

VISION 2016

ANNUAL REPORT



THE SEVEN PILLARS



TABLE OF CONTENTS

Contents

Foreword	1
General Information	2
Members of the Council	3
The Secretariat	4
The Coordinators Report	5 - 9
Financial Statements	10- 33

FOREWORD



Dr Daniel Tau
Chairman

It is my pleasure to once again present the 7th Annual Report on Vision 2016. This Report covers Publicity on Vision 2016, Monitoring and Evaluation as well as financial highlights of the year 2009/10.

As you may be aware of the production of the first ever Botswana Performance Report (June 2009) covering the period 1996 to 2008, as I stated in the 2008/09 annual report. The Vision Council in partnership with the European Union through the Ministry of Finance and Development Planning launched the report at the High Level Consultative Council followed by Francistown, Kasane, Ghanzi and Maun. Findings of the Report were also shared with local leadership at the Full Council meetings and at the District Development Committee meetings around the country. I am very glad to say that the report was highly appreciated by a larger number of recipients.

The Council continues to engage local leadership and the communities at large through the Awareness Month Launch. The launch gives the Council a pedigree to see whether stakeholders are striving for the achievement of our national Vision and on how they are carrying out the implementation process.

I am pleased to confirm that even though some of our citizens still lag behind, the level of participation that we see at the districts is very encouraging and as the Council we would like to applaud the good work done by all the different stakeholders in the implementation of Vision 2016.

The year at issue saw the Council conducting several Capacity Building workshops on Monitoring and Evaluation. In addition, in carrying out its mandate which include continually measuring performance of Botswana's various sectors towards attainment of the seven goals of Vision 2016, the Vision Council will be conducting a Household Opinion Survey on the Implementation of Vision 2016.

In conclusion, with the National Development Plan 10 fully aligned to the ideals of Vision 2016, I remain convinced that we will overcome our challenges and reap the benefits for greater national good by making our Vision a reality.

Dr Daniel R. Tau
Vision 2016 Council

Signature

GENERAL INFORMATION

Country of incorporation
and domicile

Botswana

Nature of Business and
Principal Activities

The Council's principal activities
include driving and monitoring
the implementation of Vision 2016

Members of the Council

Dr.D.R.Tau
Mr.K.Ndobano
Mr.B.Marole
Ms.O.Mokopakgosi
Mr. I. Ebrahim
Mr.M.Makgatlhe
Ms.M.S.Morongwa- Disele
Ms.M.Machailo- Ellis
Dr.T.Mooko
Rev.Simane

Business Address

BIDPA House
Plot 134
Millenium Office Park
Gaborone

Postal Address

Private Bag BR-29
Gaborone

Bankers

Barclays Bank of Botswana

Auditors

Grant Thornton
Certified Public Accountants

MEMBERS OF THE COUNCIL



Dr Daniel Tau
Chairman



Mr Blackie Marole



Mr Isaac Seloko



Mr Laona Segatsho



Dr Theophilus Mooko



Mr Kelapile Ndobano



Ms Marea
Machailo-Ellis



Ms. Ontlametse
Mokopakgosi



Mr Martin Makgatle



Ms N Kalake



THE SECRETARIAT



Dr C.B Monkge
Vision 2016 Coordinator



Ms Kgotlafela
Publicity Manager



Ms M Makhema
Council Secretary



Mr E Ramothwa
Forum Secretary



Mr O Kwenantsi
Publicity Officer



Mr Nonofu Mokwakwa
Monitoring & Evaluation
Officer



Mrs Dorcus Mangwane
Executive Secretary



Mr Kagiso Thomas
Driver Messenger

THE COORDINATOR'S REPORT



Dr C.B Monkge
Vision 2016 Coordinator

My report looks at the core business of the Vision Council: Publicity and Monitoring and Evaluation. It also gives highlights of the benefits of Botswana Performance Report as a Council reporting tool.

Signature



1. PUBLICITY

In this reporting period, the Vision Council introduced a new format and approach for its reporting on progress being achieved in Botswana against the seven pillars of Vision 2016. This is being introduced as 'Botswana's Performance' report, a document intended to inform the nation on "Where are we" in terms of each of the seven Vision goals.

It is the role of the Council to evaluate how Botswana is doing in relation to the Vision Goals and report to the nation through Botswana's Performance Report and advocate driving towards those Goals to the entire nation. It is critical for the nation to be constantly informed on "where we are" in terms of each of the seven vision goals. The National leaders are expected to lead the advocacy for driving towards Vision 2016. Improved awareness and ownership of the Vision by national leadership is critical to the attainment of Vision 2016. The improvement and commitment of the leaders will be measured using a composite indicator in order to manage their performance and sustain their involvement and commitment in the process.

A strengthened Vision Council together with the national leaders being capable of leading the nation in bringing the stakeholders together, in evaluating success against the Vision 2016 goals, publicising that success and in advising those who need to know on how to accelerate progress towards those goals. Progress towards the goals of the Pillars of Vision 2016 publicised through Botswana's Performance Report.

National leaders will be provided with the information, advice and guidance needed for them to lead the acceleration of progress towards the goals in each Pillar of Vision 2016, based on the evaluations and research done. There will be improved awareness and ownership of Vision 2016 by the national leaders. Botswana will also know the progress of Vision 2016. The Council through the support of national leaders will celebrate projects that arguably move the nation towards specific goals in the Pillars of Vision 2016. These projects and achievements will be publicised as examples of success.

