

UNIVERSITY
of
BOTSWANA



ANNUAL REPORT

2016/17



The background image shows a multi-story building with a light-colored brick facade and large, dark-framed windows. The building has a modern architectural style with prominent vertical brick columns. A dark, rounded rectangular overlay is positioned in the center of the image, containing white text. In the bottom right corner, a portion of a white lamppost is visible.

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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OUR MISSION

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

OUR VISION

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

15 146

Distributed students across various programmes of study

34

Years of educating the nation

115

Hectares
Main camps

67

Hectares
Maun camps

VALUES

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

1

Students by 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 by fostering a University community through encouraging, supporting, developing and empowering all individuals and groups to achieve the University's goals.

3

Academic freedom by 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 by 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 by upholding the highest professional and ethical behaviour and through openness, honesty, tolerance and respect for the individual.

8

Social responsibility by promoting an awareness of, and providing leadership in responding to the issues and problems facing society.

9

Equity by 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 by ensuring transparent decision-making and open review as well as the full participation of stakeholders in the development of the institution.

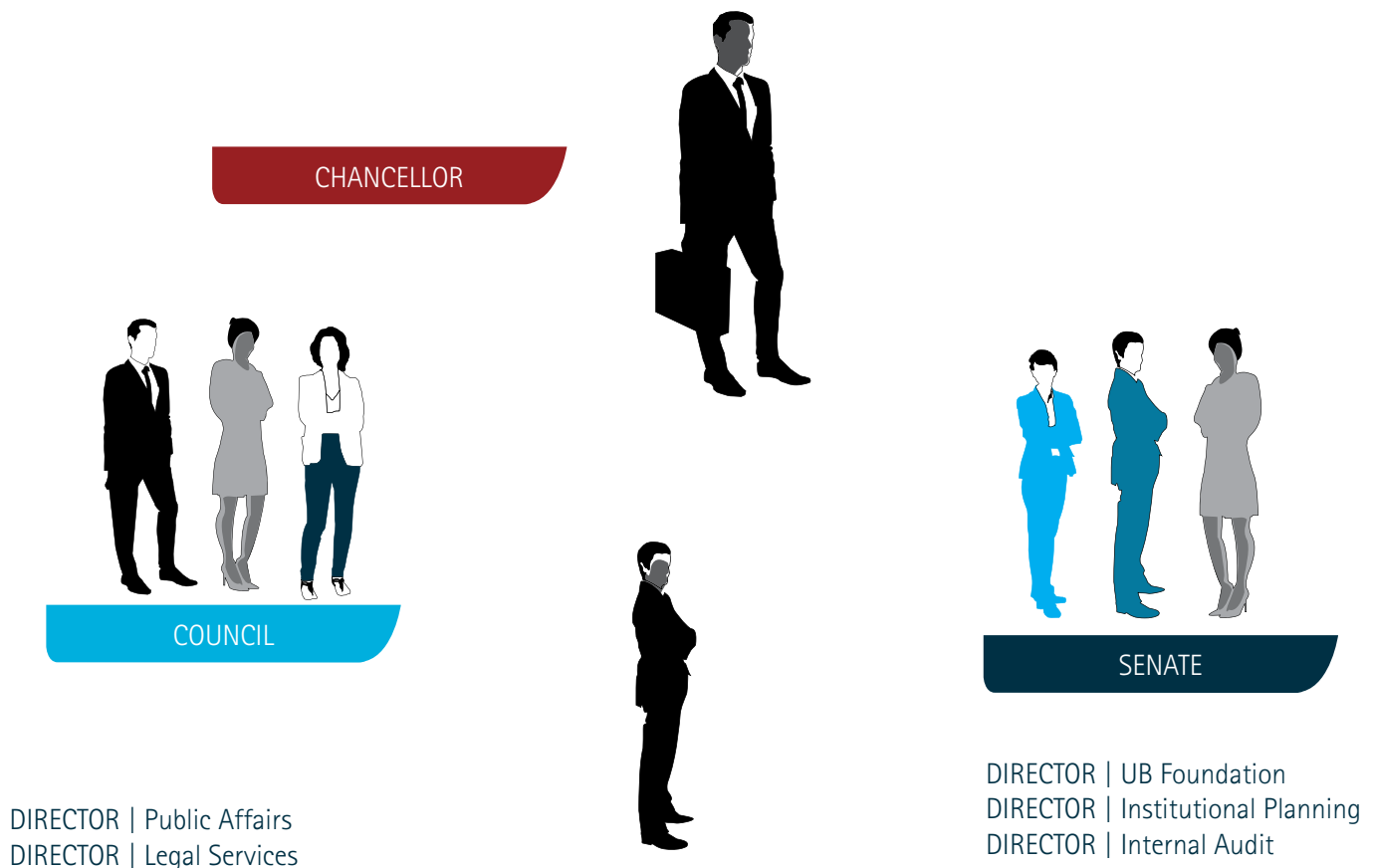
12

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 by 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



DIRECTOR | Public Affairs
DIRECTOR | Legal Services

DIRECTOR | UB Foundation
DIRECTOR | Institutional Planning
DIRECTOR | Internal Audit

VICE CHANCELLOR

DEPUTY VICE CHANCELLOR



ACADEMIC AFFAIRS

Dean | Faculty of Business
Dean | Faculty of Education
Dean | Faculty of Engineering & Technology
Dean | Faculty of Health Sciences
Dean | Faculty of Humanities
Dean | Faculty of Science
Dean | Faculty of Medicine
Dean | Faculty of Social Sciences
Dean | Faculty of School of Graduate Studies

DIRECTORS

- Centre for Academic Development
- Library Services
- Centre for Continuing Education
- Office of Research & Development
- Office of International Education & Partnerships
- Okavango Research Institute

DEPUTY VICE CHANCELLOR



STUDENT AFFAIRS

DIRECTORS

- Academic Services
- Student Welfare
- Careers & Counselling Services
- Culture, Sports & Recreation
- Health Services

COORDINATORS

- HIV/AIDS Office
- Disability Support Services

DEPUTY VICE CHANCELLOR



FINANCE & ADMINISTRATION

DIRECTORS

- Human Resources
- Financial Services
- Information Technology
- Campus Services

COUNCIL



Introduction

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

As of 1st April 2016 the Chancellor was Sir Ketumile Masire; the Chairperson of Council was Mr. P. Tafa; the Vice Chancellor was Prof. T. T. Fako; and the Deputy Vice Chancellors were Prof. M. Mokgwathi, for Student Affairs, and acting as DVC Academic Affairs, and Mr. M. Nlanda for Finance and Administration.

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 of the University, approves major policies, plans, the annual report and the annual statement of accounts. It monitors and reviews the overall performance of the University; ensures the strategic leadership of the University, promotes engagement

between the University and the community, and through Senate, ensures that high levels of academic standards are maintained.

As of 31st March 2017, the University Council comprised 11 members appointed by the Ministry of Tertiary Education Science Research and Technology; three members appointed by the Chancellor; two non-resident members appointed by the Council; the Vice Chancellor and Deputy Vice Chancellors who are ex-officio members; two members elected by Senate; one member elected by Academic Staff; one member elected by Support Staff; and one student representative elected by the student body.

Council held four ordinary and three special meetings during the year under review.

COUNCIL MEMBERS



Mr P. Tafa
Chairperson



Mrs M. Mothibatsela
Deputy Chairperson



Prof. T. T. Fako
Vice Chancellor



Prof. M. Mokgwathi
Deputy Vice Chancellor
Student Affairs & Acting
Academic Affairs



Mr M. N. Nlanda
Vice Chancellor
Finance & Administration



Dr. T. Mooko
Member



Mr M. Chakalisa
Member



Mr E. J. Kemsley
Member



Mr A. Khama
Member



Mr B. Jacques
Member



Mr J. Mynhardt
Member



Mrs S. El-Halabi
Member



Dr. T. Nyamadzabo
Member



Mr J. Rammekwa
Member



Prof. M. Sibara
Member



Prof. N. Maphosa
Member



Mrs M. Marobela
Member



Mr A. Lionjanga
Member (Deceased)



Prof. A. Chebanne
Member



Prof. B. Chilisa
Member



Mr A. Yalala
Member



Mr T. Lucas
Member



Mrs T. Mogomotsi
Secretary



Mrs C. S. Kealeboga
Member



Mr B. Mmipi
SRC President

THE UB SENATE

Senate has the overall responsibility for academic policies and programmes, and for the research and community service functions of the University.





Mr Parks Tafa
Chairman of Council

“ Consistent with its Vision as a centre of academic excellence, the University of Botswana continues to grow in pursuit of its aspiration as a premier institution of higher learning and a global competitor in the tertiary education sector in the country and the region despite socio, economic challenges, competition and emerging education delivery technologies. ”

STATEMENT BY CHAIRMAN OF COUNCIL

The University introduced three new undergraduate programmes. These were Bachelor of Industrial Design, Bachelor of Design Education, and Bachelor of Pharmacy in the Faculties of Engineering and Technology and Health Sciences respectively. The School of Graduate Studies introduced six new programmes at Masters and PhD levels during the period under review. These were Master's Degree in Entrepreneurship; Master of Education in Environmental Education; Master of Arts in Sociology; Master of Law in Research and Public Policy; and Mphil/ PhD in Geology. A Master in Research and Public Policy (MRPP) programme in the Department of Political and Administrative Studies was approved during the period under review. I note with pleasure the progress made by the University in achieving its objective of being a research intensive institution.

Through its collaborative efforts and cooperation with other strategic and sectoral partners in the region and globally, the University attained remarkable and noteworthy achievements in the area of research, including influence in policy formulation. In 2016/2017, research output was 1196 peer-reviewed publications comprising refereed journal articles, books, book reviews, book chapters and conference proceedings.

The University continued to pursue academic excellence through provision of programmes that were relevant to the needs of industry. These programmes were externally reviewed and aligned to accreditation requirements where applicable. For instance, the Bachelor of Engineering (Civil) programme was reviewed to comply with the requirements of the Engineering Council of South Africa (ECSA) which is the accrediting body. Other programmes reviewed included Bachelor of Nursing Science, Mathematics, Biological Sciences, Physics programmes and Visual and Performing Arts.

The review of the Visual and Performing Arts programme was done in recognition of the importance of creative and cultural industries in the national agenda for economic diversification, youth empowerment, and creative entrepreneurship.

It is also worth noting that the University of Botswana provided incubation and mentoring programmes to Botswana students and start-up companies. The North-South collaborative projects, Global Business Labs, and Global Consulting Programme, provided a good starting point for enterprising young people in Botswana.

I applaud the students for their contribution to the community. Residents of Letlhakeng, Mantshwabise, and Mategatse in the Kweneng District received solar electrical systems from students to improve their daily lives. The students also assisted the disadvantaged communities in other areas such as Gamodubu. I urge the students to keep up the humanitarian work.

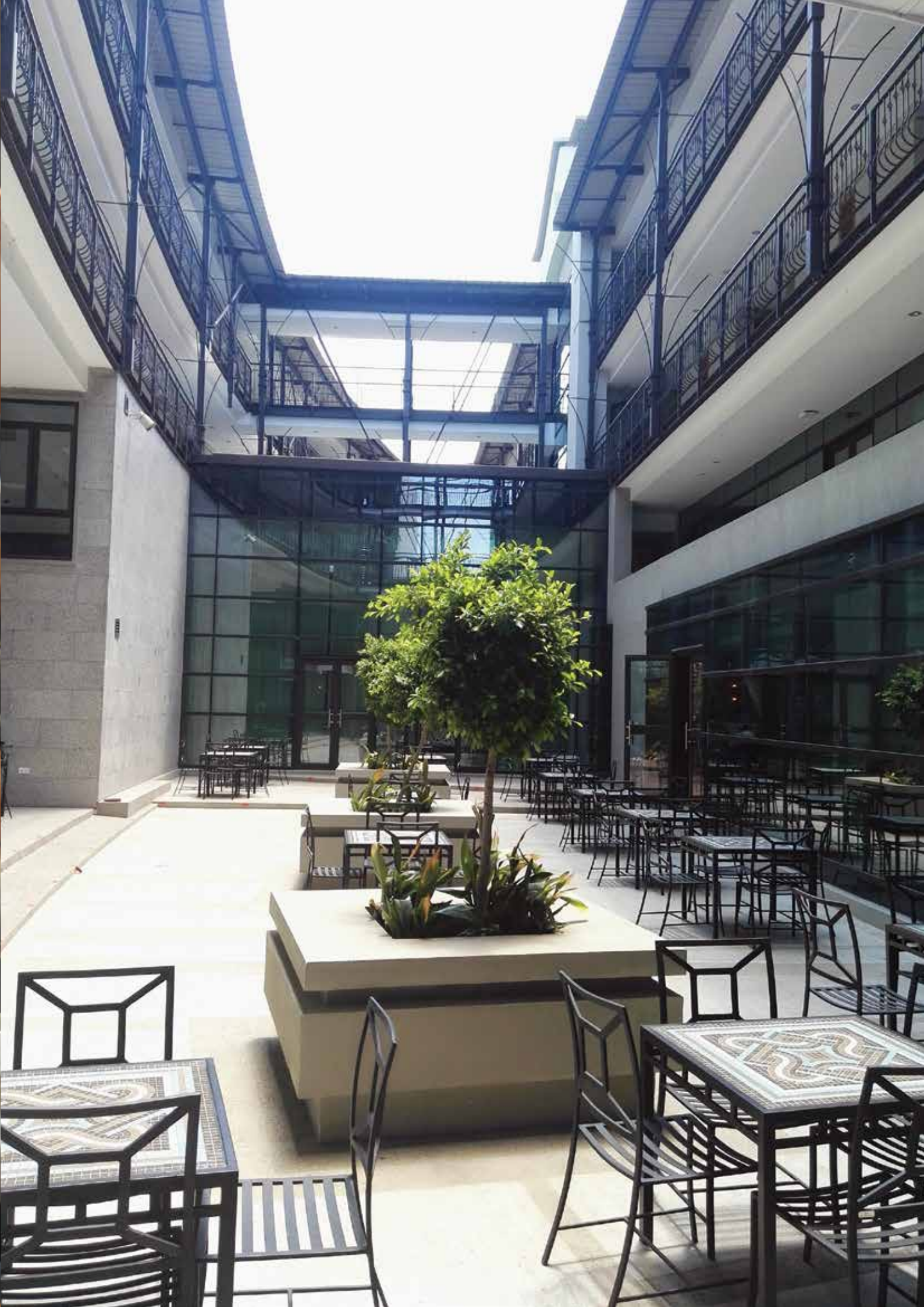
I wish to congratulate and thank members of Council whose tenure would be ending for their dedication and commitment in serving the University, and mostly the accomplishments made during their tenure, most of which could not have materialised had it not been for their visionary and strategic stewardship.



