditor. Further, the AC oversees the work and quality of the internal audit function. The AC meets quarterly and its meetings are attended by Executive Management and the External Auditor who do so by invitation from the AC. At its quarterly meetings the AC receives briefings from the Director, Internal Audit on standing matters such as the effectiveness of the University of Botswana's internal control system and on outcomes of significant audits and notable control matters. The AC also receives reports from the Risk Management function, the Finance Committee and the Legal Services Department. In 2019/2020, in addition to standing matters, the AC addressed a number of areas of special focus including evaluating the first year of application of the new accounting standard IFRS 9 – Financial Instruments- Recognition and Measurement.

### COMPOSITION AND MEETINGS OF THE AUDIT COMMITTEE

During 2019/20, the members and meeting attendance of the AC were as follows:

Committee member	Member since	Maximum possible meetings	Number of meetings attended	% of meetings attended
Verily Molatedi (Chair)	24-10-18	5	4	80%
Anna Majelantle (Council Member)	24-10-18	5	4	80%
Moatlhodi Sebabole (Council Member)	24-10-18	5	3	60%
Jennifer Marinelli (appointed from outside Council)	14-06-13	5	4	80%
André Barnard (appointed from outside Council)	11-11-15	5	3	60%

All members of the AC are financially literate and independent.

The AC covers a variety of topics in its meetings. These include both standing items that the AC considers as a matter of course, typically in relation to the quarterly financial reporting, control matters, accounting policies and judgments and reporting matters, besides a range of topics relevant to the University of Botswana's control framework.

The AC invites Executive Management, the Director - Legal Services; the Director - Internal Audit; Director - Financial Services; Director - Information Technology and the Director - Institutional Planning (charged with Risk Management) and the external auditor to attend each meeting. Other members of management attend when requested.

### Responsibilities

The roles and responsibilities of the AC are set out in the Audit Committee Charter and are reviewed annually, taking into account relevant regulatory changes and recommended best practices. The key responsibilities of the AC include, but are not limited to:

- Evaluating the effectiveness of the risk management system and internal controls;
- Reviewing the integrity of the financial statements



- Reviewing and discussing with management the appropriateness of judgments involving the application of accounting principles and disclosure rules;
- Assessing internal and external auditors performances and their effectiveness each year; and
- Recommending to the Council the appointment or reappointment of the external auditor.
- Review of the remuneration of the external auditor and recommendation to Council for approval

The AC keeps the Council informed of its activities and recommendations through the Chairperson of the AC who provides updates to Council after every AC meeting.

#### Activities

During 2019/2020, the AC received comprehensive reports from management and the external auditor on a variety of topics related to management controls and accounting policies, practices and reporting. The AC also reviewed Botswana Accounting Oversight Authority (BAOA) reports and internal audit reports and considered management's responses and conclusions to the various findings in those reports.

#### System of Risk Management

The AC reviewed reports and policies on the founding of the Risk Management function and recommended the approval of the Risk Management framework to Council for approval.

#### Internal Audit

The internal audit function is an independent and objective assurance function that supports the University of Botswana (UB) in improving its overall control framework. The internal audit function contributes to the maintenance of a systematic and disciplined approach to evaluate and improve the design and effectiveness of UB's risk management, control and governance processes. The primary role of the internal audit function, through its assurance and investigation activities, is to safeguard value by protecting UB's assets, reputation and sustainability in relation to the organisation's defined goals and objectives.

The AC defines the responsibility and scope of the internal audit function and approves its annual plan. The Internal Audit Director reports functionally to the Chairperson of the AC and administratively to the Vice Chancellor. The Chairperson of the AC approves, in consultation with the Vice Chancellor, all decisions pertaining to the performance evaluation, appointment or removal of the Director - Internal Audit.

#### External Auditor

The AC is responsible for considering whether, in order to ensure continuing auditor quality and or independence, there should be a rotation of the independent registered public accounting firm, including consideration of the advisability and potential impact of selecting a different independent public accounting firm. The University's current external auditor, PwC, was first appointed at the UB Council meeting held on 9<sup>th</sup> June 2017 for a period of three years following the conclusion of a competitive selective tender process.

#### Non-audit Services

The AC did not consider or approve any non-audit services by the external auditor.





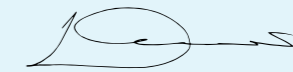
## Statement by the VICE CHANCELLOR

As all of Botswana is aware, 2020 arrived under the shadow of a global crisis. Beyond the massive human cost and the heroism of the frontline workers, we now find ourselves marching in unknown territory, unsure if the norms and patterns that gave us confidence to make decisions and commit resources will continue to serve us in these challenging times. However, we must each renew and accelerate growth as our most precious resource for recovery.

This University was directly founded by the people of Botswana who sacrificed to do this because they believed that the growth of accessible expertise was indispensable to the thriving of their nation. Today we recognize that our national growth is fully dependent on our widespread human capital, which the University has the honor of shaping on Botswana's behalf.

Botswana has been blessed with opportunities to sidestep the worst events in modern African history. This gift allows the country to stand out in the coming global recovery as the natural candidate for the gateway to the Sub-Saharan region. This status could, if quickly achieved, directly power/catalyze Botswana to the future status shown in the vision of a regionally effective human capital economy by our national growth strategy. In an open-minded time of world reconstruction, Botswana's high human capital can be convened by the only comprehensive university into the leading regional knowledge base that all our policies have been directly pointing to since 1996. It is the practical goal of this university to mobilize every means at our disposal to accelerate this.

This annual report profiles all the parameters and statistics of our institution as it made its way under dark stormy skies. The report also proves the robustness and unshakable solidarity that are part of the unique DNA of this university and its origin. This robustness is a tribute to all those who came before me and now my mission to build on and safeguard. Only a dark cloud can reveal the silver lining of robustness in our institutions and it is my duty and the duty of each one of us to take charge of this robustness and use it to lead and shine light on the recovery and renewed growth of our nation and the entire SADC region.



Prof. David Norris  
Vice Chancellor



Prof. David Norris  
Vice Chancellor



“ The University of Botswana has shaped us into achievers that we are today, with abundant knowledge and life-long virtues to benefit our societies. ”

–Ruth Alfred, Valedictorian 2020





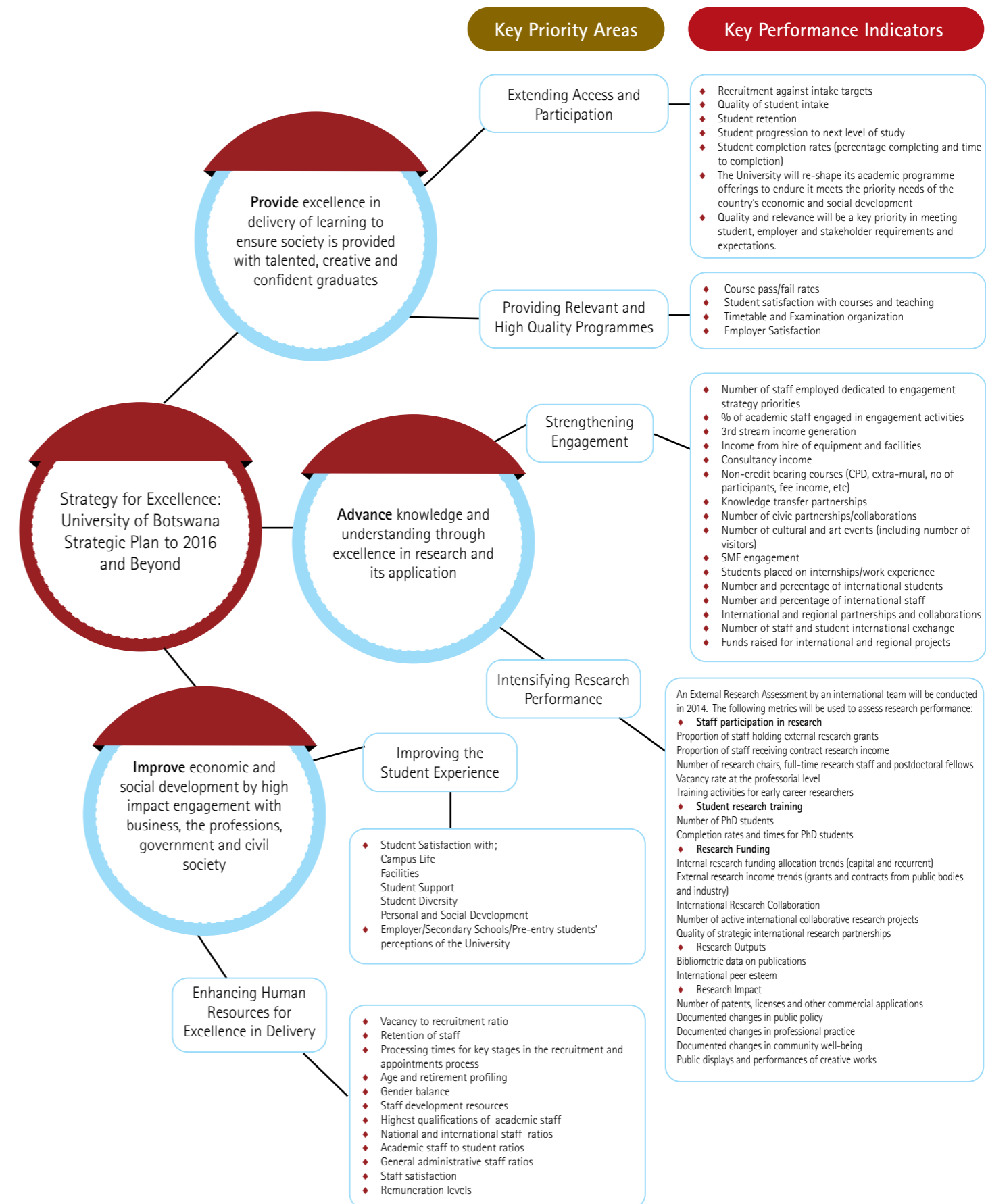
THE UNIVERSITY OF BOTSWANA STRATEGIC PLAN TO 2016 AND BEYOND AT A GLANCE

INTRODUCTION

This Annual Report covers the period 2019/2020 and it is presented according to the six priority areas of the Strategy for Excellence – University of Botswana Strategic Plan to 2016 and Beyond Strategic Plan:

1. Extending Access and Participation
2. Providing Relevant and High Quality Programmes
3. Strengthening Engagement
4. Intensifying Research Performance
5. Improving the Student Experience
6. Enhancing Human Resources for Excellence in Delivery

A brief discussion of each priority area can be found on the UB website; <http://www.ub.bw/ip>

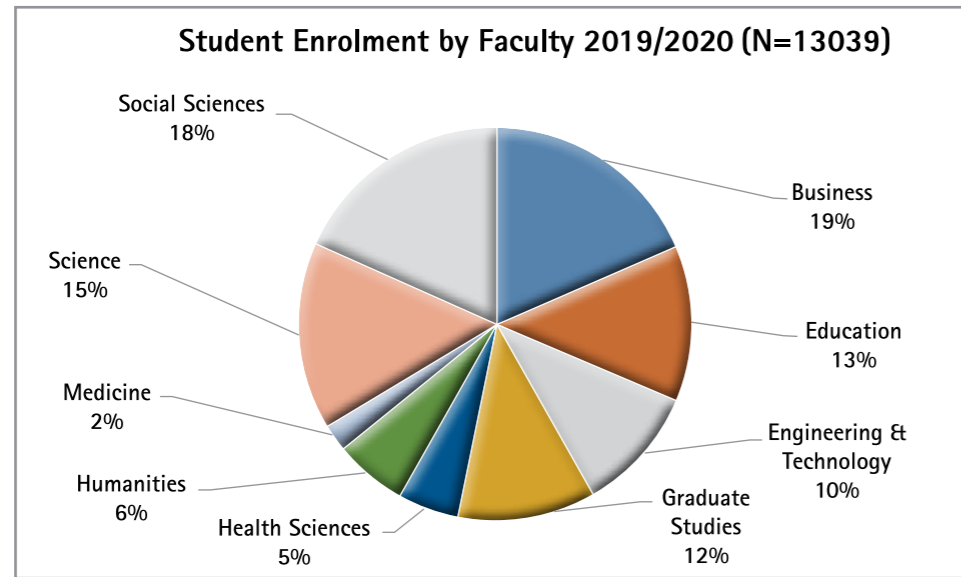


# UNIVERSITY PERFORMANCE

## PRIORITY AREA 1: EXTENDING ACCESS AND PARTICIPATION

In the year under review, the University continued to extend access and participation by introducing new programmes at undergraduate and graduate levels. The student enrolment for 2019/2020 stood at 13039 (Figure 1). Of these, the faculties of Business had enrolled 19%, Social Sciences 18% and Science 15%. The faculties of Humanities accounted for 6%, Health Sciences 5% and Medicine 2% of the student population.

FIGURE 1: STUDENT ENROLMENT BY FACULTY



In terms of gender, 59% of the enrolment were females and 41% were males (Figure 2). Majority of students in the faculties of Social Sciences (75.7%), Health Sciences (73.9%), Education (64.3%), Business (62.5%) and Humanities (56.6%) were females while the faculties of Engineering (74.2%) and Science (51.7%) had more males than females. The Faculty of Medicine recorded almost the same number of males and females. As for graduate students, the Faculty of Graduate Studies had more males (57.7%) (Table 1).

FIGURE 2: STUDENT ENROLMENT BY GENDER

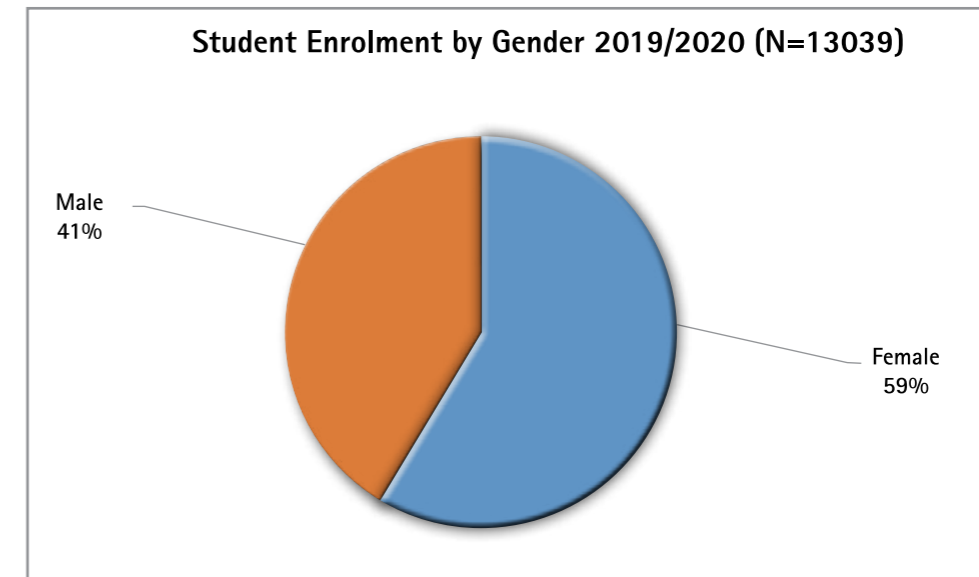
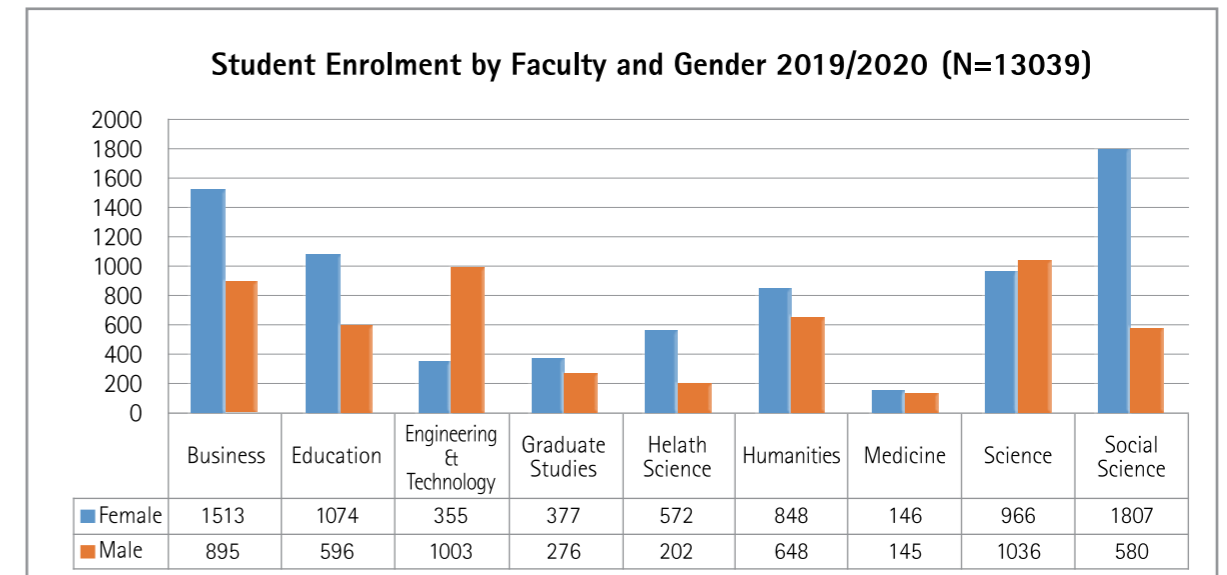