1.1 BOCCIM Northern Trade Fair

In May 2009, the Vision Secretariat attended the BOCCIM Northern Trade Fair in Francistown. The Secretariat continued with their role of educating the public on Vision 2016 and other activities that are usually organized by the Vision 2016 Council.

1.2 Awareness Month Launch

The 2009, Awareness Month was launched at Letlhakeng Village in the Kweneng District. The event drew participants from all the villages that make up the Letlhakeng District. The highlights of the day included a float and exhibitions by different stakeholders. The Vision Council uses this annual activity to gauge the level of commitment on communities and stakeholders in implementing the Vision. The commitment demonstrates the importance the communities attach to the national Vision. It was officially launched by His Honour the Vice President of the Republic of Botswana, Lieutenant General Mompoti Merafhe.



1.3 Vision 2016 Awards

The Vision Council gave out 22 Awards in 2009 to winners from different parts of the country at the Gaborone International Convention Centre. The annual Vision 2016 Awards have continued to show how Batswana implement the Vision and improve their lives in the spirit of Vision 2016. The awards aim to reward excellence of projects that are aligned to any of the 7 Vision 2016 Pillars.

Both individuals and institutional efforts are recognised for the attainment of Vision 2016. This year we witnessed 7 individual and 15 organisational Awards being given out. The event which was broadcast live on BTV, had His Honour, The Honourable Keletso Rakhudu as the Guest Speaker.

MONITORING AND EVALUATION

In carrying out its mandate which include continually measuring performance of Botswana's various sectors towards attainment of the seven goals of Vision 2016, The Vision Council will be conducting a Household Opinion Survey on the Implementation of Vision 2016. The objectives of the study are:

- i. to gather the views of Botswana about their knowledge of Vision 2016
- ii. to obtain the views of citizens of Botswana about progress towards achieving the ideals of Vision 2016
- iii. to compare where possible, the perceptions of the study with existing bodies of information on Vision 2016.

The views of citizens are to provide basis for informed decision making and policy formulation with respect to the attainment of Vision 2016 goals. The study will be completed in May 2010. Its findings will be communicated to the High Level Consultative Conference and members of public.

SURVEY ON OWNERSHIP OF VISION 2016 BY COMMUNITY LEADERSHIP

The Vision 2016 Council will conduct a survey to gauge the level of ownership of Vision 2016 by community leaders in October 2010. The Council's strategic plan 2009-2016 acknowledges the important role community leaders should play in fast tracking the realisation of Vision 2016 in their communities.

The objectives of the study are:

- i. To help determine level of ownership among community leaders,
 - ii. To identify capacity deficiencies some leaders have on effectively driving Vision 2016
 - iii. To receive recommendations on the role the Vision Council can play to better facilitate and enhance the efforts of community leaders in driving the implementation of Vision 2016.
- Preparations for the study are at an advanced stage. BIDPA will carry out field work the week beginning 16 October 2010 and it is expected to last 201 days.

BOTSWANA ASSOCIATION OF MONITORING AND EVALUATION

As part of building and encouraging a strong culture on monitoring and evaluation in Botswana, the Vision Council is currently facilitating the formation of a monitoring and evaluation association in Botswana. This association will bring together a pool of monitoring and evaluation experts and other interested parties to share knowledge and information on how to improve service delivery in Botswana.



The Department of Civil and National Registration have already accepted the name Botswana Association of Monitoring and Evaluation (BAME) to be used by the new association pending submission of other documents. It is expected that the Association will be registered by the end of October.

WORKSHOPS ON DESIGNING AND BUILDING RESULTS BASED MONITORING AND EVALUATION

The workshops are aimed at strengthening and enhancing monitoring and evaluation capacity of stakeholders. Enhanced M&E capacity will enable stakeholders to track progress of implementation through the use of best practice M&E tools and techniques such as Results Based Management.

The main objectives of training stakeholders on Results Based Monitoring & Evaluation is to expose selected participants to best practice M&E concepts and knowledge in order to enhance their understanding and appreciation of current trends in monitoring and evaluation of projects, programs and policies.

Three training workshops were conducted between April 2009 and March 2010. 62 officers from different Ministries were trained on the first workshop held for a week in Kanye from 14-18 July 2009 followed by another workshop in Gaborone from 3 – 7 August 2009 where 52 officers from different Ministries were trained. In 2010 there was a workshop for Ministry of Agriculture only where 50 officers from the Ministry were trained on Designing and Building Results Based Monitoring and Evaluation Systems.

BOTSWANA PERFORMANCE REPORT

Preparations for the production of the 2nd Botswana Performance Report in 2011 are underway. The Report will try to determine if challenges identified by the first report have been addressed and the extent of progress achieved. The study will partly rely on the findings of the current BIDPA's Study on Fast tracking of Implementation on Vision 2016 as well as some other studies carried out by different institutions in the country and outside.