Mr Parks Tafa
Chairman of Council









Thabo T. Fako
Vice Chancellor

STATEMENT BY THE VICE CHANCELLOR

“The University roadmap is the Strategy for Excellence: 2016 and Beyond. The Strategy is anchored on six interlinked institutional priority areas that provide guidance for achieving the University vision of academic excellence.”

The University's mission is to improve economic and social conditions for the nation and make a difference through engagement with government, the business community, the professions and civil society.

The six institutional priority areas are:

1. Extending access and participation;
2. Providing relevant and high quality programmes;
3. Intensifying research performance;
4. Strengthening engagement;
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>.

As a premier institution of higher learning, the University has continued to attract more students with an enrolment of 12800 in the 2016/17 review period.

The majority of the students were from Botswana (95.7%) and the rest were from Southern African Development Community (SADC) countries and abroad. Gender distribution of students indicated that a majority of them were females at 57%.

The University graduated 2962 students in 2016. 2381 (73.6%) obtained Bachelor's Degrees while 226 (7.6%) obtained Undergraduate Diploma certificates. At graduate level, 351 obtained Post Graduate Diploma in Education (PGDE), 190 Master's degrees, seven and 21 obtained MPhil and PhD respectively, which accounts for 19.2% of the total graduates.

The University's new programmes graduated a total of 97 students. These included a third cohort of 42 medical doctors and nine medical specialists; second cohort of 11 Chinese Studies; nine Bachelor of Business Administration (Entrepreneurship and Enterprise Development); two Bachelor of Business Administration (International Business); 12 Bachelor of Business Administration (Logistics and Supply Chain Management); five Bachelor of Science (Real Estate); five Bachelor of Science in Medical Laboratory Science; two Bachelor of Arts (Pastoral Studies) and nine Bachelor of Psychology.

Some of the graduates have already joined the various sectors of the economy.

The University maintained its participation in the African Economics Research Consortium (AERC) Collaborative Masters Programme (CMAP) along with other African Universities. It also continued its implementation of the Disability Law Teaching Project in Botswana pursuant to a Memorandum of Understanding with the Open Initiative for Southern Africa (OSISA).

The University continued to attract highly qualified staff, whose accomplishments and international standing have been endorsed by external assessors from across the globe. I therefore urge my colleagues to continue with the hard work to make impressive footprints in the international higher education space.



Thabo T. Fako
Vice Chancellor





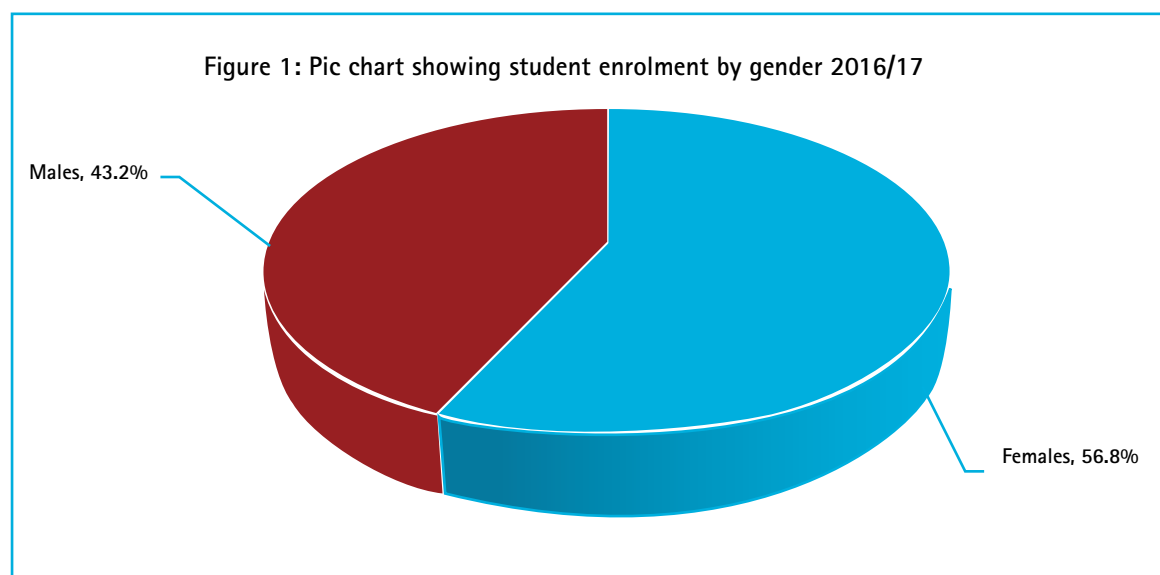
EXTENDING ACCESS AND PARTICIPATION

In 2016/17 the University continued to extend access and participation by introducing new programmes both at undergraduate and graduate levels. The student enrolment stood at 12800, of which 11.2% followed part-time programmes of study, Table 1, and the majority are female, Figure 1.

Table 1: Student Enrolment by Faculty 2016/17

Faculty/School	Number	Percentages
Business	2539	19.8
Education	1362	10.6
Engineering & Technology	1268	9.9
Graduate Studies	1843	14.4
Health Sciences	544	4.3
Humanities	1102	8.6
Medicine	256	2.0
Science	1824	14.3
Social Sciences	2062	16.1
TOTAL	12800	100

In terms of gender, the male: female student ratio was 43:57. This distribution has remained the same as in the 2015/16 Report, Figure 1.



The Faculty of Business had the highest enrolment of 2539 (19.8%), followed by Faculty of Social Sciences 2062 (16.1%), and Graduate Studies with 1843 (14.4%), Table 2.

EXTENDING ACCESS AND PARTICIPATION

continued

Table 2: Student Enrolment by Faculty and Gender 2016/17

Faculty/School	Females		Males		Overall	
	Number	Percentages	Number	Percentages	Number	Percentages
Business	1615	12.6	924	7.2	2539	19.8
Education	865	6.8	497	3.9	1362	10.6
Engineering & Technology	324	2.5	944	7.4	1268	9.9
Graduate Studies	1074	8.4	769	6.0	1843	14.4
Health Sciences	299	2.3	245	1.9	544	4.3
Humanities	755	5.9	347	2.7	1102	8.6
Medicine	134	1.0	122	1.0	256	2.0
Science	734	5.7	1090	8.5	1824	14.3
Social Sciences	1474	11.5	588	4.6	2062	16.1
TOTAL	7274	56.8	5526	43.2	12800	100.0

The University enrolled 10 436 students pursuing Bachelor's Degrees and 514 for Diplomas. Graduate enrolment stood at 1446 for Masters and 123 for PhD students, Table 3.

Table 3: Student enrolment by level during 2016/17

Programme Level	Number	Percentages
Undergraduate Diploma	514	4.0
Bachelor's Degree	10436	81.5
Postgraduate Diploma	281	2.2
Master's Degree	1446	11.3
PhD	123	1.0
TOTAL	12800	100.0

The majority of students were citizens at 12250 (95.7%), while 333 (2.6%) were from the Southern African Development Community (SADC) and 217 (1.7%) came from the rest of the world, Table 4.

Table 4: Student enrolment by country/region in 2016/17

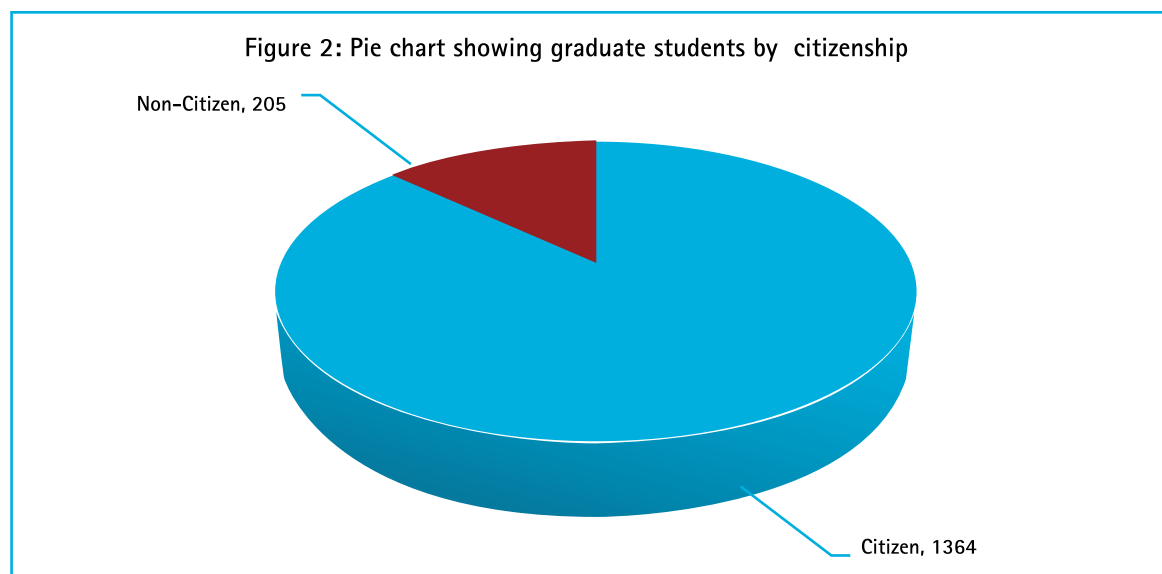
Country/Region	Number	Percentages
Botswana	12250	95.7
Other SADC Countries	333	2.6
Rest of the World	217	1.7
TOTAL	12800	100

Similarly, for graduate students the majority were citizens at 1364 compared to 205 non-citizens, Figure 2.



EXTENDING ACCESS AND PARTICIPATION

continued



While more females accessed graduate studies than males, in 2016/17 there were more males undertaking PhD studies, Table 5.

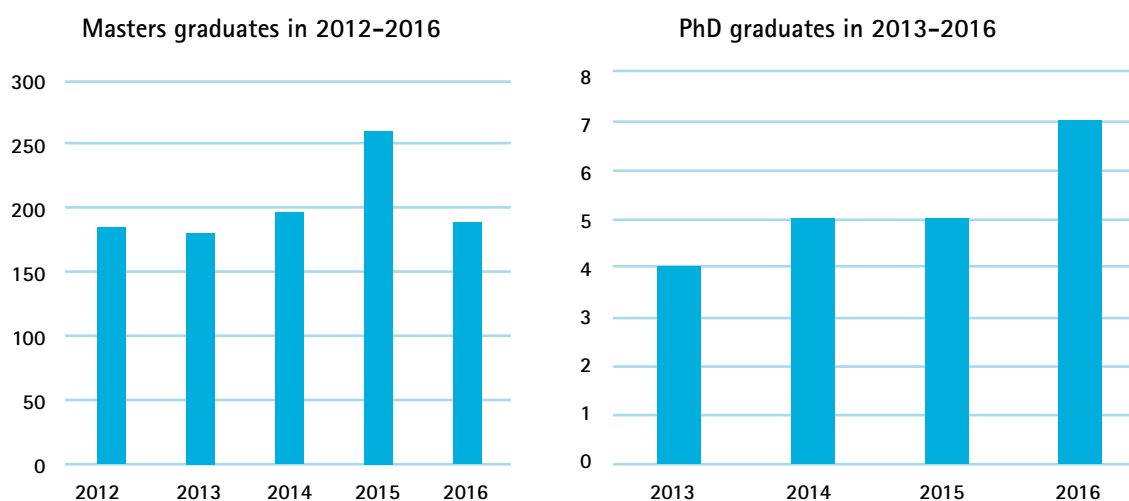
Table 5: Graduates students by citizenship, level and gender

Citizenship	Degree	Gender		
		Females	Males	Total
Citizen	Master's	751	539	1290
	PhD	29	45	74
Non-citizen	Master's	70	86	156
	PhD	17	32	49
TOTAL		867	702	1569

Over a five-year period there was a steady growth in graduate enrolment, Figure 3.