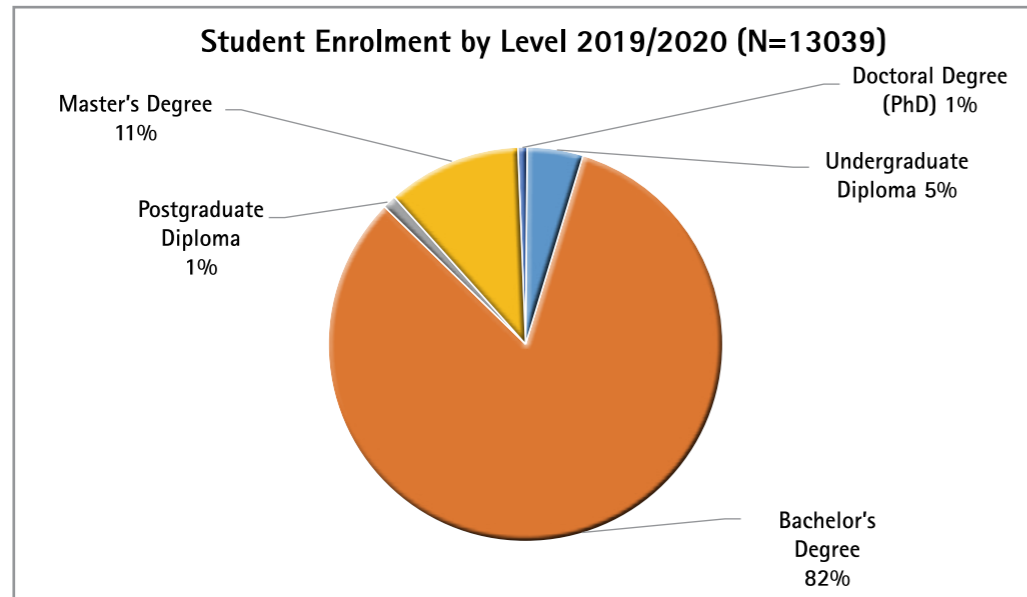
TABLE 1: STUDENT ENROLMENT BY FACULTY AND GENDER



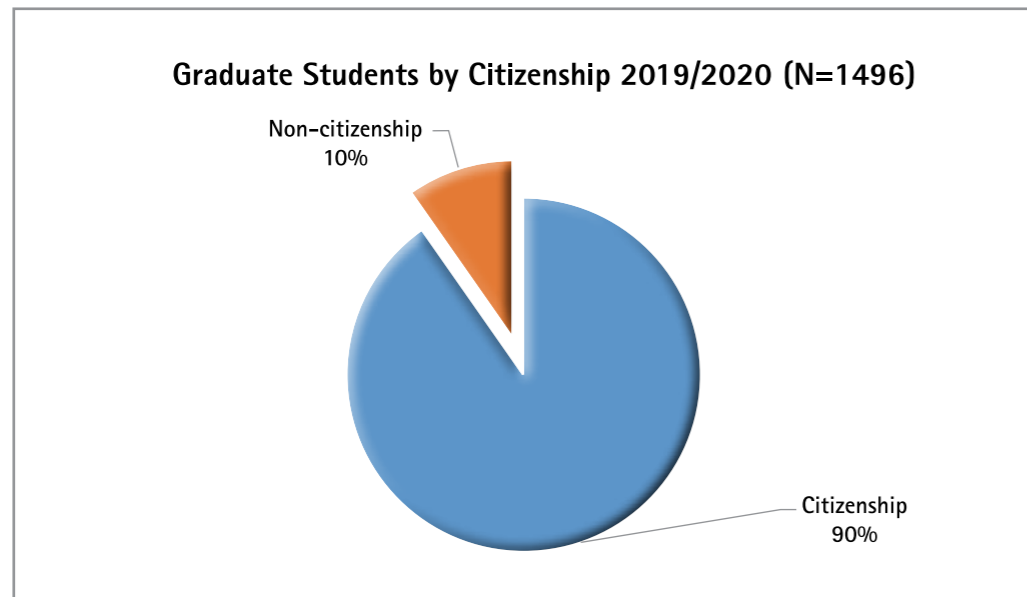


The student population was largely undergraduate students with 82% pursuing Bachelor Degrees, 11% Masters and 1% Post graduate Diplomas and PhDs (Figure 3).

**FIGURE 3: STUDENT ENROLLMENT BY LEVEL**



**FIGURE 4: GRADUATE ENROLMENT BY CITIZENSHIP**



Graduate student enrolment stood at 1496 with 1346 (90%) and 150 (10%) citizens and non-citizens respectively (Figure 4 and Table 2). Majority of citizen graduate students were females.

**TABLE 2: GRADUATE STUDENT ENROLMENT BY CITIZENSHIP, LEVEL AND GENDER**

Citizenship	Level	Females	Males	Total
Citizens	Master's	751	546	1297
	PhD	26	28	54
Non-citizens	Master's	64	59	123
	PhD	7	15	22
<b>Total</b>		<b>848</b>	<b>648</b>	<b>1496</b>

**TABLE 3: NUMBER OF GRADUATES IN 2020 BY QUALIFICATION**

Level	Number	Percentages
Undergraduate Diploma	129	6
Bachelor Degree	1822	78
Postgraduate Diploma	127	5
Masters Degree	238	10
Doctoral Degree (PhD)	24	1
<b>Total</b>	<b>2340</b>	<b>100</b>

The University graduated 2340 graduates most of whom were awarded Bachelor Degrees.

**PRIORITY AREA 2: PROVIDING RELEVANT AND HIGH QUALITY PROGRAMMES**

The University continued the review of its programmes to align them to emerging industry needs as well as local and international accreditation bodies. For example, the Department of Mechanical Engineering revised its Bachelor of Engineering (Industrial) and the Master of Science (Mechanical) programmes with the former submitted for external review. Similarly, the faculties of Humanities and Science reviewed their programmes with the Chinese Studies Programme introducing specialisations and practical attachment intended to enable students to interact with the Chinese community in Botswana.

The University also approved the following programmes:

**FACULTY OF HUMANITIES**

- Bachelor of Pastoral Care and Counselling
- Master of Arts in French Studies

**FACULTY OF EDUCATION**

- B.Ed Computer Science
- B.Ed Art Design
- B.Ed Music Education
- B.Ed Sport Science
- Post Graduate Diploma in Tertiary Education
- MEd Educational Technology

The Department of Physical Education was renamed the Department of Sport Science with new four speciality areas of: Exercise and Wellness; Recreation and Sport Management; Physical Education and Coaching, and Sport, and Exercise Psychology. In terms of accreditation, the Industrial Design Technology undergraduate programmes were accredited with the Institution of Engineering Designers (IED) in the United Kingdom in March 2020.

In terms of enrolment, the University made notable progress. For instance, the Chinese Studies Programme, saw an increase of students taking Mandarin Chinese as electives. Similarly, the Department of French offered proficiency courses to the public and specific ones to Botswana Communications Regulatory Authority (BOCRA) and Ministry of International Affairs and Cooperation (MIAC). The availability of other international languages helped to improve language competence and employability of students.

**PRIORITY AREA 3: INTENSIFYING RESEARCH PERFORMANCE****Publications**

In 2019/2020, the University of Botswana continued to improve its research performance with a total of 723 publications which translate to a per capita publication of 1.01.

**REVIEWED PUBLICATIONS COMPRISING BOOKS, BOOK CHAPTERS, JOURNAL ARTICLES, AND CONFERENCE PROCEEDINGS (TABLE 4).****TABLE 4: RESEARCH OUTPUT BY FACULTY FOR 2019/2020**

Faculty/ Centre	Journal Publications & book chapter	Books	No. of Academic staff	Publications per capita (number of publications/ number of academic staff)
Business	46	1	57	0.82
Education	84	1	117	0.73
Engineering and Technology	73	10	79	1.05
Health Sciences	35	0	34	1.03
Humanities	108	4	98	1.14
Medicine	73	0	82	0.89
Science	170	4	132	1.32
Social Sciences	95	3	140	0.7
ORI	39	27	28	2.36
<b>Total</b>	<b>723</b>	<b>50</b>	<b>767</b>	<b>1.01</b>

Some of the University of Botswana research outputs were disseminated through local journals and other outlets. For example, the French Department published special issues of Marang: Journal of Language and Literature and Lonaka: Journal of Learning and Teaching in November 2019 and March 2020 respectively. The former was a selection of articles from the international conference the department hosted in February 2019 and the latter a collaborative effort focusing on the teaching and learning of foreign languages in Botswana. Volume 31 of Marang: Journal of Language and Literature was also published and the journal itself got indexed in the Society of African Journal Editors (SAJE) Library, one of the largest collections of African articles and journals, containing over 140,000 articles from 830 African journals. The Department of Theology and Religious Studies (TRS) published two volumes of the book entitled Religion and Development in Southern and Central Africa with Professor James Amanze as the leading author.



**CONFERENCES**

During the period under review the University hosted several conferences (Table 5).

**TABLE 5: CONFERENCES AT UB FOR 2019/2020**

Faculty	Department	Name and Theme	Date
Humanities	Media Studies and Theology and Religious Studies	BOLESWA Conference Religion and Media	11 - 12 March 2019
	Theology and Religious Studies	The African Consortium of Law and Religion Conference "Law, Religion and Environment in Africa"	19 - 21 May 2019
		The Circle of Concerned African Women Theologians Conference "Mother Earth and Mother Africa in Theological/Religious/Cultural and Philosophical Imaginations"	1 -4 July 2019
	English	10th International Conference English and the Dynamics of Global Access"	19-20 June 2020
	Library and Information Studies	3rd Biennial Conference "Information and Knowledge Management: Towards the Attainment of Sustainable Development Goals and Knowledge-Based Economy"	15 -17 April 2019
Faculty of Social Sciences	Law Department	International Conference: Protecting Persons forcibly displaced in Africa (UB Conference Centre)	5 July 2019
		Access to justice for persons with disabilities:  Training on providing accommodations in the criminal justice system	29 - 30 October 2019
		Access to Information and Elections Workshop	2 - 3 September 2019
		VizAfrica 2019 Conference	18-19 November 2019
		HELINA 2019 Conference	20 - 22 November 2019

**IMPACTFUL RESEARCH**

Some of the research projects had a direct benefit on society and the University in particular. For example, the Faculty of Engineering and Technology (FET) designed and constructed a solar PV system for Block 248 (UB Main campus) with the ultimate goal of reducing the overall cost of electricity for the University. In collaboration with the Botswana Institute of Geomatics (BIG) and other stakeholders, the Faculty developed a Web map visualization and live tracking dashboard that records data to illustrate real time trends of information on COVID-19 cases in Botswana.

**RESEARCH COLLABORATIONS**

In the period under review, the University engaged in several local and international research collaborations, some of which generated funds. The Faculty of Engineering and Technology received seed money of BWP400, 000 from the Embassy of the People's Republic of China to renovate a building that will be used to establish an Engineering and Technology Innovation Centre on campus. Upon completion the initiative will be an incubator for innovative ideas for students, staff and the public. Through the Faculty the University received funding from the Royal Academy of Engineers (RAE), (UK) for the Project, entitled "Strengthening academia-industry linkage and research space in the area of civil engineering for food security in sub-Saharan Africa (SAICE-Africa)". The Project aimed at strengthening linkages between academia and industry in the area of civil engineering. The linkages create a platform for internships for UB students in civil engineering to improve their practical skills and enhance their employability. Further, the Faculty formed and lead a consortium of five African Universities to respond to a funding call to the EU's "Intra-Africa Academic Mobility Scheme". The project proposal entitled "Enhancing Capacity of Engineering Education through Scholar Mobility in Africa (ECOSMA)" has the overall objective of enhancing human capital development in Africa leading to stronger collaborations among universities in overlapping areas of engineering.

The Faculty of Humanities hosted three scholars from Tokyo University of Foreign Studies, Reitaku University and University of Hyogo in Japan. Japanese scholars and their UB colleagues undertook a research project on 'Linguistic and Music Ethnography of Kalahari Khoe' resulting in a number of joint research activities that helped to increase the visibility of both Universities. The five year project will be supported by Tokyo University of Foreign Studies. Further, two researchers from Tokyo University of Foreign Studies carried out collaborative research project called 'Core to Core Linguistic Programme' in February 2020 also by sponsored Tokyo University of Foreign Studies to document endangered languages in Botswana.

The Chinese Studies Programme embarked on research collaboration with Shanghai Normal University (SHNU) under the Chinese Government's 20+20 Cooperation Programme. The research explored how Botswana could attract more tourists from China. A team of three (3) researchers from Chinese Studies and the Department of Tourism and Hospitality Management at UB visited Shanghai in September 2019, two (2) researchers from Shanghai Institute of Tourism paid an exploratory research visit to Botswana during the first week of October 2019 (Table 6).

TABLE 6: RESEARCH COLLABORATIONS

Collaborators	Activity	Research
UB and BUAN	Grant applications	Climate change research
Botswana Educational Research Association (BERA)	Roger Federer Foundation-funded regional consultancy	School Readiness Monitoring Tool for Young Children
Alumni of the University of Botswana Development Trust	Financial support towards research	Determining the perceived significance of the institution of marriage among in Botswana
UNICEF-MoBE-OSET	Financial support towards research	Development of a Facilitators Manual for Out of School Education
University of Peace	Financial support towards research	Secondary Supervision of a Doctoral Student
Botswana Police Service	Financial support towards research	Research Advisor on Burglary, Housebreaking and Store Breaking
UNESCO Institute of Lifelong Learning	Financial support towards research	On-line Consultation on Futures of Education of Lifelong Learning Contribution
German Sports University.	Financial support towards research	Monitoring and Evaluation of Activities of DOSB Football Coaching Project in Botswana
Botex	Financial support towards research	Baseline Research on the prevalence of excessive and problem gambling in Botswana
Ramatea Vocational School	Financial support towards research	Moderation of Examination papers and marking keys for a certificate in Early Childhood Education
Ministry of Youth Empowerment, Sport and Culture Development (MYSC)	Financial support towards research	Train 16 of its officers on the use of SPSS.
ITHEMA LABS	Scholarship for two MSc (physics) graduates to study for PhD in Nanoscience/Nanotechnology	NRF-TWAS PhD fellowship

Research grants with monetary value received by the University of Botswana (Table 7)

TABLE 7: INTERNAL RESEARCH GRANTS

Faculty Member	Funding Source	Grant Title	Project Period	Amount
Endale Tefera	University of Botswana	Community-based Echocardiographic Screening for Rheumatic Heart Disease: A Nation-wide Study in Botswana	Feb 2018-Feb 2020	248,737
Julius Mwita	University of Botswana	Streptococcal Pharyngitis in children in selected clinics in Gaborone	Feb 2018-Feb 2020	248,737
Yordanka Pina Rivera	University of Botswana	Metabolic control among HIV- infected Type 2 diabetes mellitus patients attending a tertiary clinic, Gaborone, Botswana	Feb 2018-Feb 2020	50,398
Keneilwe Molebatsi	University of Botswana	Validation of the patient health questionnaire (PHQ-9) to detect depression among primary health care patients in Botswana	Sept 2018-sept 2020	46,692
Cassandra Ocampo	University of Botswana	Cardiovascular Diseases in Pregnancy in a tertiary hospital in Gaborone, Botswana	Sept 2018-sept 2020	49,940
Anthony Olashore	University of Botswana	Psychoactive substance use among secondary school students in Botswana: Risk factors and comorbid psychiatric disorders	Sept 2018-sept 2020	100,000
Caleb Othieno	University of Botswana	Post-partum psychiatric disorders and validation of Edinburg Postnatal Depression Scale at three primary health clinics in Greater Gaborone, Botswana	Feb 2019- Feb 2021	157,817
Bokang Maswabi	University of Botswana	Impact of CDKN2A deletion on biological properties of lymphoma cells	Sept 2019- Sept 2021	239,375



Lynnette T Kyokunda	University of Botswana	Cervical Premalignant and Malignant Lesions in Women from Marginalized (Indigenous) Communities of Botswana: HIV, HPV Association, Risk, Factors and Screening and Screening Barriers	Sept 2020- Sept 2021	250,000
<b>Total</b>				<b>1, 391,696</b>

TABLE 8: EXTERNAL RESEARCH GRANTS

Faculty/Department	Faculty Member	Funding Source	Grant Title	Amount BW
Social Sciences/ Statistics	Dr Lesego Gabaitiri	NIH	Reducing Stigma to Improve HIV/AIDS Prevention, Treatment, and Care among Adolescents Living with HIV in Botswana	300,000
Science/Environmental Science	Prof P.K Kenabatho	AU/NEPAD SANWATCE	Grant to support PhD student doing Research on Water Resources (Surface-Groundwater interaction using Isotopes)	112,000
	Prof P. K. Kenabatho	Academy of Medical Sciences (UB with Durham University)	Prospects of Managed Aquifer Recharge to increase water security in Botswana	380,000
	Prof P. K. Kenabatho	Research England (UK)-UB with Durham University	Improving Water Availability for Female Headed Horticultural Projects in African Drylands Using Enhanced Aquifer Recharge in Sand Rivers	1,574,200
	Prof P. K. Kenabatho	SASSCAL & African Union	Wetland Assessment and Monitoring using Earth Observations in Southern Africa	678,000
Science/Computer Science	Dr. Mogothwane	GCRF for collaboration with the University of Essex	Heavy Traffic Flow Social, Economic and Environmental Impact Analysis for Gaborone in Botswana	112, 618

Science/Biological Sciences	Prof K. Marobela	Germany Exchange Service (DAAD) & German Federal Ministry of Education and Research	Indigenous technological knowledge research	1051,000
Science/Physics	Prof K. M. Mphale	French government	Capacity training of trainers for students in nanoscience between three Universities: South Africa, Madagascar & France for UMSAMABOT	1,500,000
Medicine	Prof Mosepele Mosepele	STRIPE HIV (UCSF/ AFREHEALTH/ HRSA)	STRIPE HIV "Improving Quality of HIV Care Services in Botswana"	1,803,140
	Prof Doreen Ramogola-Masire	CDC Foundation	"Baseline Human Papillomavirus (HPV) Prevalence for Vaccine Impact Monitoring in Botswana"	2,368,827
	Prof Doreen Ramogola Masire and Prof Oathokwa Nkomazana	NIH/NCI	"Botswana-UPENN Research Consortium of HPV-related Cervical Cancer in HIV Patients"	18,508,697
	Prof Mosepele Mosepele	EDCTP	"Albuminuria among Virally Suppressed HIV-infected Patients in Botswana: Longitudinal Changes, and Association with Inflammation and ACEI/ARB Use in a Clinical Setting"	1,772,399
	Prof Mosepele Mosepele	CDC	"Colonization with Multidrug-Resistant Gram Negative Bacteria in Botswana"	245,991
	Prof Keneilwe Molebatsi	NIMH	"Integration of Depression Screening in Diabetes Mellitus and HIV Clinics in Botswana: a pilot study"	25,414
	Prof Mosepele Mosepele and Prof Nthabiseng Phaladze	NIH/Fogarty	"Innovative HIV Testing Strategy for Middle-to-Upper Income Men in a Resource Limited Setting"	1,915,730

Medicine	Prof Oathokwa Nkomazana	Wellcome Trust	The Peek Practice-based Evidence Framework	4,116,458
	Dr Billy Tsimma	NIH	Penn Center for AIDS Research – International Core FY19	46,765
	Dr Billy Tsimma	NIH	Penn Center for AIDS Research – International Core FY20	48,165
	Dr Billy Tsimma	University of Birmingham	Botho Study	308,462
Health Sciences	Prof Mosepele Mosepele and Prof Nthabiseng Phaladze	NIH/NIMH	"Mopati: A Pilot HIV Treatment Partner Intervention in Botswana"	155,791
<b>Total</b>				<b>37,023,657</b>

**STAFF RECOGNITION**

University staff continued to earn both local and internal recognition for their research.

