

2013/14 ANNUAL REPORT



Driving Change

BIUST CAMPUS MASTERPLAN



BIUST was established by Botswana International University of Science & Technology Act CAP 57:05

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BIUST Profile

The Botswana International University of Science & Technology [BIUST] is a specialized Government of Botswana supported institution established through the BIUST Act (CAP 57:05) as a research-intensive University that focuses on Engineering, Science and Technology at both undergraduate and graduate (Masters and Doctoral) levels located in Palapye. It is located on an expansive and ecologically diverse 2 500 hectare site of gently sloping land in the Tswapong Hills, south east of Palapye. The first phase of the BIUST Campus (Founding Development) is currently under construction. BIUST is envisaged to become a state-of-the-art new generation University that would attract students, professors, and researchers from the international community. The University is a national strategic initiative that is intended to serve as one of the key platforms for transforming Botswana's economy from resource based to knowledge based through skills capacity building in Engineering Science and Technology. Because of its research orientation, BIUST seeks to continuously engage the private sector in order to meet their emerging skills needs as well as identify problems and challenges that can be solved through applied research. The University's curriculum will be driven by the needs of the private sector.

BIUST will seek to provide the best teaching and learning environment for students, professors and researchers. The University hopes to develop Science, Engineering and Technology Research Park centers that would attract local, regional and international researchers to its campus. At full capacity, BIUST intends to serve an estimated 6 000 (six thousand) full-time equivalent (FTE) students, which will comprise of Undergraduate, Masters and Doctoral Students.

Our Vision

To be a Centre of Excellence, a world-class research institution, and the Science, Engineering, and Technology University of choice in the region and African continent.

Our Mission

To provide globally competitive and high quality academic programmes in Science, Engineering and Technology in order to produce employment ready graduates through excellence in teaching, learning, research, collaborative partnerships, industry linkages and civic/community engagement.

Pillars of Excellence

- Academic Excellence
- Research Productivity
- Socio-economic Contribution
- External Professional Leadership
- Internationalization of Programmes & Personnel
- Diversification of Revenue Base
- Management Effectiveness

Strategic Goals

- **Capacity building** – to increase the number of local citizens with degrees in science, engineering and technology.
- **Economic development** – to stimulate economic development in Botswana.
- **Applied and multi-disciplinary research** – to engage in applied research that can be used to solve problems in Botswana and the Southern African Development Community (SADC) region.
- **High quality programmes and worldwide reputation** – to earn a reputation as a Centre of Excellence in Science, Engineering and Technology in the region.

Council Chairman's Message

I am pleased to present the annual report from 1st April 2013 to 31st March 2014, reflecting activities which took place at the University. The results are a clear demonstration of the new university which is on a developmental path, continuing with its infrastructure development and its academic activities. During the period under review, BIUST relocated to its current premises in Palapye. A number of new appointments were made including the Vice Chancellor, Distinguished Prof. H. Inyang and Deputy Vice Chancellor (Academic Affairs) Distinguished Prof. D. Siginer. The University also embarked on aggressive recruitment drive to fill in number of critical academic positions. During the period under review the University Senate became fully functional. I would like to take this opportunity to thank the Department of Tertiary Education Financing (DTEF) for the support provided to BIUST Fellows, who are studying for critical skills in various universities around the world.

As a research-intensive institution, we have embarked on intensive benchmarking activities around the world to ensure alignment with reputable institutions. The benefits of the benchmarking are amongst others, for staff and students exchange purposes and sharing of resources for research activities. BIUST has signed a number of Memorandum of Agreements with several institutions locally, regionally and internationally. The university also devised a roadmap to work closely with secondary schools in Botswana in terms of career fairs, and guidance and counselling as a student recruitment drive.

The University has also engaged accreditation authorities such as Botswana Qualifications Authority (BQA) and Human Resources Development Council (HRDC). This was meant to ensure that our programmes are aligned to the Botswana's tertiary education landscape.

Financial performance

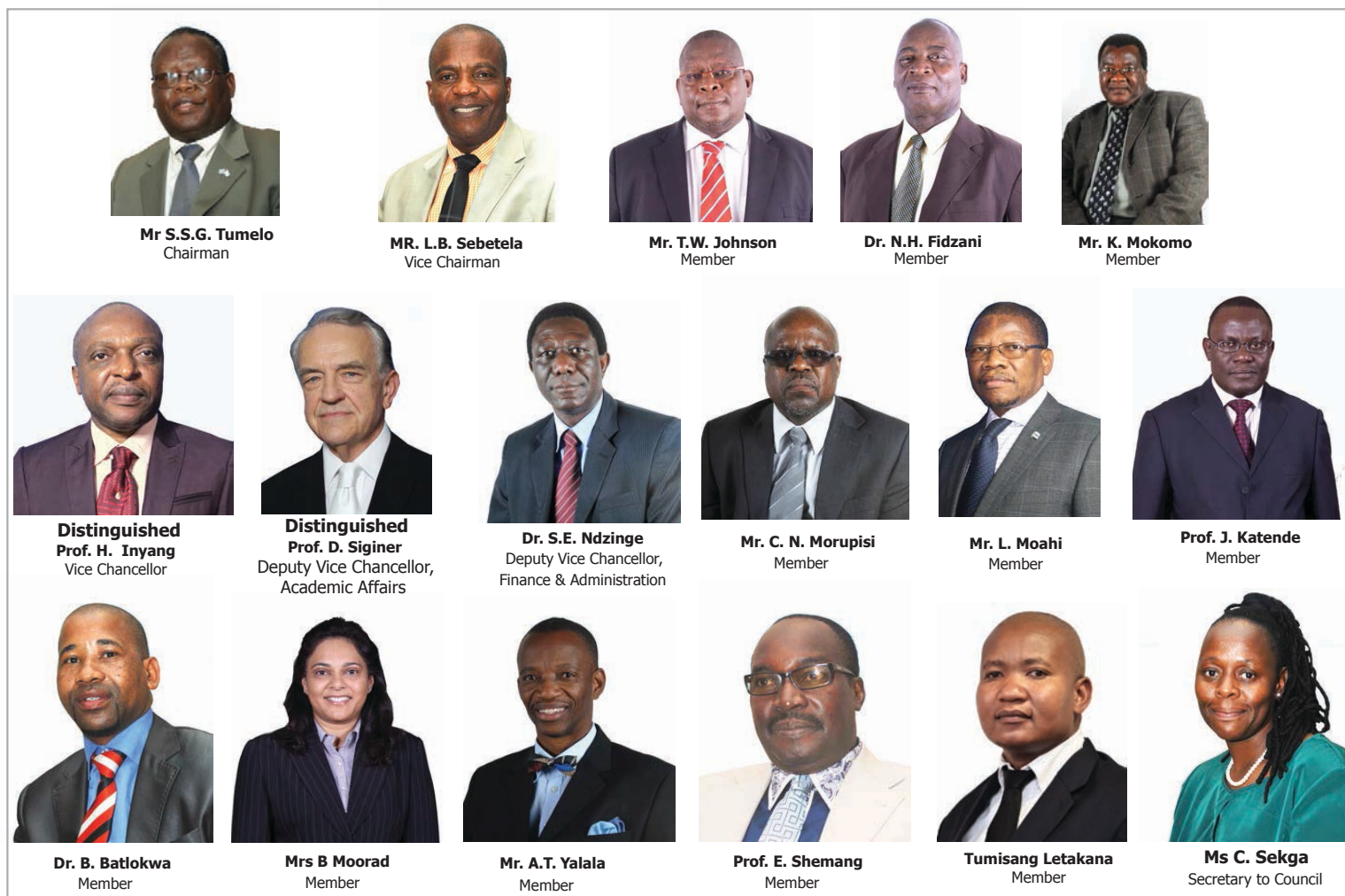
The University did not receive any subvention in 2014, while there was P119.7 million received in 2013. Tuition fees received in 2014 amounted to P14 million while in 2013, P7 million was received, representing a 100 percent increase. Other income, which mainly comprises reimbursement of books and kits for students, was P5.4 million in 2014 while in the previous year it was P0.4 million. Income from interest on invested funds was P6.2 million which was more or less the same as in the previous financial year 2013. Total expenditure in the period to March 2014 was P139 million compared to P63.9 million in the previous period. The net result was a deficit of P103.9 million in 2014 while 2013 ended with a surplus of P71.1 million.

Total assets increased by 2 percent from P650.5 million as at March 2013 to P661 million in March 2015. Capital grants increased by 18 percent from P505.6 million in March 2013 to P597.7 million in 2014. P100 million capital grants was received in 2014 and P9.4 million was amortized during the year.

Finally, I would like to thank the Ministry of Educations & Skills Development, BIUST Council, Senate, University leadership, academic and administrative staff, students, parents and various stakeholders for their continued support during the initial building foundations of the new research intensive university.

For/Council Chairman

Council Members



Governance Structure

BIUST Council

The BIUST Council is responsible for the management and administration of the revenue and property of the University. The Council has general control over the University and its affairs, purposes and functions and such other powers and duties as may be conferred by the Statutes of the University. The Council was established in terms of Section 9 of the BIUST Act it is also responsible for providing strategic policy direction to the University and necessary support to Management to carry out the day to day operations.

Members of Council shall hold office for a period of three (3) years and shall be eligible for re-appointment for a further term of three (3) years as per Section 11(1), 2 and 3 of the BIUST Act. The University Council subject to the provisions of the Act and Statutes of the University shall be responsible for the management and administration of the revenue and property of the University and shall have general control over the University and its affairs, purposes, and functions and other duties that may be conferred upon it by the Statutes of the University.

The BIUST Council is appointed by the Honourable Minister of Education and Skills Development with other members appointed by different constituents within BIUST.