EXTENDING ACCESS AND PARTICIPATION

continued



Student Output in 2016

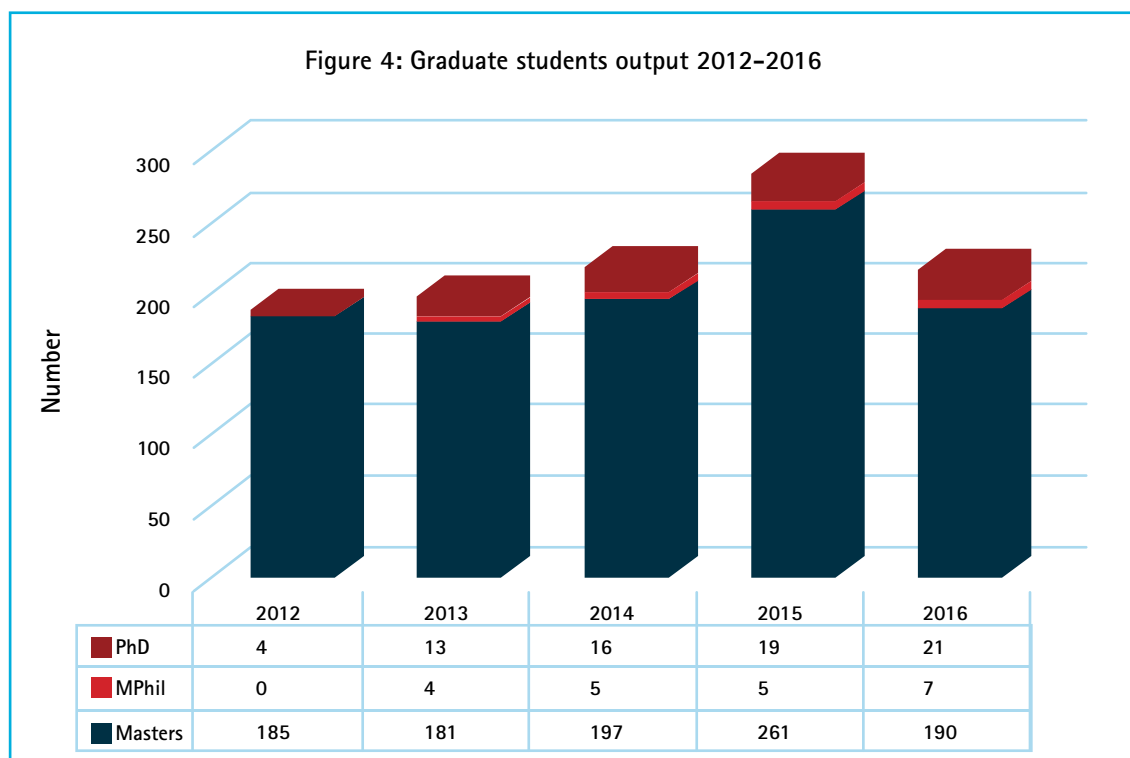
A total of 2,962 students successfully completed their programmes by the end of the Academic Year 2016/2017. Of these, 73% obtained Bachelor's degrees, 11.8% postgraduate diplomas, 7.3% Master's and PhDs, while 7.6% obtained undergraduate diplomas and certificates, Table 6. Over the last five years the University experienced a steady growth in the number of graduates, Figure 4.

Table 6: Number of graduates in 2016 by qualification

Level	Number	Percentages
Undergraduate Certificate	3	0.1
Undergraduate Diploma	223	7.5
Bachelor's Degree	2162	73.2
Postgraduate Diploma	351	11.8
Master's Degree	197	6.6
PhD	21	0.7
TOTAL	2962	100.0

EXTENDING ACCESS AND PARTICIPATION

continued



The University's new programmes graduated a total of 97 students. These included a third cohort of 42 medical doctors and a total of nine medical specialists in Paediatrics and Adolescent Health, Family Medicine, Internal Medicine, and Public Health Medicine. These graduates have since joined the Botswana health system and are delivering services at the various health care facilities across the country. The second cohort of 11 students graduated with a Bachelor's degree in Chinese Studies. These graduates had joined the Programme from the Confucius Institute at the University of Botswana as mature entry students. The new programmes that produced the first cohort of graduates were: nine Bachelor of Business Administration (Entrepreneurship and Enterprise Development); two Bachelor of Business Administration (International Business); 12 Bachelor of Business Administration (Logistics and Supply Chain Management); five Bachelor of Science (Real Estate); five Bachelor of Science in Medical Laboratory Science; two Bachelor of Arts (Pastoral Studies) and nine Bachelor of Psychology. Some of the graduates have already joined the various sectors of the economy. This is testimony to the University's efforts of extending access and participation.

The University of Botswana continued to collaborate with its international partners to advance its priority of extending access. The Faculty of Social Sciences maintained its participation in the African Economics Research Consortium (AERC) Collaborative Masters Programme (CMAP) along with other African Universities. Students participated in the Joint Facility for Electives (JFE) in Nairobi Kenya in 2016. The Faculty started offering MA Economics degree on a part-time basis in addition to the full-time programme.

The University of Botswana through its Faculty of Social Sciences also continued its implementation of the Disability Law Teaching Project in Botswana pursuant to a Memorandum of Understanding with the Open Initiative for Southern Africa (OSISA). The Project is regional and is coordinated by the University of Pretoria. OSISA gave the Faculty a grant of P392,000.00. OSISA extended the grant at no cost and will end in June 2017.

EXTENDING ACCESS AND PARTICIPATION continued

Through the Faculty of Humanities, the University increased opportunities for access and participation through language proficiency programmes such as French, Portuguese, Setswana, iKalanga, Swahili and Chinese languages and culture, all of which are available to the public. The Faculty of Engineering and Technology together with the Department of Public Affairs participated in the Business Botswana Northern Trade Fair where the University obtained first place in the education category. Further, the University also participated in the Science Technology, Engineering and Mathematic (STEM) festival, a collaborative engagement with the Botswana International University of Science and Technology (BIUST).

The University also extended access by hosting Visiting Researchers and Scholars. For instance, Department of Sociology in the Faculty of Social Sciences hosted a visiting researcher from Ben Gurion University in Israel. The Department of English in the Faculty of Humanities hosted scholars from the University of Koblenz-Landau in Germany.



PROVIDING RELEVANT AND QUALITY PROGRAMMES

Quality is at the core of the programmes offered at the University of Botswana. The appropriate implementation of policies, quality staff members, and the rich Information Technology infrastructure enhance the provision of relevant and quality programmes.

The University of Botswana continued to review all existing programmes for currency and relevance to the needs of the nation and respective industries. During the period under review, several faculties reviewed their programmes and set in motion the rationalization of existing courses in line with the University's strategic priority of providing relevant and quality programmes. Most importantly, external stakeholders' input in terms of policymakers, the private sector and the professions, have been instrumental in guiding the development of new programmes' content. External reviewers ensured quality and relevance to discipline-specific requirements so that the courses offered across the University are internationally benchmarked. Stakeholders commended that more programmes integrate work-based learning such as attachments and internships to better prepare graduates for the world of work. The University is thus proud to continue to offer quality and relevant programmes.

To ensure quality and relevance, all programmes are externally reviewed and aligned to accreditation requirements where applicable. The Bachelor Engineering (Civil) programme, for instance, was reviewed to satisfy the requirements of the accrediting body, the Engineering Council of South Africa (ECSA). Also under major review are

the Bachelor of Nursing Science, Mathematics, Biological Sciences, and Physics programmes, among others. Other programmes such as the Visual and Performing Arts are undergoing review in recognition of the need to develop the creative and cultural industries which play a critical role in the national agenda for economic diversification, youth empowerment, and creative entrepreneurship.

In line with this strategic priority and as a result of the programme review, several new programmes were approved by Senate for implementation in August 2017. These include Bachelor of Industrial Design and Bachelor of Design Education that are offered by the Faculty of Engineering and Technology and Bachelor of Pharmacy offered by the Faculty of Health Sciences. A Master in Research and Public Policy (MRPP) in the Department of Political and Administrative Studies was approved by the University Council to start in August 2017. In addition, the School of Graduate Studies introduced seven new programmes at Masters and PhD levels during the period under review.





Faculties of University of Botswana

Business

Education

Engineering & Technology

Humanities

Health Sciences

Medicine

Science

Social Sciences

School of
Graduate
Studies

disabled learners

in pursuit of academic excellence

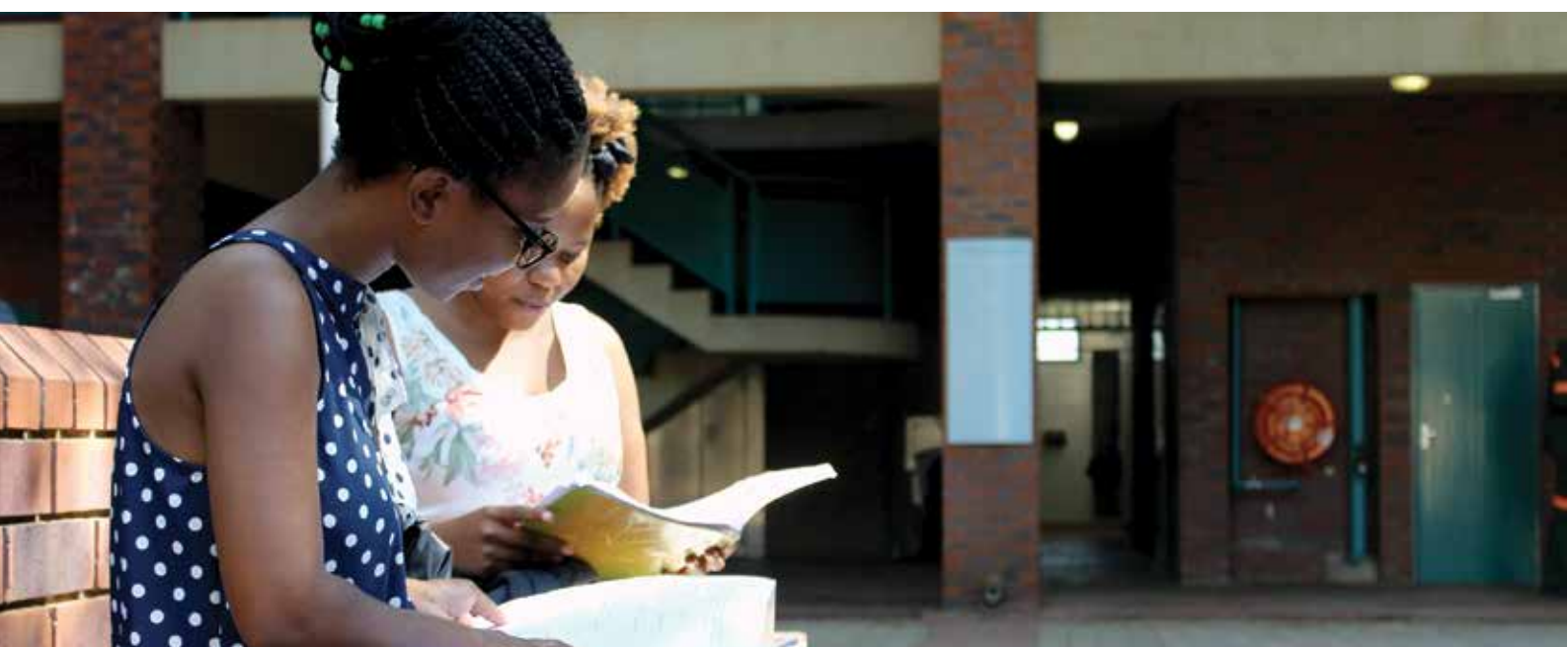


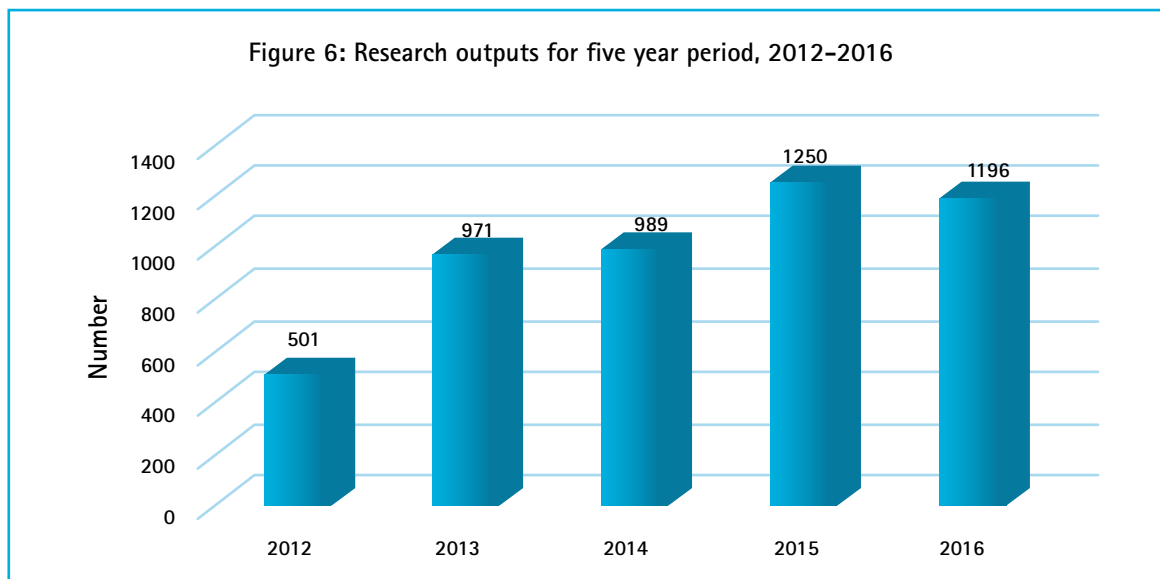
INTENSIFYING RESEARCH PERFORMANCE

The research output during the 2016/2017 period was 1 196 peer-reviewed publications comprising of refereed journal articles, books, book reviews, book chapters and conference proceedings, Table 7. Researchers at the University were also actively involved in the production of other research outputs such as creative works, edited journals, screenplays, play-scripts, technical reports and the production of software and media outputs. The University prides itself in the numerous peer-reviewed papers that its researchers presented at local and international conferences during the year under review. The overall research output demonstrates the University's plan to be research-intensive, and over a period of five years the research outputs have more than doubled, Figure 6.