Vision 2016

Annual financial statements

for the year ended 31 March 2010



Vision 2016

Annual Financial Statements for the year ended 31 March 2010

General Information

Country of incorporation and domicile	Botswana
Nature of business and principal activities	The Council's principal activities include driving and monitoring the implementation of Vision 2016
Members of the Council	Dr D R Tau Mr I Seloko Mr K Ndobano Dr T Mooko Ms. O Mokopakgosi Mr. I Ebrahim Ms N. Kalake Mr. M Makgatthe Mr B Marole Ms M M. Ntloedibe-Disele Ms. M Machailo-Ellis Mr L Segaletsho Dr N H Fidzani (Ex-officio)
Business address	BIDPA House Plot 134, Millennium Office Park Gaborone
Postal address	Private Bag BR-29 Gaborone
Bankers	Barclays Bank of Botswana Limited Bank Gaborone Limited African Banking Corporation Limited
Auditors	Grant Thornton Certified Public Accountants A Botswana member of Grant Thornton International Ltd
Financial administrators	Botswana Institute for Development Policy Analysis

Vision 2016

Annual Financial Statements for the year ended 31 March 2010

Index

The reports and statements set out below comprise the annual financial statements presented to the members:

Index	Page
Independent Auditor's Report	3
Council Members' Responsibilities and Approval	4
Statement of Financial Position	5
Statement of Comprehensive Income	6
Statement of Changes in Funds	7
Statement of Cash Flows	8
Accounting Policies	9 - 12
Notes to the Annual Financial Statements	13 - 21
The following supplementary information does not form part of the annual financial statements and is unaudited:	
Detailed Income Statement	22 - 23

Independent Auditor's Report

To the members of Vision 2016

Report on the Financial Statements

We have audited the annual financial statements of Vision 2016, which comprise the statement of financial position as at 31 March 2010, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 5 to 21.

Council members' Responsibility for the Annual Financial Statements

The Council members are responsible for the preparation and fair presentation of these annual financial statements in accordance with International Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of annual financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these annual financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the annual financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the annual financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the annual financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the annual financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of Vision 2016 as at 31 March 2010, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Certified Public Accountant
Gaborone
Date:

Vision 2016

Annual Financial Statements for the year ended 31 March 2010

Council Members' Responsibilities and Approval

The Council members are required to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the Council as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Standards. The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with International Financial Reporting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The Council members acknowledge that they are ultimately responsible for the system of internal financial control established by the council and place considerable importance on maintaining a strong control environment. To enable the financial administrators to meet these responsibilities, the Council members sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the Council and all employees are required to maintain the highest ethical standards in ensuring the Council's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the Council is on identifying, assessing, managing and monitoring all known forms of risk across the Council. While operating risk cannot be fully eliminated, the Council endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The Council members are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The Council members have reviewed the Council's cash flow forecast for the year to 31 March 2011 and, in the light of this review and the current financial position, they are satisfied that the Council has access to adequate resources to continue in operational existence for the foreseeable future.

The annual financial statements have been examined by the Council's external auditors and their report is presented on page 3.

The annual financial statements set out on pages 5 to 23, which have been prepared on the going concern basis, were approved by the Council members on _____ and were signed on its behalf by:

Chairperson

Member

Gaborone

Vision 2016

Annual Financial Statements for the year ended 31 March 2010

Statement of Financial Position

Figures in Pula	Note(s)	2010	2009
Assets			
Non-Current Assets			
Property, plant and equipment	4	328 262	490 087
Current Assets			
Other financial assets	5	4 157 082	612 218
Trade and other receivables	7	54 641	8 591
Cash and cash equivalents	8	2 321 977	5 461 690
		6 533 700	6 082 499
Total Assets		6 861 962	6 572 586
Equity and Liabilities			
Funds and Reserves			
Vision Fund	9	649 044	546 480
Capital grants		656 174	823 311
Accumulated surplus		4 810 024	2 102 964
		6 115 242	3 472 755
Liabilities			
Current Liabilities			
Trade and other payables	11	746 720	3 099 831
Total Equity and Liabilities		6 861 962	6 572 586

Vision 2016

Annual Financial Statements for the year ended 31 March 2010

Statement of Comprehensive Income

Figures in Pula	Note(s)	2010	2009
Grant Income	13	7 601 425	7 186 500
Other income		590 637	1 451 176
Operating expenses		(2 780 393)	(2 644 879)
Employee costs		(1 860 715)	(2 118 502)
Professional costs		(918 463)	(1 807 026)
Operating surplus (deficit)	14	2 632 491	2 067 269
Investment revenue	15	177 133	196 068
Surplus (deficit) for the year		2 809 624	2 263 337
Other comprehensive income		-	-
Total comprehensive income (loss)		2 809 624	2 263 337

Vision 2016

Annual Financial Statements for the year ended 31 March 2010

Statement of Changes in Funds

Figures in Pula	Vision Fund	Unutilised capital grants	Capital grants	Total capital grants	Accumulated Surplus	Total funds and reserves
Balance at 01 April 2008	215 319	-	122 133	122 133	170 788	508 240
Changes in equity						
Total comprehensive income for the year	-	-	-	-	2 263 337	2 263 337
Transfer to Vision fund	331 161	-	-	-	(331 161)	-
Capital grants received during the period	-	-	815 000	815 000	-	815 000
Amortisation of capital grants	-	-	(113 822)	(113 822)	-	(113 822)
Transfer to unutilised capital grants	-	335 423	(335 423)	-	-	-
Total changes	331 161	335 423	365 755	701 178	1 932 176	2 964 515
Balance at 01 April 2009	546 480	335 423	487 888	823 311	2 102 964	3 472 755
Changes in equity						
Total comprehensive income for the year	-	-	-	-	2 809 624	2 809 624
Transfer to vision fund	102 564	-	-	-	(102 564)	-
Amortisation of capital grants	-	-	(167 137)	(167 137)	-	(167 137)
Transfer from unutilised capital grants	-	(5 312)	5 312	-	-	-
Total changes	102 564	(5 312)	(161 825)	(167 137)	2 707 060	2 642 487
Balance at 31 March 2010	649 044	330 111	326 063	656 174	4 810 024	6 115 242
Note(s)	9					