It consists of the following members:

- Principal officers of the University (Chancellor, Vice Chancellor, Deputy Vice Chancellors)
- Three (3) public officers appointed by the Minister;
- Seven (7) persons two (2) of whom shall have a science and technology background representing the private sector and two representing civil society appointed by the Chancellor on the recommendation of the University Council;
- Three (3) persons who are not resident in Botswana appointed by the Minister by reason of their investment in the University or special knowledge/competence in relevant fields of tertiary education;

- Three (3) persons elected by Senate (2 Professors and 1 Dean);
- One (1) person elected by former students of the University;
- One (1) member of support staff elected by support staff;
- One (1) member of the academic staff who is not in Senate elected by academic staff;
- One (1) student elected by the student body of the University.

Council Committees

According to the BIUST Statutes, Council may appoint committees as it may deem necessary. Members of the committees are drawn from amongst Council members based on their expertise. Currently, the Council has four committees – Audit & Finance Committee, Council Human Resources Committee, Council Infrastructure Committee and the Council Tender Committee.

Council Audit and Finance Committee

The Committee is responsible for providing guidance and support on financial accounting and auditing matters to ensure effective control and custodianship of the University assets as well as compliance with; the internal audit rules and procedures.

Council Human Resources (HR) Committee

The Committee provides guidance and support to the University on all issues relating to employment and conditions of service.

Council Infrastructure and Procurement Committee

This Committee oversees and provides guidance in matters pertaining to physical infrastructural development and tender adjudication and award to procure goods and services.

Senate

During this year, the university established the BIUST Senate in accordance with the BIUST Act.

- Senate acts under general control and approval of the University Council
- It is appointed through Section 15 of the BIUST Act

Senate shall be responsible for the academic work of the University both in teaching and in research for the superintendence of the education and discipline of the students of the University.

- 2) Without prejudice to the provisions of subsection (1), the Senate shall be responsible under the University Council for –
 - (a) Formulating and carrying out the academic policy of the University;
 - (b) Devising and regulating courses of instruction and study, and supervising research;
 - (c) Regulating the conduct of examinations and the award of degrees, diplomas and certificates;
 - (d) Advising the University Council on the admission of students and the award of scholarships;
 - (e) Reporting on such matters as may be referred to it by the University Council.
- 3) The Senate may make representations to the University Council on any matter connected with the University, and shall have such additional functions as may be conferred on it by the statutes enacted by the University Council.
- 4) The Senate may establish Committees of its members, and may appoint as additional members of such Committees persons who are not members of the Senate, and may delegate to any such Committee any powers and functions which it is itself competent to perform.
- 5) The Senate shall consist of the Vice-Chancellor and at least nine other persons drawn from the academic staff in accordance with a statute in that behalf enacted by the University Council.

Executive Leadership Team

The BIUST Executive Leadership Team is composed of the Vice Chancellor, Deputy Vice Chancellors and Director, Legal Services

Vice Chancellor's Cabinet

The BIUST Vice Chancellor's Cabinet is composed of the Vice Chancellor, the Deputy Vice Chancellor, Deans, Directors and some other members as determined by the Vice Chancellor from time to time. The Vice Chancellor's Cabinet meets monthly. It functions as a Consultative Forum to the leadership.

Internal Audit

Internal Audit is a cornerstone of corporate governance. During this year Internal Audit continued to provide assurance for the period of reporting through identifying risks and mapping controls to mitigate them by conducting compliance, operational, performance and value for money audits. Respective audit reports on areas reviewed were made to Management and quarterly Activity Reports sent to Council inter-alia the Audit and Finance Committee. Follow-ups on implementation of audit recommendations from both Internal and External Auditors reports were conducted and implementation measured to provide rate, status and analysis in comparison with past periods.

Conclusion

During this year the governance structure was intact and fully operational with the different structures meeting periodically in line with the BIUST Act and BIUST structures.

Vice Chancellor's Remarks

BIUST was established to provide national, regional and international opportunities for higher education in science, engineering and technology and in applied research in an environment that fosters problem-based learning, discovery, creativity, and community engagement.

Our progress and success can be measured by the following:

The newly hired Deputy Vice Chancellor for Academic Affairs, Distinguished Professor Dennis Siginer, a world-renowned engineering researcher, has assumed his duties and has since led efforts and processes that target excellence in academic programmes at BIUST. The Department of Tertiary Education Financing (DTEF) continues to support BIUST's endeavours to establish a pool of Botswana advanced degree holders in critical fields who could join research and teaching operations at BIUST upon completion of their studies. Ten new fellows have arrived for doctoral studies from various universities abroad between January and March, 2014. As a continuation of alliance building between BIUST and other centres of learning and research, new Memoranda of Understanding on collaboration were signed between BIUST and other institutions, among which are the Federal University of Technology, Akure (Nigeria). High-level leaders of the University of Lund (Sweden) and Ohio University (USA) were also hosted by BIUST with a plan to formalize collaboration. The University also hosted representatives of Akita University (Japan) who visited BIUST in February 2014, to identify specific areas of research collaboration and initiate mutually beneficial research projects. The University engaged the leaders of various important research and economic development organizations of Botswana on economy-impacting research issues as a prelude to collaborative agreements.

These forums which were held in February and March 2014, at Debswana, Botswana Telecommunications Corporation (BTC), Botswana Power Corporation (BPC), Botswana Confederation of Commerce, Industry and Manpower (BOCCIM), and Morupule Coal Mine (MCM), covered research issues such as rock excavation techniques, coal mining and beneficiation, diamond cutting and processing technologies, coal combustion and by-product utilization, environmental impact assessment techniques, occupational health management and subsidence control in mining operations. BIUST also continued to host Botswana secondary school guidance counselors in Palapye in January 16 – 17, 2014. This event which was widely supported, recognized top achievers and attracted participants from the Parliament of Botswana, the Ministry of Education and Skills Development, high schools in Botswana and the University leadership. It serves to support the academic preparation of high school students who will eventually be admitted as students into tertiary education institutions.

In January 24, 2014 BIUST hosted the Joint Boards of the Botswana Qualifications Authority (BQA), the Human Resources Development Council (HRDC), the Tertiary Education Council (TEC) and the Botswana Examination Council (BEC). The workshop featured presentations by BIUST senior staff and an interactive session with the Joint Board Members at this workshop-style meeting.

In November 25 – 27, 2013, BIUST organized and hosted its inaugural African Science, Technology and Entrepreneurship Support Systems Workshop at its campus in Palapye. This workshop featured technical and policy level presentations, discussion sessions and panels on critical socio economic issues by participants who represented public, private sector, academic and community organizations in several countries. This workshop represents the thrust by BIUST to serve as an intellectual convener of forums on some national, continental and global issues.

The BIUST Campus Master Plan was completed and the BIUST Council approved the draft final Master Plan at its special meeting in February 12, 2014.

BIUST will vacate the OCAAT facilities at Oodi by the end of July 2014 and reconvene in Palapye. Protocols are in place to support the relocation of the academic staff and student programmes to finalize the BIUST relocation which started with administrative staff in August 2013. The University continues to have a bright future which has now been buoyed by the considerable interest exhibited by major organizations in collaborating with BIUST. On behalf of the Management, Staff and Students of BIUST, I thank all our stakeholders for the interest and service that they have already provided to BIUST to attain its lofty vision and mission.

For/Vice Chancellor

BIUST Senior Management



**Distinguished Prof
Hilary I. Inyang**
Vice Chancellor



**Distinguished Prof
Dennis Siginer**
DVC, Academic Affairs



Dr. Shabani Ndzinge
DVC, Finance & Administration



Ms. Obolokile C. Sekga
DIRECTOR
Legal Services



Prof James Katende
DEAN
College of Engineering & Technology



Prof John Cooke
DEAN
College of Sciences



Mr. Peloentle Kebaswele
DIRECTOR
Communications and Public Affairs



Mr. Mark Makombe
DIRECTOR
Information Technology



Ms. Lesedi Lesetedi
DIRECTOR
Internal Audit



Ms. Lucy Machiba
DIRECTOR
Human Resources



Mr. Godfrey Molefe
DIRECTOR
Financial Services



Dr. Haniso Mothabane
DIRECTOR
Pre - University Academic Programmes



Mr. Maurice Garde
DIRECTOR
Registry Services



Mr. Clemence Namponya
DIRECTOR
Library Services

ACADEMIC AFFAIRS

BIUST is rapidly developing excellence in a variety of Science, Technology and Engineering fields. In order to develop highly-skilled, socially conscious and internationally prepared graduates instruction of students in regular academic departments at BIUST is complimented with research, internships, private and public sector engagements, entrepreneurship catalysis, community service and external professional activities in emerging cross-disciplinary centres, and a BIUST Research, Innovation and Technology Incubation Park (BRITIP).

At BIUST, all academics are expected to have or gain international recognition for their research and associated professional activities that is evident in refereed journal publications; other scholarly activities; patentable and analytical contributions to entrepreneurship; mentorship and supervision of students (both undergraduate and postgraduate), and other scholars in research and instruction; public policy support at local, national, continental and global scales; attraction of funded external projects; external professional activities and community service. On programme implementation, BIUST is collaborating with international and national agencies, professional societies, the private sector, non-profit organisations and community groups.

COLLEGE OF SCIENCES

The College offers both undergraduate and postgraduate programmes. It comprises of the Department of Earth and Environmental Sciences, Department of Physics and Astronomy, Department of Mathematics and Computational Sciences, Department of Biology and Bio-technological Sciences, Department of Chemistry and Forensic Sciences and the Department of Social Sciences. Original research is a prime objective of the College and a number of Centres of Excellence are being developed. Research will support cutting-edge teaching and provide all students with the opportunity to be involved with relevant applied research projects in the new purpose-designed buildings with well-equipped teaching and research laboratories and facilities.

COLLEGE OF ENGINEERING & TECHNOLOGY

The College of Engineering & Technology offers both undergraduate and postgraduate programmes. The Vision of the College is to be a leading provider of engineering and technology education using innovative approaches to enhance life long career opportunities in the following fields: Industrial & Manufacturing Engineering, Mechatronics & Aerospace Engineering, Electrical & Electronic Engineering, Civil & Environmental Engineering, Measurement & Instrumentation, Computer Engineering, Energy Engineering, Geological Engineering, Mining Engineering and Telecommunications Engineering.