Table 7: Research outputs by faculty for 2016/17

Faculty	Referred Journal Articles	Book Chapters	Books	Book reviews	Referred Conference Proceedings	Total Published
Business	41	8	0	0	14	63
Education	100	12	4	1	13	130
Engineering and Technology	87	6	1	0	0	94
Health Sciences	27	3	0	0	21	51
Humanities	137	43	12	12	4	208
Medicine	104	0	3	0	73	180
Science	127	22	5	0	70	224
Social Sciences	101	29	7	0	26	163
Okavango Research Institute	49	27	0	0	7	83
TOTAL	773	150	32	13	228	1196





Research Information Management Systems

The University has embarked on the development of digital platforms for managing research using integrated online systems. The upgraded Research Management System (RMS) based on the Converis software includes ethics reviews that were previously carried out manually over the years. It is being integrated with the University of Botswana Research Innovation and Scholarship Archive (UBRISA) that has also been upgraded to the latest version of the DSpace open source software. For the first time, the UBRISA has been integrated with the up-graded Open Journal System (OJS) that is carrying UB-based journals and Open Conference System (OCS) that provides website for hosting the management of UB conferences. Both systems enable direct upload of UB-affiliated research papers.

The UBRISA enabled increased visibility of UB research as attested by the high number of visits and downloads by researchers from around the world. Researchers at the University are now able to track views and downloads of their particular articles which can be a 'proxy' for readership and potential citations. For this year, the University recorded 1, 699, 361 file downloads and 2, 781, 526 total views. These figures indicate an increase in the visibility of the University of Botswana research outputs.

International Symposium and Conferences

Okavango Research Institute (ORI) successfully hosted an international WaterNet Symposium in Gaborone in October 2016. The Symposium was attended by 287 participants from around the world. ORI staff and graduate students made 19 peer reviewed presentations at the Symposium. ORI also successfully hosted a special session during the IASTED International Conference held in Gaborone in September 2016. ORI staff presented 12 peer-reviewed papers.

The Department of Library and Information Studies (DLIS) successfully organized and hosted an International Conference on "Information and Knowledge for Competitiveness". The Conference was attended by 58 delegates including some international delegates from Zambia, Zimbabwe, Sweden, South Africa, Ghana and Nigeria.

Research Projects

Academics at the University continued to embark on a number of research projects that were geared towards enhancing sustainable communities and livelihoods. The Faculty of Health Sciences engaged in a joint research project with the Botswana Institute of Development and Policy Analysis (BIDPA) to develop a marketing strategy for the Ministry of Health and Wellness. The Faculty of Engineering and Technology launched a research vehicle on biodiesel project and launched a demonstration trailer for solar water heating and cooling systems as part of the SOLTRAIN project.

Researchers in the departments of Chemistry and Biological Sciences, Faculty of Science collaborated with German researchers to develop a body lotion from natural products. Research in the Faculty continued to focus on solutions to socio-economic challenges that affect the nation such as e-health clusters for interventions in medical challenges, cyber-security in an increasingly unsecure world of cyber-attacks, as well as intelligent systems for dealing with appropriate innovations in the e-world. In addition, the Faculty engaged Government on key issues such as water shortages, climate change, energy shortfalls and rhino-poaching, to which cabinet ministers and international partners such as the European Union, United Nations, policymakers, Non-Governmental Organisations and Community-Based Organisations (NGOs and CBOs) and the private sector were key discussants.

Research Grants and Project Proposals

A number of research projects received local and international funding. The Faculty of Health Sciences secured a number of internal and external research grants, including grants to support a study on Schistosomiasis, Performance Evaluation of a Point-of-Care Technology to test for HIV-1 viral load in Botswana, and a grant to support the Anti-Tobacco Network Project. The Faculty of Medicine jointly with universities in the United States were awarded seven external grants.

The School of Graduate Studies in collaboration with the Office of Research and Development awarded research grants to MSc Research and PhD students to enable them to complete their research projects.

The bulk of the University of Botswana research was funded externally through collaboration and partnerships entered into and between its researchers and those of other institutions. In the 2016/17 financial year, a total of P58, 036, 422 was received from external sources to support the University's research activities. External funders included the Government of Botswana, local, regional and international institutions mainly in the United States of America, Europe and Japan.



STRENGTHENING ENGAGEMENT

Through an array of local, regional and international partnerships, the University maintained its institutional commitment to contribute to the improvement of economic and social conditions in the country. The University of Botswana's engagement with the Government, civil society and the private sector was crucial to the fulfilment of this strategic priority. The University continued to engage with several communities and organizations through a variety of activities, including capacity development workshops, conferences, study-abroad programmes, award of scholarships and cultural promotion initiatives.

Study Abroad Programme

The University received 105 students from different universities through the Council for International Exchange (CIE), International Student Exchange Programme (ISEP), and Associated Colleges of the Midwest (ACM). In turn, the University sent 23 students to universities in the United States of America (USA) through ISEP. As part of internationalising and strengthening the mining programme in the Faculty of Engineering and Technology, 22 students transferred to the University of Missouri Science and Technology (USA) under the dual degree programme partnership. During the May to July 2016 vacation, 24 students and three academic staff travelled to partner universities as part of the student and staff exchange programme. Out of the 24 students, two from Faculty of Medicine were fully funded by our partner, University of Pennsylvania.

In the year under review, the University of Botswana hosted five different Universities under the Study Abroad Programme which is designed to attract students from international universities. A total of 61 students attended the Programme. The majority of the students were from University of Ohio and Case Western Reserve University in the United States. Through students' interactions, the Faculty of Engineering and Technology at UB and the Case Western Reserve University (USA) donated solar electrical systems to eight residents of Letlhakeng, one of Mantshwabise, and one of Mategatse in the Kweneng District. The beneficiaries were identified by the Kweneng Social and Community Development Office. In addition, Ohio University Medical School students were attached to Princess Marina Hospital, Bokamoso Private Hospital and Botswana Baylor Children's Clinical Centre of Excellence for three weeks. Besides the clinical attachments, Ohio University Medical School in collaboration with UB conducted a case study on Non-Communicable Diseases in Botswana. The group visited organisations that deal with non-communicable diseases in Botswana to learn about their challenges, and how they use media-led techniques to disseminate information. The Non-Communicable Diseases Division in the Ministry of Health and Wellness, Cancer Association of Botswana, Diabetes Association of Botswana, Ministry of Information and Broadcasting Services (Radio Botswana, Botswana Television), private broadcast media and a clinic in Mochudi were among the organisations that were visited. The Council of International Educational Exchange (CIEE) in collaboration with OIEP hosted a group of 11 students for internship programme on Community and Public Health in local clinics for a period of eight weeks.

As part of internationalization, the University entered into Memoranda of Understanding and/or Agreement with several international universities, including among others, the University of Central Florida (USA), Lulea Technical University (Sweden), University of Cape Town (South Africa), Genoa University (Italy), University of Koblenz-Landau (Germany), Shanghai Normal University (China), Harvard School of Public Health (USA), University of Pennsylvania School of Medicine (USA), Vaal University (South Africa), University of Jonkonpin (Sweden) and Fachhochschule Erfurt (Germany).

North-South collaborative projects, such as the Global Business Labs and the Global Consulting Programme both of which offer opportunities to Botswana students and start-up companies under the Faculty of Business are some of the initiatives.

The University received a number of scholarships from its national and international partners for the benefit of its graduate students. These include the TreccaAfrica Scholarship, the Association of Commonwealth Universities scholarship, the Ministry of Transport and Communication, and the Botswana Telecommunications Corporation Limited scholarships.

Further, funds were secured from 10 organizations to support the University's programmes and projects. These include the Ministry of Youth, Empowerment, Sport and Culture Development, Ministry of Land Management, Water and Sanitation Services, First National Bank of Botswana Foundation, Open Initiative for Southern Africa (OSISA), Nigel Institute of Calvin College (USA) and Royal Academy of Engineering among others.

The Faculty of Business held two training workshops on financial management for senior Government managers, on procurement and budgeting in the public sector in collaboration with the Ministry of Finance and Economic Development. The Faculty of Humanities, through the Visual and Performing Arts programme, hosted capacity development workshops on acting, playwriting, and theatre production for local artists and community theatre groups across the country. The workshops were facilitated through funding from the Ministry of Youth Empowerment, Sport and Culture Development.

The University also maintained its engagements with a number of resident Embassies and Consulates, including the embassies of the United States of America, Brazil, Cuba, France, and China. These opportunities enhance the collaborative partnerships for community development between the University and these stakeholders.

Furthermore, the University continued to host cultural activities with a variety of stakeholders. For example, the Confucius Institute at UB (CIUB) held its annual Chinese Culture Tour, hosted the Chinese New Year Fun Fair, and organized several competitions with secondary schools. The winners of such competitions attended the final competitions in China. CIUB also recommended Chinese experts as interpreters to the Ministry of Sports Youth and Culture for the grand group of calisthenics performed during the Celebration Ceremony of the 50th Anniversary of Botswana's Independence.



IMPROVING THE STUDENT EXPERIENCE

The University of Botswana gave students the best campus experience through various activities and opportunities to enhance their learning experience and provide a vibrant campus life. The students participated in many activities organised by student clubs and societies. Drama clubs, culture-oriented clubs, and dance clubs, among others, add to the vibrancy of campus life while simultaneously cultivating the skills of social accountability, self-empowerment, and good citizenship. The programmes are meant to transfer lifelong skills as well as skills that reinforce national values and promote good citizenship.

Students in the Faculty of Engineering and Technology participated in a Global Service Jam design event and organised the World Town Planning day celebrations. Students also benefited from two workshops conducted through the 'Enriching Engineering Education Programme' (EEEP) project by industry experts. The Faculty of Health Sciences organised two successful Health Fairs and orientation sessions for incoming students.

The University launched the inaugural carnival festivities through an initiative of the Visual and Performing Arts programme under the Faculty of Humanities. The event was supported by First National Bank of Botswana Foundation. Over 580 students participated in the carnival parade and creations projects. The University enhanced the student experience through industry placement at institutions across the country through internship and final-year attachment programmes. The Faculties of Health Sciences and Medicine placed students for electives at hospitals and institutions outside the country. This afforded the students the opportunity to see medical practice from a different culture and perspective.

The Faculty of Science offered students the opportunity to participate in the Science, Technology, Engineering and Mathematics (STEM) festival. Students also participated in the United Nations Educational, Scientific and Cultural Organization (UNESCO) International Year for Peace Development activities, where they demonstrated the relevance of science to knowledge generation and career opportunities.

Student Engagement

The University continued to promote active student engagement and participation in out of campus activities. A total of 4000 students participated in various events in areas such as culture, health and wellness, fundraising, debates, environmental awareness, community outreach, and faith based events such as International Youth Fellowship (IYF). The students also participated in various events both at national and international levels for exposure and global awareness.

The University also imparted leadership skills through Student Advisory Initiatives, mentoring opportunities, and participation in board meetings. Students also participated actively in research development workshops, arts and creations workshops, and workshops on professional and academic leadership for graduate students.

The Medical Aid schemes from Etudiant, and Doctor's Medical sponsored un-insured students leaders at the University with P396, 000, 00 and P163, 000.00 respectively. A total of 87 student leaders such as SRC, GSA, Residents Assistants and LLC Ambassadors were the beneficiaries. The initiative was in support of the University's wellness efforts.

The University's Careers and Counselling Centre in collaboration with the Gender Affairs Department in the Ministry of Nationality, Immigration and Gender Affairs held a seminar in April 2016 to educate young men, including those with disability, at UB and universities outside Botswana about the effects of gender-based violence. The participants subsequently developed programmes that raise awareness of the effects of gender-based violence in their respective institutions.

Living and Learning Communities (LLC) Programme

The Living and Learning Communities (LLC) Programme, a student-led programme successfully organised different activities for the student community in the year under review. The students held choral music competitions for the first time. A total of 14 choirs competed. LLC Programme students bought a bed and painted a house for a person living with disability in Tlokweng. The beneficiary was identified through the social workers in the village.

Sports and Recreation

The University of Botswana participated in the All Africa University Games which were held at the University of Johannesburg (UJ), South Africa, from the 26th June to 3rd July, 2016. The students did the University proud and finished 6th out of 35 universities by winning four gold, nine silver and six bronze medals, in Athletics, Tennis, Badminton, Volley ball and Chess. The four gold medals were won by Tshwanelo Aobobe (Athletics); Titose Chilume (Athletics); Phatsimo Ruele (Tennis), and Aobakwe Lekang (Tennis).