**TABLE 9: STAFF RECOGNITION**

Staff	Faculty/Department	Recognition/Award	Awarding Body
Professor Opha Pauline Dube	Science: Environmental Science	<ul style="list-style-type: none"> <li>Recognised as one of the 12 women and girls of colour leading the charge in climate science and activism from all over the world</li> <li>Appeared in Apolitical (a global network for government) list of the World's 100 Most Influential People in Climate Policy for 2019 (<a href="https://apolitical.co/lists/most-influential-climate-100/">https://apolitical.co/lists/most-influential-climate-100/</a>).</li> <li>Nominated representative of the International Science Council</li> <li>(ISC) Regional Office in Africa at the "9th African Unity for Renaissance Conference", Pretoria, South Africa.</li> <li>Appointed to serve on the 15 member WMO's first Scientific Advisory Panel (SAP) for a term of 2 years</li> <li>Served as a panellist at the High-Level Round Table for the Launch of the Open Consultative Platform for Partnership and Innovation for the Next Generation of Weather and Climate Intelligence at the 18th World Meteorological Congress, Geneva, Switzerland.</li> </ul>	<ul style="list-style-type: none"> <li>United Nations</li> <li>Apolitical (a global network for government)</li> <li>International Science Council (ISC) Regional Office in Africa</li> <li>World Meteorological Organisation</li> <li>World Meteorological Congress</li> </ul>
Dr T. Motshegwa	Science: Computer Science	(IAU100) Open Astronomy Schools Initiative Award	International Astronomical Union
Prof. Modisi	Science: Geology	Appointed chair of the Botswana Geoscience Institute (BGI) board	Botswana Geoscience Institute (BGI)



Prof Bhagabat Parida	Engineering and Technology: civil engineering	Recognised as Best Senior Arts/Science and Technology Researcher of the Year	University of Botswana
		Nominated as an assessor for the South African National Research Foundation (NRF)	Ministry of Tertiary Education, Research, Science and Technology, Botswana
		Selected as a panel member of the OR Tambo Africa Research Chair Initiative.	

#### PRIORITY AREA 4: STRENGTHENING ENGAGEMENT

Various initiatives and activities were undertaken to strengthen engagement (Tables 10 and 11). For example, the Faculty of Engineering and Technology came up with many strategic partnerships with government and non-governmental organisations such as Value Feeds, General Packaging, Water Utilities Corporation, all Central Transport Organisation Depots in the northern region, companies in Maun that included Lean Botswana, Botswana Meat Commission, Kavango Engineering (Pty Ltd), Delta Meat Deli & Butchery (Pty) Ltd, Half Way Ngami Toyota and Pony Transport (Pty) Ltd., to adopt and accept for internship students from the Mechanical, Industrial and Electrical Engineering programmes. The Faculty also availed a large number of its staff for participation in Boards, Councils and Committees of many parastatal and government departments such as Botswana Bureau of Standards (BOBS), Botswana Power Corporation (BPC), Botswana Qualifications Authority (BQA) and Botswana Institute of Geomatics (BIG).

Through the Department of Architecture and Urban Planning, the Faculty continued to collaborate with the Gaborone City Council (GCC) on issues of climate change and sustainability under the FRACTAL project. Through the FRACTAL project, the Department ran a policy forum on mainstreaming climate change into GCC's policies, processes and procedures. This raised the second contract extension with funding of 8600 Pound Sterling. The Faculty also assisted the Faculty of Education in designing customised wheelchair and shoes for a student with disability from West Hanahai in the Kgalagadi District. Similarly, the Faculty assisted a Nyeletso Lehuma (poverty eradication) Scheme recipient to brand his merchandise to enable him to display and sell his products at Rail Park Mall in Gaborone.

The outbreak of COVID-19 early in 2020 prompted the University to come up with different interventions in combating the pandemic. These measures included the design, prototyping, testing and production of Covid-19 response products. Products included Covid19 face-shields, a ventilation hood and a ventilator. The University donated 100 face shields to Sir Ketumile Masire Teaching Hospital (SKMTH) for use by frontline health workers. The University produced and sold more than 10000 face shields.

The Confucius Institute at the University of Botswana (CIUB) opened the Chinese teaching centre at Legae English Medium School in Gaborone where two Chinese instructors taught Chinese from September 2019. In November 2019 the CIUB organized its 10th anniversary celebrations. The Faculty of Humanities collaborated with the Ministry of Basic Education in celebrating the national languages day in Francistown where it show-cased some of its research. This participation made a huge impact in many people's lives, especially students, by addressing some of the core aspects of mother tongue education.

## COLLABORATIONS

To further strengthen engagement, the University undertook both local and external collaborations (Tables 10).

TABLE 10: LOCAL COLLABORATIONS

Faculty/Department	Local Partner	Activity
Engineering Et Technology	Botswana National Productivity Centre	Signing MoU
Science (CesrIKI)	Botswana Geoscience Institute (BGI) and has is participating in a workshop on research issues with the latter.	Signing MoU Participated in a workshop on research issues on geoscience
	Department of Environmental Affairs (DEA), United Nations Development Programme (UNDP), and Companies and Intellectual Property Authority (CIPA),	One day workshop on 11 <sup>th</sup> April 2019, to engage and capacitate stakeholders on upcoming legislation on IK.
	Business Botswana	(i)Annual event on 30 – 31 May 2019 in Francistown. – Representation to engage stakeholders and Botswana business community on Research and Innovation Activities and to seek synergies and potential collaborations.  (ii)Botswana Entrepreneurship Policy Hack took place on Monday June 10 and Tuesday June 11, Masa Square Hotel, Gaborone, Botswana. An Entrepreneurship Policy Hack was organized to ensure that the new policy: a) reflects a common understanding of the most important challenges and opportunities facing Botswana's entrepreneurs; b) incorporates the perspectives entrepreneurs and entrepreneurship supporters; and c) elaborates a common vision for priorities and solutions that can accelerate entrepreneurship in Botswana. The aim was also to assess current policies and their gaps in driving digipreneurships and grassroots engagement. A document on proceedings from the event was produced for MITI to add to their legislative presentation to parliament.
(UB SAIS University-Industry-Government Co-creation Initiative)		The Department of Computer Science, through the Decision and Intelligent Systems and Cybersecurity Clusters organized IndabaX BW 2019 Machine Learning Workshop 17 - 19 June 2019, University of Botswana
	HEVEFRU, a private company dealing with research and development of indigenous herbs, fruits and vegetables.	Signing MoUs for better industry-university deliverables
	Southern African and Eastern Africa Network for Analytical Chemists (SEANAC) and the Federation of African Societies of Chemistry (FASC).	1 <sup>st</sup> Botswana International Chemistry conference on 24-26 September 2019.

Business	Botswana Innovation Hub	The Business Clinic trained 10 Entrepreneurs on business record keeping and financial management.
	Frankfurt School of Finance and Management	The Faculty through the Business Clinic trained 40 Women Entrepreneurs on business management. The week long workshop equipped participants with critical skills in marketing, cash flow management and business development
	Botswana Investment and Trade Centre (BITC).	The Faculty through the Department of Marketing provided a short training programme for 30 local businesses on export development. The beneficiaries were identified and sponsored by BITC. The training engaged facilitators from the Faculty, Ministry of Trade and Industry and the banking sector
	Eastern and Southern African Association of Accountant Generals and the Office of the Accountant General	Trained 30 senior government financial managers on financial management. The two week programme equipped participants with relevant skills in various areas of public sector management and also provided an opportunity for debates around contemporary and emerging issues in public sector financial management
	Human Resource Development Council (HRDC)	The Department of Management trained all Student Representative Council (SRC) members for all tertiary Institutions in Botswana on leadership.
	Meetings Architects Southern Africa Pty Ltd and Doing Business	Hosted an international symposium in doing Business in Botswana. The event was attended by 87 Delegates including Members of Parliament, Permanent Secretaries and other Senior Government Officials.
	Ministry of Finance and Economic Development	Members from the Departments of Accounting and Finance and that of Management formed part of the national team which conducted an assessment of Botswana Government budgetary procedures through the Public Expenditure and Financial Accountability (PEFA) project. This is an important project which aims to inform Government on how to improve its public finance management.
	Directorate on Corruption and Economic Crime (DCEC).	Trained 160 Managers and academic staff from different tertiary institutions in Botswana on detecting and preventing corruption in the education sector. The two day workshop was conducted under the auspices of the Botswana Business Ethics Forum which is a partnership between UB and DCEC.
Social Sciences	Stanbic Bank partnership	Generated The Stanbic Bank Economic Review Report.



Science	Ministry of Tertiary Education Research Science and Technology (MoTE)	The University participated in the National Science Week held from the 19th – 23rd August 2019 in Good Hope (Southern District) <ul style="list-style-type: none"> <li>demonstrated programmable robots and computer games to inspire students in developing applications through computer programming.</li> </ul>
	Computer Society of Botswana	University demonstrated applications such as natural language processing, programmable robots and child growth monitoring mobile apps at the National Fourth Industrial Revolution (4IR) Symposium, from 27–28 August 2019.
	Ministry of Basic Education (MoBE)	Organized a one-day seminar on to sensitize the youth on 4IR uptake in the country and engaged them on emerging technologies for addressing challenges in the various sectors of the economy on 10 September 2019.
		Participated in the Nare Sereto Secondary School prize giving ceremony to motivate excellent student performance the students 6 September 2019
	Southern African Science Service Centre for Climate Change and Adaptive Land Management (SASSCAL)	Facilitated a National Environmental Fund (NEF) – funded workshop in Lerala, 15 – 16 August 2019.
	Swerve Robotics and DARE To DREAM	<ul style="list-style-type: none"> <li>Organised a Software Carpentry Workshop for graduate students and other researchers 16 – 19 September 2019.</li> <li>Held the FIRST LEGO League STEM Robotics Training 22-26 July 2019.</li> <li>partnered with UBCS on STEM-Training using robotics</li> <li>Organised a Workshop on ecosystem mapping, landscape and gap analysis, 29 July 2019.</li> </ul>
The Universities–Industry–Government Co-Creation Platform project	Conducted Cyber-security and SANReN short training sessions, 7 and 14 March 2020.	
Humanities	Botswana Society	<ul style="list-style-type: none"> <li>Held a workshop on 'Place Names', in February 2020 Botswana Society. (See pic. 1)</li> <li>Held seminar on 'Digitization of Phuthadikobo Museum Collections', 7 October 2019. (See pic. 2)</li> </ul>
	Ministry of Basic Education (MoBE)	<ul style="list-style-type: none"> <li>Held workshop on 'The Introduction of Mother Tongue Education at Pre-School and Early-Primary' in March 2020</li> </ul>

Humanities	Chinese Embassy	<ul style="list-style-type: none"> <li>The Chinese Studies Programme in the Faculty of Humanities hosted a well-attended Public Lecture on 12 September 2019 lead by the Chinese Ambassador to Botswana H.E. Dr Zhao Yanbo at the UB Main Campus. The lecture on "China-Africa Cooperation in a New Era" was attended by staff, undergraduate and postgraduate students, representatives from government, the business community, the media and education sector. H.E. Dr Zhao Yanbo's lecture was preceded by a "meet and greet" opportunity for Chinese Studies students with the Ambassador.</li> <li>The Confucius Institute at the University of Botswana (CIUB) also contributed to strengthening engagement and collaboration in the following ways:             <ul style="list-style-type: none"> <li>CIUB teaching staff continued to teach at private secondary schools such as Rainbow High School in Gaborone.</li> <li>CIUB sent 4 Chinese teachers to teach at Botswana International University of Science and Technology (BIUST). Since they were recruited through CIUB, they therefore had logistical academic support from CIUB (textbooks, syllabus, and cultural materials). CIUB directors visited BIUST once a semester to evaluate the teaching as well as listening to some of the concerns.</li> <li>CIUB organized the "Chinese Bridge" Competition for both college students and secondary school students and sent winners to represent Botswana in the final competition in Beijing. This event was facilitated by the Chinese Embassy and organized by CIUB.</li> <li>The Department of Library and Information Studies (LIS), through Prof Jain, as the President of Gaborone Inner Wheel Ladies Club contributed towards organising ladies charity lunch on 26th April, 2019 at the AVANI Gaborone Resort &amp; Casino. The proceeds from the lunch P 20,000.00 were donated to Cancer Association Botswana, SOS Children's Village Tlokweng.</li> </ul> </li> </ul>
	Ministry of Basic Education (MoBE)	<ul style="list-style-type: none"> <li>The Department also commenced research into the Junior Certificate Examinations with a focus on level of evaluation, quality of papers and the teaching of French in schools in order to help the Ministry of Basic Education and other stakeholders to make informed decisions.</li> </ul>

Pic .1: Botswana Society workshop on "Place Names"



Dr B. Manatsha, Prof F Morton, Prof A. Chebanne and Prof M Bolaane during presentation by the first panel (Academics) at the one-day workshop on 'Place Names' in February 2020

Pic. 2: Digitalization of Phuthadikobo Museum



Phuthadikobo Museum Board Chair and Kgosi Balebetse (Mmathubudukwane) at the Departmental seminar.

TABLE 11: INTERNATIONAL COLLABORATIONS

Faculty	International Partner	Activity
Social Sciences	Africa Gender Institute - University of Cape Town	<ul style="list-style-type: none"> <li>Participated in the Young Women's Leadership Programme.</li> <li>Hosted eight students and one staff member on an exchange programme from the University of Cape Town</li> </ul>
	<ul style="list-style-type: none"> <li>Turku University of Applied Sciences.</li> <li>Diak University in Finland.</li> <li>Jonkoping University of Applied Science in Sweden.</li> <li>Fachhochschule Erfurt University of Applied Sciences in Germany.</li> <li>Western Norway University of Applied Sciences in Norway.</li> <li>University of Maryland School of Social Work in the United States of America.</li> <li>Chicago School of Professional Psychology</li> </ul>	Signed MoUs
Science	African Genomic Network (CAFGEN)	Participated in the Collaborative African Genomic Network (CAFGEN) meeting in Kampala, Uganda, 21 June - 4 July 2019.
	Academy of Medical Sciences, Durham University	Signed Collaboration Agreement
	University of South Africa	<ul style="list-style-type: none"> <li>Ran NMR experiments in South Africa.</li> <li>Two PhD students sponsored by the Royal Society-DFID Consortium conducted their research at the University of South Africa as visiting students.</li> </ul>
	HPC & Data Science Research Cluster	Participated in the African Unity for Renaissance Conference (AURC), Kievits Kroon Country Estate, Pretoria, 22-24 May 2019
	National Science and Technology Forum (NSTF)	Participated in the science and technology platform for celebrating initiatives and success by scientists, researchers and institutions. Kempton Park, Gauteng South Africa, 27 June 2019
	<ul style="list-style-type: none"> <li>Southern Africa Innovation Support Programme (SAIS) University Industry-Government Co-creation Initiative</li> </ul>	<ul style="list-style-type: none"> <li>Participated in the Demola Global Summit, Nice, France, 11 - 13 June 2019</li> <li>Participated in the Google Developer Group (GDG) - Flutter and Firebase Weekend, 15 June 2019</li> </ul>



		<ul style="list-style-type: none"> <li>Participated in the Intergovernmental Panel on Climate Change (IPCC-49) session in Kyoto, Japan, 6 – 14 May 2019.</li> <li>Hosted the International Federation for Information Processing (IFIP) Chairman and Global Industry Council Director, Moira de Roche.</li> </ul>
Humanities	Maputo International School	<ul style="list-style-type: none"> <li>Taught five staff members of Maputo International School a special English proficiency course, Aug-Nov 2019 <ul style="list-style-type: none"> <li>MoU signed in 2019</li> </ul> </li> <li>Hosted the Director of Maputo International School to evaluate the first session of a three-year collaboration on the teaching of English to staff at his school, 14 December 2019.</li> </ul>
	Universities of Essex, Zambia, Dar es Salaam and Botswana	Participated in the Education Research Project entitled: Bringing the Outside In: Merging Local Language and Literacy Practices to Enhance Classroom Learning,
	University of Koblenz-Landau, Germany University of Stellenbosch, South Africa	<ul style="list-style-type: none"> <li>Participated in the UB-Koblenz-Landau Student and Staff</li> <li>Hosted Dr Le Roux 23 September – 8 October 2019</li> </ul>

#### PRIORITY AREA 5: IMPROVING THE STUDENT EXPERIENCE

In the period under review, the University implemented the following initiatives and activities to improve student experience (Table 12)