Vision 2016

Annual Financial Statements for the year ended 31 March 2010

Statement of Cash Flows

Figures in Pula	Note(s)	2010	2009
Cash flows from operating activities			
Cash generated from operations	17	233 330	4 678 870
Interest income		177 133	196 068
Net cash from operating activities		410 463	4 874 938
Cash flows from investing activities			
Purchase of property, plant and equipment	4	(5 312)	(479 577)
(Purchase)/Sale of financial assets		(3 544 864)	(61 633)
Net cash from investing activities		(3 550 176)	(541 210)
Cash flows from financing activities			
Capital grants received		-	815 000
Total cash movement for the year		(3 139 713)	5 148 728
Cash at the beginning of the year		5 461 690	312 962
Total cash at end of the year	8	2 321 977	5 461 690

Vision 2016

Annual Financial Statements for the year ended 31 March 2010

Accounting Policies

1. Presentation of Annual Financial Statements

The annual financial statements have been prepared in accordance with International Financial Reporting Standards . The annual financial statements have been prepared on the historical cost basis, except for certain financial instruments measured at fair value, and incorporate the principal accounting policies set out below.

These accounting policies are consistent with the previous period, except for the changes set out in note 2 Changes in accounting policy

1.1 Significant judgements and sources of estimation uncertainty

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the annual financial statements. Significant judgements include:

Trade and other receivables

The Council assesses its trade and other receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in profit or loss, the Council makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

The impairment for trade and other receivables is calculated on a portfolio basis, based on historical loss ratios, adjusted for national and industry-specific economic conditions and other indicators present at the reporting date that correlate with defaults on the portfolio.

Fair value estimation

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Council for similar financial instruments.

Impairment testing

The recoverable amounts of cash-generating units and individual assets have been determined based on the higher of value-in-use calculations and fair values less costs to sell. These calculations require the use of estimates and assumptions. It is reasonably possible that the useful life assumption may change which may then impact our estimations and may then require a material adjustment to the carrying value of tangible assets.

The Council reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows for each group of assets. Expected future cash flows used to determine the value in use of tangible assets are inherently uncertain and could materially change over time.

Useful life and residual value of fixed assets

The estimates of useful lives as translated into depreciation rates are detailed in property, plant and equipment policy on the annual financial statements. These rates and residual lives of the assets are reviewed annually taking cognisance of the forecasted commercial and economic realities and through benchmarking of accounting treatments in the country.

Contingent liabilities

Management applies its judgement to facts and advice it receives from its attorneys, advocates and other advisors in assessing if an obligation is probable, more likely than not, or remote. The judgement application is used to determine if the obligation is recognised as a liability or disclosed as a contingent liability.

1.2 Property, plant and equipment

The cost of an item of property, plant and equipment is recognised as an asset when:

- it is probable that future economic benefits associated with the item will flow to the council; and
- the cost of the item can be measured reliably.

Vision 2016

Annual Financial Statements for the year ended 31 March 2010

Accounting Policies

1.2 Property, plant and equipment (continued)

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it.

Property, plant and equipment are depreciated on the straight line basis over their expected useful lives to their estimated residual value.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

Item	Average useful life
Furniture and fixtures	10 years
Motor vehicles	4 years
Office equipment	5 years
IT equipment	4 years

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting period.

The depreciation charge for each period is recognised in profit or loss unless it is included in the carrying amount of another asset.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in profit or loss when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

1.3 Financial instruments

Classification

The Council classifies financial assets and financial liabilities into the following categories:

- Held-to-maturity investment
- Loans and receivables

Classification depends on the purpose for which the financial instruments were obtained / incurred and takes place at initial recognition. Classification is re-assessed on an annual basis, except for derivatives and financial assets designated as at fair value through profit or loss, which shall not be classified out of the fair value through profit or loss category.

Initial recognition

The Council classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement.

Financial assets and financial liabilities are recognised on the Council's balance sheet when the Council becomes party to the contractual provisions of the instrument.

Trade and other receivables

Trade receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the trade receivable is impaired. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in profit or loss within operating expenses. When a trade receivable is uncollectable, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against other income in profit or loss.

Trade and other receivables are classified as loans and receivables.

Vision 2016

Annual Financial Statements for the year ended 31 March 2010

Accounting Policies

1.3 Financial instruments (continued)

Trade and other payables

Trade payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently recorded at fair value.

Held to maturity

These financial assets are initially measured at fair value plus direct transaction costs.