The College's mission is to provide globally competitive and high quality education based on theoretical, experiential, and ethical foundation enhanced by opportunities for participation in research, industrial internships and inter-disciplinary studies so as to produce employment-ready graduates. All programmes of the College are designed to meet ABET (Accreditation Board for Engineering and Technology) and ECSA (Engineering Council of South Africa) accreditation requirements. The College of Engineering & Technology is one of two founding Colleges of the Botswana International University of Science & Technology (BIUST).

National Guidance and Counselling Open Day



1) Ms Baby Kelaotswe from Moeding Senior Secondary receiving the Distinguished Service in Guidance & Counselling award **2)** The Guidance & Counselling Project of the year went to Ms Christina Hambira from Kgari Sechele Senior Secondary School ; Outstanding Guidance & Counselling Award went to Neek Namane of Gaborone Senior Secondary School, School, Emerging Guidance & Counselling award was awarded to Ms Malebogo Dikalanyane from Mmadinare Senior Secondary School, Guidance & Counselling Project of the year went to Ms Christina Hambira from Kgari Sechele Senior Secondary School **3)** MP for Palapye, Hon. Master Goya and BIUST VC Distinguished Professor Hilary Inyang

Botswana International University of Science & Technology hosted the second Annual National Guidance and Counselling Open Day on the 16th January 2014. By hosting the National Guidance and Counselling Open Day, BIUST recognises the critical role Guidance and Counselling Teachers make in guiding the youth of Botswana through their chosen careers and fulfilling the mandate of Vision 2016, of having an informed and educated nation. The main objective of the Open Day is for BIUST to open up, as well as to be accessible to Guidance and Counselling teachers, across public and private senior secondary schools. The second objective is to recognise the work that Guidance and Counselling Teachers perform in assisting students to choose appropriate career paths. The Open Day is also designed to create a forum for dialogue and discussions between BIUST and the Guidance and Counselling teachers on key areas such as;

- Tips on applying to enrol in BIUST programmes
- Student funding options
- BIUST Student Life
- Contemporary or topical issues in the field of Guidance and Counselling
- Trends in industries within the science , Engineering and Technology fields

The event also seeks to appraise participants of the latest developments as well as future short-term, intermediate and long-term plans of the university. The event was characterised by awarding outstanding Guidance and Counselling teachers, whose service and devotion to Guidance and Counselling in their respective schools bred outstanding students in the guidance and counselling perspective.

STUDENT LIFE

Counselling Services

All BIUST students are entitled to a counselling session whenever they are undergoing difficulty that requires intervention by an expert. The following services are available within this unit; Personal/ Individual/ Self-Counselling, Group counselling, Referrals, Follow-up and home visit where necessary.

Office for HIV Awareness

This office is committed to improving the quality of life of the BIUST community living with or affected by HIV/AIDS through improved access to support services and providing psycho-social support in a safe, supportive and welcoming environment in order to combat the spread of HIV/AIDS. Services within this unit include; Free HIV testing, Connections to care, Provision of psycho-social support

Student with Disabilities and learning Difficulties

BIUST is fully committed to ensuring that learning opportunities are available to everyone.

Religious Worship

Students from many different religions study at BIUST. A faith directory containing contact details and other useful information is available at the Student Affairs Office.

International Students

BIUST as an international University is committed to ensuring that international students feel welcome and home away from home. The staff of the office of Student Affairs dedicate their time in making sure upon arrival of international students that they are assisted in all aspects of their study including accommodation, immigration matters and banking necessities. There is a separate orientation for international students where they are acclimatised to the environment.

Clubs and Societies

BIUST recognises the need for students to engage in recreational activities. The University offers students ample time and facilities to partake in extra-curricular activities. That means scholar-athletes and others involved in cultural pursuits will be able to hone and enjoy their crafts. BIUST has many sports facilities including the Gym, Sports Hall and Pitches.

The Student Representative Council

The Student Representative Council is a recognised structure of BIUST. It exists to partner with the management of the University to ensure the welfare of students and advance the BIUST mandate. The BIUST SRC has put in place committees in order to deliver on its mandate.

Eight portfolios of the thirteen (13) have committees which report to their respective ministers. The remaining five portfolios which are the Presidency, Vice-presidency, Secretary General, Treasurer and Administrative Secretary are domiciled in the Office of the President. Former SRC Presidents and others chosen by the incumbent President constitute the Office of the President. This crop of student leadership is mandated with addressing student needs and ensuring continuity of the work of previous SRCs. The Office of the President reports to the SRC. The BIUST SRC also has a campus living committee that reports to ministers. Each class has a class representative who reports to the level representative. The latter reports to a faculty representative who reports to the SRC.

SRC MEMBERS:

- President- Tumisang Letlakana
- Vice President- Kago Caine- Mogorosi
- Acting Administrative Secretary & Minister of Community Outreach- Keleadile Tshegofatso Seduke
- Treasurer & Acting Minister of Academic Affairs - Moemedi Motlaleng
- Minister of Student Welfare & Advocacy- Mbatisi Odirile Jowa
- Minister of Publicity & Communications- Ogaufi Whitney Setlhogile
- Minister of Entertainment & Culture, and Acting Minister of Sports & Recreation- Thabo Itumeleng

LOCAL & INTERNATIONAL COLLABORATIVE PARTNERS

The primary objective of this mission was to advance and disseminate knowledge and skills through teaching, learning and practical skills training undertake, promote and facilitate research and scholarly investigations and contribute to national and international scientific and technological development.

BIUST BENCHMARKING TOUR OF INSTITUTIONS OF SCIENCE & TECHNOLOGY IN ASIA

The BIUST Council embarked on a two week (25 April - 10 May, 2014) tour of institutions of Science and Technology in Asia, and signed a number of Memoranda of Understanding for collaboration in areas of mutual interest.

KOREA INSTITUTE OF SCIENCE AND TECHNOLOGY (KIST)

The experimental methods reviewed on site at KIST by the BIUST delegation are key to investigate local Botswana plants and materials that may have medicinal and other utilities as part of BIUST effort to promote and utilize indigenous knowledge systems.

CHINA UNIVERSITY OF MINING AND TECHNOLOGY (CUMT)

A team from BIUST went on a benchmarking exercise at the China University of Mining and Technology (CUMT) a national key university under the direct supervision of the Ministry of Education of China.

NANJING UNIVERSITY OF SCIENCE AND TECHNOLOGY (NUST)

BIUST and Nanjing identified joint research projects, student & staff exchange as areas of collaboration going forward. As part of the collaboration Nanjing University will explore assisting BIUST identify appropriate research equipment as well assign its staff as part of the joint research teams. Research collaboration between BIUST and Nanjing University will focus on advanced monitoring of structures such as dams, buildings, tanks, pipelines and roads.

ECO-EDU TOURISM LODGE

This is a joint venture involving Ingolstadt University of Applied Science, the government of Germany and BIUST.

HONG KONG UNIVERSITY OF SCIENCE AND TECHNOLOGY (HKUST)

BIUST and HKUST agreed to collaborate to identify areas of mutual interest in both institutions. The two delegations, however, agreed that joint research, student and staff exchange would present the best opportunities for collaboration. Their laboratory specializes in waste water treatment technologies and waste management which are the key targeted areas of BIUST programmes.

AKITA UNIVERSITY (JAPAN)

BIUST signed a MoU with Akita University in 2009. The collaboration would be invaluable in the implementation of BIUST's regional extension centres. Currently, two BIUST students have been offered scholarships at Akita University in mining, engineering and geology.

NIAMEY MEDICAL FOUNDATION (US)

This is a tripartite partnership involving BIUST, Niamey Medical Foundation and the Government of Botswana. The collaborators are preparing for a medical mission to Botswana to benefit Botswana communities with solutions to the country's most pressing healthcare challenges.

AUSTRALIA NATIONAL UNIVERSITY

Through the collaboration, BIUST staged a Science Circus in Palapye on March 27, 2014

HOWARD UNIVERSITY (USA)

BIUST signed a MoU with Howard University on March 20, 2013 that will facilitate exchange opportunities for academic staff and students, joint research projects, exchange of academic materials, curriculum development and joint organisation of seminars and academic meetings.

DIRECTORATE OF TECHNICAL COOPERATION IN AFRICA (DTCA, Nigeria)

BIUST and DTCA identified several areas of collaboration, among them promotion of technology transfer through technical cooperation, promotion of exchange of high level research experts in science and technology, humanities and arts, facilitation of capacity building for research and development in Africa, facilitation of generation of new ideas for Africa's development through co-operative research and collaborative development activities and facilitation of co-operation and integration in Africa through the transfer and diffusion of technology and dissemination of innovations.

PETROLEUM TRUST DEVELOPMENT FUND (PTDF, NIGERIA)

The fund is available for purposes of development, promotion and implementation of petroleum technology and manpower development through research and training of Nigerians. As part of its student recruitment campaign, BIUST is targeting students from Nigeria to study at BIUST. Key to the success of this campaign was the identification of organisations and institutions in Nigeria which have scholarship schemes for Nigerian students studying abroad. The PTDF called on BIUST to consider collaborating with immediate effect on staff exchanges, vocational and technical skills development and piloting a joint entrepreneurship programme.

RAW MATERIALS RESEARCH AND DEVELOPMENT COUNCIL (RMRDC, NIGERIA)

The RMRDC is vested with the mandate of promoting the development and utilization of Nigeria's industrial raw materials. BIUST and RMRDC have agreed to collaborate on a number of areas which will be clearly identified through a MoU at a later date.