Volunteerism Programme

The Careers and Counselling Centre launched the Volunteerism Programme in February of 2016 to encourage students to realise and appreciate the value of volunteerism. Currently the programme has 652 students registered and participated in different volunteerism activities. The students have through their mobilisation efforts built a house for a needy person in Lorolwane village, in the Southern District. 25 student clubs from UB participated in a project that provided orphans and vulnerable children with food, clothes and toiletries in Gamodubu in the Kweneng District. The students also spent the day playing, cooking and assisting the children with their homework at the school. The University collaborated with Standard Chartered Bank to support vulnerable children in Gamodubu.

Assistive Technology Training Laboratory

The University of Botswana launched an Assistive Technology Training Laboratory (ATTL) in the year under review to provide integrated learning with assistive and rehabilitation services for students with disability. The laboratory provides an Integrated Learning Management System (LMS) with speech software-JAWS, advanced Braille production services for provision of alternate formats for visually impaired students, upgraded scan and read, speech software (JAWS, DUXBURY, DRAGON), access to e-learning, JAWS training, and a platform for students doing practicals and classroom projects.

In tandem with ATTL, the University Library procured and installed assistive technology comprising of the Pearl reading camera, CCTV, Braille printer and five specialized computers complete with JAWS which empowered students who are visually challenged to independently use the computer to search, print and use electronic resources.

Blood Donation Campaign

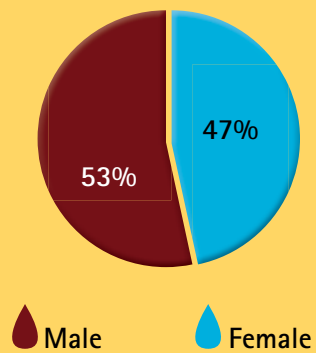
The University of Botswana conducted blood donation campaigns guided by three objectives; to raise awareness on the importance of blood donation, to contribute to enhancing adequate blood supplies at the National Blood Bank, and to encourage more people to become regular blood donors and remain free from risky sexual behaviours. In 2016/2017, two blood donation campaigns were held for the UB community, one in April and the other in October.

Students donating Blood

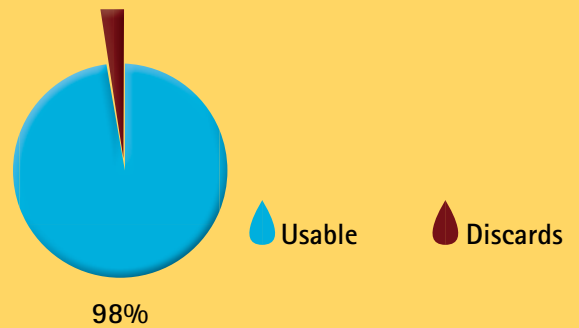
A total of 1249 people donating. Out of these, only 23 blood pints were discarded, which means 98% of blood collected at UB was usable. In June 2016, UB was awarded the 2016 Best Overall Blood Donor in the country for the 8th consecutive year.



Blood Donation by gender



Usable Blood vs Discard blood



ENHANCING HUMAN RESOURCES FOR EXCELLENCE IN DELIVERY

The University prides itself in its highly-qualified staff. In the period under review, several academic staff members were supported and successfully completed their PhD studies. In accordance with this strategic priority, faculties recruited highly-qualified academic staff to advance their programmes. The Faculty of Medicine recruited 11 academic staff. The Faculty of Engineering and Technology engaged in a rationalisation exercise that converted vacant support staff positions to mitigate inadequate staff establishments in some of its departments. As part of the rationalisation exercise, staff members that were underemployed were recommended for redeployment to other units of the University.

Several academics across various faculties were promoted to the ranks of Senior Lecturer, Associate Professor, and Professor. These promotions reflect the level of productivity, diligence in research, and good overall performance.

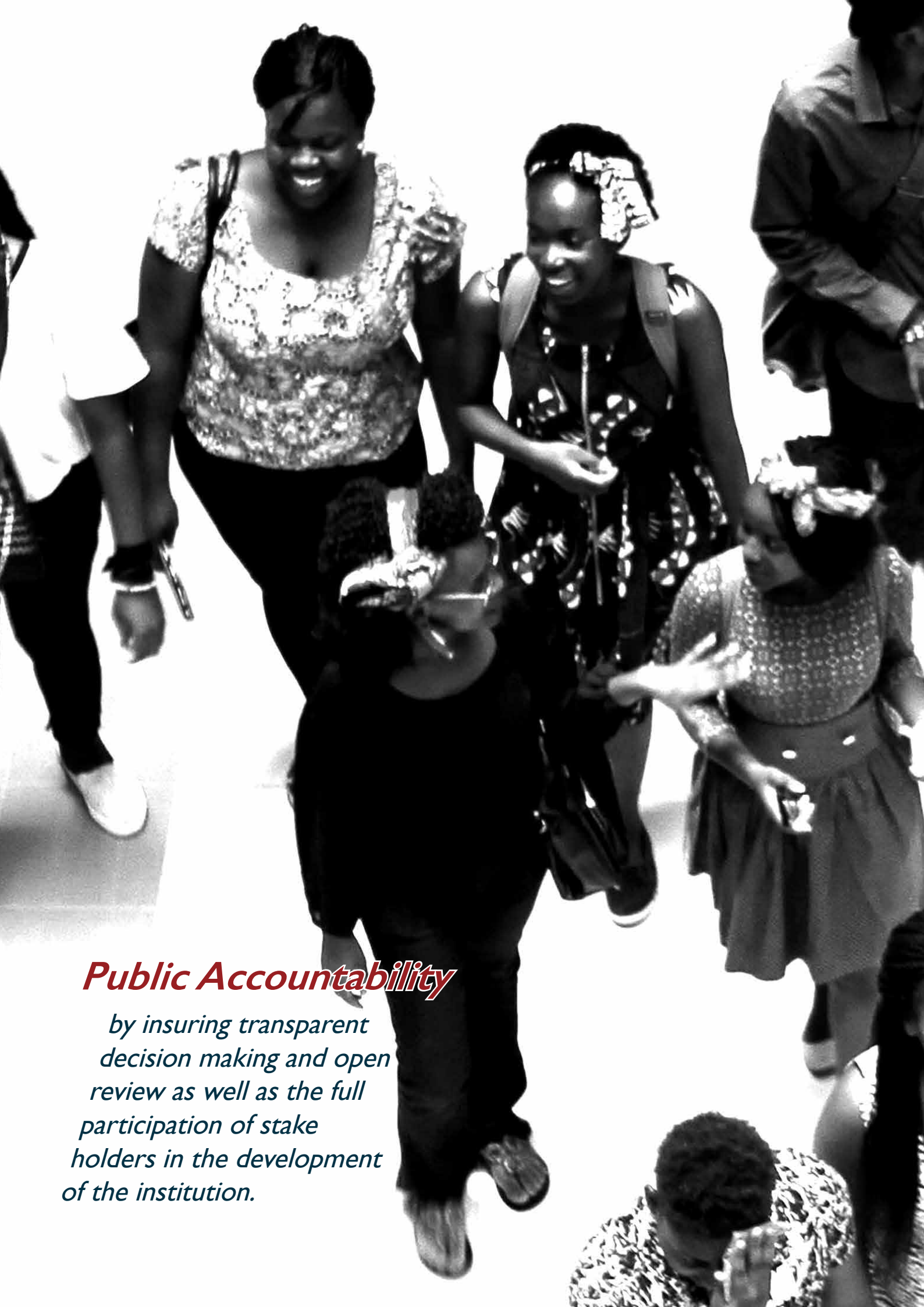
The University Library ran a series of professional development workshops for staff members. These included workshops on supervisory skills, Faculty Librarians Partnership in Education for both librarians and academic staff, as well as workshops in public speaking and financial management.

The University also continued efforts to ensure quality delivery and performance through the training of support staff. The consolidated efforts of highly-qualified academic staff and professionally-trained support staff ensured commendable service delivery and performance from the University throughout the 2016/2017 academic year.

Physical Structures

Three infrastructure projects were completed during the 2016/17 review period: The Conference Centre, Administration Building Expansion, and Health Sciences Landscaping and Car Park. The Conference Centre has a 200-seater auditorium, four seminar rooms, 69 guest bedrooms, a buffet and private restaurant, a resident private gym with a heated swimming pool, five administration offices, two (gift/curio) shops and a 125 car parking space. The Administration Building Expansion is a three storey extension to the existing Administration block intended to provide additional office space to the University Administration. The Health Sciences Landscaping Project produced 56 car parking spaces for staff in the faculties of Health Sciences and Science.





Public Accountability

*by insuring transparent
decision making and open
review as well as the full
participation of stake
holders in the development
of the institution.*



Annual Financial Statements 2016/17



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

Sir Ketumile Masire

Deceased - June 2017

MEMBERS OF THE COUNCIL AT 31 MARCH 2017**Name**

Mr P Tafa

Ms M Mothibatsela

Prof K Moahi

Appointed in February 2017

Prof MM Mokgwathi

Mr MN Nlanda

Prof A Chebanne

Dr T Nyamadzabo

Mr AT Yalala

Mr E Kemsley

Mr M Chakalisa

Mr A Khama

Mr B Jacques

Mr J Mynhardt

Mr J Rammekwa

Mrs M Marobela

Dr T Mooko

Mr T Lucas

Prof B Chilisa

Mrs C Kealeboga

Ms Shenaaz El-Halabi

Mr D Ratsatsi

Prof N Maphosa

Prof M Sibara

Mr B Mmipi

Ms T Mogomotsi

Designation

Chairman

Vice Chairperson

Acting Vice Chancellor

SRC President

Secretary

GENERAL INFORMATION (continued)

Resignations during the year

Mr A Lionjanga	November 2016
Prof T Fako	February 2017
Mr M Kgosiekae	April 2016

Member
Vice Chancellor
SRC President

REGISTERED OFFICE

University of Botswana
Plot 4775
Notwane Road
Private Bag 0022
Gaborone

INDEPENDENT AUDITORS

PricewaterhouseCoopers



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 changes in fund balances	45
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STATEMENT OF RESPONSIBILITY BY THE GOVERNING COUNCIL

The Governing Council of the University of Botswana is responsible for the maintenance of adequate accounting records and the preparation, integrity and fair presentation of the financial statements. The financial statements presented on pages 42 to 70 have been prepared in accordance with International Financial Reporting Standards and in the manner required by the University of Botswana Act, 2008.

The Governing Council considers that in preparing the financial statements, they have used the most appropriate accounting policies, consistently applied and supported by reasonable and prudent judgments and estimates, and that International Financial Reporting Standards have been applied. The Governing Council acknowledges that they are ultimately responsible for the system of internal financial control established by the University and place considerable importance on maintaining a strong control environment. The Governing Council is satisfied that the information contained in the financial statements fairly presents the results of operations for the year ended 31 March 2017 and the financial position of the University at 31 March 2017.

The Governing Council has 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, utilisation of available funds currently earmarked for deferrable capital projects and timely collection of student debts, the University will not have sufficient cash resources to meet operating requirements by the third quarter of the ensuing financial year. The University can thus only remain a going concern through the continued support of the Government of Botswana, in the form of supplementary subventions and early 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. The Ministry of Tertiary Education, Research, Science and Technology has indicated that the University should formulate and submit an application for supplementary subvention, which will be considered once received by the Ministry. The University is currently formulating its application and related motivation thereof.

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 and preparedness of the Ministry of Tertiary Education to consider supplementary subvention requests for the 2018/19 financial year
- The Governing Council is satisfied that the University will continue as a going concern. Accordingly, the financial statements have been prepared on a going concern basis.

The external auditors conduct an examination of the financial statements in conformity with International Standards on Auditing, which include tests of transaction and selective tests of internal accounting controls. Regular meetings are held between Management and the external auditors to review matters relating to internal controls and financial reporting. The external auditors have unrestricted access to the members of the Governing Council.

The financial statements were approved by the Governing Council on 09/11/2017 and are signed on its behalf by:



CHAIRMAN OF THE COUNCIL

09/11/2017

DATE



VICE CHANCELLOR AND
MEMBER OF THE COUNCIL



INDEPENDENT AUDITOR'S REPORT TO THE GOVERNING COUNCIL MEMBERS OF UNIVERSITY OF BOTSWANA

Report on the financial statements

Our opinion

In our opinion, the financial statements give a true and fair view of the financial position of University of Botswana (the "University") as at 31 March 2017, and its 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 financial statements set out on pages 43 to 71 comprise:

- the statement of financial position as at 31 March 2017;
- the statement of comprehensive income for the year then ended;
- statement of changes in fund balances for the year then ended;
- statement of cash flows for the year then ended; and
- notes to the financial statements, which include a summary of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.

We 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 Botswana Institute of Chartered Accountants Code of Ethics (the "BICA Code") and the ethical requirements that are relevant to our audit of financial statements in Botswana. We have fulfilled our other ethical responsibilities in accordance with these requirements and the BICA Code. The BICA Code is consistent with the International Standard Governing Council for Accountants' Code of Ethics for Professional Accountants (Parts A and B).