TABLE 12: INITIATIVES AND STUDENT ACTIVITIES

Date	Activity	Participants	Purpose	Place
24 - 28 September 2019	Field trip	ARC421: Geoarchaeology class	Familiarization and assessment of archaeological landscapes	Shashe-Limpopo Basin and World Heritage site at Khami near Bulawayo, Zimbabwe (See pic. 3)
30 September - 2 October 2019	Field trip	ARC 417: Heritage Management Class	Appreciation of the application of the UNESCO 2003 Convention on the Safeguarding of the Intangible Cultural Heritage (ICH). The aim was to allow students to observe the modern use of archaeological sites by communities.	Cultural festival at Domboshaba Ruins near Masunga (See pic. 4)
16 April 2019	Meet the -Professionals Forum	CHN 102 Basic Mandarin 2 CHN 202 Pre-Intermediate Mandarin Chinese 2 CHN 302 Intermediate Mandarin Chinese 2 CHN 402 Advanced Mandarin Chinese 2	Interaction and networking with professionals working in China and Mandarin Chinese-related fields for possible career advice.	University of Botswana, Gaborone
16 – 22 June 2019 and 21– 25 July 2019	Protocol services for Francophone speakers at the Botswana Communication Regulatory Authority's (BOCRA) two international conferences.	Select students in the French Department	Application and appreciation of French language	Gaborone, Botswana
20 February 2020	Workshop	Geology and Hydrogeology graduate students	Review of a feasibility study on managed aquifer recharge activities	University of Botswana, Gaborone
September 2019	Field trip	BIO 403: Applied Botany students	Observe grass harvesting, wood sculpting and preparation of traditional medicine	Dibete, Botswana

13 April 2019	Field trips	ENS 467 (Ecotourism) and ENS 468 (TOURISM and Development) students	Exposure to sustainable tourism ventures in Botswana	<ul style="list-style-type: none"> <li>• Women's Pottery, Thamaga</li> <li>• Livingstone's Tree, Manyana</li> <li>• Bahurutshe Cultural Village, Mmankgodi</li> <li>• Kolobeng Heritage Site, Kumakwane</li> </ul>
3 June -26 July 2019	Field trip	GEO 301 students	Motivate female students studying mining and data collection and compilation of a geological observation at sites.	<ul style="list-style-type: none"> <li>• Kanye</li> <li>• Moshaneng</li> <li>• Diabo</li> <li>• Kubung</li> <li>• Selebi Phikwe</li> <li>• Malotwane</li> <li>• MAsama</li> <li>• Francistown</li> <li>• Kang</li> <li>• Otse</li> </ul>
January - November 2019	Supervision of Form 3 afternoon group studies.	Department of Mechanical Engineering	Mentorship and support of students especially Form 3's who are at exit level to enhance exam results. The bigger picture is to generate interest in Engineering as a career in the process. The group took position 1 in the whole country.	Nanogang Junior Secondary School
MArch 2019 and March 2020	Student field visit	B.Eng. Civil Engineering CCB523: Pre-stressed Concrete, Level 500	Exposed students to pre-stressed mechanisms, materials and machinery at Fast Deck Pty Ltd.	Gaborone, Botswana
22 June to 29 September, 2019	Student exchange programme	Master of Arts in Economics class	Participation in the Joint Facility for Electives (JFE) organized by the African Economic Research Consortium (AERC) as part of the Collaborative Masters Programme (CMAP)	Nairobi, Kenya
1 - 6 July 2019	The 28 <sup>th</sup> Africa Human Rights Moot Court Competition	LLB students in level 500 joined their counterparts from over 40 African Countries in an International Moot. This event was held in collaboration with the Centre for Human Rights at the University of Pretoria.	Expose students to court practice	University of Botswana, Gaborone

Pic. 3: Khami Hill site



Pic. 4: Domboshaba ruins



ARC 417 at the 2019 Domboshaba Cultural Festival (1 October, 2019)



TABLE 13. LIVING AND LEARNING COMMUNITIES PROGRAMME

Date	Activity	Participants	Purpose	Place
18-19 October 2019	<ul style="list-style-type: none"> <li>Eco-conference</li> <li>Musical competitions</li> <li>Mr and Ms LLC beauty contests</li> <li>Fashion Show.</li> </ul>	Resident students	Encouraging recycling of waste	UB
10 February 2020.	Hepatitis B Virus Awareness	Students	Hepatitis B Virus Awareness	UB
24 -25 July 2020	Library Outreach Project	Students	Fundraise for architectural and fencing materials for the land for the Library project	Mogapinyana village (Botswana) (See pic. 5)
9 December 2020	Workplace support for three employees with visual impairment at the request of the workplace.	Visually impaired staff from the Okavango Sub District Council in the North West (Botswana) and Training staff of Local Enterprise Authority (LEA)	Providing work support to enable independent safe travel and activities of daily living for persons with disabilities.	UB

Pic. 5: Library project in Mogapinyana village



CULTURE, SPORTS AND RECREATION

The University of Botswana encouraged students to participate in sports to improve their wellbeing. In the year under review, First National Bank Botswana (FNBB) and Botswana Tertiary School Sports Association (BOTESSA) held their annual sports awards where the University dominated as the overall best performing institution by winning in the following categories: (Table 14).

TABLE 14: WINNERS IN DIFFERENT SPORTS CODES

Category	Name of winner
Volleyball male player of the year	Tshifu Thomas
Volleyball female player of the year	Mildred Botsang
Football female player of the year	Jennifer Mokoka,
Basketball male player of the year	Goabaone Tshupelo
Basketball female of player the year	Keitumetse Batshidi
Chess male player of the year	Lefika Dinake
Tennis female player of the year	Winnie Mooketsi.
Male best athlete of the year	Clifton Meshack
2019/2020 Botswana Football Association Women's League Championship	UB Kicks, ladies soccer team
2019/2020 B-Division Championship	UB Relics Basketball Men's Team
2019 Botswana Choral Music Association (BCMA) National Finals 3rd place winner in the Male Voice Category	UB Choir

TABLE 15: OTHER STUDENT ACHIEVEMENTS

Date	Achievement	Participants	Place
5-16 August 2019	International scholarships to attend the CODATA-RDA Research Data Science Summer School	Ms Simisani Ndaba and Ontiretse Ishmael from Faculty of Science	Trieste, Italy
25 -30, 2019	Scholarship to attend the Deep Learning Indaba Conference	Ms Senate Lekomela, Ms Wame Raseonyana, and Mr Badisa Mosesane from Faculty of Science	Nairobi, Kenya
1 - 4 September 2019	Presented a conference paper at the Federated Conference on Computer Science and Information Systems in the track: Software and System Engineering,	Mr. Michael Tuape from Faculty of Science	Leipzig, Germany
3-6 September 2019	Presented a paper at the 2 <sup>nd</sup> SADC conference on groundwater	Mr Diloru Phitlho	Johannesburg, South Africa
	Awarded 'Best Oral at the 2 <sup>nd</sup> SADC conference on groundwater Presentation from Young Professionals	Mr Leatile Modie	
16-20 June 2019	Scholarship to attend the ISC High Performance Computing Conference	Ms Molly Kgobathe	Frankfurt Germany
31 March – 7 July 2019	Koblenz-Landau Student and Staff Exchange	Ms. Oyedzere Lekgoko and Ms. Gorata Peleng	Koblenz-Landau Germany

## PRIORITY AREA 6: ENHANCING HUMAN RESOURCES FOR EXCELLENCE IN DELIVERY

University of Botswana professors continued to serve their profession and provide service to the nation (Table 16).

TABLE 16: HUMAN RESOURCES ENHANCEMENT

Faculty	Staff member	Enhancement /International Conference	Place
Science (Geology)	Dr. Kegomoditswe Koitsiwe	International conference	Sidney, Australia
	Dr. Zibizani Bagai	International conference	Prague, Czech
Science (Physics)	Prof Pushendra K. Jain	9 <sup>th</sup> International Conference on Frontiers of Plasma Physics and Technology	Kelayina, Sri Lanka
	Dr Nicholas Mbangiwa	Eddy Covariance Flux Measurement Winter School	Vuwani, Limpopo province, South Africa
	Mr Kabo Wale	Eleanor Emery Scholarship for PhD studies in Medical Microbiology and Animal Physiology	University of Glasgow
	Mr Phillip Moseki		
	Prof. Berhanu F. Alemaw	Research completion in the area of climate adaptation and secured (Africa Climate Leadership Programme (AfriCLP) Fellowship for 2018-2020.	African Academy of Sciences
Humanities (Library and Information Studies)	Mr H. Keleba	(i) Qualified for Google Cloud Certification and was awarded *Professional Cloud Security Engineer" certificate on April 29, 2019.	Online (USA)
		(ii) Completed a 2-day Intensive workshop by VENNS Attorneys from 13 & 14 June 2020 on *Negotiating, Drafting & Managing ICT Contracts.	Gaborone
Chinese Studies	Ms Gracious Masule	(i) Attended an Overseas Chinese Teacher's Training that was held on 27 July to 10 August 2019. (ii) Attend the 2019 International Chinese Language Education Conference, from 8 to 10 December 2019	Changchun, China
Confucius Institute at the University of Botswana (CIUB)	Ms Mogolo Kefalotse Ramalebang and Ms Lesego Alicia Keimetswe	Offered full scholarships to start PHD degree programme in (January-December 2019).	China

## PHYSICAL INFRASTRUCTURE

The University continued to provide the necessary infrastructure and equipment to support and foster a positive learning and working environment. For example, it increased its ICT capacity to 100% access. The power upgrading project proceeded well through the Memorandum of Agreement with Botswana Power Corporation. Power supply was increased to supply UB Gaborone Campus effectively.





Annual Financial  
**Statements**  
2019/2020



**GENERAL INFORMATION**

Incorporated in Botswana in terms of the University of Botswana Act, 2008

**NATURE OF BUSINESS**

The aims of the University of Botswana are to provide tertiary education across a wide range of disciplines and predominantly to Botswana citizen students.

**CHANCELLOR**

Ms Linah K. Mohohlo 19/07/2018

**MEMBERS OF THE COUNCIL AT 31 MARCH 2019**

Name	Appointed	Designation
Dr Joseph Moeketsi Makhema	01/10/2018	Chairperson
Ms Anna Majelantle	01/10/2018	Vice Chairperson
Prof David Norris	01/12/2017	Vice Chancellor
Ms Ellen Richard-Madisa	01/10/2018	Member
Ms Ruth Motshidisi Maphorisa	01/10/2018	Member
Dr Bernard Bulawayo	01/10/2018	Member
Mr Moatlhodi Sebabole	01/10/2018	Member
Ms Tshisimogo Masisi Lekaukau	01/10/2018	Member
Ms Verily Molatedi	01/10/2018	Member
Dr Patson Mazonde	01/10/2018	Member
Ms Matshidiso Masire	01/10/2018	Member
Dr Mompoti Mmalane	01/10/2018	Member
Ms Nnosang Mhutsiwa	01/10/2018	Member
Prof Mbuzeni Sibara	13/09/2016	Member
Prof Norman Maphosa	14/06/2016	Member
Prof Anderson Chebanne	03/01/2019	Member
Mr Alexander T Yalala	12/06/2018	Member
Mr Boipuso G Dikgang	12/06/2018	Member
Prof Bagele Chilisa	27/10/2017	Member
Mpho Molokwane	13/02/2019	SRC Representative
Mr Lopang Albert Mosupi	11/03/2019	Acting Deputy Vice Chancellor, Finance and Administration
Prof Happy Siphambe	13/02/2019	Acting Deputy Vice Chancellor, Student Affairs
Prof Oathokwa Nkomazana	01/10/2018	Acting Deputy Vice Chancellor, Academic Affairs
Mr Benbella Rwelengera	01/04/2019	Secretary to Council

**Resignations during the year**

Mr Mendel Ngoni Nlanda	31/01/2020	Deputy Vice Chancellor Finance and Administration
Ms Tshagofatso Mogomotsi	30/09/2018	Secretary to Council

**REGISTERED OFFICE**

University of Botswana  
Plot 4775  
Notwane Road  
Private Bag 0022  
Gaborone

**INDEPENDENT AUDITORS**

PricewaterhouseCoopers



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The following statements are presented in compliance with International Financial Reporting Standards and the requirements of the University of Botswana Act, 2008.

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## STATEMENT OF RESPONSIBILITY AND APPROVAL BY THE GOVERNING COUNCIL

The Members of the Council of the University of Botswana are responsible for the maintenance of adequate accounting records and the preparation, integrity and fair presentation of the financial statements. The annual financial statements presented on pages 70 to 106 have been prepared in accordance with International Financial Reporting Standards and in the manner required by the University of Botswana Act, 2008.

The Members of the University Council consider that in preparing the annual financial statements, they have used the most appropriate accounting policies, consistently applied (except as otherwise indicated) and supported by reasonable and prudent judgements and estimates, and that International Financial Reporting Standards have been applied. The Members of the University Council acknowledge that they are ultimately responsible for the system of internal financial control established by the University and places considerable importance on maintaining a strong control environment. The Members of the University Council are satisfied that the information contained in the annual financial statements fairly presents the results of operations for the year ended 31 March 2020 and the financial position of the University at 31 March 2020.

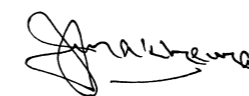
"The Members of the University Council have made an assessment of the University's ability to continue as a going concern, including reviewing detailed cash flow projections prepared by the University's Management. These cash flow forecasts indicate that, based on anticipated operating subventions, utilization of available funds and timely collection of student debts, the University will have sufficient cash resources to meet operating requirements by the end of the ensuing financial year. The University will remain a going concern through the continued support of the Government of Botswana, in the form of annual subventions and timely settlement of fee accounts on behalf of sponsored students. The Government of Botswana, through the Ministry of Tertiary Education, Research, Science and Technology, has assured the University that it will continue to provide financial support to the University. The extent of such support will be guided by national spending priorities and the alignment of the University's strategic plan to such priorities.

Based on

- the past financial support received from the Government,
- subventions already received with respect to the ensuing financial year,
- the stakeholder compact signed by the University with the Ministry of Tertiary Education, Research, Science and Technology, which aligns the University's activities with priorities set by the Ministry, and
- the confirmation of continuing support received from the Government, the Governing Council is satisfied that the University will continue as a going concern. Accordingly, the annual financial statements have been prepared on a going concern basis.

The independent auditor conducts an examination of the annual financial statements in conformity with International Standards on Auditing, which include tests of transactions and selective tests of internal accounting controls. Regular meetings are held between Management and the independent auditor to review matters relating to internal controls and financial reporting. The independent auditor has unrestricted access to the members of the Governing Council.

The annual financial statements set out on pages 70 to 106 were approved by the Members of the University Council on ..... and are signed on its behalf by:



CHAIRMAN OF THE COUNCIL



VICE CHANCELLOR AND MEMBER OF THE COUNCIL



## INDEPENDENT AUDITOR'S REPORT TO THE MINISTER OF TERTIARY EDUCATION, RESEARCH, SCIENCE AND TECHNOLOGY

### Our opinion

In our opinion, the annual financial statements give a true and fair view of the financial position of University of Botswana (the "University") as at 31 March 2019, and of its annual financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRS").

### What we have audited

University of Botswana's annual financial statements set out on pages 70 to 107 comprise:

- the statement of financial position as at 31 March 2020;
- the statement of comprehensive income for the year then ended;
- the statement of changes in fund balances for the year then ended;
- the statement of cash flows for the year then ended;
- significant accounting policies; and
- the notes to the annual financial statements, including critical accounting estimates and assumptions.

### 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 annual financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

We are independent of the University in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code") issued by the International Ethics Standards Board for Accountants and other independence requirements applicable to performing audits of annual financial statements in Botswana. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and other ethical requirements applicable to performing audits of annual financial statements in Botswana.

### Material uncertainty relating to going concern

We draw attention to Note 4.1.4 to the annual financial statements, which indicates that the University incurred a deficit of P 31,884,000 (2019: surplus of P69,043,000) and a net decrease in cash and cash equivalents of P 43,340,000 (2019: increase of P56,394,000) for the year ended 31 March 2020 and, as of that date, the University's total liabilities exceeded its total assets by P 173,607,000 (2019: P 141,723,000). As stated in Note 4.1.4, these events or conditions, along with other matters as set forth in Note 4.1.4, indicate that a material uncertainty exists that may cast significant doubt on the University's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

### Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the annual financial statements of the current period. These matters were addressed in the context of our audit of the annual financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We communicate the key audit matter that relates to the audit of the annual financial statements of the current period in the table below.