BIUST has also entered into strategic partnerships with the Morgan State University (USA), University of Queensland (Australia) and Guelph University (Canada)

MINTEK

BIUST identified areas of collaboration which included technology transfers, student and staff exchange, joint research, provision of internship opportunities to BIUST and extending assistance to BIUST with appropriate research technologies and capabilities for different research activities.

COUNCIL FOR SCIENTIFIC AND INDUSTRIAL RESEARCH (CSIR) NATURAL RESOURCES FOR THE ENVIRONMENT (NRE)

BIUST and CSIR-NRE signed a Memorandum of Agreement in November 2013 through which the two institutions agree to collaborate in areas such as Human Capital Development which covers joint scholarships, student exchange, teaching and supervision, staff and researcher exchange, joint publications and periodic review of partnership, research in water and water-related areas and nano technology.

SOUTH AFRICAN NATIONAL SPACE AGENCY (SANSA)

SANSA was established to catalyse the promotion and use of space and co-operation in space-related activities, foster research in space science, advance scientific engineering through human capital and support the creation of an environment conducive to industrial development in space technologies within the framework of national government policy.

SOUTH AFRICAN NATIONAL ENERGY DEVELOPMENT INSTITUTE (SANEDI)

SANEDI's purpose is to direct, monitor and conduct applied research and development. To demonstrate, deploy and undertake specific measures to promote energy efficiency throughout the country. The two institutions signed an MOU through which they will collaborate in identifying energy-efficient projects in both countries and region.

REGIONAL STRATEGIC RESEARCH PARTNERSHIPS

We established long term collaborative partnerships with specialised research institutions in science and technology in South Africa.

ENGAGEMENTS WITH BOTSWANA ORGANISATIONS

DEPARTMENT OF RESEARCH, SCIENCE AND TECHNOLOGY (DRST), THE MINISTRY OF SCIENCE, INFRASTRUCTURE & TECHNOLOGY (MIST)

- A joint workshop for selected primary school teachers.
- Planning of a collaborative programme with the Centre for Public Awareness of Science of the Australian University.
- Hosting of the African Science Circus was held in Gaborone in March, 2014.

BOTSWANA SECONDARY SCHOOL GUIDANCE COUNSELLORS

- Award of prizes to the best-performing counsellors.
- Promotion of collaboration among secondary educational sector stakeholders.
- Plans to host the event annually and expand training component.

BOTSWANA QUALIFICATIONS AUTHORITY (BQA), THE HUMAN RESOURCES DEVELOPMENT COUNCIL (HRDC), AND THE TERTIARY EDUCATION COUNCIL (TEC)

- BIUST hosted the council of this bodies.
- Appreciation of the BIUST governance structures and activities by the joint Boards
- Interest in involving BIUST in improvement of other academic institutions.

BOTSWANA POWER CORPORATION (BPC)

- Assessment of BPC's expansion plans and technical challenges.
- Identification of research and policy support issues and areas of collaboration such as coal mining, processing and use; environmental impact.

BOTSWANA TELECOMMUNICATIONS CORPORATION (BTC)

- Identification of areas of mutual interest such as e-learning
- Technical programme extension centres, and service on educational programme advisory boards by BIUST/BTC to study BIUST proposals and identify areas of deeper collaboration

DEBSWANA

- Highlight of BIUST research, development, skills development and industrial support programmes.
- Identified areas of possible technical support to Debswana being excavation processes, tailing beneficiation, polishing and cutting technology.
- Debswana to commission its technical personnel to collaborate with BIUST.

NATIONAL FOOD TECHNOLOGY AND RESEARCH CENTRE (NAFTEC)

- To carry out research in the field of food security.

BOTSWANA CONFEDERATION OF COMMERCE INDUSTRY AND MANPOWER (BOCCIM)

- Meeting to configure mechanisms for engagement of the private sector in Botswana.
- Skills development for industry services on BIUST programme advisory and funding of programmes by industry were discussed.
- BIUST will participate in annual conference planned by BOCCIM.

MORUPULE COAL MINE, PALAPYE

- Analysis of expansion plan of the mine and technical requirements.
- Areas of possible technical contributions by BIUST through funding projects include coal excavation rates, blast design for opening cast mining, tailings management, coal pelletizing, washing and processing technology, subsidence control and room and pillar design for revenue and safety optimization.

BCL MINE, SELIBI-PHIKWE

- BIUST is a collaborator with BCL on the BOMMERC project and will be performing research therein. One of the BIUST extension centres will be sited at BCL
- BIUST will develop specific research proposals as a component of the BOMMERC programme.



AKITA UNIVERSITY(JAPAN) MOU with BIUST



BIUST meeting with BITC



BIUST meeting with European Union



BIUST meeting KOREA INSTITUTE OF SCIENCE AND TECHNOLOGY (KIST)



Annual Financial Statements

BOTSWANA INTERNATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY ANNUAL FINANCIAL STATEMENTS 31 March 2014

(Established in terms of the Botswana International University of Science and Technology Act 57:05)

NATURE OF BUSINESS

To provide tuition in higher education and training in science and technology to Botswana citizens and international students.

SENIOR MANAGEMENT

Prof H Inyang
Prof D Siginer
Dr S E Ndzinge
Ms O C Sekga

Vice-Chancellor
Deputy Vice Chancellor Academic Affairs
Deputy Vice-Chancellor Finance and Administration
Secretary to Council

MEMBERS OF THE COUNCIL

Name	Designation
Mr S Tumelo	Chairperson
Mr B L Sebetela	Vice Chairperson
Prof H Inyang	Vice-Chancellor
Prof D Siginer	Deputy Vice-Chancellor Academic Affairs
Dr S E Ndzinge	Deputy Vice-Chancellor Finance and Administration
Mr T Johnson	Member
Prof P Berliner	Member
Dr N H Fidzani	Member
Mr C N Morupisi	Member
Mr K Mokomo (Resigned 30/04/13)	Member
Mrs B Moorad	Member
Prof J Katende	Member
Prof E Shemang	Member
Dr B Batlokwa	Member
Mr A T Yalala (Resigned 31/08/13)	Member
Mr R.Foster (Resigned 02/08/13)	Member
Prof F.Ibikunhle	Member
Mr T.Letlakana (Resigned 30/05/13)	Member
Mr C. M. Maruza	Member
Mr L. Moahi	Member

REGISTERED OFFICE
Plot 10071
Palapye

BANKERS
Bank Gaborone Limited, Banc ABC,
First National Bank of Botswana Limited, Stanbic Bank Botswana

INDEPENDENT AUDITORS
Mazars

The following statements are presented in compliance with the requirements of the Botswana International University of Science and Technology Act 57:05.

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Botswana International University of Science & Technology

STATEMENT OF RESPONSIBILITY BY THE MEMBER OF THE UNIVERSITY COUNCIL

For the year ended 31 March 2014

The members of Botswana International University of Science & Technology Council are responsible for the annual financial statements and all other information presented therewith. Their responsibility includes the maintenance of true and fair financial records and the preparation of annual financial statements in accordance with International Financial Reporting Standards and in the manner required by Section 19 of the Botswana International University of Science & Technology Act, 57:05.

Botswana International University of Science & Technology maintains systems of internal control, which are designed to provide reasonable assurance that the records accurately reflect its transactions and to provide protection against serious misuse or loss of University assets. The members of the University Council are also responsible for the design, implementation, maintenance and monitoring of these systems of internal financial control. Nothing has come to the attention of the members of the University Council to indicate that any significant breakdown in the functioning of these systems has occurred during the period under review.

The going concern basis has been adopted in preparing the annual financial statements. The members of the University Council have no reason to believe that the University will not be a going concern in the foreseeable future, based on the continued support by the Ministry of Finance and Development Planning through the Ministry of Education and Skills Development.

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

The annual financial statements on pages 6 to 35 were authorised for issue by the members of the University Council and signed on its behalf by



Chairperson



Acting-Vice Chancellor

Botswana International University of Science & Technology

Independent Auditors' Report

For the year ended 31 March 2014

Independent Auditors' Report

To the Council Members of Botswana International University of Science & Technology

We have audited the annual financial statements of Botswana International University of Science & Technology, which comprise the statement of financial position as at March 31, 2014, 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 26 to 44.

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, and requirements of the Botswana International University of Science & Technology Act, 57.05, and for such internal control as the Council Members determines is necessary to enable the preparation of annual financial statements that are free from material misstatements, whether due to fraud or error.

Auditors' 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' judgment, 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 give a true and fair view of the financial position of Botswana International University of Science & Technology as at 31 March 2014, and its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standards.

Without qualifying our opinion, we draw attention to the fact that the supplementary information set out on pages 45 to 48 does not form part of the annual financial statements and is presented as additional information. We have not audited this information and accordingly do not express any opinion thereon.

Mazars
Certified Auditors
Practicing Member: Shashikumar Velambath (19980076)

Gaborone
Date.....16/11/2015.....