At subsequent reporting dates these are measured at amortised cost using the effective interest rate method, less any impairment loss recognised to reflect irrecoverable amounts. An impairment loss is recognised in profit or loss when there is objective evidence that the asset is impaired, and is measured as the difference between the investment's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition. Impairment losses are reversed in subsequent periods when an increase in the investment's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to the restriction that the carrying amount of the investment at the date the impairment is reversed shall not exceed what the amortised cost would have been had the impairment not been recognised.

Financial assets that the Council has the positive intention and ability to hold to maturity are classified as held to maturity.

1.4 Tax

Tax expenses

The Council is exempt from income taxes in terms of second schedule of the Income Tax Act (Chapter 52:01)

1.5 Impairment of assets

The Council assesses at each end of the reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the Council estimates the recoverable amount of the asset.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use.

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in profit or loss.

1.6 Vision fund

This fund represents the results of fund-raising activities by the Council for Awareness Month Project. Surplus or deficit from fund raising activities for the period are either transferred to or from this fund to the accumulated fund. The receipt of funds and related expenses are recognised in the income statement.

1.7 Employee benefits

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical aid), are recognised in the period in

Vision 2016

Annual Financial Statements for the year ended 31 March 2010

Accounting Policies

1.7 Employee benefits (continued)

which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

Gratuities are paid to employees of the Council based on terms of employment contract over the period of employment and are not discounted.

1.8 Government grants

Government grants are recognised when there is reasonable assurance that:

- the Council will comply with the conditions attaching to them; and
- the grants will be received.

Government grants are recognised as income over the periods necessary to match them with the related costs that they are intended to compensate.

Government grants related to assets, including non-monetary grants at fair value, are presented in the statement of financial position under Funds and Reserves by setting up capital grants or unutilised grants.

Grants related to income are presented as a credit in the statement of comprehensive income under Grant income.

1.9 Donations and other awards

Donations and other awards are recognised in the income statement on receipt basis.

Interest is recognised, in profit or loss, using the effective interest rate method

Vision 2016

Annual Financial Statements for the year ended 31 March 2010

Notes to the Annual Financial Statements

Figures in Pula

2010

2009

2. Changes in accounting policy

The annual financial statements have been prepared in accordance with International Financial Reporting Standards on a basis consistent with the prior year except for the adoption of the following new or revised standards.

IAS 1 Presentation of Financial Statements Revised

During the current year, the Council adopted IAS 1 Presentation of Financial Statements - Revised.

The revisions resulted in several changes, including terminology changes. As such, the balance sheet will now be referred to as the statement of financial position and the cash flow statement as the statement of cash flows.

In accordance with the revisions, all non owner changes in equity are now presented in a single statement of comprehensive income .

The revisions also introduced the concept of other comprehensive income and require disclosure to be made of all reclassification adjustments and all taxation implications of each component of other comprehensive income. This information has been disclosed in the notes to the annual financial statements.

In addition, a statement of financial position and related notes have been presented for the earliest comparative period. This is in accordance with the requirements of the revised Standard to present such a statement of financial position whenever there is a retrospective restatement to the annual financial statements.

Dividend information will now only be disclosed either on the face of the statement of changes in equity or in the notes.

The Standard did not provide for any transitional provisions for the stated revisions. The changes are required to be applied retrospectively.

The change has been applied retrospectively.

3. New Standards and Interpretations

At the date of approval of these annual financial statements, certain new accounting standards, amendments and interpretations to existing standards have been published but are not yet effective, and have not been adopted early by the entity.

Management anticipates that all of the pronouncements will be adopted in the entity's accounting policies for the first period beginning after the effective date of the pronouncement. Information on new standards, amendments and interpretations that are expected to be relevant to the entity's financial statements is provided below. Certain other new standards and interpretations have been issued but are not expected to have a material impact on the entity's financial statements.

IAS 1 (Revised) Presentation of Financial Statements

The main revisions to IAS 1:

- Require the presentation of non-owner changes in equity either in a single statement of comprehensive income or in an income statement and statement of comprehensive income.
- Require the presentation of a statement of financial position at the beginning of the earliest comparative period whenever a retrospective adjustment is made. This requirement includes related notes.
- Require the disclosure of income tax and reclassification adjustments relating to each component of other comprehensive income. The disclosures may be presented on the face of the statement of comprehensive income or in the notes.
- Allow dividend presentations to be made either in the statement of changes in equity or in the notes only.
- Have changed the titles to some of the financial statement components, where the 'balance sheet' becomes the 'statement of financial position' and the 'cash flow statement' becomes the 'statement of cash flows.' These new titles will be used in International Financial Reporting Standards, but are not mandatory for use in financial statements.

The effective date of the standard is for years beginning on or after 01 January 2009.

The Council has adopted the standard for the first time in the 2010 annual financial statements.

Vision 2016

Annual Financial Statements for the year ended 31 March 2010

Notes to the Annual Financial Statements

3. New Standards and Interpretations (continued)

The adoption of this standard has not had a material impact on the results of the Council, but has resulted in more disclosure than would have previously been provided in the annual financial statements.

May 2008 Annual Improvements to IFRS's: Amendments to IAS 1 Presentation of Financial Statements

The amendment is to clarify that financial instruments classified as held for trading in accordance with IAS 39 Financial Instruments: Recognition and Measurement are not always required to be presented as current assets/liabilities.