Material uncertainty related to going concern

We draw attention to the Going Concern section of the Critical Accounting Estimates and Judgements note to the financial statements, which indicates that the University incurred a deficit from operating activities of P302,037,000 (2016: P624,763,000) and a net decrease in cash and cash equivalents of P207,244,000 for the year ended 31 March 2017 (2016: decrease of P392,672,000). At 31 March 2017, the University's total liabilities exceeded its total assets by P126,525,000. The University's internal cash flow forecasts indicate that the University will not have sufficient cash resources to meet operating requirements by the third quarter of the ensuing financial year.

These conditions, indicate the existence of a material uncertainty that may cast significant doubt about the University's ability to continue as a going concern.

As indicated in the Critical Accounting Estimates and Judgements, the financial statements have been prepared on the going concern basis as the Government of Botswana had supported the University in the past and the University has implemented certain cost saving measures. Furthermore, the Ministry of Tertiary Education, Research, Science and Technology has indicated that it will consider requests for supplementary operating subventions for the ensuing financial year, and the University has started its application processes for such supplementary financing.

Our opinion is not modified in respect of this matter.

Other information

The Members of the Governing Council are responsible for the other information. The other information comprises the General Information and Statement of Responsibility by the Governing Council, which we obtained prior to the date of this auditor's report. Other information does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information 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.



INDEPENDENT AUDITOR'S REPORT TO THE GOVERNING COUNCIL MEMBERS OF UNIVERSITY OF BOTSWANA (CONTINUED)

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, 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 Governing Council for the financial statements

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

In preparing the financial statements, the Governing Council is 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 Governing 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 financial statement

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

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

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

We communicate with the Members of the Governing 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.



Practicing Member: Rudi Binedell
Membership number: 20040091

14/11/2017

Gaborone



STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2017

	Notes	2017 P 000's	2016 P 000's
Government subvention	4	661,471	663,953
Tuition and other student fee revenue	5	381,749	409,534
Amortisation of government grants	14	113,664	130,009
Other income	6	10,069	10,412
Deferred income realised in current year	15	82,741	92,399
Gross operating income		1,249,694	1,306,307
Staff costs		(1,149,116)	(1,134,859)
Other operating expenses		(346,101)	(762,786)
Expenditure on designated projects	15	(82,741)	(92,399)
Deficit for the year from operating activities	7	(328,265)	(683,737)
Finance income	8	28,121	53,680
Periodic pension charge	19	-	3,754
Deficit for the year		(300,144)	(626,303)
Other comprehensive income			
Net of return on defined benefit pension fund assets	19	(1,893)	1,540
Total comprehensive deficit		(302,037)	(624,763)

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2017

	Notes	2017 P 000's	2016 P 000's
ASSETS			
Non-Current Assets			
Property, plant and equipment	9	2,400,204	2,321,052
Intangible assets	9a	11,192	13,431
Capital work-in-progress	10	8,425	118,434
		2,419,821	2,452,917
Current Assets			
Inventories	11	4,441	4,018
Trade and other receivables	12	29,929	157,035
Pension fund asset	19	-	1,893
Cash and cash equivalents	13	860,383	734,947
		894,753	897,893
Total assets		3,314,574	3,350,810
FUNDS AND LIABILITIES			
Capital Funds and Reserves			
Council controlled unrestricted funds		55,000	333,083
Other reserves		141,983	141,983
Accumulated (deficit)		(323,508)	(299,554)
		(126,525)	175,512
Non-Current Liabilities			
Government grants	14	2,498,453	2,595,647
Funds received in advance for designated projects	15	168,553	135,764
		2,667,006	2,731,411
Current Liabilities			
Deferred student fee revenue		63,465	55,668
Trade and other payables	16	710,627	388,219
		774,092	443,887
Total funds and liabilities		3,314,574	3,350,810



STATEMENT OF CHANGES IN FUND BALANCES

FOR THE YEAR ENDED 31 MARCH 2017

	Council Controlled Unrestricted Funds P 000's	Other Reserves P 000's	Accumulated Fund P 000's	Total P 000's
Balance at 1 April 2014	529,466	141,983	130,772	802,221
Total comprehensive deficit for the year	-	-	(1,946)	(1,946)
Transfer of interest received	87,606	-	(87,606)	-
Balance at 31 March 2015	617,072	141,983	41,220	800,275
Balance at 1 April 2015	617,072	141,983	41,220	800,275
Total comprehensive deficit for the year	-	-	(624,763)	(624,763)
Transfer of interest received	53,680	-	(53,680)	-
Transfer of Council Controlled funds to accumulated funds	(337,669)	-	337,669	-
Balance at 31 March 2016	333,083	141,983	(299,554)	175,512
Balance at 1 April 2016	333,083	141,983	(299,554)	175,512
Total comprehensive deficit for the year	-	-	(302,037)	(302,037)
Transfer from Council Controlled funds (note 1)	(8,000)	-	8,000	-
Transfer of interest received	28,121	-	(28,121)	-
Transfer of Council Controlled funds to accumulated funds	(298,204)	-	298,204	-
Balance at 31 March 2017	55,000	141,983	(323,508)	(126,525)

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.

Note 1: This transfer relates to costs that have been incurred as settlement of a contractual disagreement with a supplier, which settlement the Governing Council agreed to fund from Council Controlled Unrestricted Funds.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2017

	Notes	2017 P 000's	2016 P 000's
CASH FLOWS FROM OPERATING ACTIVITIES:			
Total comprehensive deficit for the year		(302,037)	(624,763)
Adjustments for:			
Depreciation of property, plant and equipment	9	113,664	126,029
Amortisation of Government grants	14	(113,664)	(130,009)
Defined benefit pension asset /(Obligation)	19	1,893	(1,893)
Impairment of Capital work-in -progress	7	-	3,980
Loss/(Profit) on disposal of property, plant and equipment	7	77	(173)
Operating cash outflows before working capital changes		(300,067)	(626,829)
Working capital changes			
Increase in inventories		(423)	(1,147)
Increase in trade and other receivables		127,106	251,713
Increase in trade and other payable		22,513	52,784
		149,196	303,350
CASH FLOWS FROM INVESTING ACTIVITIES:			
Proceeds from sale of property, plant and equipment		1,065	194
Purchase of property, plant and equipment	9	(23,613)	(44,396)
- to maintain operating capacity		(53,982)	(103,813)
- to increase operating capacity		(76,530)	(148,015)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Government grants received	14	16,924	62,386
Settlement of liability to Ministry of Health	14	3,233	16,436
		20,157	78,822
Net decrease in cash and cash equivalents		(207,244)	(392,672)
Cash and cash equivalents at beginning of the year		475,893	868,565
Cash and cash equivalents at end of the year		268,649	475,893



ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 MARCH 2017

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 realisation 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 financial statements are set out below. These policies have been consistently applied in the previous years, unless otherwise stated.

Basis of preparation

The 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 financial statements have been prepared under the historical cost convention. The preparation of 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. These areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the University's financial statements, are disclosed in the "Critical accounting estimates and assumptions" section of the 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) International Financial Reporting Standards and amendments effective for the first time for 31 March 2017 year-end

- Amendments to IAS 1; 'Presentation of financial statements' disclosure initiative - In December 2014 the IASB issued amendments to clarify guidance in IAS 1 on materiality and aggregation, the presentation of subtotals, the structure of financial statements and the disclosure of accounting policies. (effective 1 January 2016)
- Amendment to IAS 16; 'Property, plant and equipment' and IAS 38; 'Intangible assets', on depreciation and amortization - In this amendment the IASB has clarified that the use of revenue based methods to calculate the depreciation of an asset is not appropriate because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset. The IASB has also clarified that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset (effective from 1 January 2016).

(b) International Financial Reporting Standards and amendments issued but not effective for 31 March 2017 year-end

- Amendment to IAS 7 – Cash flow statements - Annual periods beginning on or after 1 January 2017- In January 2016, the International Accounting Standards Board (IASB) issued an amendment to IAS 7 introducing an additional disclosure that will enable users of financial statements to evaluate changes in liabilities arising from financing activities. The amendment responds to requests from investors for information that helps them better understand changes in an entity's debt. The amendment will affect every entity preparing IFRS financial statements. However, the information required should be readily available. Preparers should consider how best to present the additional information to explain the changes in liabilities arising from financing activities.
- Amendments to IFRS 9 – Financial Instruments (2011) - The IASB has published an amendment to IFRS 9, 'Financial instruments' that delays the effective date to annual periods beginning on or after 1 January 2018. The original effective date was for annual periods beginning on or after from 1 January 2013. This amendment is a result of the board extending its timeline for completing the remaining phases of its project to replace IAS 39 (for example, impairment and hedge accounting) beyond June 2011, as well as the delay in the insurance project. The amendment confirms the importance of allowing entities to apply the requirements of all the phases of the project to replace IAS 39 at the same time. The requirement to restate comparatives and the disclosures required on transition have also been modified (effective from 1 January 2018).
- IFRS 9 – Financial Instruments (2010) - The IASB has updated IFRS 9, 'Financial instruments' to include guidance on financial liabilities and derecognition of financial instruments. The accounting and presentation for financial liabilities and for derecognising financial instruments has been relocated from IAS 39, 'Financial instruments: Recognition and measurement', without change, except for financial liabilities that are designated at fair value through profit or loss (effective from 1 January 2018).



ACCOUNTING POLICIES (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

- IFRS 15 – Revenue from contracts with customers- The FASB and IASB issued their long awaited converged standard on revenue recognition on 29 May 2014. It is a single, comprehensive revenue recognition model for all contracts with customers to achieve greater consistency in the recognition and presentation of revenue. Revenue is recognised based on the satisfaction of performance obligations, which occurs when control of good or service transfers to a customer (effective from 1 January 2017).
- IFRS 9 – Financial Instruments (2009) - This IFRS is part of the IASB's project to replace IAS 39. IFRS 9 addresses classification and measurement of financial assets and replaces the multiple classification and measurement models in IAS 39 with a single model that has only two classification categories: amortised cost and fair value (effective from 1 January 2018).
- IFRS 16 – Leases - This standard replaces the current guidance in IAS 17 and is a far reaching change in accounting by lessees in particular. Under IAS 17, lessees were required to make a distinction between a finance lease (on balance sheet) and an operating lease (off balance sheet). IFRS 16 now requires lessees to recognise a lease liability reflecting future lease payments and a 'right-of-use asset' for virtually all lease contracts. The IASB has included an optional exemption for certain short-term leases and leases of low-value assets; however, this exemption can only be applied by lessees. For lessors, the accounting stays almost the same. However, as the IASB has updated the guidance on the definition of a lease (as well as the guidance on the combination and separation of contracts), lessors will also be affected by the new standard. At the very least, the new accounting model for lessees is expected to impact negotiations between lessors and lessees. Under IFRS 16, a contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. IFRS 16 supersedes IAS 17, 'Leases', IFRIC 4, 'Determining whether an Arrangement contains a Lease', SIC 15, 'Operating Leases – Incentives' and SIC 27, 'Evaluating the Substance of Transactions Involving the Legal Form of a Lease' (effective from 1 January 2019)
- IFRS 15 – Revenue from contracts with customers- The FASB and IASB issued their long awaited converged standard on revenue recognition on 29 May 2014. It is a single, comprehensive revenue recognition model for all contracts with customers to achieve greater consistency in the recognition and presentation of revenue. Revenue is recognised based on the satisfaction of performance obligations, which occurs when control of good or service transfers to a customer (effective from 1 January 2017).

3.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Foreign currency translation

i) Functional and presentation currency

Items included in the financial statements 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 indicated 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 recognised 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 are 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 are stated at cost less accumulated depreciation and any provision for impairment. Subsequent costs are included in the asset's carrying amount or are recognised 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.



ACCOUNTING POLICIES (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

Property, plant and equipment are 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
Library books	Written off in year of acquisition

Intangible Assets

Intangible assets are capitalised on the basis of the costs incurred to acquire and bring them to use. The costs are amortised over their estimated useful lives (seven years).

Costs associated with maintaining the intangible assets are recognised 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 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-recognised.

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-recognised 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-recognised.

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 amortisation 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 recognised 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 recognised impairments.

e) Financial assets and liabilities

The University classifies its financial assets as: financial assets at fair value through profit or loss, loans and receivables, held to maturity investments or available for sale financial assets. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

Initial recognition and measurement

Financial assets are recognised on trade-date, the date on which the University commits to purchase or sell the asset.

i) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading or designated at fair value through profit or loss. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term. Derivatives are also categorised as held for trading unless they are designated as hedges. Such assets are measured at fair value and gains and losses are recognised in surplus/(deficit).



ACCOUNTING POLICIES (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

ii) Loans and receivables

Loans and receivables are non-derivative financial instruments with fixed or determinable repayments not quoted in an active market. Loans and receivables are initially measured at fair value. Where amounts are only payable 12 months from year-end, they are included in non-current assets, otherwise in current assets. Loans and receivables are shown at amortised cost by using the effective-interest-rate method and after provision for impairment of the outstanding amount. An allowance for credit losses is raised in the event of objective evidence that outstanding amounts will not be collected in accordance with the original terms. The amount of the provision is the difference between the carrying amount and the recoverable amount, being the current value of the expected cash flows, discounted at the effective interest rate. Significant financial difficulty and failure to pay outstanding debt are deemed indicators of impairment. The carrying amount of the asset is decreased by raising a provision. The amount of the impairment is recognised in the statement of comprehensive income as operating expenditure. When the debt or loan becomes irrecoverable, it is written off against the provision. Subsequent recoveries of any amounts previously written off are credited to the statement of comprehensive income against operating expenditure.

iii) Cash and cash equivalents

Cash and cash equivalents are subsequently measured at amortised cost using the effective interest method. Cash and cash equivalent 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.

iv) Held-to-maturity investments

The University did not have any held-to-maturity investments during the years ended 31 March 2017.

v) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the reporting date.