Signature Mazars

Botswana International University of Science & Technology
STATEMENT COMPREHENSIVE INCOME

For the year ended 31 March 2014

		2014	2013
	Note	P	P
Government Subvention	5	-	119 672 455
Tuition fees		14 042 599	7 074 612
Amortisation of Capital Grants	14	9 400 683	1 632 195
Gross Operating Income		23 443 282	128 379 262
Other Income	23	5 434 812	424 899
Staff Costs	6	(77 277 169)	(38 644 524)
Other Operating Expenses	7	(61 787 616)	(25 250 153)
(Deficit) / Surplus for the Year from Operating Activities		(110 186 691)	64 909 484
Finance Income	8	6 243 811	6 193 565
(Deficit) / Surplus for the Year		(103 942 880)	71 103 049
Other Comprehensive Income		-	-
Total Comprehensive (loss) / Income		(103 942 880)	71,103,049

Botswana International University of Science & Technology
STATEMENT OF FINANCIAL POSITION

as at 31 March 2014

		2014	2013
	Note	P	P
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	10	523 613 975	465 163 626
Intangible Assets		909 128	1 618 656
		524 523 103	466 782 282
Current Assets			
Other Receivables	11	33 117 600	3 685 844
Cash and Cash Equivalents	12	103 414 544	180 051 487
		136 532 144	183 737 331
Total Assets		661 055 247	650 519 613
EQUITY AND LIABILITIES			
Capital Grant and Reserves			
Capital Grants	14	597 692 452	505 596 325
Accumulated Funds		10 040 742	113 983 622
		607 733 194	619 579 947
Non-Current Liabilities			
Current Liabilities			
Retention Payables	15	11 207 386	9 064 608
Trade and Other Payables	16	42 114 667	21 875 059
		661 055 247	650 519 613
Total Equity and Liabilities		661 055 247	650 519 613

Botswana International University of Science & Technology

STATEMENT OF CHANGES IN ACCUMULATED FUNDS

For the year ended 31 March 2014

	Capital grants P	Accumulated fund P	Total P
Balance at 1 April 2012	432 269 249	45 505 802	477 775 051
Grants received during the year (Note 14)	67 543 726	-	67 543 726
Grants received (Note 14)	-	-	-
Transfer from subvention (Note 14)	7 415 545	-	7 415 545
Amortisation of capital grants (Note 14)	(1 632 195)	-	(1 632 195)
Amortisation of retention	-	(2 625 229)	(2 625 229)
Surplus (Deficit) for the year	-	71 103 049	71 103 049
Balance at 31 March 2013	505 596 325	113 983 622	619 579 947
Balance at 1 April 2013	505 596 325	113 983 622	619 579 947
Grants received during the year (Note 14)	100 000 000	-	100 000 000
Value of land received (note 14)	1 496 810	-	1 496 810
Amortisation of capital grants (Note 14)	(9 400 683)	-	(9 400 683)
Deficit for the year	-	(103 942 880)	(103 942 880)
Balance at 31 March 2014	597 692 452	10 040 742	607 733 194

Botswana International University of Science & Technology

STATEMENT OF CASHFLOW

For the year ended 31 March 2014

	Note	2014 P	2013 P
Cash flows (to) from operating activities:			
Cash generated from operations	17	(117 408 044)	102 584 416
Net cash flows (utilised in)generated from operating activities		(117 408 044)	102 584 416
Cash flows to investing activities:			
Interest income	8	6 243 811	6 193 565
Additions to property, plant and equipment	10	(64 760 370)	(46 658 700)
Additions to intangible assets	9	(884 324)	(1 029 511)
Proceeds from disposal of property, plant and equipment		171 986	291 003
Net cash utilised in investing activities		(59 228 896)	(41 203 642)
Cash flows from financing activities:			
Capital grants	14	100 000 000	67 543 726
Net cash generated from financing activities		100 000 000	67 543 726
Net change in cash and cash equivalents		(76 636 943)	128 924 500
Cash and cash equivalents at beginning of year		180 051 487	51 126 987
Cash and cash equivalents at end of year	12	103 414 544	180 051 487

Botswana International University of Science & Technology

NOTES TO THE FINANCIAL STATEMENT

For the year ended 31 March 2014

1. General Information

Botswana International University of Science and Technology ("BIUST") is funded through the Tertiary Education Development Fund, a Special Fund set up by Government in terms of the Finance and Audit Act (CAP:54:01) through Statutory Instrument No 57 of 2004. The purpose of the fund as described in the Act is to meet costs of the construction of a second University in Botswana. The purpose of constructing the University is to provide higher education and training to Botswana citizens and international students. The address of its registered office is Plot 10071, Palapye, Botswana.

2. Principal Accounting Policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1. Basis of Preparation

The annual financial statements of Botswana International University of Science and Technology ("BIUST") have been prepared in accordance with International Financial Reporting Standards. The financial statements have been prepared under the historical cost convention as modified by the revaluation of financial assets and financial liabilities.

The preparation of financial statements in conformity with IFRS requires the use of certain accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Although these estimates are based on management's best knowledge of the current events and actions, actual results may ultimately differ from those estimates. It also requires management to exercise its judgment in the process of applying the BIUST's accounting policies.

Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

New Standards and Interpretations

2.1.1 Standards and Interpretations Effective but not Adopted in the Current Year

In the current year, the University has assessed but not adopted the following standards and interpretations that are effective for the current financial year and but are not relevant to its operations:

IFRS 11 Joint Arrangements

The standard replaces IAS 31 Interests in Joint Ventures and SIC 13 Jointly Controlled Entities Non Monetary Contributions by Venturers. The standard defines a Joint arrangement as existing only when decisions about relevant activities requires the unanimous consent of the parties sharing joint control in terms of a contractual arrangement. The standard identifies two types of joint arrangements as:

Joint operations which exist when the entities sharing joint control have direct rights to the assets and obligations for the liabilities of the joint arrangements. In such cases the joint operators recognise their share of the assets and liabilities and profits and losses of the joint arrangements in their financial statements.

The effective date of the standard is for years beginning on or after January 01, 2013. The standard has not been adopted as it is not relevant for this entity's operations.

IFRS 12 Disclosure of Interests in Other Entities

The standard sets out disclosure requirements for investments in Subsidiaries, Associates, Joint Ventures and Unconsolidated Structured Entities. The disclosures are aimed to provide information about the significance and exposure to risks of such interests. The most significant impact is the disclosure requirement for Unconsolidated Structured Entities or off balance sheet vehicles.

The effective date of the standard is for years beginning on or after January 01, 2013. The standard has not been adopted as it is not relevant for this entity's operations.

Botswana International University of Science & Technology

NOTES TO THE FINANCIAL STATEMENT

For the year ended 31 March 2014

IFRS 13 Fair Value Measurement

This is a new standard setting out guidance on the measurement and disclosure of items measured at fair value or required to be disclosed at fair value in terms of other IFRS's.

The effective date of the standard is for years beginning on or after January 01, 2013. The impact of the standard is not material.

Disclosures – Offsetting Financial Assets and Financial Liabilities (Amendments to IFRS 7)

Amendment requires additional disclosures for financial assets and liabilities which are offset and for financial instruments subject to master netting arrangements.

The effective date of the amendment is for years beginning on or after January 01, 2013. The entity has adopted the amendment for the first time in the 2014 annual financial statements.

Government Loans (Amendment to IFRS 1)

The amendment allows first time adopters the option to measure loans from government at below market interest rates, which existed at transition date, at the amounts measured in accordance with their previous GAAP. The provisions of par 10A of IAS 20 will only apply to subsequent loans.

The effective date of the amendment is for years beginning on or after January 01, 2013. The entity has adopted the amendment for the first time in the 2014 annual financial statements. The impact of the amendment is nil as the entity does not have Government loans in its books of account.

2.1.2 Standards and Interpretations Not Yet Effective

The University has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the company's accounting periods beginning on or after July 01, 2014 or later periods:

IFRS 9 Financial Instruments

This new standard is the first phase of a three phase project to replace IAS 39 Financial Instruments: Recognition and Measurement. To date, the standard includes chapters for classification, measurement and derecognition of financial assets and liabilities. The following are main changes from IAS 39:

- Financial assets will be categorised as those subsequently measured at fair value or at amortised cost.
- Financial assets at amortised cost are those financial assets where the business model for managing the assets is to hold the assets to collect contractual cash flows (where the contractual cash flows represent payments of principal and interest only). All other financial assets are to be subsequently measured at fair value.

- Under certain circumstances, financial assets may be designated as at fair value.
- For hybrid contracts, where the host contract is an asset within the scope of IFRS 9, then the whole instrument is classified in accordance with IFRS 9, without separation of the embedded derivative. In other circumstances, the provisions of IAS 39 still apply.
- Voluntary reclassification of financial assets is prohibited. Financial assets shall be reclassified if the entity changes its business model for the management of financial assets. In such circumstances, reclassification takes place prospectively from the beginning of the first reporting period after the date of change of the business model.

- Financial liabilities shall not be reclassified.
- Investments in equity instruments may be measured at fair value through other comprehensive income. When such an election is made, it may not subsequently be revoked, and gains or losses accumulated in equity are not recycled to profit or loss on derecognition of the investment. The election may be made per individual investment.

- IFRS 9 does not allow for investments in equity instruments to be measured at cost.
- The classification categories for financial liabilities remains unchanged. However, where a financial liability is designated as at fair value through profit or loss, the change in fair value attributable to changes in the liabilities credit risk shall be presented in other comprehensive income. This excludes situations where such presentation will create or enlarge an accounting mismatch, in which case, the full fair value adjustment shall be recognised in profit or loss.

The effective date of the standard is currently open.

The company expects to adopt the standard for the first time when it becomes effective.

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

2.1.2 New Standards and Interpretations (continued)

Offsetting Financial Assets and Financial Liabilities (Amendments to IAS 32)

This interpretation deals with clarification of certain aspects concerning the requirements for offsetting financial assets and financial liabilities.

The effective date of the amendment is for years beginning on or after January 01, 2014. The entity expects to adopt the amendment for the first time in the 2015 annual financial statements. It is unlikely that the amendment will have a material impact on the company's annual financial statements.

IFRS 10, IFRS 12 and IAS 27 – Investment Entities

The amendments define an investment entity and introduce an exception to consolidating particular subsidiaries for investment entities. These amendments require an investment entity to measure those subsidiaries at fair value through profit or loss in accordance with IFRS 9 Financial Instruments in its consolidated and separate annual financial statements. The amendments also introduce new disclosure requirements for investment entities in IFRS 12 and IAS 27.

The effective date of the amendments is for years beginning on or after January 01, 2014. The entity expects to adopt the amendments for the first time in the 2015 annual financial statements. It is unlikely that the amendment will impact the entity's annual financial statements as it is not an investment entity.

3. Adoption of Standards in the Current Financial Year

The following new standard was adopted by the BIUST during the year.

The following new standards, amendments and interpretations to existing standards are mandatory for the BIUST's accounting periods beginning on or after 1 January 2011. These have been adopted by the BIUST during the year.