The effective date of the amendment is for years beginning on or after 01 January 2009.

The Council has adopted the amendment for the first time in the 2010 annual financial statements.

The impact of the amendment is set out in note 2 Changes in Accounting Policy.

May 2008 Annual Improvements to IFRS's: Amendments to IAS 20 Accounting for Government Grants and Disclosure of Government Assistance

The amendment requires that the benefit of loans from Government with a below market rate of interest be accounted for as a government grant, measured as the difference between the initial carrying amount of the loan determined in accordance with IAS 39 Financial Instruments: Recognition and Measurement and the proceeds received.

The terminology in the Standard was also amended to bring it in line with other Standards and Interpretations.

The effective date of the amendment is for years beginning on or after 01 January 2009.

The Council has adopted the amendment for the first time in the 2010 annual financial statements.

The impact of the amendment is set out in note 2 Changes in Accounting Policy.

Amendments to IFRS 7: Financial Instruments: Disclosures – Improving Disclosures about Financial Instruments

The amendment requires additional disclosures about fair value measurement, including separating fair value measures into a hierarchy. The amendments also require liquidity risk disclosure to be separated between non-derivative financial liabilities and derivative financial liabilities.

The effective date of the amendment is for years beginning on or after 01 January 2009.

The Council has adopted the amendment for the first time in the 2010 annual financial statements.

The impact of the amendment is set out in note 2 Changes in Accounting Policy.

3.1 Standards and interpretations not yet effective or relevant

The following standards and interpretations have been published and are mandatory for the Council's accounting periods beginning on or after 01 April 2010 or later periods but are not relevant to its current economic operations:

Annual improvements 2010

The IASB has published Improvements to IFRSs ('2010 Improvements') which makes minor amendments to nine International Financial Reporting Standards (IFRSs) in May 2010. Most of these amendments become effective in annual periods beginning on or after 1 July 2010 or 1 January 2011. This publication completes the IASB's third round of annual improvements. The 2010 Improvements reflect issues that were included in an exposure draft of proposed amendments to IFRSs published in August 2009. It also includes an amendment to IFRS 1 First-time Adoption of International Financial Reporting Standards.

The effective date of the interpretation is for years beginning on or after 01 July 2011.

The Council does not envisage the adoption of the standard until such time as it becomes applicable to the Council's operations.

It is unlikely that the interpretation will have a material impact on the Council's annual financial statements.

Vision 2016

Annual Financial Statements for the year ended 31 March 2010

Notes to the Annual Financial Statements

3. New Standards and Interpretations (continued)

IFRS 9: Financial instruments.

This new standard was issued in November 2009. This standard is the first phase of improvements to existing IAS 39 and deals with classification and measurement of financial assets. The standard requires an entity to classify financial assets at either amortised cost or fair value on the basis of a) the entity's business model for managing the financial assets; and b) the contractual cash flow characteristics of the financial asset; unless it chooses to designate a financial asset at fair value through profit or loss. At initial recognition, IFRS 9 requires entities to measure a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, directly attributable transaction costs. After initial recognition, financial assets are either measured at fair value or amortised cost as described above.

The effective date of the standard is for years beginning on or after 01 January 2013.

The Council does not envisage the adoption of the standard until such time as it becomes applicable to the Council's operations.

The adoption of this standard is not expected to impact on the results of the Council, but may result in more disclosure than is currently provided in the annual financial statements.

Vision 2016

Annual Financial Statements for the year ended 31 March 2010

Notes to the Annual Financial Statements

Figures in Pula 2010 2009

4. Property, plant and equipment

	2010			2009		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Furniture and fixtures	39 343	(22 496)	16 847	35 630	(18 754)	16 876
IT equipment	104 695	(65 814)	38 881	104 695	(50 956)	53 739
Motor vehicles	734 879	(483 017)	251 862	734 879	(344 426)	390 453
Office equipment	55 325	(34 653)	20 672	53 726	(24 707)	29 019
Total	934 242	(605 980)	328 262	928 930	(438 843)	490 087

Reconciliation of property, plant and equipment - 2010

	Opening carrying value	Additions	Depreciation	Closing carrying value
Furniture and fixtures	16 876	3 713	(3 742)	16 847
IT equipment	53 739	-	(14 858)	38 881
Motor vehicles	390 453	-	(138 591)	251 862
Office equipment	29 019	1 599	(9 946)	20 672
	490 087	5 312	(167 137)	328 262

Reconciliation of property, plant and equipment - 2009

	Opening carrying value	Additions	Depreciation	Closing carrying value
Furniture and fixtures	20 439	-	(3 563)	16 876
IT equipment	-	59 433	(5 694)	53 739
Motor vehicles	74 350	411 964	(95 861)	390 453
Office equipment	29 543	8 180	(8 704)	29 019
	124 332	479 577	(113 822)	490 087

The assets of the Council are held and managed by Botswana institute for Development Policy Analysis (BIDPA), the project accountants for the Council on the Council's behalf. These assets are neither recorded in the financial statements of BIDPA nor used by it in its operations.

5. Other financial assets

Held to maturity

African Banking Corporation Limited	657 082	612 218
This is a short term investment with the bank, carries interest at 7.5%.		
Bank Gaborone Limited	3 500 000	-
	4 157 082	612 218

Current assets

Held to maturity	4 157 082	612 218
------------------	-----------	---------

For debt securities classified as available-for-sale, the maximum exposure to credit risk at the reporting date is the fair value.