## INDEPENDENT AUDITOR'S REPORT TO THE MINISTER OF TERTIARY EDUCATION, RESEARCH, SCIENCE AND TECHNOLOGY (CONTINUED)

Key audit matter	How our audit addressed the key audit matter
<p><b>Impairment of trade receivables</b></p> <p>The University adopted IFRS 9 - Financial Instruments ("IFRS 9") to measure the Expected Credit Losses (ECL) of trade receivables, for the first time in the 2019 reporting period. This resulted in a change in accounting policy from an incurred credit loss impairment model to an expected credit loss model. The University applies the simplified approach and recognises lifetime ECL for trade receivable balances.</p> <p>To measure ECL, trade receivables have been grouped based on shared risk characteristics and provision matrix has been used as a practical expedient.</p> <p>At 31 March 2019, the University recognised net trade receivables of BWP6,062,000, after recognising an impairment loss of BWP43,832,000. An additional impairment provision of BWP7,151,000 was recognised on implementing the ECL model at 1 April 2018.</p> <p>The University is required to apply significant judgment in determining ECL, specifically historical loss rates. The determination of ECL when assessing the impairment of trade receivables was considered to be a matter of most significance to the current year audit due to the first time application of IFRS 9 and significant judgement applied by management in the determination of ECL.</p> <p>Disclosures with respect to the application of IFRS 9 in determining the ECL are disclosed in the following accounting policies and notes to the annual financial statements:</p> <ul style="list-style-type: none"> <li>• Note 3.1(b) "Adoption of IFRS 9";</li> <li>• Note 4.1.2 "Measurement of the expected credit loss allowance";</li> <li>• Note 5 "Financial risk factors (b) Credit risk"; and</li> <li>• Note 8 "Trade and other receivables".</li> </ul>	<p>Our audit procedures included, inter alia, the following:</p> <ul style="list-style-type: none"> <li>• We obtained an understanding of and evaluated the design, implementation and operating effectiveness of the University's relevant internal controls relating to credit origination, credit control and debt collection;</li> <li>• We assessed the University's ECL impairment model against the requirements of IFRS 9 and found the model to be consistent with these requirements;</li> <li>• We tested the mathematical accuracy of the University's ECL impairment calculations and no material differences were noted;</li> <li>• We challenged assumptions and judgements made by the management through discussion, comparison to data and our knowledge of the operation as gained through our audit in determining sub-groupings and historical rates and found these to be reasonable; and</li> <li>• We evaluated the completeness and accuracy of the trade receivables aging reports utilised by management in their ECL calculations at 1 April 2018 and 31 March 2019 and agreed the inputs to relevant supporting documents. No material differences were noted.</li> </ul>



## INDEPENDENT AUDITOR'S REPORT TO THE MINISTER OF TERTIARY EDUCATION, RESEARCH, SCIENCE AND TECHNOLOGY (CONTINUED)

### Other information

The Members of the University's Council are responsible for the other information. The other information comprises the information included in the document titled "University of Botswana Annual financial statements for the year ended 31 March 2020", which we obtained prior to the date of this auditor's report, and the other sections of the document titled "University of Botswana Annual report 2019-2020", which is expected to be made available to us after that date. Other information does not include the annual financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of the Members of the University's Council for the annual financial statements

The Members of the University's Council are responsible for the preparation of the annual financial statements that give a true and fair view in accordance with International Financial Reporting Standards, and for such internal control as the Members of the University's Council 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 annual financial statements, the Members of the University's Council are responsible for assessing the University'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 Members of the University's Council either intend to liquidate the University or to cease operations, or have no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the annual financial statements

Our objectives are to obtain reasonable assurance about whether the annual 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 annual 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 annual 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 University's internal control.

## INDEPENDENT AUDITOR'S REPORT TO THE MINISTER OF TERTIARY EDUCATION, RESEARCH, SCIENCE AND TECHNOLOGY (CONTINUED)

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

We communicate with the Members of the University's Council 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 Members of the University's Council, we determine those matters that were of most significance in the audit of the annual 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 matters 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.



Individual practicing member: Sheyan Edirisinghe  
Membership number: 20030048

30 November 2020

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## STATEMENT OF COMPREHENSIVE INCOME

### FOR THE YEAR ENDED 31 MARCH 2020

	Notes	2020 P 000's	2019 P 000's
Government subvention	6	905,219	948,108
Tuition and other student fee revenue	7	438,419	447,993
Amortisation of government grants	16	100,294	103,759
Other income	8	20,582	23,391
Deferred income realised during the year	17	93,562	76,791
<b>Gross Income</b>		<b>1,558,076</b>	<b>1,600,042</b>
Staff costs	9	(1,160,940)	(1,128,276)
Other operating expenses		(328,682)	(341,015)
Additional Impairment of receivables	14	(16,175)	(6,677)
Amortisation of intangible asset		(2,237)	(2,237)
Expenditure on designated projects	17	(93,562)	(76,791)
(Deficit)/surplus from operating activities	9	<b>(43,520)</b>	45,046
Finance income	10	12,322	23,997
Finance cost - lease liability		(686)	-
<b>(Deficit)/surplus for the year</b>		<b>(31,884)</b>	<b>69,043</b>
Other comprehensive income		-	-
<b>Total comprehensive (deficit)/surplus for the year</b>		<b>(31,884)</b>	<b>69,043</b>

## STATEMENT OF FINANCIAL POSITION

### AS AT 31 MARCH 2020

	Notes	2020 P 000's	2019 P 000's
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	11	2,129,613	2,210,149
Right-of-use asset	11b	9,351	-
Intangible assets	11a	4,479	6,716
Capital work-in-progress	12	10,165	8,428
		<b>2,153,608</b>	<b>2,225,293</b>
<b>Current Assets</b>			
Inventories	13	3,930	3,449
Trade and other receivables	14	20,831	18,913
Cash and cash equivalents	15	497,646	544,339
		<b>522,407</b>	<b>566,701</b>
		<b>2,676,015</b>	<b>2,791,994</b>
<b>FUNDS AND LIABILITIES</b>			
<b>Capital Funds and Reserves</b>			
Other reserves		141,983	141,983
Accumulated fund		(315,590)	(283,706)
		<b>(173,607)</b>	<b>(141,723)</b>
<b>Non-Current Liabilities</b>			
Government grants	16	2,171,160	2,268,673
Funds received in advance for designated projects	17	150,572	108,712
Lease liability	20	7,214	-
Provision for employee benefits - non current portion on Gratuity	19	58,189	64,263
		<b>2,387,135</b>	<b>2,441,648</b>
<b>Current Liabilities</b>			
Lease liability - current portion	20	2,429	-
Funds received in advance for designated projects - Current portion	17	71,863	93,561
Deferred student fee revenue	17a	81,800	59,727
Trade and other payables	18	166,607	198,393
Provision for employee benefits - current portion -Gratuity and leave	19	139,788	140,388
		<b>462,487</b>	<b>492,069</b>
		<b>2,676,015</b>	<b>2,791,994</b>
<b>Total funds and liabilities</b>		<b>2,676,015</b>	<b>2,791,994</b>



## STATEMENT OF CHANGES IN FUND BALANCES FOR THE YEAR ENDED 31 MARCH 2020

	Notes	Council Controlled		Accumulated Fund	Total
		Unrestricted Funds	Other Reserves		
		P 000's	P 000's	P 000's	P 000's
<b>Balance at 1 April 2018</b>		-	141,983	(345,598)	(203,615)
Adjustment - IFRS 9 Transitional Impairment	14	-	-	(7,151)	(7,151)
Balance at 1 April 2018 as restated		-	141,983	(352,749)	(210,766)
Total comprehensive surplus for the year		-	-	69,043	69,043
Transfer of interest received	10	23,997	-	(23,997)	-
Transfer of Council Controlled funds to accumulated fund		(23,997)	-	23,997	-
<b>Balance at 31 March 2019</b>		-	141,983	(283,706)	(141,723)
<b>Balance at 1 April 2019</b>		-	141,983	(283,706)	(141,723)
Total comprehensive deficit for the year		-	-	(31,884)	(31,884)
Transfer of interest received	10	12,322	-	(12,322)	-
Transfer of Council Controlled funds to accumulated funds		(12,322)	-	12,322	-
<b>Balance at 31 March 2020</b>		-	141,983	(315,590)	(173,607)

Other reserves represent the fair value uplift on land and buildings inherited from the former University of Botswana, Lesotho and Swaziland, which were allocated to the University. Such fair value uplift was performed to state these assets at a reasonable original cost to the University.

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2020

	Notes	2020	2019
		P 000's	P 000's
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Total comprehensive (deficit)/surplus for the year	11	(31,884)	69,043
Amortisation of property, plant and equipment	11a	98,057	101,522
Amortisation of Intangible assets	11b	2,237	2,237
Depreciation of Right-Of-Use Asset	16	2,538	-
Amortisation of Government grants	10	(100,294)	(103,759)
Finance Income	16	(12,322)	(23,997)
Funds released from completed capital projects	8	(2,686)	(16,498)
(Surplus)/Loss on disposal of property, plant and equipment		(490)	21
<b>Finance cost</b>		686	-
<b>Cash generated (used in) from operating activities before working capital changes</b>		<b>(44,158)</b>	<b>28,569</b>
<b>WORKING CAPITAL CHANGES</b>			
(Increase) in inventories		(481)	(67)
(Increase) in trade and other receivables		(1,918)	(460)
Increase/(Decrease) in trade and other payables		13,803	(246)
(Decrease)/Increase in Provision for employee benefits		(6,674)	6,812
<b>Cash generated used in /from operating activities</b>		<b>4,730</b>	<b>6,040</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Additions to property, plant and equipment	11	530	-
- to increase operating capacity	12	(16,322)	(5,951)
Interest received	10	(2,974)	(651)
		12,322	23,997
<b>Cash (used in)/generated from investing activities</b>		<b>(6,444)</b>	<b>17,395</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
Government grants received	16	5,467	4,390
Interest paid & lease repayment		(2,936)	-
<b>Cash generated from financing activities</b>		<b>2,531</b>	<b>4,390</b>
Net (decrease)/increase in cash and cash equivalents		(43,340)	56,394
Cash and cash equivalents at beginning of the year	15	211,727	155,333
<b>Cash and cash equivalents at end of the year</b>		<b>168,387</b>	<b>211,727</b>

## ACCOUNTING POLICIES

### FOR THE YEAR ENDED 31 MARCH 2020

#### 1. GENERAL INFORMATION

The University of Botswana is incorporated in terms of the University of Botswana Act, 2008. The aims of the University of Botswana are to provide higher education and training, undertake, promote and facilitate research and scholarly investigations, support and contribute to the realization of economic and social advancement of the intellectual and human resource capacity of the international community.

#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied in the preparation of these annual financial statements are set out below. These policies have been consistently applied in the previous years, unless otherwise stated. The annual financial statements set out on pages 70 to 107 have been approved by the members of the University council on 27 November 2020.

##### Basis of preparation

"The annual financial statements of the University have been prepared in accordance with International Financial Reporting Standards (IFRS) and the requirements of University of Botswana Act, 2008. The annual financial statements have been prepared under the historical cost convention. The preparation of annual financial statements in conformity with IFRS requires the use of certain significant accounting estimates. It also requires management to exercise its judgment in the process of applying the University's accounting policies. Those areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the University's annual financial statements, are disclosed in the "Critical accounting estimates and assumptions" section of the annual financial statements. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of events that are believed to be reasonable under the circumstances."

#### 3.1 CHANGES IN ACCOUNTING POLICY AND DISCLOSURES

##### (a) Adoption of IFRS 15 – Revenue from Contracts with Customers

IFRS 15 replaced the previous revenue recognition guidance, including IAS 18 Revenue, IAS 11 Construction Contracts and IFRIC 13 Customer Loyalty Programs. IFRS 15 introduces a five step approach to revenue recognition. Far more prescriptive guidance has been added to deal with specific scenarios.

The University has applied IFRS 15 in accordance with the modified retrospective approach as per IFRS 15.C3 (b). Under this transition method, the University elected to apply this Standard retrospectively only to contracts that are not completed at the date of initial application. The application of IFRS 15 had no impact on the opening balance of retained earnings at 1 April 2018 which is the date of initial application because there is no change in revenue recognition pattern for educational services that are rendered by the University. Apart from providing more extensive disclosures on the University's revenue transactions, the application of IFRS 15 had no significant impact on the financial position and/or financial performance of the University.

##### (b) Adoption of IFRS 9

The University has adopted IFRS 9 as issued by the IASB in July 2014 with a transition date of 1 April 2018, which resulted in changes in accounting policies and adjustments to the amounts previously recognized in the annual financial statements. The University did not early adopt any of IFRS 9 provisions in previous periods.

##### (c) Adoption of IFRS 16

The University adopted IFRS 16:Leases on 1 April 2019. The following accounting standards have been applied in the implementation of leasing transactions:

- IFRS 16:Lease
- IAS 16: Property, Plant & Equipment
- IFRS 9: Financial Instruments: Recognition & Measurement
- IFRS 7: Financial Instruments: Disclosures

## ACCOUNTING POLICIES (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2020

IFRS 16:Leases was used as the principal accounting standards in arriving at our conclusions and supported by other relevant standards.

##### Transitional Approach

Management has decided to use one of the alternative modified retrospective approaches permitted by IFRS 16 on the basis of undue cost. The selected transitional approach is detailed below:

- The lease liability is the net present value of the remaining, (i.e. future) lease payments using the incremental borrowing rate at the date of initial application
- The right-of-use (RoU) asset is recognized at the date of initial application as an amount equal to the lease liability, using the prevailing incremental borrowing rate at the date of initial application
- Adjusted for any prepaid or accrued lease payments relating to that lease that were recognized in the statement of financial position immediately before the date of initial application.

The weighted average incremental borrowing rate applied to lease liabilities on 1 April 2019 was 6.5%. The aggregate lease liability recognised in the statement of financial position at 1 April 2019 and the University's operating lease commitment at 31 March 2019 can be reconciled as follows:

Operating Lease commitment at 31 March 2020 excluding low value leases (Non-cancellable period)	6,255
Effects of discounting non-cancellable lease commitments at an annual rate of 6.5%	(481)
Effects of Estimating present value of lease payments during extension period as required by IFRS 16	5,790
Lease Liability recognised on the statement of financial position as at 1 April 2019	11,564
Current Portion	2,187
Non-current Portion	9,377

##### Year End Disclosures

<b>Right-of-Use Assets</b>	
Balance at 1 April 2019	11,564
Additions	325
Depreciation charge for the year	(2,538)
<b>Balance at 31 March 2020</b>	<b>9,351</b>

##### Presented in the Statement of Financial Position as follows:

##### Non Current Assets:

Property, Plant & Equipment	2,129,613
Right-of-Use Asset	9,351

##### International Financial Reporting Standards, interpretations and amendments not effective for March 2020 year end

- Amendment to IAS 1 'Presentation of financial statements' and IAS 8 'Accounting policies, changes in accounting estimates and errors - These amendments to IAS 1 and IAS 8 and consequential amendments to IFRS use a consistent definition of materiality through IFRS and the Conceptual Framework for Financial Reporting; clarify the explanation of the definition of material; and incorporate some of the guidance in IAS 1 about immaterial information, (effective from periods after 1 January 2020). These amendments are not expected to have any material impact to the University of Botswana.



## ACCOUNTING POLICIES (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

### 3.1 CHANGES IN ACCOUNTING POLICY AND DISCLOSURES (CONTINUED)

#### International Financial Reporting Standards, interpretations and amendments not effective for March 2020 year end but not applicable to University of Botswana

- Amendment to IFRS 3, 'Business combinations' - This amendment revises the definition of a business. (Applicable on or after 1 January 2020).
- IFRS 17, 'Insurance contracts' - The IASB issued IFRS 17, 'Insurance contracts', and thereby started a new epoch of accounting for insurers. Whereas the current standard, IFRS 4, allows insurers to use their local GAAP, IFRS 17 defines clear and consistent rules that will significantly increase the comparability of annual financial statements. For insurers, the transition to IFRS 17 will have an impact on annual financial statements and on key performance indicators.

#### International Financial Reporting Standards, interpretations and amendments effective for the first time for the year to March 2020 but not applicable to University of Botswana

- Amendments to IFRS 19, 'Employee benefits' on plan amendment, curtailment or settlement - these amendments require an entity to: use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and recognize in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus (recognized or unrecognized). (effective from 1 January 2019).
- Amendments to IAS 28, 'Investments in associates and joint ventures' - long-term interests in associates and joint ventures. The amendments clarified that companies account for long-term interests in an associate or joint venture, to which the equity method is not applied, using IFRS 9, applicable for the first time in January 2019 with early application permitted.
- Annual improvements cycle 2015-2017 -These amendments include minor changes to:
  - IFRS 3, 'Business combination' - a company remeasures its previously held interest in a joint operation when it obtains control of the business.
  - IFRS 11,'Joint arrangements', - a company does not remeasure its previously held interest in a joint operation when it obtains joint control of the business.
  - IAS 12,' Income taxes' - The amendment clarified that the income tax consequences of dividends on financial instruments classified as equity should be recognized according to where the past transactions or events that generated distributable profits were recognized.
  - IAS 23,' Borrowing costs' - a company treats as part of general borrowings any borrowing originally made to develop an asset when the asset is ready for its intended use or sale.
- IFRIC 23, 'Uncertainty over income tax treatments' - IFRIC 23 provides a framework to consider, recognize and measure the accounting impact of tax uncertainties. The Interpretation provides specific guidance in several areas where previously IAS 12 was silent. The Interpretation also explains when to reconsider the accounting for a tax uncertainty. Annual periods beginning on or after 1 January 2019.

#### International Financial Reporting Standards, interpretations and amendments not effective for March 2020 year end but not applicable to University of Botswana

IAS 17: Leases of property, plant and equipment where substantially all the risks and rewards of ownership rest with the university were classified as finance leases. Finance lease liabilities were capitalised at the inception of the lease at the lower of the fair value of the asset or the present value of the minimum lease payments. Each lease payment was allocated between the liability and finance charges so as to achieve a constant rate of interest on the liability balance outstanding. The corresponding rental obligations, net of finance charges, were included in trade and other payables.

## ACCOUNTING POLICIES (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

The interest element of the finance cost was charged to surplus or deficit over the lease period. The property, plant and equipment acquired under finance leases depreciated over the useful life of the asset or if there is no reasonable certainty that the University will obtain ownership of the asset by the end of the lease term, the asset was depreciated over the shorter of the useful life of the asset and the lease term.

Leases in which a significant portion of the risks and rewards of ownership were retained by the lessor were classified as operating leases. Payments under operating leases were charged to surplus or deficit on a straight line basis over the period of the lease.

### 3.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### a) Foreign currency translation

##### i) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates (the functional currency). All amounts are stated in thousands of Pula (P 000's) unless otherwise stated.

##### ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. 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 at year end exchange rates are generally recognized in profit or loss. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

#### b) Property, plant and equipment

Property, plant and equipment is initially stated at cost. The cost of an asset comprises the purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to operate as intended by management. Subsequently, property, plant and equipment is stated at cost less accumulated depreciation and any provision for impairment. Subsequent costs are included in the asset's carrying amount or are recognized as a separate asset, as appropriate, only when it is probable that future economic benefits will flow to the University and the cost of the item can be measured reliably.