Adoption of Standards in the Current Financial Year (continued)

IAS 1 (Amendment), Presentation of financial statements: Clarification of the disclosure requirements for comparative information when an entity provides a third balance sheet either: as required by IAS 8, 'Accounting policies, changes in accounting estimates and errors'; or voluntarily. (effective from 1 January 2013).

IFRS 7, (Amendment), Financial Instruments, Disclosures: Joint requirements with FASB to enhance current off-setting disclosures (effective from 1 January 2013).

IFRS 9, Financial Instruments: 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 2013).

IFRS 9, 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 2013).

IFRS 13 (New Standard) Fair Value Measurement: Improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs (effective from 1 January 2013).

IAS 16 (Amendment), Property, Plant and Equipment: Clarification of spare parts and servicing equipment are classified as property, plant and equipment rather than inventory when they meet the definition of property, plant and equipment. (effective from 1 January 2013).

IAS 19, (Amendment), Employee Benefits: Recognition and measurement of defined benefit pension expense and termination benefits and to the disclosures for all employee benefits (effective from 1 January 2013).

IAS 32 (Amendment), Financial instruments, Presentation: Clarification of the treatment of income tax relating to distributions and transaction costs. (effective from 1 January 2013).

New and Amended Standards Applicable to the Current Period but Not Relevant to BIUST

Management assessed the relevance of the following new standards, amendments and interpretations with respect to BIUST's operations and concluded that they are not relevant to BIUST.

IFRS 1, (Amendment), First time adoption of International Financial Reporting Standards: Limited exemption from comparative IFRS 7 disclosures for first time adopters (effective from 1 July 2010).

IFRS 1, (Amendment), First time adoption of International Financial Reporting Standards (effective from 1 January 2011).

IFRS 10, (New Standard), Consolidated Financial Statements, super ceding IAS 27 (effective from 1 January 2013).

IFRS 11 (New Standard), Joint Arrangements, super cedes IAS31 (effective from 1 January 2013).

IFRS 12 (New Standard), Disclosure of Interests in Other Entities (effective from 1 January 2013).

IFRIC 13, (Amendment), Customer Loyalty Programmes: Fair value of award credits (effective from 1 January 2011).

IFRIC 14, (Amendment), Pre-payment of a Minimum Funding Requirement (effective from 1 January 2011).

Botswana International University of Science & Technology

NOTES TO THE FINANCIAL STATEMENT

For the year ended 31 March 2014

IFRIC 19, Extinguishing Financial Liabilities with Equity Instruments (effective from 1 July 2010).

IFRIC 20, Stripping Costs in the Production Phase of a Surface Mine (effective from 1 January 2013).

IAS 34, (Amendment), Interim Financial Reporting: Significant event and transactions (effective from 1 January 2011).

5. Adoption of Standards in Future Financial Periods

The following new standards, amendments and interpretations to existing standards are mandatory for the BIUST's accounting periods beginning on or after 1 July 2011. These have not been early adopted by the BIUST.

New standards, amendments and interpretations which are relevant to the BIUST's operations
IFRS 9, Financial Instruments: Replacement of IAS 39 (effective from 1 January 2015).

IAS 32, (Amendment), Financial Instruments, Presentation: Clarification of some of the requirements for offsetting financial assets and liabilities on the statement of financial position. (effective from 1 January 2014).

BIUST is currently assessing the impact of the application of these new standards, amendments and interpretations on BIUST's financial statements in the period of initial application. At this time, the adoption of these standards and interpretations is only expected to have an impact on the classification and disclosure of items in BIUST's financial statements.

B) New Standards, Amendments and Interpretations which are not relevant to the BIUST's Operations

Management assessed the relevance of the following new standards, amendments and interpretations with respect to the BIUST operations and concluded that they are not relevant to the BIUST.

IAS 12, (Amendment), Income Taxes: Deferred Tax (effective from 1 January 2012).

IAS 27, (Amendment), Consolidated and Separate Financial Statements (effective from 1 January 2013)

IFRS 1, (Amendment), First time adoption of International Financial Reporting Standards: First time adoption on government loans (effective from 1 January 2013).

IFRS 1, (Amendment), First Time Adoption of International Financial Reporting Standards: First time adoption on hyperinflation and fixed dates (effective from 1 July 2011).

IFRS 1, (Amendment), First Time Adoption of International Financial Reporting Standards: Application of more than once under certain circumstances, clarification of adoption of IAS 23 (effective from 1 January 2013).

IFRS 10, Consolidated Financial Statements: Identify the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements (effective from 1 January 2013).

IFRS 11, Joint Arrangements: Provides for a more realistic reflection of joint arrangements by focusing on the rights and obligations of the arrangement, rather than its legal form (effective from 1 January 2013).

IFRS 12, Disclosures of Interests in Other Entities: Disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off balance sheet vehicles (effective from 1 January 2013).

IFRIC 20, Stripping costs in the production phase of a surface mine (effective from 1 January 2013)

IAS 28, (Revised 2011), Associates and Joint Ventures: Requirements for joint ventures, as well as associates, to be equity accounted following the issue of IFRS 11 (effective from 1 January 2013).

IAS 34, (Amendment), Interim Financial Reporting: Bringing IAS 34 into line with the requirements of IFRS 8, 'Operating segments' (effective from 1 January 2013).

IFRIC 14, (Amendment), Pre-payment of a Minimum Funding Requirement (effective from 1 January 2011).

2 Property, Plant and Equipment

Property, plant and equipment are included at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to BIUST and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred. Depreciation is calculated using the straight-line method to allocate the cost of each asset to their residual values over their estimated useful lives as follows:

Botswana International University of Science & Technology

NOTES TO THE FINANCIAL STATEMENT

For the year ended 31 March 2014

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the income statement.

3 Capital Work-in-Progress

Properties in the course of construction for administrative purpose are carried at cost less any identified impairment loss. When the properties are ready for use and completion certificate has been issued, they are transferred to property, plant and equipment. Depreciation is not charged when properties are still under construction.

4 Impairment of Non-financial Assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

5 Intangible Assets

Computer Software

Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Purchase costs that are directly attributable software products controlled by BIUST are recognised as intangible assets when the following criteria are met:

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

Directly attributable costs that are capitalised as part of the software product include the software purchase costs. Other development expenditures that do not meet these criteria are recognised as an expense as incurred.

Computer software costs recognised as assets are amortised over their estimated useful lives, which do not exceed five years.

6 Subvention and Other Receivables

Subvention and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of subvention and other receivables are established when there is objective evidence that BIUST will not be able to collect all amounts due according to the original terms of receivables.

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 subvention and other receivables are impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in the statement of comprehensive income.

When a subvention and other receivables are uncollectible, it is written off against the allowance account for receivables. Subsequent recoveries of amounts previously written off are credited as other income in the statement of comprehensive income.

7 Prepayments

Prepaid expenses are recognised on time proportion basis. Payments made during the current year for expenses in respect of the succeeding year are deferred as prepaid expenses and are carried on the statement of financial position.

8 Capital Grants

Capital grants comprise grants received from the Government of Botswana to be utilised towards capital expenditure. Funds received are credited to capital funds and the related assets are capitalised. All other capital expenditure is financed through the annual subvention from the Government of Botswana. Assets acquired from subvention are capitalised and an equivalent amount is transferred to capital grants. An amount equal to the depreciation charge of the fixed assets funded by the capital grants is recognised as income (amortisation) in the statement of comprehensive income. Subsequent movement of fixed assets in terms of sale and impairment are treated accordingly in the capital grants.

9 Cash and Cash Equivalents

In the statement of cash flows, cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

10 Trade Payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operation from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the operation if longer). If not, they are presented as non-current liabilities.

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

11 Provisions

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

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

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

12 Income Taxes

BIUST is exempt from income tax under the Income Tax Act in Botswana.

13 Revenue Recognition

1. Government Subventions

Government subventions are recognised at their fair value where there is a reasonable assurance that the subventions will be received and BIUST will comply with all attached conditions.

Subventions relating to costs are deferred and recognised in the statement of comprehensive income over the period necessary to match them with the costs they are intended to compensate.

Interest Income

Interest income is recognised on a time proportion basis, taking account of the principal outstanding and the effective rate over the period to maturity when it is determined that such income will accrue to BIUST.

Financial Assets

2.14.1 Classification

BIUST classifies its financial assets into the following categories: at fair value through profit or loss, loans and receivables, and available for sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition and re-evaluates this designation at each reporting date.

Financial Assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. 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. Assets in this category are classified as current assets if expected to be settled within 12 months; otherwise, they are classified as non-current.

(b) Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets. BIUST's loans and receivables comprise 'subventions and other receivables' and cash and cash equivalents in the statement of financial position (Note 2.6 and 2.9).

(c) 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 the investment matures or management intends to dispose of it within 12 months of the end of the reporting period.

2.14.2 Recognition and Measurement

Regular purchases and sales of financial assets are recognised on the trade date the date on which the BIUST commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the statement of comprehensive income. Financial assets are derecognised when the rights to receive cash flows from the

Botswana International University of Science & Technology

NOTES TO THE FINANCIAL STATEMENT

For the year ended 31 March 2014

transferred substantially all risks and rewards of ownership. Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables are carried at amortised cost using the effective interest method.

Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the income statement within 'other (losses)/gains – net' in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognised in the income statement as part of other income when the BIUST's right to receive payments is established.

Changes in the fair value of monetary and non-monetary securities classified as available-for-sale are recognised in other comprehensive income.

When securities classified as available for sale are sold or impaired, the accumulated fair value adjustments recognised in equity are included in the income statement as 'gains and losses from investment securities'.

Interest on available-for-sale securities calculated using the effective interest method is recognised in the statement of comprehensive income as part of other income. Dividends on available-for-sale equity instruments are recognised in the income statement as part of other income when the BIUST's right to receive payments is established.