Held to maturity investments past due but not impaired

Held to maturity investments which are less than 3 months past due are not considered to be impaired. At 31 March 2010 and 2009, no held to maturity investments were past due but not impaired.

The maximum exposure to credit risk at the reporting date is the carrying amount of the held to maturity financial assets.

Vision 2016

Annual Financial Statements for the year ended 31 March 2010

Notes to the Annual Financial Statements

Figures in Pula 2010 2009

5. Other financial assets (continued)

The company has not reclassified any financial assets from cost or amortised cost to fair value, or from fair value to cost or amortised cost during the current or prior year.

There were no gains or losses realised on the disposal of held to maturity financial assets in 2010 and 2009, as all the financial assets were disposed of at their redemption date.

Credit quality of other financial assets

The credit quality of short term investments in the financial assets are assessed as good based on the financial reputation of the counter parties.

6. Financial assets by category

The accounting policies for financial instruments have been applied to the line items below:

2010

	Loans and receivables	Held to maturity investments	Total
Cash and cash equivalents	2 321 977	-	2 321 977
Other financial assets	-	4 157 082	4 157 082
Trade and other receivables	52 967	-	52 967
	2 374 944	4 157 082	6 532 026

2009

	Loans and receivables	Held to maturity investments	Total
Cash and cash equivalents	5 461 687	-	5 461 687
Other financial assets	-	612 218	612 218
Trade and other receivables	1 453	-	1 453
	5 463 140	612 218	6 075 358

7. Trade and other receivables

Other receivable	52 967	1 453
Prepayments	1 674	7 138
	54 641	8 591

The carrying amount of trade and other receivables approximates its fair value.

Fair value of trade and other receivables

Trade and other receivables	52 967	1 453
-----------------------------	--------	-------

Impairment provisions are made based on review of individual debtors current credit situation, past performance and other factors and where required, appropriate provisions are raised for impairments

Trade and other receivables past due but not impaired

Trade and other receivables which are less than 3 months past due are not considered to be impaired unless there is a specific debtor under certain circumstances. At 31 March 2010 and 2009 no receivables were past due but not impaired.

Trade and other receivables impaired

Vision 2016

Annual Financial Statements for the year ended 31 March 2010

Notes to the Annual Financial Statements

Figures in Pula	2010	2009
7. Trade and other receivables (continued)		
As of 31 March 2010, no trade and other receivables were impaired and provided for.		
8. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Bank balances	2 319 944	5 459 687
Cash on hand	2 033	2 003
	2 321 977	5 461 690

Credit quality of cash at bank and short term deposits, excluding cash on hand

The credit quality of cash at bank and short term deposits, excluding cash on hand that are neither past due nor impaired and are placed with reputed financial institutions which are registered in Botswana. The Council's bankers in Botswana are not rated but each of these banks are subsidiaries of major South African or United Kingdom registered institutions.

The bank accounts are held under and administered by Botswana Institute for Development Policy Analysis on behalf of the Council. These accounts are not used by BIDPA for its activities.

9. Vision Fund

Opening balance	(546 480)	(215 319)
Amounts raised through sale of tickets	(188 500)	(251 000)
Donations	(235 000)	(180 500)
Less: Expenditure incurred on the events	570 936	390 339
Transfer towards budget	(250 000)	(290 000)
	(649 044)	(546 480)
As per the Statement of Financial Position	649 044	546 480

10. Capital Disclosures

The Council's objective when maintaining capital grants and accumulated surplus is to safeguard the ability to continue as a going concern, so that it can achieve the objectives set up by His Excellency, The President of Botswana. The capital structure of the Council consists of Government grants, capital grants and accumulated surplus as disclosed in the statement of changes in equity. There are no externally imposed capital requirements applicable to the Council. In order to maintain or adjust capital structure, whenever required, the Council approaches the Government for subvention/grants. During the year ended 31 March 2010, the Council's strategy of managing capital has remained unchanged from the year ended 31 March 2009.

11. Trade and other payables

Accrued employee benefits	588 684	618 631
Other accrued expenses	151 359	7 453
BIDPA payable	-	2 469 207
Other payables	6 677	4 540
	746 720	3 099 831

The carrying amounts of trade and other payables approximates its fair value.

Vision 2016

Annual Financial Statements for the year ended 31 March 2010

Notes to the Annual Financial Statements

Figures in Pula	2010	2009
12. Financial liabilities by category		
The accounting policies for financial instruments have been applied to the line items below:		
2010		
	Financial liabilities at amortised cost	Total
Trade and other payables	158 031	158 031
2009		
	Financial liabilities at amortised cost	Total
Trade and other payables	2 481 197	2 481 197
13. Grant income		
Government of Botswana	7 601 425	7 186 500
14. Operating profit		
Surplus (Deficit) for the year is stated after accounting for the following:		
Depreciation on property, plant and equipment	167 137	113 822
Employee costs	1 860 715	2 118 502
Administration and management fees	291 500	291 500
Advertising	275 667	29 658
Council member sitting fees and expenses	226 924	112 101
Conference and workshop costs	141 083	180 724
Monitoring and evaluation costs	175 166	624 937
Excellence awards	570 937	390 339
Awareness expenses	204 509	246 246
15. Investment revenue		
Interest revenue		
Bank	177 133	196 068
16. Auditors' remuneration		
Fees	22 572	25 711
17. Cash generated from operations		
Profit before taxation	2 809 624	2 263 337
Adjustments for:		
Depreciation and amortisation	167 137	113 822
Interest received	(177 133)	(196 068)
Amortisation of capital grants	(167 137)	(113 822)
Changes in working capital:		
Trade and other receivables	(46 050)	5 702
Trade and other payables	(2 353 111)	2 605 899
	233 330	4 678 870