Maintenance and repairs, which do not meet these criteria, are charged against income as incurred. Donated assets are initially recorded at fair value at the date of donation.

Land is not depreciated as it is deemed to have an indefinite life.

Property, plant and equipment is depreciated on a straight-line basis estimated to write each asset down to its estimated residual value over the estimated useful lives of the assets which range as follows:

Buildings	40 years
Equipment and furniture	
- Computer equipment	5 years
- Other equipment and furniture	10 years
Motor vehicles	4 - 7 years
Intangible Asset - (Software)	7 Years
Library books	Written off in the year of acquisition
Right of Use Asset	Shorter of Lease term or useful life

#### Intangible Assets

Intangible assets recognised in note 11 relates to software and is capitalized on the basis of the costs incurred to acquire and bring it to use. Their costs is amortized over the estimated useful live (seven years).

Costs associated with maintaining the intangible assets are recognized as an expense as incurred. Costs that are directly associated with the development of identifiable and intangible assets controlled by the University, and that will probably generate economic benefits exceeding costs beyond one year, are recognized as intangible assets.

## ACCOUNTING POLICIES (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

### 3.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The residual values and useful lives of property, plant and equipment and intangible assets are reviewed, and adjusted if appropriate, at each financial year end. An item of property, plant and equipment is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the surplus in the period in which the asset is de-recognized.

#### c) Capital work-in-progress

Projects, comprising property, plant and equipment, in the course of construction for rental, administrative or other purposes are carried at cost less any identified impairment loss. Where a project, or a separately identifiable element thereof, is at a stage wherein the University can derive an economic benefit from the project, and the cost of the item can be measured reliably, the item is transferred to property, plant and equipment. Depreciation is not charged whilst the project is still under construction and the asset not yet available for use.

#### d) Impairment of non-financial assets

Assets subject to depreciation or amortization are tested for potential impairment if an event or change in circumstances indicates that the carrying amount of the asset may not be recoverable. An impairment loss is recognized for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of the fair value of an asset, less any selling costs, or its value in use. In the test for impairment, assets are grouped at the lowest level for which there is a separate identifiable cash flow (cash-generating units). Non-financial assets previously impaired are reviewed at every year-end for potential reversal of previously recognized impairments.

#### e) Financial assets and liabilities

##### i) 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 amortization 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 amortized cost before any impairment allowance) or to the amortized 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 University revises the estimates of future cash flows, the carrying amount of the respective financial asset or financial liability is adjusted to reflect the new estimate discounted value using the original effective interest rate. Any changes are recognized in profit or loss.

##### ii) Interest income

Interest income is calculated by applying the effective interest rate to the gross carrying amount of financial assets and recognised on an accrual basis.

##### iii) Initial recognition and measurement

Financial assets and financial liabilities are recognized when the entity becomes a party to the contractual provisions of the instrument. At initial recognition, the University 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 recognized for financial assets measured at amortized cost which results in an accounting loss being recognized in profit or loss when an asset is newly originated.

## ACCOUNTING POLICIES (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

### 3.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

When the fair value of financial assets and liabilities differs from the transaction price on initial recognition, the University recognizes the difference as follows:

- (a) When the fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. a Level 1 input) or based on a valuation technique that uses only data from observable markets, the difference is recognized as a gain or loss.
- (b) In all other cases, the difference is deferred and the timing of recognition of deferred day one profit or loss is determined individually. It is either amortized over the life of the instrument, deferred until the instrument's fair value can be determined using market observable inputs, or realized through settlement.

#### iv) Financial assets

##### Classification and subsequent measurement

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

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

##### Debt instruments

Debt instruments are those instruments that meet the definition of a financial liability from the issuer's perspective, such as loans, government and corporate bonds and trade receivables purchased from clients in factoring arrangements without recourse.

Classification and subsequent measurement of debt instruments depend on:

- (i) the University's business model for managing the asset; and
- (ii) the cash flow characteristics of the asset.

Based on these factors, the University classifies its debt instruments as amortised cost at follows:

**Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest ('SPPI'), and that are not designated at fair value through profit or loss (FVPL), are measured at amortized cost. The carrying amount of these assets is adjusted by any expected credit loss allowance recognized and measured using the simplified expected loss model. Interest income from these financial assets is included in 'Interest and similar income' using the effective interest rate method.

**Business model:** the business model reflects how the University manages the assets in order to generate cash flows. That is, whether the University'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 University 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 University 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 thereafter sell, the University assesses whether the financial instruments' cash flows represent solely payments of principal and interest (the 'SPPI test'). In making this assessment, the University 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.



## ACCOUNTING POLICIES (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

### 3.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The University 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.

#### Cash and Cash Equivalents

Cash and cash equivalents are subsequently measured at amortized cost using the effective interest method. Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

#### Impairment of financial assets

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

The University always recognizes lifetime ECL for trade receivables and contract assets. 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 the University's historical credit loss experience, adjusted for factors that are specific to the debtor, 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.

#### Derecognition of financial assets

The University derecognizes 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 University neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the University recognizes 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 amortized cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss.

#### Default

The University of Botswana considers a default event to have occurred when a receivable is more than 90 days past due.

#### Write Off Policy

The University's policy is to write off a receivable when there is no realistic prospect of recovery or when there is clear information that the debtor is in severe financial difficulty or placed under liquidation. Written off receivables may still be subjected to the University's recovery processes taking into account legal advice where necessary. All recoveries made are recognised in the profit or loss statement in the year they are recovered.

#### (v) Financial liabilities

All financial liabilities are measured subsequently at amortized cost using the effective interest method. The effective interest method is a method of calculating the amortized 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 amortized cost of a financial liability.

#### Derecognition of financial liabilities

The University derecognizes financial liabilities when, and only when, the University's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

## ACCOUNTING POLICIES (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

### 3.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### (f) Inventories

Inventories, mainly comprising consumer goods and stationery, are shown at the lower of cost, on the basis of average cost and net realizable value. Net realizable value is the replacement cost of inventories. Provision is made for obsolete, slow moving and defective inventories.

#### (g) Government grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income over the period necessary to match the grant on a systematic basis to the costs that it is intended to compensate. Where the grant relates to the purchase of an asset, it is recognized as a capital grant in the statement of financial position and released to surplus/(deficit) in equal amounts over the expected useful life of the related asset.

Where the University receives a non-monetary grant, the asset and that grant are recorded at fair value and released to surplus/(deficit) in equal amounts over the useful life of the related asset.

#### (h) Government Subvention

Government subvention is recognized as income over the period necessary to match it with the related costs that it is intended to compensate. Subvention that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the University with no future related costs is recognized as income for the period in which it becomes receivable. When subvention relates to an expense item, it is recognized on a systematic basis over the period that the related cost which it is intended to compensate is expensed. Government subvention is therefore recognized in the statement of comprehensive income.

#### (i) Funds received in advance for designated funds

The University manages various projects funded by international and other donor agencies. This funding, which is received for designated specific purposes, is disclosed as deferred income (funds received in advance for designated projects) in the statement of financial position and realized in surplus/(deficit) in the financial period in which it accrues to the University in accordance with the relevant agreement. The various projects are managed according to the terms of the respective project agreements.

#### (j) Council-controlled unrestricted funds

The University obtains funding from Government grants and other bodies for designated projects. All funds that are not for immediate use, including any accumulated surpluses, are invested. The Council has the decision-making rights relating to income earned from investment of such funds before they are used for capital projects or designated projects. Where these funds are to be applied to capital projects, the relevant sum is allocated to Government grants through the statement of changes in fund balances as such allocations represent declaration and utilization of distributions to Government for specified capital projects.

#### (k) Employee benefits

##### Pension obligations

The University operates a defined contribution pension scheme, assets of which are generally held in separate trustee administered funds. As at 31 March 2020 1 817 staff of the University of Botswana were members of the fund. The University as the employer contributes 17.5% and each staff member to the pension fund contributes 5% with an option to make additional voluntary contributions to a maximum limit of 10%. Once the contributions have been paid, the University has no further payment obligations. The regular contributions constitute the periodic costs for the year in which they are due and as such are included in staff costs.

## ACCOUNTING POLICIES (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2020

#### Gratuities and severance plans

The University pays a gratuity to academic staff on retirement, retrenchment or death in special circumstances. In order to estimate the probability of incurring this liability, management make assumptions in respect of the number of academic staff that will reach retirement. In addition, to calculate the fair value of the liability the University needs to make assumptions regarding both expected future salary increases and a suitable discount rate.

Severance pay is not considered to be a retirement benefit plan as the benefits are payable at the option of the employee. The expected gratuity and severance benefit liability is provided in full by way of a provision.

#### (l) Provisions

Provisions are recognized when the University 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 a reliable estimate of the amount can be made. Employee entitlements to annual leave and contractual gratuities are recognized when they accrue to employees as a result of services rendered by employees up to the reporting date.

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 recognized 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 the expenditures expected to be required to settle the obligation using a rate that reflects the 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 recognized as interest expense.

#### (m) Revenue recognition

##### Tuition Services

The University renders educational Tuition services for under and post graduate courses. The courses comprise of short-term and long-term and are offered on a semester basis which straddles the financial year and therefore resulting in contract liability (deferred revenue) and/or contract assets (unbilled revenue). The performance obligations for the delivery of tuition services is considered to be discharged overtime. Revenue is measured based on the consideration to which the University expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties.

Revenue recognition follows a five step model framework as follows:

Step 1: Identify the contract(s) with a customer

Step 2: Identify the performance obligations in the contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Analysis of Revenue		2020 (P'000)	2019 (P'000)
Recognition of Revenue by Timing and product			
Performance obligations satisfied over time			
Tuition Fees		399,180	402,783
Other Student Fees		39,239	45,210
<b>Total</b>		<b>438,419</b>	<b>447,993</b>

Nature of contract balances	Nature of Performance obligation	2020 (P'000)	2019 (P'000)
Contract Liability (deferred revenue)	Satisfied over time	81,800	59,727

## ACCOUNTING POLICIES (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2020

#### 3.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The contract liability (deferred revenue) of P81,800,000 is revenue that will be recognized as and when the performance obligation is discharged. The University has no doubt that it will satisfactorily discharge the contractual obligation it has with students and the Department of Tertiary Financing by the end of July 2020 when the contract comes to an end. (The second semester had to be extended to end of July following a lockdown period of two months).

#### (n) Leases

The following practical expedience's (PE) are relevant for the implementation of the transitional approach and have been selected and applied accordingly:

- PE#1: Apply the old definition of lease in line with IAS 17/IFRIC to existing leases on a transition date. Only apply a new definition of a lease in IFRS 16 to new leases post transition.
- PE#2: Apply a single discount rate to a portfolio of leases with reasonably similar characteristics.
- PE#3: Use onerous lease assessment and any provision recognized immediately before date of application instead of an IAS 36 impairment test.
- PE#4: No requirement to recognize leases when the term ends within 12 months of the date of initial application.

##### Lease term

In determining the lease term, management considered the non-cancellable period, extension options and terminations clauses embedded in the lease contracts. Where appropriate, management has incorporated lease extension periods in the lease term supported by its strategic plan.

##### Discount Rate

As at 1 April 2019, the University would have been able to borrow funds at a prime rate of 6.5% to fund acquisitions of properties of a similar nature and consequently 6.5% has been determined as the incremental borrowing rate for all property leases. The rate was determined by contacting several commercial banks. First National Bank confirmed by telephone that they would loan UB a mortgage to acquire similar assets at the rate of 6.5% pa.

##### Right of Use Asset

The Right-of Use Assets shall subsequently be measured using the cost model of IAS 16, Property, Plant and Equipment.

##### New Lease Contracts Accounting Policies

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases of low value assets; and
- Leases with a duration of twelve months or less.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the University's incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability also includes:

- Amounts expected to be payable under any residual value guarantee;
- The exercise price of any purchase option granted in favour of the University if it is reasonably certain to assess that option;
- Any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.



## ACCOUNTING POLICIES (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

Right-of-use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received and increased for:

- Lease payments made at or before commencement of the lease;
- Initial direct costs incurred; and
- The amount of any provision recognised where the University is contractually required to dismantle, remove or restore the leased asset (typically leasehold dilapidations)

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

When the University revises its estimate of the term of any lease (because, for example, it re-assesses the probability of a lessee extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted at the same discount rate that applied on lease commencement. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortized over the remaining (revised) lease term.

### (o) Income Taxes

The University of Botswana as a public institution is exempted from income taxes.

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

### 4 CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

In the application of accounting policies, management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant and actual results may vary from these estimates.

#### 4.1.1 Contracts with customers

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 judgment. In general, the University's services are capable of being distinct as they could be performed by other educational institutions and do not involve significant customization.

#### 4.1.2 Measurement of the expected credit loss allowance

The measurement of the expected credit loss allowance for financial assets measured at amortized cost is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g. the likelihood of customers defaulting and the resulting losses).

A number of significant judgments are also required in applying the accounting requirements for measuring the Expected Credit Loss (ECL), such as:

- Choosing appropriate models and assumptions for the measurement of ECL;
- Establishing groups of similar financial assets for the purposes of measuring ECL.

#### 4.1.3 Modelling the impact of Covid-19 on Expected Credit Losses

Management applied its experience and knowledge and estimated the adjustment to the Probability of Default (PD's), based on the qualitative assessment of the vulnerability of each customer's category of economic fundamentals to covid-19 with a scale of 3% - 7%. Management's assessment is summarized in a covid-19 impact matrix below:

			Sponsor Financial Strength		
			Strong	Medium	Weak
			Government	Corporate	Individual
Importance of Service	Service	Rate			
High	Academic	3.0%	2.0%	10.0%	17.0%
Medium	Non Academic	5.0%	5.0%	13.0%	20.0%
Low	Other	7.0%	7.0%	15.0%	22.0%
			9.0%	17.0%	24.0%

#### Summary of Covid-19 Impact on Expected Credit Losses

Covid-19 increased the overall ECL by P1,182,812, (1.9%). The impact is low compared to the adjustment factors applied because most of the receivables were fully impaired pre-covid-19.

#### Analysis of impact on debtors by category

DTEF: Despite the impact of covid-19, management has assessed and determined that DTEF who sponsor students are unlikely to withdraw their sponsorships in the near to high term. To account for the potential delays in settlement due to disruptions in the academic calendar, management has adjusted the PD's across the stages by a factor of 1.05. The overall impact of this upward adjustment in PD's resulted in an increase in ECL by P273,334, (2.4% increase).

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

### 4 CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS (CONTINUED)

**Staff Debtors:** there was no additional impairment as these are deducted at source and no retrenchments expected, hence no added risk.

**Government Departments:** Despite the impact of covid-19, management has assessed and determined that government departments and ministries who sponsor students are unlikely to withdraw their sponsorships in the near to medium term. To account for the potential delays in settlement due to disruptions in the academic calendar, management has adjusted the PD's across the stages by a factor of 1.05. The overall impact of this upward adjustment in PD's resulted in an increase in ECL by P 6,341, (0.01% increase).

**Private Sponsor Companies:** Management anticipates a higher impact of covid-19 on the private sector than government. Private companies have already started bracing themselves for restructuring that may include partial or complete withdrawal of sponsorships. Management has on the other hand proposed to relax payment terms to cushion the cash flow impact on sponsors. This therefore warrants a higher PD adjustment factor of 1.10. across all credit categories to a maximum of 100% PD. The impact is an increase of P 267,064 (3.39%) in the ECL and is marginal as the bulk of the receivable was impaired pre-covid.

**Self Sponsored Students:** Management anticipates this category to be the most impacted by Covid-19 in the near to long term with parents/guardians struggling to settle on agreed terms. Management has however proposed further relaxation of tuition payment terms as a way of mitigating the impact of covid-19. Accordingly, management has applied an adjustment factor of 1.20 to PD's across all risk categories. This increases the ECL by P627,768, (7.8%). The impact is less than the applied 20% on PD's because over 50% of this receivable category was fully impaired pre-covid.

**General Debtors:** This category is a combination of government related entities and private entities that procure non-academic services from the University. Because of the nature of the services procured management believes that the propensity to cancel agreements is higher than for academic services and has thus applied a maximum PD adjustment factor of 20%. This has resulted in an increase in ECL of P 8,305 (1.26%).

**Staff Receivables:** This receivable is deductible at source through the payroll system. The driver of this receivables credit loss is change of employment away from the University. Management's view is that covid-19 is a short-term problem that will likely be resolved in the next 12 - 24 months and as such is planning to maintaining its staff compliment, hence no need for additional adjustment to the ECL.

#### 4.1.4 Going Concern

The University incurred a deficit of P31,884,000 (2019: surplus of P69,043,000) and a net decrease in cash and cash equivalents of P43,340,000 (2019: increase of P 56,934,000) for the year ended 31 March 2020. As at 31 March 2020, its total liabilities exceeded its total assets by P173,607,000 (2019: 141,723,000). This condition indicates that a material uncertainty exists that may cast significant doubt on the University's ability to continue as a going concern.

The annual financial statements have however been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realization of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of operations.

The financial statements have been prepared on the going concern basis on the assumptions that:

#### Cash Inflows

- The University's operating cash flow forecasts for financial year 2020/2021 indicate that it would generate sufficient net cash flows to remain a going concern. Such forecasts take account of continuing financial support from the Government of Botswana, through the Ministry of Tertiary Education, Research, Science and Technology through a subvention for FY2021 for total amount of P 868 Mn.

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

### 4 CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS (CONTINUED)

- The University will therefore remain a going concern through the continued support of the Government of Botswana, in the form of annual subventions. The Government of Botswana, through the Ministry of Tertiary Education, Research, Science and Technology, has assured the University that it will continue to provide financial support to the University. The extent of such support will be guided by national spending priorities and the alignment of the University's strategic plan to such priorities.