Unrealised gains and losses arising from changes in the fair value of securities classified as available-for-sale are recognised in surplus/(deficit). The fair value of investments is based on quoted bid prices. Impairment adjustments are included in surplus/(deficit). When securities classified as available for sale are sold or impaired, the accumulated fair value adjustments recognised in equity are included in surplus/(deficit).

The University assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired.

vi) Financial liabilities

Financial liabilities are comprised of accounts payable and accrued liabilities, deposits and interest bearing loans and borrowings. Accounts payable, deposits, interest bearing loans and borrowings and accrued liabilities are initially measured at fair value. Transaction costs directly attributable to the recognition of interest bearing loans and borrowings are netted off against the consideration received. Deposits provided by prospective and current students are treated as current liabilities until the amount is billed as due. All financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in income when the liabilities are de-recognised as well as through the amortisation process.

vii) Financial guarantee contracts

Financial guarantee contracts issued by the University are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the best estimate of the expenditure required to settle the present obligation at the reporting date and the amount recognised less cumulative amortisation.



ACCOUNTING POLICIES (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

viii) De-recognition of financial assets and liabilities

Financial assets

A financial asset, or where applicable, a part of a financial asset or part of a group of similar financial assets is de-recognised when:

- The rights to receive cash flows from the asset have expired;
- The University retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass-through' arrangement; or
- The University has transferred its rights to receive cash flows from the asset and either has transferred substantially all the risks and rewards of the asset, or has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Where the University has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the University's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the University could be required to repay.

Where continuing involvement takes the form of a written and/or purchased option (including a cash-settled option or similar provision) on the transferred asset, the extent of the University's continuing involvement is the amount of the transferred asset that the University may repurchase, except that in the case of a written put option (including a cash-settled option or similar provision) on an asset measured at fair value, the extent of the University's continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

Financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in surplus/(deficit).

(ix) Impairment of financial assets

The University assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated. In the case of equity investments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered an indicator that the assets are impaired.

Assets carried at amortised cost

For loans and receivables, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in profit or loss. If a loan or held-to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the University may measure impairment on the basis of an instrument's fair value using an observable market price.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in profit or loss.

In relation to student receivables, a provision for collective impairment is made each year based on management's estimate of the amount of total current year student fee debt that it expects to hand over to external debt collectors, and the amounts that it expects to recover from outstanding balances handed over based upon the age profile of debts handed over in current and prior years. Impaired debts are de-recognised when they are assessed as uncollectible if all efforts to recover them through debt collectors have failed.

ACCOUNTING POLICIES (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

Available-for-sale financial assets

If there is objective evidence of impairment for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – is removed from equity and recognised in profit or loss. Impairment losses on equity instruments that were recognised in profit or loss are not reversed through profit or loss in a subsequent period. If the fair value of a debt instrument classified as available-for-sale increases in a subsequent period and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed through profit or loss.

(f) Inventories

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

(g) Government grants

Government grants are recognised 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 recognised 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 recognised 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 nominal amounts and released to surplus/(deficit) in equal amounts over the useful life of the related asset.

(h) 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 realised 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.

(i) 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 utilisation of distributions to Government for specified capital projects.

(j) Employee benefits

Pension obligations

A defined contribution scheme is a pension plan under which the University pays fixed contributions into a separate entity. The University has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all eligible employees the specific benefits relating to employment in the current and prior periods.

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.



ACCOUNTING POLICIES (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

(k) Provisions

Provisions are recognised 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 recognised 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 recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small. Provisions are measured at the present value of 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 recognised as interest expense.

(l) Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the rendering of services in the ordinary course of the University's activities. The University recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when specific criteria have been met for each of the University's activities as described below. The University bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

- (a) Tuition fees are recognised as revenue over the period of instruction, regardless of the timing of a formal bill being issued. Unearned tuition fees are recognised as a current liability. Deposits provided by prospective students are treated as a separate current liability until the amount is earned, at which point in time it is also recognised over the period of instruction.

To the extent that revenue is not recoverable, provision is made for the estimated unrealisable amount.

- (b) Interest Income is recognised on a time proportion basis using the effective interest method. When a receivable is impaired, the University reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loans is recognised using original effective interest rate.
- (c) Interest on surplus funds invested is credited to revenue in the year it is earned and is transferred to the designated funds and the capital projects funds at the end of the year.

(m) Leases

Leases of property, plant and equipment where substantially all the risks and rewards of ownership rest with the university are classified as finance leases. Finance lease liabilities are 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 is 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, are included in trade and other payables.

The interest element of the finance cost is charged to surplus or deficit over the lease period. The property, plant and equipment acquired under finance leases are 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 is 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 are retained by the lessor are classified as operating leases. Payments under operating leases are charged to surplus or deficit on a straight line basis over the period of the lease.

3.3 CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

The University makes assumptions concerning the future. The resulting accounting estimates will approximate the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed below:



ACCOUNTING POLICIES (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

a) Going Concern

The University incurred a deficit from operating activities of P302,037,000 (2016: P624,763,000) and a net decrease in cash and cash equivalents of P207,244,000 (2016: decrease of P392,672,000) for the year ended 31 March 2017. At 31 March 2017, its total liabilities exceeded its total assets by P126,525,000. The University's internal cash flow forecasts indicate that, based on anticipated operating subventions, utilisation of available funds currently earmarked for deferrable capital projects and timely collection of student debts, the University will not have sufficient cash resources to meet operating requirements by the third quarter of the ensuing financial year.

These conditions indicate that the University has a material uncertainty as to the ability of the University to continue as a going concern, and therefore it may not be able to realise its assets and discharge its liabilities in the normal course of business. The University can only remain a going concern through the continued support of the Government of Botswana, in the form of supplementary subventions and early 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. The Ministry of Tertiary Education, Research, Science and Technology has indicated that the University should formulate and submit an application for supplementary operating subvention for the ensuing financial year, which will be considered once received by the Ministry.

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

- the Government of Botswana has provided the University with financial support in all past financial years;
- the Government of Botswana, through the then Ministry of Tertiary Education, Research, Science and Technology confirmed that it will provide financial support to the University, guided by national spending priorities and the alignment of the University's strategic plan to such priorities;
- the University has identified cost rationalisation measures, including a freeze on the filling of vacancies and stricter cost control, which will allow the University to reduce its funding requirements; and
- the University has started its application and related motivation for a supplementary operating subvention for the ensuing financial year.

b) Impairment loss on trade receivables

In determining whether an impairment loss should be recorded in surplus/(deficit), the University makes judgments as to whether there is any observable data indicating that there is a measurable decrease in estimated cash flows from a portfolio of debtors. Management uses estimates based on historical loss experience of assets. The assumptions used for estimating the amount and timing of cash flows are reviewed regularly to reduce any differences between loss estimates and actual loss experience.

c) Useful lives and residual values of plant and equipment

The University tests annually whether the useful lives and residual value estimates were appropriate and in accordance with its accounting policy. Useful lives and residual values of plant and equipment have been determined based on previous experience and anticipated disposal values when the assets are disposed.

3.4 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 minimise potential adverse effects on the University's financial performance.

(a) Market risk

(i) Foreign exchange risk

The University is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the American Dollar (USD), Great Britain Pounds (GBP), Euro and South African Rand (ZAR). Foreign exchange risk arises from investments and other commercial transactions. Management has set up a policy to require the University to manage its foreign exchange risk against functional currency. To manage foreign exchange risk arising from those transactions, the University ensures that it keeps adequate funds in foreign currency in its bank accounts for future settlement of balances in foreign currency. Foreign exchange risk arises when commercial transactions or recognised assets or liabilities are denominated in a currency that is not the entity's functional currency.

ACCOUNTING POLICIES (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

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

Cash and cash equivalents	2017 P 000's	2016 P 000's
USD	16,914	59,027
GBP	-	8
Euro	-	899

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.

Cash and cash equivalents	2017 P 000's	2016 P 000's
Change in USD rate		
+15%	-	(8,854)
-15%	-	8,854
Change in GBP rate		
+15%	-	(1)
-15%	-	1
Change in Euro		
+15%	-	(135)
-15%	-	135

ACCOUNTING POLICIES (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

(ii) Cashflow and fair value interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The University holds a substantial amount of interest bearing investments and interest earning bank deposits and is exposed to cashflow risks. The University manages interest risk by ensuring that excess funds are invested in high interest earning bank and investment accounts.

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.

Percentage change in interest rate:	2017 P 000's	2016 P 000's
+2%	6,041	4,632
-2%	(6,041)	(4,632)

b) Credit risk

Credit risk arises from cash and cash equivalents, credit exposures to student, sponsors and staff members and other outstanding receivables. The university is also exposed to credit risk arising from financial guarantees in respect of employee motor vehicle and housing loan schemes. Management assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. As of 31 March 2017, Department of Student Placement & Welfare and Teaching Service Management, represented 81% of the university's accounts receivable balance.

The table below analyses the bank balances held with the University's six major counterparties at the reporting date. Cash surpluses are invested only at reputable financial institutions.

Bank	31 March 2017 Balance P 000's	31 March 2016 Balance P 000's
Standard Chartered Bank of Botswana Ltd	22,553	9,364
First National Bank Botswana Ltd	53,861	60,133
Barclays Bank of Botswana Ltd	12,652	7,100
STANLIB Investment Management Services Limited	105,430	172,540
African Banking Corporation Ltd	71,778	226,069
Stanbic	15,251	-
BIFM	280,650	-
African Alliance Ltd	207,980	98,740
Bank Gaborone Limited	50,129	164,357
Botswana Building Society	40,132	-

For all financial assets the maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.



ACCOUNTING POLICIES (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

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. The table below analyses the University's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	less than 3 months	3-12 months	Total
	P 000's	P 000's	P 000's
At 31 March 2017			
Accounts payable	146,341	39,225	185,596
Financial guarantees	14,228	-	14,228
At 31 March 2016			
Accounts payable	215,977	64,171	280,148
Financial guarantees	16,447	-	16,447

3.5 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.

3.6 FAIR VALUE ESTIMATES

The University is not exposed to fair value risk.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

	2017	2016
	P 000's	P 000's
4 GOVERNMENT SUBVENTION		
Annual Government subvention	678,395	703,000
Transferred to capital grants for current year (note 14)	(16,924)	(39,047)
	661,471	663,953
<p>The University receives subventions from the Government of Botswana on the basis of an approved budget. For the current and the previous year, the University was authorised by the Ministry of Tertiary Education Research, Science and Technology to use accumulated surplus and cumulative interest earned on capital funds.</p>		
5 TUITION AND OTHER STUDENT FEE REVENUE		
Tuition	343,189	366,961
Other student fees	38,560	42,573
	381,749	409,534
Receivable from:		
- Department of Tertiary Education Financing ("DTEF")	365,834	382,239
- Other government institutions	5,967	16,135
- Other sponsors	8,940	9,453
- Self sponsored students	1,008	1,707
Other student fees consist of:		
International student fees	3,792	4,926
Application fees	2,132	3,306
Identity card fees	281	264
Library Income	195	203
Residence and Laundry fees	29,910	32,912
Examination fees	1,997	679
Transcript fees	254	283
	38,560	42,573
6 OTHER INCOME		
Rental Income	9,456	9,224
(Deficit)/ Surplus on disposal of property, plant and equipment	(77)	173
Miscellaneous income	691	1,015
	10,069	10,412



NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

	2017	2016
	P 000's	P 000's
7 DEFICIT FOR THE YEAR FROM OPERATING ACTIVITIES		
Deficit for the year from operating activities is stated after charging / (crediting) the following:		
Auditors' remuneration- curent year	1,028	1,086
Auditors' remuneration- prior year	193	-
Depreciation of property, plant and equipment - owned assets and Amortisartion on intangible assets (note 9)	113,664	126,029
Capital work-in-progress impaired during the year	-	(3,980)
Amortisation of government grants (note 14)	(113,664)	(126,029)
Foreign exchange losses/ (gains)	2,363	(3,638)
(Profit)/loss from disposal of property, plant and equipment	(77)	173
Staff cost	1,149,116	1,131,458
- Academic	462,595	445,884
- Support	307,525	314,926
- Industrial	14,424	18,026
- Other benefits	364,573	352,622
Periodic pension charge (note 19)	-	(3,754)
Net of return on defined benefit pension fund assets	1,893	-
Impairment of trade receivables - charge / (credit) (note 12)	(15,514)	408,079
8 FINANCE INCOME		
Interest received - bank	28,121	53,680