There were no financial assets categorised as fair value through profit or loss or available for sale assets at the statement of financial position date.

2.14.3 Off-setting Financial Instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

Impairment of Financial Assets

(a) Assets Carried at Amortised Cost

BIUST 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. Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation, and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

For loans and receivables category, 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 the income statement. 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, BIUST 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 the income statement.

(b) Assets Classified as Available for Sale

BIUST assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. For debt securities, BIUST uses the criteria referred to in (a) above. 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 also evidence that the assets are impaired. If any such evidence exists 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 recognised in the income statement on equity instruments are not reversed through the income statement. If, in a subsequent period, the fair value of a debt instrument classified as available for sale increases 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 the income statement.

There were no financial assets categorised as fair value through profit or available for sales assets as the reporting date.

15 Related Parties

Related parties comprise the Government, members of the University Council and Senior Management. Transactions with related parties were in the normal course of operations.

Employee Benefits

For employees BIUST pays gratuity in accordance with the respective contracts of employment. These costs are recognised as part of the staff costs in the statement of comprehensive income.

Employee entitlements to annual leave, bonuses, medical aid, housing benefits and severance benefits are recognised when they accrue to employees and an accrual is made for the estimated liability as a result of services rendered by the employee up to the reporting date.

Botswana International University of Science & Technology

NOTES TO THE FINANCIAL STATEMENT

For the year ended 31 March 2014

Foreign Currency Translation

2.17.1 Functional and Presentation Currency

Items included in the financial statements of BIUST are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Botswana Pula, which is BIUST's functional and presentation currency.

2.17.2 Transactions and Balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

3 Financial Risk Management

3.1 Financial Risk Factors

BIUST's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, and price risk), credit risk and liquidity risk. BIUST's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on BIUST's financial performance. Risk management is carried out under policies approved by the management.

(a) Market Risk

(i) Foreign Currency Risk

Foreign currency risk is managed by the finance function. Its objective is to minimise losses arising from BIUST's exposure to various currencies by attempting to match foreign currency denominated current liabilities against current assets of similar currencies to the extent possible.

In the normal course of operation, BIUST enters into transactions denominated in foreign currencies and is exposed to foreign exchange risk arising from various currency exposures. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities. There was no significant impact on the deficit for the year due to fluctuation in foreign currency exchange rate with respect of Botswana Pula.

(ii) Cash flow and Fair Value Interest Rate Risk

Interest rate risk is managed by the finance function. Its objective is to minimise the cost of financing through the placement of temporary excess funds in high yielding money market investments and cash deposits.

BIUST's interest rate risk arises from short-term deposits and its investment in money market. Short-term deposits and the investment in money market obtained at variable rates expose BIUST to cash flow interest rate risk.

BIUST analyses its interest rate exposure. BIUST calculates the impact on profit and loss of a defined interest rate shift. For each simulation, the same interest rate shift is used.

At 31 March 2014, if interest rates on interest-bearing assets had been 0.5% higher/lower with all other variables held constant, deficit for the year would have been P 373, 584 (2013: P 255,635) higher/lower, mainly as result of higher/lower interest income on interest-bearing assets.

3.1 Financial Risk Factors (continued)

(iii) Price Risk

BIUST is not exposed to other price risks such as equity price risk, commodity price risk, prepayment risk, and residual value risk.

(b) Credit Risk

Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables and committed transactions. If customers are independently rated, these ratings are used.

Refer Note 13 for disclosure on credit risk. No credit limits were exceeded during the reporting period.

(c) Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions.

Surplus cash is invested in interest bearing accounts, time deposits, and money market deposits, choosing instruments with appropriate maturities or sufficient liquidity to provide maximum benefit to BIUST.

BIUST's financial liabilities as given in the table below consist of accounts payable with a maturity period of less than 12 months from the reporting date. The analysis of financial liabilities into relevant maturity groupings are 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. Balances due within 12 months equal their carrying amounts as the impact of discounting is not significant.

Botswana International University of Science & Technology

NOTES TO THE FINANCIAL STATEMENT

For the year ended 31 March 2014

	Less than six months	Between six and twelve months	More than a year
	P	P	P
At 31 March 2014			
Trade and other payables (Note 16)	42 114 666	-	-
Retention payable (Note 15)	-	11 207 389	-
	Less than six months	Between six and twelve months	More than a year
	P	P	P
At 31 March 2013			
Trade and other payables (Note 16)	21 875 059	-	-
Retention payable (Note 15)	-	9 064 607	-

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

4.1 Critical Accounting Estimates and Assumptions

BIUST makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within financial year are discussed below.

Residual Value and Useful lives of Property, Plant and Equipment

BIUST follows the guidance of IAS16 (revised) and determines the residual values and useful lives of assets at each report date. This determination requires significant judgement. In making this judgement the management evaluates amongst other factors, the purpose for which the respective asset is acquired, market conditions at the reporting date and the practice adopted by similar organisation.

3.2 Capital Management

BIUST's objectives when managing capital are to safeguard the BIUST's ability to continue as a going concern and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. BIUST is funded by Government of Botswana.

3.3 BIUST does not monitor capital on the basis of the gearing ratio.

Fair Value Estimation of Financial Instruments

IFRS 7 (amendment) for financial instruments that are measured in the statement of financial position at fair value requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).

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

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

There are no financial assets classified as fair value through profit or loss at the reporting date.

Botswana International University of Science & Technology

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

For the year ended 31 March 2014

	2014 P	2013 P
5 Government Subventions		
Government subventions received	-	127 088 000
Transferred to capital grants (Note 14)	-	(7 415 545)
	-	119 672 455
6 Staff costs		
Gratuities and severance	14 788 064	6 702 601
Leave pay	4 647 840	2 064 098
Medical aid contribution	1 394 297	695 507
Salaries and wages	53 506 321	27 658 817
Staff training	2 043 050	-
Other staff benefits	897 597	1 523 501
	77 277 169	38 644 524
7 Other operating expenses		
Administrative expenses	30 309 290	14 002 335
Amortisation of intangible assets	1 349 933	751 519
Depreciation	8 050 750	2 234 733
Travelling and accommodation expenses	6 752 756	988 430
Other expenses	15 324 887	7 273 137
	61 787 616	25 250 154
8 Finance income		
Interest received - bank	6 243 811	6 193 565

Botswana International University of Science & Technology

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

For the year ended 31 March 2014

9 Intangible asset

Year ended 31 March 2013

Opening net book amount

Additions

Amortisation charge

Closing net book amount

At 31 March 2013

Cost

Accumulated amortisation

Net book amount

Year ended 31 March 2014

Opening net book amount

Additions

Transfers to property, plant and equipment (note 10)

Amortisation charge

Closing net book amount

At 31 March 2014

Cost

Accumulated amortisation

Net book amount

	Computer Software P	Total P
Opening net book amount	1 340 666	1 340 666
Additions	1 029 511	1 029 511
Amortisation charge	(751 519)	(751 519)
Closing net book amount	1 618 658	1 618 658
At 31 March 2013		
Cost	4 342 952	4 342 952
Accumulated amortisation	(2 724 294)	(2 724 294)
Net book amount	1 618 658	1 618 658
Year ended 31 March 2014		
Opening net book amount	1 618 658	1 618 658
Additions	884 323	884 323
Transfers to property, plant and equipment (note 10)	(243 920)	(243 920)
Amortisation charge	(1 349 933)	(1 349 933)
Closing net book amount	909 128	909 128
At 31 March 2014		
Cost	4 983 356	4 983 356
Accumulated amortisation	(4 074 228)	(4 074 228)
Net book amount	909 128	909 128

Botswana International University of Science

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

For the year ended 31 March 2014

10 Property, plant and equipment

	Land	Buildings	Work in progress	Motor vehicles	Computer equipment	Furniture	Office equipment and Audio-visual	Laboratory equipment and Other	Domestic furniture and fittings	Library Books	Total
	P	P	P	P	P	P	P	P	P		P
Year ended 31 March 2013											
Opening net book amount	-	666 455	417 770 132	1 311 487	309 812	820 505	-	-	50 192	-	420 928 583
Additions	-	8 483 440	23 864 547	-	3 976 516	3 279 831	-	7 032 379	21 987	-	46 658 700
Disposals	-	-	-	(495 000)	-	-	-	-	-	-	(495 000)
Depreciation on disposals	-	-	-	306 075	-	-	-	-	-	-	306 075
Depreciation	-	(28 221)	-	(256 035)	(714 308)	(677 322)	-	(486 668)	(72 179)	-	(2 234 733)
Closing net book amount	-	9 121 674	441 634 679	866 527	3 572 020	3 423 014	-	6 545 711	-	-	465 163 625
At 31 March 2013											
Cost	-	9 187 441	441 634 679	2 541 242	6 885 608	4 543 082	-	7 032 379	1 068 798	-	472 893 229
Accumulated depreciation	-	(65 767)	-	(1 674 715)	(3 313 588)	(1 120 068)	-	(486 668)	(1 068 798)	-	(7 729 604)
Net book amount	-	9 121 674	441 634 679	866 527	3 572 020	3 423 014	-	6 545 711	-	-	465 163 625
Year ended 31 March 2014											
Opening net book amount	-	9 121 674	441 634 679	866 527	3 572 020	3 423 014	-	6 545 711	-	-	465 163 625
Additions	-	257 807	39 706 740	3 278 253	3 379 979	1 634 054	2 553 700	8 907 292	2 092 701	2 949 844	64 760 370
Disposals	-	-	-	-	-	-	-	-	(443 574)	-	(443 574)
Land received on grant	1 496 810	-	-	-	-	-	-	-	-	-	1 496 810
Capitalisation of work in progress	-	441 191 336	(441 191 336)	-	-	-	-	-	-	-	-
Re-classification	-	-	(443 343)	-	-	(695 295)	1 138 638	-	-	-	-
Re-classification from intangible assets (note 9)	-	-	-	-	-	243 920	-	-	-	-	243 920
Depreciation on disposals	-	-	-	-	-	-	-	-	443 574	-	443 574
Depreciation	-	(2 373 223)	-	(225 947)	(1 713 252)	(24 601)	(569 710)	(2 010 154)	(322 655)	(811 208)	(8 050 749)
Closing net book amount	1 496 810	448 197 594	39 706 740	3 918 833	5 238 747	4 581 092	3 122 628	13 442 849	1 776 046	2 138 636	523 613 975
At 31 March 2014											
Cost	1 496 810	450 636 584	39 706 740	5 819 496	10 265 586	5 703 314	3 714 785	15 939 672	2 717 925	2 949 843	538 950 755
Accumulated depreciation	-	(2 438 990)	-	(1 900 663)	(5 026 839)	(1 122 222)	(592 157)	(2 496 823)	(947 879)	(811 207)	(15 336 780)
Net book amount	1 496 810	448 197 594	39 706 740	3 918 833	5 238 747	4 581 092	3 122 628	13 442 849	1 770 046	2 138 636	523 613 975