- The University will expect higher tuition fee income for the financial year 2020/2021 compared to 2019/2020 with achievement of the forecasted level of student enrolment from 13,000 (2019/2020) to 15,025 (2020/2021) and timely collection of student debts. Main tuition fee income will be received from Government sponsors. (Ex. Department of Tertiary Education and Finance (DTEF) & Ministry of Health Wellness). Government sponsors are already committed with their student enrolment.

#### Cash Outflows

- The University has identified cost rationalisation measures, including a staff termination plan for non-academic staff and stricter cost control, which will allow the University to reduce its funding requirements;
- Included in the cash flow projections are savings from scaling down on security services contracts, cleaning services contract, and leased photocopiers.
- The internet bandwidth will have to be upgraded to make up the current demand and the Service provider has offered to double the current consumption at no cost.

#### 4.1.5 Useful lives and residual values of plant and equipment

The University reviews annually whether the useful lives and residual values of each asset are appropriate, in accordance with the accounting policy stated at 3.2b. The carrying values and depreciation rates have been determined based on previous experience and anticipated disposal values when the assets are disposed of. The carrying amounts of property, plant and equipment are reviewed at each reporting date to assess whether they are recorded in excess of their recoverable amounts and where carrying values exceed the estimated recoverable amounts, assets are written down to their recoverable amounts. The assets' residual values, useful lives and depreciation methods are reviewed and adjusted if appropriate at each reporting date. The carrying value of property, plant and equipment at reporting date was P2,129,613,104 (2019: P2,210,149,331). Refer to note 11 for detailed analysis of the carrying amount at reporting date.

#### 4.1.6 Leases

Due to the changes in accounting policies resulting from the application of IFRS 16, following critical judgments relating to leases are made starting as from the date of initial application of IFRS 16 (1 April 2019). In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension or termination option. The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment. During the current financial year, there was no material financial effect of revising lease terms to reflect the effect of exercising extension or termination options.

The Right-of-Use asset recognized under note 11b relates to contract arrangements where University leases housing units from individuals and private companies to provide for additional housing needs for members of staff and other operations.

In respect of note 8, the University owns about 200 housing units which are purely meant to provide housing needs for members of staff and are allocated to staff members on a first come first served basis. The rentals are collected on a monthly basis at source and the length of the lease term differs from one employee to another depending on their length of employment with the University.



## NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

### 5 FINANCIAL RISK FACTORS

The University's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The University's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the University's financial performance.

#### (a) Market risk

The following assets are denominated in foreign currencies and are therefore subject to currency risk:

	2020 (P'000)	2019 (P'000)
Cash and cash equivalents		
USD	59,278	55,678

The following table demonstrates the sensitivity to a reasonably possible change in the Botswana Pula exchange rate against the major trading currencies of the University, with all other variables held constant, on the University surplus/(deficit) (due to changes in the fair value of monetary assets and liabilities). In arriving at the exchange rate sensitivities in the next twelve months, management has considered the average movements in the exchange rate over the previous year.

	2020	2019
	P 000's	P 000's
Cash and cash equivalents		
Change in USD rate		
+15%	8,892	8,352
-15%	(8,892)	(8,352)

#### (i) Cash flow and fair value interest rate risk

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, on the University surplus/(deficit). In arriving at the interest rate sensitivities in the next twelve months, management has considered the average movements in the interest rate over the previous year.

	2020	2019
	P 000's	P 000's
Percentage change in interest rate:		
+2%	638	1,381
-2%	(638)	(1,381)

#### (b) Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the University. As at 31 March 2020, the University's maximum exposure to credit risk which will cause a financial loss due to failure to discharge an obligation by the counterparties arises from the carrying amount of the respective recognized financial assets as stated in the statement of financial position.

In order to minimize credit risk, the University has adopted a policy of dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. Credit approvals and other monitoring procedures are also in place to ensure that follow-up action is taken to recover overdue debts. Furthermore, the University reviews the recoverable amount of each trade debt on an individual basis at the end of each month to ensure that adequate loss allowance is made for irrecoverable amounts. In this regard, the Council considers that the University's credit risk is significantly reduced. The University does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets. Financial assets of the University, which are subject to credit risk, consist mainly of trade and other receivables and cash resources. The University holds cash deposits with reputable financial institutions.

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

### 5 FINANCIAL RISK FACTORS (CONTINUED)

#### Trade receivables

The university applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, trade receivables has been grouped based on shared credit risk characteristics and the days past due. The University has therefore concluded that the expected loss rates for trade receivables are a reasonable. The expected loss rates are based on the payment profiles of revenue over a period of 36 months before 31 march 2020 and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward looking information on macroeconomic factors such as GDP, inflation, interest rate, exchange rate and Botswana Stock Exchange index (specifically the impact of covid-19) may have on future collection and default rates.

#### (b) Credit Risk (Continued)

The individual percentages included in the respective ageing buckets in the table below reflect the percentage of the trade receivable balance outstanding that is expected to move into the next ageing bucket up to the point where the remaining amount not received ends up in the 90 day bucket.

The lifetime expected credit loss allowance as at 31 March 2020 is then calculated by multiplying each of the gross trade receivable balances outstanding in a particular ageing bucket, with the percentages in its respective ageing bucket and its subsequent ageing buckets, assuming that when the balance is outstanding for more than 90 days, it is written off as no further amounts would be recoverable at this point. The percentages so applied across the lifetime of the trade receivable is used as the expected credit loss percentage in relation to the outstanding trade receivable balance in a specific ageing bucket.

Expected Credit Loss Default Rates at 31 March 2020					
Customer Grouping	Current	1-30 Past due	31-60 Past due	61-90 Past due	Over 90 Past due
DTEF	57%	100%	100%	100%	100%
Government Sponsors	53%	80%	87%	87%	100%
Other Private Sponsors	69%	85%	95%	100%	100%
Student Debtors	26%	40%	67%	78%	100%
Other Debtors	28%	37%	61%	87%	100%
Staff Debtors	0%	0%	100%	100%	100%

Expected Credit Loss Default Rates at 1 April 2019					
Customer Grouping	Current	1-30 Past due	31-60 Past due	61-90 Past due	Over 90 Past due
DTEF	1%	2%	5%	23%	100%
Government Sponsors	4%	8%	17%	39%	100%
Other Private Sponsors	14%	20%	31%	55%	100%
Student Debtors	0%	1%	2%	11%	100%
Other Debtors	12%	16%	27%	51%	100%
Staff Debtors	0%	0%	100%	100%	100%

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2020

Trade and Other Receivables: Gross Carrying Amounts at 31 March 2020 (P'000)							
Customer Grouping	Current	1-30 Past due	31-60 Past due	61-90 Past due	Over 90 Past due	Credits	Total
DTEF	9,508	6	12,058	4,678	949	-	27,199
Government Sponsors	33	131	-	-	5,121	-	5,285
Other Private Sponsors	543	2,396	-	-	5,818	(191)	8,566
Student Debtors	-	-	4,701	-	4,900	-	9,601
Other Debtors	33	159	-	6	25,987	(2,940)	23,245
Staff Debtors	-	339	33	11	469	-	852
<b>Total</b>	<b>10,117</b>	<b>3,031</b>	<b>16,792</b>	<b>4,695</b>	<b>43,244</b>	<b>(3,131)</b>	<b>74,748</b>

Trade and Other Receivables: Gross Carrying Amounts at 1 April 2019 (P'000)						
Customer Grouping	Current	1-30 Past due	31-60 Past due	61-90 Past due	Over 90 Past due	Total
DTEF	-	-	-	-	10,500	10,500
Government Sponsors	25	-	1	320	7,804	8,150
Other Private Sponsors	1,441	37	86	6	2,968	4,538
Student Debtors	-	-	2,399	-	4,829	7,228
Other Debtors	400	213	126	-	17,243	17,982
Staff Debtors	925	284	30	204	53	1,496
<b>Total</b>	<b>2,791</b>	<b>534</b>	<b>2,642</b>	<b>530</b>	<b>43,397</b>	<b>49,894</b>

Expected Credit Loss (ECL) Allowance at 31 March 2020 (P'000)						
Customer Grouping	Current	1-30 Past due	31-60 Past due	61-90 Past due	Over 90 Past due	Total
DTEF	5,734	6	-	4,678	949	11,367
Government Sponsors	19	115	-	-	5,121	5,255
Other Private Sponsors	362	1,960	-	-	5,818	8,140
Student Debtors	-	-	3,767	-	4,900	8,667
Other Debtors	10	62	-	6	25,987	26,065
Staff Debtors	-	-	33	11	469	513
<b>Total</b>	<b>6,125</b>	<b>2,143</b>	<b>3,800</b>	<b>4,695</b>	<b>43,244</b>	<b>60,007</b>

Expected Credit Loss (ECL) Allowance at 1 April 2019 (P'000)						
Customer Grouping	Current	1-30 Past due	31-60 Past due	61-90 Past due	Over 90 Past due	Total
DTEF	-	-	-	-	10,500	10,500
Government Sponsors	1	-	0	124	7,804	7,928
Other Private Sponsors	200	7	27	3	2,968	3,206
Student Debtors	-	-	-	-	4,886	4,886
Other Debtors	49	35	34	-	16,907	17,025
Staff Debtors	-	-	30	204	53	287
<b>Total</b>	<b>250</b>	<b>42</b>	<b>91</b>	<b>331</b>	<b>43,118</b>	<b>43,832</b>

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2020

5.1 FINANCIAL RISK FACTORS (CONTINUED)

(b) Credit Risk (Continued)

Financial assets with the maximum exposure to credit risk at the year-end were as follows:

Description	2020 (P'000)	2019 (P'000)
Sponsor Debtors	41,050	23,188
Student Debtors	9,601	7,228
Other Debtors	23,245	17,982
Staff Debtors	852	1,496
Less Impairment provision	(60,007)	(43,832)
<b>Net Trade and Other Receivables</b>	<b>14,741</b>	<b>6,062</b>
<b>Cash and Cash Equivalents:</b>		
Standard Chartered Bank of Botswana Limited	159,377	33,934
First National Bank Botswana Limited	11,765	14,637
Barclays Bank of Botswana Limited	37,293	30,379
STANLIB Investment Management Services Limited	61,988	93,849
African Banking Corporation Limited	104,410	100,540
Stanbic Bank Botswana Limited	12,390	11,965
Botswana Insurance Fund Management	56,672	96,455
African Alliance Asset Management	53,751	92,363
Bank Gaborone Limited	-	70,217
<b>Total Cash and Cash Equivalents</b>	<b>497,646</b>	<b>544,339</b>
<b>Total maximum amount exposed to credit risk</b>	<b>512,387</b>	<b>550,401</b>

c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. University of Botswana is an organization funded by the Government of Botswana and donors. The development plan of the University is part of the overall National Development Plan of the Ministry of Tertiary Education, Research, Science and Technology.

The Capital and recurrent budget of the University of Botswana is 'an-add back' item (part of) the Ministry of Tertiary Education, Research, Science and Technology Budget. A surplus in the University account goes back to the Government and a deficit in the University account is funded by the Government through a supplementary Budget. Management forecasts the cash flow requirement of the University for the upcoming financial year and the government finances the deficit through the Ministry of Tertiary Education, Research, Science and Technology's annual budget.



## NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2020

The table below analyses the University's financial liabilities into the relevant maturity groupings:

	2020 P'000	2019 P'000
<b>Lease Liabilities</b>		
Due within 1 year	2,429	2,187
Due with 2 to 5 years	7,214	9,377
<b>Carrying Amount</b>	<b>9,643</b>	<b>11,564</b>
<b>Trade and Other Payables</b>		
Due within 1 year	166,607	198,392

#### 5.2 CAPITAL RISK MANAGEMENT

The capital of the University comprises both restricted funds designated for specific purposes and unrestricted funds, being funds that can be employed by Council at its discretion. The University's objectives when managing capital are to safeguard the ability to continue as a going concern in order to provide returns and benefits for stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The University has a healthy relationship of reserves to assets, however it must be remembered that much of the asset base is held in designated funds and in property which has restricted alienability. The University is an institute established by an Act of Parliament. The capital and recurrent budget of the University of Botswana is an 'add back' item (part of) the Ministry of Tertiary Education, Research, Science and Technology budget. Surplus in the University account goes back to the Government and the deficit in the University account is funded by the Government through supplementary budget. The University's policy is to apply conservative financing. Debt is avoided but, where taken, the policy is to settle in as short a period as possible. This policy is consistent with that adopted in previous years. The University has been able to meet its objectives on managing capital.

#### 5.3 FAIR VALUE ESTIMATES

The University is not exposed to fair value risk.

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2020

	2020 P 000's	2019 P 000's
<b>6 GOVERNMENT SUBVENTION</b>		
Annual Government subvention	908,000	936,000
Transfer from Government grants	2,686	16,498
Transferred to capital grants for current year (note 16)	(5,467)	(4,390)
	<b>905,219</b>	<b>948,108</b>

The University receives subventions from the Government of Botswana on the basis of an approved budget.

#### 7 TUITION AND OTHER STUDENT FEE REVENUE

Tuition	399,180	402,783
Other student fees	39,239	45,210
	<b>438,419</b>	<b>447,993</b>
Tuition fees consists of:		
- Department of Tertiary Education Financing ("DTEF")	329,863	343,029
- Other government institutions	6,763	16,713
- Other sponsors	5,824	11,610
- Self sponsored students	56,730	31,431
Other student fees consist of:		
International student fees	2,650	2,446
Application fees	2,814	3,503
Identity card fees	327	336
Library Income	358	177
Residence and Laundry fees	31,125	36,687
Examination fees	1,587	1,637
Transcript fees	378	424
	<b>39,239</b>	<b>45,210</b>

#### 8 OTHER INCOME

Rental Income	10,981	12,674
Income generated from consultancies and private work	5,921	9,783
Surplus on disposal of property, plant and equipment	490	-
Miscellaneous income	3,190	934
	<b>20,582</b>	<b>23,391</b>

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2020

	2020 P 000's	2019 P 000's
<b>9 (DEFICIT)/SURPLUS FOR THE YEAR FROM OPERATING ACTIVITIES</b>		
<i>(Deficit)/surplus for the year from operating activities is stated after charging / (crediting the following):</i>		
Auditors' remuneration- for the current year	1,149	1,241
Auditors' remuneration- for the prior year	-	986
Depreciation of property, plant and equipment and amortization of intangible assets (note 11)	102,832	103,759
Contract services - cleaning & security	36,484	37,161
Life insurance	26,216	11,473
Travelling expenses	68,026	53,634
Telephone expenses	18,469	16,300
Water	30,572	26,085
Foreign exchange (gains)/losses	(1,923)	(4,147)
Staff costs	1,160,940	1,128,276
- Academic	426,718	416,339
- Support	301,089	293,304
- Industrial	14,657	14,302
- Other benefits	418,476	404,331
Impairment of trade receivables - charge / (credit) (note 14)	16,175	6,677
<b>10 FINANCE INCOME</b>		
Interest received - bank	12,322	23,997

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2020

**11 PROPERTY, PLANT & EQUIPMENT**

	Land and Buildings P 000's	Equipment and Furniture P 000's	Motor Vehicles P 000's	Library Books P 000's	Total P 000's
<b>Year end 31 March 2019</b>					
Opening net book value	2,121,858	181,422	1,814	-	2,305,094
Additions	-	3,441	-	2,510	5,951
Transfer from Capital Work in Progress	289	359	-	-	648
Disposals	-	(603)	(767)	-	(1,370)
Depreciation charge	(63,760)	(34,757)	(495)	(2,510)	(101,522)
Depreciation derecognized on disposals	-	581	767	-	1,348
<b>At 31 March 2019</b>	<b>2,058,387</b>	<b>150,443</b>	<b>1,319</b>	<b>-</b>	<b>2,210,149</b>
<b>At 31 March 2019</b>					
Cost	2,569,390	589,968	31,667	192,916	3,383,941
Accumulated depreciation	(511,003)	(439,525)	(30,348)	(192,916)	(1,173,792)
<b>Net Book Value</b>	<b>2,058,387</b>	<b>150,443</b>	<b>1,319</b>	<b>-</b>	<b>2,210,149</b>
<b>Year end 31 March 2020</b>					
Opening net book value	2,058,387	150,443	1,319	-	2,210,149
Additions	-	13,936	215	2,171	16,322
Transfer from Capital Work in Progress	-	1,238	-	-	1,238
Disposals	-	(1,610)	(2,812)	-	(4,422)
Depreciation charge	(62,387)	(32,511)	(988)	(2,171)	(98,057)
Depreciation derecognized on disposals	-	1,571	2,812	-	4,383
<b>At 31 March 2020</b>	<b>1,996,000</b>	<b>133,067</b>	<b>546</b>	<b>-</b>	<b>2,129,613</b>
<b>At 31 March 2020</b>					
Cost	2,569,390	603,532	29,069	195,087	3,397,079
Accumulated depreciation	(573,390)	(470,465)	(28,524)	(195,087)	(1,267,466)
<b>Net Book Value</b>	<b>1,996,000</b>	<b>133,067</b>	<b>546</b>	<b>-</b>	<b>2,129,613</b>

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2020

11a Intangible Assets

	<u>Compter Software</u>
	P 000's
<b>At 31 March 2019</b>	
Cost	15,670
Accumulated amortisation	(8,954)
<b>Net Book Value</b>	<b>6,716</b>
<b>Year end 31 March 2020</b>	
Opening net book value	6,716
Amortisation charge	(2,237)
<b>At 31 March 2020</b>	<b>4,479</b>
<b>At 31 March 2020</b>	
Cost	15,670
Accumulated amortisation	(11,191)
<b>Net Book Value</b>	<b>4,479</b>
	<u>Leased Buildings</u>
<b>11b Right-of-Use Asset</b>	
Opening Net Book Value	-
Additions	11,889
Amortisation charge	(2,538)
<b>At 31 March 2020</b>	<b>9,351</b>
<b>At March 2020</b>	
Cost	11,889
Accumulated amortisation	(2,538)
<b>Net book Value</b>	<b>9,351</b>

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2020

	2020	2019
	P 000's	P 000's
<b>12 CAPITAL WORK-IN-PROGRESS</b>		
At beginning of year	8,428	8,425
Additions for the year	2,974	651
Transfers to completed projects	(1,237)	(648)
At end of year	<b>10,165</b>	<b>8,428</b>
<b>13 INVENTORIES</b>		
Stationery and maintenance items	3,930	3,449
<b>14 TRADE AND OTHER RECEIVABLES</b>		
Sponsor debtors	41,050	23,188
Student debtors	9,601	7,228
Staff and other debtors	24,097	19,478
	<b>74,748</b>	<b>49,894</b>
Impairment allowance	(60,007)	(43,832)
Net Trade Receivables	<b>14,741</b>	<b>6,062</b>
Prepayments	6,090	12,851
<b>Total Receivables</b>	<b>20,831</b>	<b>18,913</b>
Movement on the provision for impairment of accounts receivable is as follows:		
Opening balance calculated under IFRS 9	43,832	30,004
Amounts restated through opening accumulated surplus	-	7,151
<b>Opening Impairment allowance as at 1 April 2019 in accordance with IFRS 9</b>	<b>43,832</b>	<b>37,155</b>
Increase in receivables loss allowance	16,175	6,677
Closing balance	<b>60,007</b>	<b>43,832</b>



## NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

For terms and conditions relating to related party receivables, refer to Note 20.