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

9 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
At 31 March 2015					
Cost	1,905,621	489,014	30,968	170,195	2,595,798
Accumulated depreciation	(269,649)	(270,690)	(27,964)	(170,195)	(738,498)
Net Book Value	1,635,972	218,324	3,003	-	1,857,299
Year end 31 March 2016					
Opening net book value	1,635,972	218,324	3,003	-	1,857,299
Additions		33,780	2,946	7,670	44,396
Transfer from Capital Work in Progress	519,556	23,615	-	-	543,171
Disposals	-	(102)	(708)	-	(810)
Depreciation charge	(56,128)	(57,592)	(2,399)	(7,670)	(123,790)
Depreciation derecognised on disposals	-	76	708	-	784
At 31 March 2016	2,099,400	218,101	3,551	-	2,321,052
At 31 March 2016					
Cost	2,425,177	546,307	33,206	177,865	3,182,555
Accumulated depreciation	(325,777)	(328,206)	(29,655)	(177,865)	(861,503)
Net Book Value	2,099,400	218,101	3,551	-	2,321,052
Year end 31 March 2017					
Opening net book value	2,099,400	218,101	3,551	-	2,321,052
Additions		13,579	1,168	8,867	23,613
Transfer from Capital Work in Progress	142,379	24,666	-	-	167,045
Disposals		(1,852)	(1,526)	-	(3,378)
Depreciation charge	(60,966)	(40,211)	(1,381)	(8,867)	(111,425)
Depreciation derecognised on disposals		1,771	1,526	-	3,297
At 31 March 2017	2,180,814	216,053	3,338	-	2,400,204
At 31 March 2017					
Cost	2,567,556	582,700	32,848	186,732	3,369,836
Accumulated depreciation	(386,743)	(366,646)	(29,511)	(186,732)	(969,631)
Net Book Value	2,180,814	216,053	3,338	-	2,400,204

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

9a Intangible Assets

	<u>Computer Software</u>
Year end 31 March 2016	
Opening net book value	-
Transfer from Capital Work in Progress	15,670
Amortisation charge	(2,239)
At 31 March 2016	13,431
At 31 March 2016	
Cost	15,670
Accumulated amortisation	(2,239)
Net Book Value	13,431
Year end 31 March 2017	
Opening net book value	13,431
Transfer From Capital Work in Progress	-
Amortisation charge	(2,239)
At 31 March 2016	11,192
At 31 March 2017	
Cost	15,670
Accumulated amortisation	(4,478)
Net Book Value	11,192

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

	2017	2016
	P 000's	P 000's
10 CAPITAL WORK-IN-PROGRESS		
At 1 April	118,434	582,832
Additions for the year	53,982	103,813
Impairment of capital work-in-progress	-	(3,980)
Transfers to completed projects	(167,045)	(558,841)
Transfer from/(to) Ministry of Health Project	3,054	(5,390)
At 31 March	8,425	118,434
11 INVENTORIES		
Stationery and maintenance items	4,441	4,018
12 TRADE AND OTHER RECEIVABLES		
Sponsor debtors	79,490	619,784
Student debtors	7,786	24,255
Staff and other debtors	18,646	28,760
Prepayments	9,148	8,547
	115,071	681,346
Impairment allowance (Government Receivables)	(61,585)	(497,049)
Impairment allowance (Others)	(23,557)	(27,262)
	29,929	157,035
Movement on the provision for impairment of accounts receivable is as follows:		
Opening balance	524,311	116,232
Written off during the year	(423,656)	-
(Decrease)/increase in provision for impairment	(15,514)	408,079
Closing balance	85,142	524,311

For terms and conditions relating to related party receivables, refer to Note 21.

The decrease in impairment provision is partly as a result of Government sponsor paying all balances relating to the year under review. The provision made was based on individual assessment of each balance at year end. The Governing Council approved a write off P423.7mn of invoices owing by the Department of Tertiary Education Funding ("DTEF") after the debtor declined to settle specific invoices in the amount of P340m in respect of tuition fees relating to the academic year 2014/15.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

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

	Total P 000's	<30 days P 000's	30 – 90 days P 000's	>90 days P 000's
31 March 2017	105,923	-	17,843	88,080
31 March 2016	672,799	-	4,030	668,769

Trade receivables that are less than 3 months past due are not considered impaired. As at 31 March 2017, trade receivables of P17 843 116 (2016: P0.00) were past due but not impaired. As of 31 March 2017, no trade receivables (2016: PNil) were fully performing.

The creation and release of provision for impaired receivables has been included in "Other operating expenses" in deficit. 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.

13 CASH AND CASH EQUIVALENTS

Cash held for:

	2017 P 000's	2016 P 000's
Capital projects		
- Approved future capital projects	20,273	34,199
- Residual funds of completed capital projects	156,807	158,265
Designated projects	168,553	135,764
Funds held on behalf of Botswana Government	423,181	123,290
Council controlled funds	91,569	283,429
Available for the normal operational purposes	-	-
	860,383	734,947

Cash and cash equivalent include P423,181 (2016: P123,290) received from Government for the construction of the academic hospital and student residences, it also includes funds received from donors for designated projects P168,553 (2016: P135,764). The corresponding liabilities have been raised in notes 15 and 16. These balances have been excluded from cash and cash equivalents for the purpose of statement of cash flows.

Cash and cash equivalents include the following for the purpose of the statement of cash flows.

Cash and cash equivalents	268,649	475,893
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14 GOVERNMENT GRANTS

Opening balance	2,595,647	2,652,223
Received during the year	-	23,339
Grants allocated to Ministry of Health and Wellness	(3,687)	-
Allocation from subvention (note 4)	16,924	39,047
Transfers of fund -assets bought from Ministry of Health funds	3,233	11,046
Amortisation of government grants	(113,664)	(130,009)
Annual amortisation based on underlying depreciation charge	(113,664)	(126,029)
Capital projects written off	-	(3,980)
Closing balance	2,498,453	2,595,647



NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

The closing balance relates to:

Completed property, plant and equipment	2,312,949	2,284,749
Capital work-in-progress completed	8,425	118,434
Future projects	20,273	34,199
Residual funds of completed projects	156,807	158,265
	2,498,453	2,595,647

15 FUNDS RECEIVED IN ADVANCE FOR DESIGNATED PROJECTS

Opening balance	135,764	121,682
Received during the year	115,531	106,481
Utilised in current year	(82,741)	(92,399)
Closing balance	168,553	135,764

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

Workshops	1,737	1,114
Departmental key accounts	2,106	1,436
Staff training grants	1,804	1,625
Internal research funds	28,653	24,146
Staff key accounts	3,359	2,303
Conference funds	2,785	2,553
Externally funded projects	127,691	102,160
Funds for prizes	418	427
	168,553	135,764



NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

	2017	2016
	P 000's	P 000's
16 TRADE AND OTHER PAYABLES		
Trade payables	49,003	50,040
Accruals for outstanding payments on capital projects	39,255	64,171
Ministry of Health(Hospital & Residences)-Funds received in advance	374,609	74,718
Ministry of Health (Upenn)-Funds received in advance	48,572	48,572
Accrual for gratuities	77,908	42,647
Leave pay accrual	121,281	108,071
	710,627	388,219
Ministry of Health Hospital and Residence liability movement		
Opening balance	74,718	120,253.19
Grants received on behalf of Ministry of Health	350,000	-
Additions for Ministry of Health projects	(50,563)	(34,489)
Transfers of fund -assets bought for UB from MoH funds	(3,233)	(11,046)
Grants allocated to MOH	3,687	-
Closing balance	374,609	74,718

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

Liabilities to the Ministry of Health relate to unexpended amounts received from the Ministry for extensions to the Princess Marina State Referral Hospital. The Ministry of Health owns the Medical School that is currently being equipped by the University as agent for Government. Other liabilities relates to unspent funds on the Hospital and Hospital residences project.

17 CONTINGENT LIABILITIES

Guarantees to banks in respect of employee motor vehicle and housing loan schemes

14,228	16,447
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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.

18 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).



NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

19 RETIREMENT BENEFIT OBLIGATIONS

Until 31 March 2014, employees on pensionable terms were members of one of the University's two independently governed and administered pension plans. These plans were operated as a defined benefit plan and defined contribution plan, respectively. The assets of the pension plans were held in independent trustee administered funds, which are governed and administered in terms of the Pension and Provident Funds Act (CAP 27:03).

Given the small number of members remaining in the defined benefit plan, it became unaffordable to continue running the two schemes for the University's staff.

Accordingly, at its meeting of 26th July 2013, the Board of Trustees of the defined benefit plan resolved to dissolve and deregister the University of Botswana Staff Pension Fund. This decision is in line with the relevant rules of the fund and regulatory requirements. Such dissolution was to become effective on 31 March 2014 but was only fully completed in the current financial year.

During the period leading to the dissolution, members of the defined benefit plan are free to opt to transfer to the defined contribution plan. Pensions with respect to those members who have not transferred to the defined contribution plan by 31 March 2014 shall have their pensions outsourced / invested with a life company in the form of personal retirement policies. Such members will continue working for the University until retirement. The University shall in turn continue to contribute towards the personal retirement policies at the rate of 17.2% of basic salary or as amended but will have no further obligation for the members' pension benefits.

Once monthly employer contributions have been made to the defined contribution plan, the University has no further obligation for retirement benefits due to member of members that plan.

As principal employer, the University underwrote - and until full dissolution of the fund continues to underwrite - the pension benefits due to members of the defined benefit plan, and accordingly continued to account for the underlying assets and liabilities of that plan on its own statement of financial position in accordance with the requirements of IAS 19 (Employee Benefits) ("IAS 19"). The defined benefit plan was finally dissolved during the current financial year.

Amounts recognised in the statement of financial position, (charged) / debited to income and (charged) / debited to income with respect to the defined benefit plan are summarised as follows:



NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

19 RETIREMENT BENEFIT OBLIGATIONS (CONTINUED)

	Present Value of Pension Obligations	Fair Value of Plan Assets	Net Position
	P'000	P'000	P'000
Balance – 31 March 2015	(3,260)	3,260	-
(Charged) / credited to income	3,260	494	3,754
Current service (credit)/ cost	(196)	494	298
Interest cost	3,456	-	3,456
Gain on settlement of obligations on dissolution of fund	-	-	-
(Charged) / credited to other comprehensive income	-	4,137	4,137
Return on plan assets, excluding amounts included in interest income	-	4,137	4,137
Pension fund contributions made during the year	-	-	-
Benefits and expenses paid	-	(3,401)	(3,401)
Balance – 31 March 2016	-	4,490	4,490
Limit to net pension asset based on asset ceiling rule (charged to other comprehensive income)	-	(2,597)	(2,597)
Balance – 31 March 2016	-	1,893	1,893
(Charged) / credited to income	-	-	-
Current service cost	-	-	-
Interest cost	-	-	-
Gain on settlement of obligations on dissolution of fund	-	-	-
(Charged) / credited to other comprehensive income	-	-	-
Return on plan assets, excluding amounts included in interest income	-	-	-
Pension fund contributions made during the year	-	-	-
Limit to net pension asset based on asset ceiling rule (charged to other comprehensive income)	-	(1,893)	(1,893)
Balance – 31 March 2017	-	-	-

The major categories of plan assets (excluding current assets and before deduction of plan liabilities) as a percentage of the fair value of total plan assets are as follows:

	2017	2016
Equities	-	86%
Bonds	-	14%
Money market investments	-	-
Total	-	100%



NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

There are no assets included in fair value of plan assets relating to the University's own financial instruments or property occupied by the University. The overall expected rate of return on assets is determined based on the market expectations prevailing on that date, applicable to the period over which the obligation is to be settled. These are reflected in the principal assumptions below.

The principal assumptions used in determining pension and post-employment benefit obligations for the entity's plan (prior to remeasurement of obligations upon dissolution) are shown below:

	2017	2016
Expected return on plan assets	-	6.00%
Discount rate	-	6.00%
Pension increase assumption	-	4.50%

The University's contributions to the defined contribution pension plan amounted to P76,199,519 during the financial year (2016: P73,282,424).



NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

	2017	2016
	P 000's	P 000's
20 FINANCIAL INSTRUMENTS BY CATEGORY		
Loans and Receivables		
Trade and other receivables (before impairment)	105,923	672,799
Cash and cash equivalents	860,383	734,947
	966,306	1,407,746

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

Loans and Payables

Trade and other payables	-	-
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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.

21 RELATED PARTY TRANSACTIONS

University of Botswana Foundation

The University of Botswana Foundation ("UBF") is an independent not-for-profit fund-raising organisation 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	1,319	1,344
Tuition due from UBF	67	174

The amount receivable from UBF represents that amount by which actual salaries paid to UBF staff fell short of 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.

Key management

Key management represents 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:

Short-term employment benefits	8,381	7,489
Post-employment pension and medical benefits	323	376
	8,704	7,865

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

Government of Botswana

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 4 and 14 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 summarised below:

Student tuition fees	435,065	539,753
Amounts due from Government of Botswana	63,482	77,372



NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

	2017	2016
	P 000's	P 000's

22 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 aggregate value of claims at 31 March amounted to:	7,698	5,437
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23 CAPITAL COMMITMENTS

The total value of capital projects contracted for at 31 March 2017 amounted to P28,735,520 (2016: P152 632 629), of which amount P8,425,034 (2016: P118,433,770) has already been paid to contractors based on certified work performed to the year-end date. The unspent amount of P20,272,943 (2015: P34,198,859) will be financed from cash held for capital projects (note 13). The total value of funds held for capital projects already capitalised at 31 March 2017 amounted to P156,806,560. These funds are reflected in cash and cash equivalent note 13.

24 EVENTS AFTER REPORTING DATE

The Governing Council confirm that there have been no material changes in the affairs or financial position of the University between the year end and the date of approval of these financial statements.





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