Vision 2016

Annual Financial Statements for the year ended 31 March 2010

Notes to the Annual Financial Statements

Figures in Pula	2010	2009
18. Related parties		
Relationships Establishment Members of the Council Financial Administrators Members of key management	 Government of Botswana Please refer page 1 Botswana Institute of Development Policy Analysis (BIDPA) Dr D R Tau Dr N H Fidzani Dr C B Monkge (Co-ordinator) Ms B Siwawa (Financial administrator of BIDPA)	
Related party balances		
Grant Income Government of Botswana	7 601 425	7 186 500
Trade and other payables BIDPA	-	2 470 874
Related party transactions		
Management and administration fees BIDPA	291 500	291 500
Compensation to directors and other key management Employee benefits including short term post employment benefits	570 543	603 250

19. Risk management

Capital risk management

The Council's objectives when managing capital are to safeguard the Council's ability to continue as a going concern and achieve the objectives of the Council for which it was established.

The capital structure of the Council consists of grants.

There are no externally imposed capital requirements.

There have been no changes to what the entity manages as capital, the strategy for capital maintenance or externally imposed capital requirements from the previous year.

Financial risk management

The Council's activities expose it to a variety of financial risks: market risk (including cash flow interest rate risk), credit risk and liquidity risk.

The Council's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Council's financial performance.

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities to meet its obligations. The Council was not significantly exposed to liquidity risk during the year.

Interest rate risk

As the Council has significant interest-bearing assets, the Council's income and operating cash flows are substantially dependent of changes in market interest rates.

The Council's interest rate risk arises from deposits in short term financial assets and call accounts with its bankers.

Vision 2016

Annual Financial Statements for the year ended 31 March 2010

Notes to the Annual Financial Statements

Figures in Pula	2010	2009
-----------------	------	------

19. Risk management (continued)

The Council analyses its interest rate exposure on a dynamic basis. Since most of the deposits are placed in short term maturity assets, the financial administrators negotiate interest rates with the bankers on maturity of these instruments before decisions on reinvesting. Quotes for the best interest is obtained from financial institutions in the country and decisions are made.

Credit risk

Credit risk consists mainly of cash deposits, cash equivalents, financial instruments and trade debtors. The Council only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

Significant financial assets exposed to credit risk at year end were as follows:

Financial instrument	2010	2009
Deposits with African Banking Corporation Limited	657 082	612 218
Deposits with Bank Gaborone Limited	3 500 000	-
Call and current accounts with Barclays Bank of Botswana Limited	2 321 977	5 461 687

Exposure on the receivables is limited to Government of Botswana and her Ministries.

Vision 2016

Annual Financial Statements for the year ended 31 March 2010

Detailed Income Statement

Figures in Pula	Note(s)	2010	2009
Revenue			
Grant Income		7 601 425	7 186 500
Total grant income		7 601 425	7 186 500
Other income			
Donations		235 000	180 500
Amortisation of capital grants		167 137	113 822
UNDP grant income		-	905 854
Fund awards		188 500	251 000
Interest received	15	177 133	196 068
		767 770	1 647 244
Expenses (Refer to page 23)		(5 559 571)	(6 570 407)
Surpluses (deficit) for the year		2 809 624	2 263 337

Vision 2016

Annual Financial Statements for the year ended 31 March 2010

Detailed Income Statement

Figures in Pula	Note(s)	2010	2009
Operating expenses			
Administration and management fees		(291 500)	(291 500)
Advertising		(275 667)	(29 658)
Auditors remuneration	16	(22 572)	(25 711)
Bank charges		(10 006)	(7 407)
Cleaning		(604)	(819)
Consulting and professional fees		(918 463)	(1 807 026)
Depreciation, amortisation and impairments		(167 137)	(113 822)
Employee costs		(1 860 715)	(2 118 502)
Council members sitting fees and expenses		(226 924)	(112 101)
Conference and workshop costs		(141 083)	(180 724)
Monitoring and evaluation costs		(175 166)	(624 937)
Excellence awards		(570 937)	(390 339)
Awareness expenses		(204 509)	(246 246)
Fines and penalties		(3 200)	-
Insurance		(33 476)	(31 013)
Motor vehicle expenses		(67 527)	(53 807)
Postage		(95)	(9 297)
Printing and stationery		(282 781)	(82 202)
Repairs and maintenance		(1 887)	(413)
Staff welfare		(2 500)	(17 633)
Telephone and fax		(53 048)	(11 826)
Training		(11 421)	-
Travel		(238 353)	(415 424)
		(5 559 571)	(6 570 407)



Republic of Botswana

designed by



— BOTSWANA —