The ageing analysis of trade receivables (being sponsor debtors, student debtors, staff and other debtors) is as follows:

	Total P 000's	<90 Days P 000's	90 days + P 000's
31 March 2020	74,748	34,635	40,113
31 March 2019	49,894	6,497	43,397

Trade receivables that are less than 3 months past due are not considered impaired. As at 31 March 2020, trade receivables of P 34,635,000 (2019: P6,496,256) were past due but not impaired. As of 31 March 2020, P 40,113,000 trade receivables (2019: P43,397,397,) were not performing and had to be considered for impairment.

The creation and release of provision for impaired receivables has been included in "Other operating expenses" in the income statement. Amounts charged to the allowance account are generally written off when there is no expectation of recovering additional cash. The maximum exposure to credit risk at the reporting date is the carrying amounts of trade receivables and cash & cash equivalents. The University does not hold any collateral as security.

### 15 CASH AND CASH EQUIVALENTS

Cash held at bank for:

	2020 P 000's	2019 P 000's
Capital projects		
- Approved future capital projects	20,220	20,270
- Residual funds of completed capital projects	104,234	110,811
Designated projects	222,435	202,273
Funds held on behalf of Botswana Government	106,824	130,340
Council controlled funds	43,933	11,603
Available for the normal operational purposes	-	69,043
	<b>497,646</b>	<b>544,339</b>

Cash and cash equivalents include P106,823,602 (2019: P130,338,339) received from Government for the construction of the academic hospital, hospital residences and Princess Marina funds; it also includes P222,435,458 (2019: P202,273,133) received from donors for designated projects. The corresponding liabilities have been raised in notes 17 and 18. These balances have been excluded from cash and cash equivalents for the purpose of statement of cash flows.

Cash and cash equivalents is for the purpose of the statement of cash flows, thus represents cash resources held for distribution at the University's discretion on liabilities contracted for by the University in its own right.

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

	2020 P 000's	2019 P 000's
Cash and cash equivalents	168,387	211,727

### 16 GOVERNMENT GRANTS

Opening balance	2,268,673	2,384,540
Transferred during the year to recurrent operations	(2,686)	(16,498)
Allocation from subvention (note 6)	5,467	4,390
Amortisation of government grants	(100,294)	(103,759)
Closing balance	<b>2,171,160</b>	<b>2,268,673</b>

The closing balance relates to:

Completed property, plant and equipment	2,036,541	2,129,164
Capital work-in-progress	10,165	8,428
Future projects	20,220	20,270
Residual funds of completed projects	104,234	110,811
	<b>2,171,160</b>	<b>2,268,673</b>

### 17 FUNDS RECEIVED IN ADVANCE FOR DESIGNATED PROJECTS

Opening balance	202,273	181,497
Received during the year	113,724	97,567
Utilised in current year	(93,562)	(76,791)
Closing balance	<b>222,435</b>	<b>202,273</b>
Current Portion	71,863	93,561
Non-Current portion	150,572	108,712

Funds received in advance are in respect of the following designated projects / activities of the University:

Workshops	2,980	2,156
Departmental key accounts	1,985	1,863
Staff training grants	2,100	2,294
Internal research funds	31,753	31,455
Staff key accounts	3,637	2,766
Conference funds	472	625
Externally funded projects	179,091	160,677
Funds for prizes	417	437
	<b>222,435</b>	<b>202,273</b>

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2020

	2020 P 000's	2019 P 000's
<b>17(a) DEFERRED REVENUE</b>		
Gross student tuition and other revenue	421,253	403,722
Prior year deferred portion realised during the year	59,727	58,788
Recognised in the Statement of comprehensive income	(399,180)	(402,783)
Balance at the end of the year	<b>81,800</b>	<b>59,727</b>

For the year ended 31 March 2020, the deferred revenue increased to P81.8m, (P59.7m in 2019) on the background of extended semester up to end of July 2020. The extension was necessitated by the national lockdown as the nation was responding to the outbreak of the covid-19 pandemic. This has contributed negatively to the income recognised for the year under review.

	2020 P 000's	2019 P 000's
<b>18 TRADE AND OTHER PAYABLES</b>		
Trade payables	34,508	41,811
Accruals for outstanding payments on capital projects	25,275	26,242
Ministry of Health and Wellness - Funds received in advance for the Hospital	58,252	81,767
Ministry of Health and Wellness (Upenn) - Funds received in advance	48,572	48,572
	<b>166,607</b>	<b>198,392</b>
<b>18 (a) MINISTRY OF HEALTH &amp; WELLNESS LIABILITY MOVEMENT</b>		
Opening balance	81,767	300,599
Additions for Ministry of Health and Wellness Hospital projects	(23,515)	(218,832)
Closing balance	<b>58,252</b>	<b>81,767</b>

Trade and other payables are non-interest bearing and are generally payable on call or within 30 days.

Liabilities to the Ministry of Health and Wellness relate to unexpended amounts received from the Ministry of Health and Wellness for extensions to the Princess Marina State Referral Hospital (P48,571,681). Also, the Ministry of Health and Wellness owns the Teaching Hospital and Hospital Residences, whose capital fund balance (P58,251,921) still remains at the University following completion of the construction. The unspent balance of this fund is payable on demand.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2020

	2020 P 000's	2019 P 000's
<b>19 PROVISION FOR EMPLOYEE BENEFITS</b>		
Gratuity provision	65,822	72,693
Leave pay provision	132,155	131,958
	<b>197,977</b>	<b>204,651</b>
<b>19 (a) Opening balance of gratuity provision</b>	72,693	75,610
Additional provision for the year	50,838	56,604
Paid during the year	(57,709)	(59,522)
<b>Closing balance</b>	<b>65,822</b>	<b>72,693</b>
Current Portion	7,634	8,430
Non Current Portion	58,189	64,263
<b>19 (b) Opening balance of leave pay provision</b>	131,958	122,229
Additional provision for the year	13,247	21,552
Paid during the year	(13,051)	(11,823)
<b>Closing balance</b>	<b>132,154</b>	<b>131,958</b>
<b>20 LEASE LIABILITY</b>		
Current portion	2,429	2,187
Non-current portion	7,214	9,377
<b>Total lease liability</b>	<b>9,643</b>	<b>11,564</b>
<b>Lease liability maturity analysis – contractual undiscounted cash flows</b>		
Within one year	2,968	2,142
two to five years	8,023	9,422
More than five years	-	-
Total undiscounted lease liabilities at 31 March 2020	10,991	11,564
Less: Total Finance cost allocated to future periods	(1,348)	-
<b>Lease liability at 31 March 2020</b>	<b>9,643</b>	<b>11,564</b>

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2020

	2020 P 000's	2019 P 000's
<b>21 CONTINGENT LIABILITIES</b>		
Guarantees to banks in respect of employee motor vehicle and housing loan schemes	10,250	10,436

The maximum exposure of the University in terms of these guarantees with the banks is P85,000,000.

No losses are expected to arise from these arrangements.

## 22 TAXATION

No provision for taxation is required as the University is exempt from taxation in terms of the Second Schedule of the Income Tax Act (Chapter 52:01).

	2020 P 000's	2019 P 000's

## 23 FINANCIAL INSTRUMENTS BY CATEGORY – AMORTISED COST

### Categories of financial assets

Trade and other receivables	14,741	6,062
Cash and cash equivalents	497,646	544,339
	<b>512,387</b>	<b>550,401</b>

There were no assets at fair value through the profit and loss, derivatives used for hedging or available for sale financial instruments.

### Categories of financial liabilities

Trade and other payables	166,607	198,392
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There were no liabilities at fair value through profit and loss or derivatives used for hedging financial instruments as at year end.

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2020

## 24 RELATED PARTY TRANSACTIONS

### University of Botswana Foundation

The University of Botswana Foundation ("UBF") is an independent not-for-profit fund-raising organization registered under a deed of trust. The Vice Chancellor and Director of Financial Services of the University are trustees of UBF and the University provides UBF with facilities and donations to cover its salary costs.

The following transactions were carried out with UBF during the financial year and balances were outstanding at the financial year-end:

Actual Staff and other costs	1,182	777
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The amount receivable from UBF represents that amount by which actual salaries paid to UBF exceeded the budgeted amount (which is the amount originally donated to UBF by the University). During the year UBF staff costs were within the UB budgeted amount.

The following balances were outstanding from UB Foundation at the financial year-end:

Tuition fee due from UBF	20	496
UBF Business Place Costs due from UBF	1,521	1,521
	<b>1,541</b>	<b>2,017</b>

Annually, the UBF enrolls students with the University of Botswana and is expected to pay tuition fees on behalf of the students. The tuition fees due from UBF is in relation to those students that were registered with the University under the UBF sponsorship.

The UBF Business Place costs relates to costs that were incurred by the University in setting up a business unit for the UBF. This business unit closed off as it could not generate the expected returns to pay back the University.

Key management compensation represents total remuneration paid to the Vice Chancellor, the Deputy Vice Chancellors and all staff of the University who are members of the University Council.

### Key management compensation for the year amounted to:

	Salaries and Allowances	Gratuity	Pension	Medical Aid	Total Remuneration
PROF D.NORRIS	1,438	680	-	60	2,178
PROF H. SIPHAMBE	918	-	95	11	1,024
PROF O. NKOMAZANA	1,839	-	204	-	2,043
MR L. MOSUPI	1,080	-	95	6	1,181
PROF B. CHILISA	916	-	95	10	1,021
PROF A. CHEBANNE	939	-	95	6	1,040
DR SETHUNYA T. MOSIME	674	-	79	16	769
MR BOIPUSO G. DIKGANG	446	-	56	16	518
MRS M. REETSANG	942	-	95	13	1,050
MR A. YALALA	602	-	-	-	602
MR B. RWELENGERA	831	-	-	-	831
	10,625	680	814	138	12,257



NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2020

	2020 P 000's	2019 P 000's
<b>Government of Botswana</b>		
The University obtains its main operating and capital funding through annual subventions and capital grants from the Government of Botswana, which - through the Ministry of Tertiary Education, Research, Science and Technology- acts as the University's principal. Annual operating subventions and capital grants received from the Government of Botswana are disclosed in Notes 6 and 16 to the annual financial statements. The Government of Botswana sponsors qualifying citizens of Botswana to study at the University.		
Student fee income sponsored by and still receivable from the Government of Botswana are summarized below:		
<b>Student tuition fees</b>	<b>50,651</b>	<b>30,416</b>
- Department of Tertiary Education Financing ("DTEF")	27,199	10,500
- Other government institutions	5,285	8,150
- Other sponsors	8,566	4,538
- Self sponsored students	9,601	7,228
<b>Amounts due from Government of Botswana</b>	<b>32,484</b>	<b>18,650</b>

**25 LEGAL CLAIM CONTINGENCIES**

In the ordinary course of business, the University is a defendant in various litigations against it. Although there can be no assurances, the University believes, based on information currently available, that the ultimate resolution of these legal proceedings would not likely have a material adverse effect on the results of its operations, financial position or liquidity.

The University of Botswana is currently faced with an Arbitration matter which a vendor is seeking specific performance (enforcement) of a contract for delivery of computer hardware and services to the value of USD3,220,865.89. The University of Botswana has refuted the claim in its entirety. The matter is yet to be heard by an Arbitration Tribunal and presently therefore, there is no obligation on the part of the University of Botswana to pay this claim or any portion thereof.

The University's liability would, at worst, be limited to a reasonable measure of loss of profit that the vendor has incurred due to the contract not being fulfilled. This position has been confirmed by the University's external legal advisors.

32,209	36,770
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NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2020

**26 CAPITAL COMMITMENTS**

The total value of capital projects contracted for at 31 March 2020 amounted to P30,384,001 (2019: P28,697,522), of which amount P8,427,744 (2019:P8,427,744) has already been paid to contractors based on certified work performed to the year-end date. The unspent amount of P20,219,567 (2019: P20,270,263) will be financed from cash held for capital projects (note 15). The total value of funds held for capital projects already capitalized at 31 March 2020 amounted to P104,233,694. These funds are reflected in cash and cash equivalent note 15.

**27 EVENTS AFTER THE REPORTING PERIOD**

In December 2019, the outbreak of covid-19 virus was announced in China, which started spreading fast around the world, reaching the African borders around February 2020. At the end of March 2020, the virus was declared a national pandemic and the first national lockdown was announced which lasted for two months. This declaration brought the national economic activities to a complete halt including the University's academic activities.

Management has however determined that the advent of covid-19 is a non-adjusting event, save for the additional deferment of student tuition fee revenue as a result of the extension of the semester to end of July 2020, (refer to note 17(a)). The duration of the impact of covid-19 remains unclear and it is therefore difficult to reliably estimate the severity of the consequences as well as the impact on the financial position and cash flows for the future. However, with government interventions in place and the University's interventions to enable continuous delivery of its academic activities remotely, Management believes the institution will continue to survive into the future.

*Management's Initiatives to Counter the Impact of Covid-19 include:*

- New teaching and learning methods adopted - this will help the institution optimize on its course material delivery to both on campus and off campus students including those outside the country.
- Equipping of teaching auditoriums with scientific equipment to enable continued teaching and learning remotely.
- Provision of mobile data to students to enable online access of teaching and learning materials remotely.
- The new suggests implementation of appropriate staff-student-ratios that would help determine the appropriate numbers of both academic and support staff to be hired, (this will definitely help curtail down on staff costs).
- A comprehensive review of contracts with third parties has been undertaken with the aim to trim down on the services required in order to reduce contracts costs, (cleaning services contracts, security contracts, and leased copiers contracts).
- Management diverted savings from activities that could not be executed to implement health measures, (acquisition of consumables related to prevention of the spread of covid-19).

## SITTING ALLOWANCES PAID FROM 1ST APRIL 2019 TO 31TH MARCH 2020

NAME	TOTAL MEETINGS	ATTENDANCE	% ATTENDANCE	UB COUNCIL	EXECUTIVE COMMITTEE OF COUNCIL	CHAIR/ EMT		AD-HOC COUNCIL	FINANCE COMMITTEE	AUDIT COMMITTEE	PHYSICAL RESOURCES COMMITTEE	HUMAN RESOURCES COMMITTEE OF COUNCIL	STAFF APPOINTMENTS AND PROMOTIONS COMMITTEE	STAFF APPEALS COMMITTEE	TOTAL REMUNERATION
Dr Moeketsi Joseph Makhema	10	10	100%	5	4	1		0	0	0	0	0	0	0	22,500
Ms Nnosang Mhutshiwa	9	9	100%	5	0	0		0	0	0	0	0	0	4	16,200
Dr Mompoti Oganne Mmalane	9	9	100%	5	0	0		0	4	0	0	0	0	0	16,200
Dr Patson N Mazonde	12	12	100%	4	3	0		0	0	0	5	0	0	0	23,850
Mrs Anna Majelantle	14	14	100%	5	4	0		1	0	4	0	0	0	0	25,650
Mr Baboloki Tlale	5	2	40%	2	0	0		0	0	0	0	0	0	0	3,600
Dr Bernard Bulawayo	11	11	100%	5	0	0		0	0	0	0	0	0	6	22,500
Ms Tshisimogo Masisi-Lekaukau	10	10	100%	5	3	0		0	0	0	0	2	0	0	18,900
Ms Ellen Richard-Madisa	14	10	71%	3	2	0		0	5	0	0	0	0	0	20,250
Ms Matshidiso Masire	11	11	100%	3	0	0		0	0	0	0	0	8	0	19,800
Prof Norman Maphosa	5	1	20%	1	0	0		0	0	0	0	0	0	0	1,800
Mr Moatlhodi Sebabole	7	7	100%	3	0	0		1	0	3	0	0	0	0	13,050
Prof Mbudzeni Sibara	5	3	60%	2	0	0		1	0	0	0	0	0	0	8,291
Ms Verily Molatedi	10	10	100%	3	2	0		0	0	5	0	0	0	0	18,000
Mrs Jennifer M. Marinelli	5	5	100%	0	0	0		1	0	4	0	0	0	0	9,000
Mr André Barnard	10	5	50%	0	0	0		0	2	3	0	0	0	0	9,000
Mr Mohamed S Osman	5	1	20%	0	0	0		0	0	1	0	0	0	0	1,800
Ms Seabo M Keorapetse	5	2	40%	0	0	0		0	2	0	0	0	0	0	3,600
	157	132	84%	51	18	1		4	13	20	5	2	8	10	253,991

ECC - Executive Committee of Council

FC - Finance Committee

AC - Audit Committee

PRC - Physical Resources Committee

HRCC - Human Resources Committee of Council

SAPC - Staff Appointments &amp; Promotions Committee

SAC - Staff Appeals Committee







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