Botswana International University of Science & Technology

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

For the year ended 31 March 2014

	2014 P	2013 P
11 Other receivables		-00
Prepayments, advances and deposits	18 503 689	3 641 877
Other receivables	14 613 911	43 967
	33 117 600	3 685 844
The fair values of other receivables are as follows:		
Prepayments, advances and deposits	18 503 689	3 641 877
Capital grants receivable	14 613 911	43 967
Other receivables	33 117 600	3 685 844

The other classes within trade and other receivables do not contain impaired assets.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable mentioned above. BIUST does not hold any collateral as security.

	2014 P	2013 P
12 Cash and cash equivalents		
Cash at bank	103 414 544	180 051 487

For the purpose of the cash flow statement, the year end cash and cash equivalents comprise the following:

	2014 P	2013 P
Cash at bank	103 414 544	180 051 487

Botswana International University of Science & Technology

NOTES TO THE ANNUAL FINANCIAL STATEMENT

For the year ended 31 March 2014

13 Analyses of financial instruments

(a) Financial instruments by category

The accounting policies for financial instruments -

Loans and receivables:

Assets as per the statement of financial position

Other receivables - excluding prepayments (Note 11)

Cash and cash equivalents (Note 12)

Financial liabilities:

Liabilities as per statement of financial position

Retention payable (Note 15)

Trade and other payables (Note 16)

2014	2013
P	P
32 059 595	240 131
103 414 544	180 051 487
135 474 139	180 291 618
11 207 387	9 064 607
42 114 667	21 875 059
53 322 054	30 939 666

13 Analyses of financial instruments (continued)

(b) Credit quality of financial assets

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to historical information about counterparty default rates:

Cash at bank and short-term bank deposits		2014	2013
		P	P
Cash on hand		8 500	5 026
First National Bank of Botswana Limited	Not rated	9 570 766	18 882 452
BancABC	Not rated	26 216 097	58 001 226
Money markets	Not rated	40 288 039	10 241 630
Stanbic Bank Botswana Limited	Not rated	1 163 518	31 191 927
Bank Gaborone Botswana Limited	Not rated	26 167 624	61 729 226
		103 414 544	180 051 487

BIUST only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party. BIUST has deposits with First National Bank of Botswana Limited, STANLIB, Stanbic Bank Botswana Limited, Bank Gaborone Botswana Limited and BancABC. There are no credit ratings available in Botswana.

First National Bank of Botswana Limited is listed on the Botswana Stock Exchange and is a subsidiary of First Rand Holdings Limited, a company listed on the Johannesburg Stock Exchange.

BancABC is a subsidiary of ABC Holdings. BancABC has its primary listing on the Botswana Stock Exchange and a secondary listing on the Zimbabwe Stock Exchange. Bank Gaborone and Stanbic Bank are unlisted registered banks while STANLIB is a subsidiary of Stanbic Bank.

None of the financial assets that are fully performing have been renegotiated during the year.

Botswana International University of Science & Technology
NOTES TO THE ANNUAL FINANCIAL STATEMENT

For the year ended 31 March 2014

14 Capital Grants

	2014 P	2013 P
Balance at beginning of year	505 596 325	432 269 249
Grants received	-	37 839 824
Value of land received (note 14)	1 496 810	-
Transfer from subvention (Note 5)	100 000 000	7 415 545
Amortisation of capital grants	(9 400 682)	(1 632 195)
	597 692 452	475 892 423
Grant received - Not spent during the year	-	29 703 902
Balance at end of year	597 692 452	505 596 325

Botswana International University of Science & Technology

NOTES TO THE ANNUAL FINANCIAL STATEMENT

For the year ended 31 March 2014

15 Retention payable	2014	2013
		P
Balance at beginning of year	9 064 608	13 867 361
Retention during the year	2 142 778	4 802 755)
Balance at end of year	11 207 386	9 064 607

Retention payable is recognised initially at fair value and subsequently measured at amortised cost using

16 Trade and other payables	2014	2013
	P	P
Accruals and other payables	23 503 489	13 496 676
Provisions (Note 16.1)	18 611 178	8 378 383
	42 114 667	21 875 059
16.1 Provision	Graduity	Leave Pay
	P	P
As at 1 April 2013	5 793 972	2 584 411
Provision for the year	17 281 881	4 868 527
Pavment during the year	(10 496 065)	(1 421 548)
As at 31 March 2014	12 579 788	6 031 390
		Total
		P
		8 378 383
		22 150 408
		(11 917 613)
		18 611 178

17 Cash flows from operating activities	2014	2013
	P	P
Operating (deficit) / surplus	(110 186 691)	64 909 484
Adjustments for:		
Depreciation on property, plant and equipment (Note 10)	8 050 750	2 234 733
Amortisation of intangible asset (Note 9)	1 349 933	751 519
Amortisation of capital grant (Note 14)	(9 400 683)	(1 632 195)
Loss/(Profit) on disposal of property, plant and equipment	(171 985)	(102 077)
Transferred to capital grants	-	7 415 545
Changes in working capital:		
Other receivables	(29 431 755)	42 294 168
Retention payable	2 142 779	(7 427 984)
Trade and other payables	20 239 608	(5 858 777)
Cash (utilised in) generated from operations	(117 408 045)	102 584 416

Botswana International University of Science & Technology

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

For the year ended 31 March 2014

18 Related party transactions

All transactions with related parties are carried out during the normal course of the University's operations.

The following transactions were carried out with related parties.

	2014 P	2013 P
Senior management salaries and allowances	3 854 197	4 377 808
Council Expenses	402 693	235 497
Government of Botswana - subventions received	-	127 088 000
Government of Botswana - capital grants received	100 000 000	67 543 726

Senior management salaries and allowances includes payments made to the Vice Chancellor, Deputy Vice Chancellors.

19 Contingent liabilities

The University Council and Management confirmed that there were no material contingent liabilities outstanding as at 31 March 2014.

20 Commitments

Capital expenditure approved and contracted by the University as at the reporting date is as follows:

	2014 P	2013 P
Laboratory equipment	21 027 264	1 275 547
Back-up Generator Oodi	-	4 934 152
	<u>21 027 264</u>	<u>6 209 699</u>

Capital expenditure contracted for at the end of the reporting period but not yet incurred is as follows:

	2014 P	2013 P
	-	-
	<u>-</u>	<u>-</u>

Capital expenditure is funded by subventions and grants from the Government of Botswana.

Botswana International University of Science & Technology

NOTES TO THE ANNUAL FINANCIAL STATEMENT

For the year ended 31 March 2014

21 Event after the reporting date

BIUST campus in Palapye was handed over on 27 March 2013. The contractor has instituted arbitration proceedings on the project for approximately P44million.

22 Expenses by nature

The following items have been charged in arriving at (deficit) / surplus for the year:

	2014 P	2013 P
Advertising	4 023 763	2 821 315
Auditors' remuneration	212,072	478 560
Amortisation of intangible asset (Note 9)	1 349 933	751 519
Books and Publications	3 947 796	406 901
Computer consumables	424 366	384 970
Consultancy fees	5 738 372	2 400 504
Depreciation of property, plant and equipment (Note 10)	8 050 750	2 234 733
Insurance	1 208 838	705 506
Laboratory Expenses	2 639 083	3 140 749
Legal and professional fees	65 269	55 776
Council Expenses (Note 18)	402 693	235 497
Petrol, Oil and Lubricants	684 806	202 565
Postal and telephone charges	3 892 416	2 276 610
Recruitment fees	6 076 049	2 278 479
Remuneration paid to senior management (Note 18)	3 854 197	4 377 808
Other staff costs	73 422 972	34 266 716
Other expenses	23 071 410	6 876 469
Total staff and other operating expenses	139 064 785	63 894 677
23 Other Income		
Late Registration Fees	600	1 100
Application Fees	422 080	311 075
Identity Card Fees	10 560	16 030
Student Resident Fees-General	168 410	11 620
Rent Receivable- Institutional	158 436	-
Reimbursements of books and kits	2 607 726	-
Miscellaneous Income	2 067 000	85 074
	5 434 812	424 899

Botswana International University of Science & Technology

DETAILED INCOME STATEMENTS

For the year ended 31 March 2014

	2014 P	2013 P
Government subvention	-	127 088 000
Tuition fees	14 042 599	7 074 612
Transferred to capital grants	-	(7 415 545)
	14 042 599	126 747 067
Amortisation of capital grants	9 400 683	1 632 195
Gross operating income	23 443 282	128 379 262
Other income	11 678 623	6 618 464
Operating expenses		
Advertising	4 023 763	2 821 315
Amortisation of software	1 349 933	751 519
Auditors' remuneration	212 072	478 560
Bank charges	207 929	328 217
Books and Publications	3 947 796	406 901
Computer consumables	424 366	384 970
Consultancy fees	5 738 372	2 400 504
Depreciation	8 050 750	2 234 733
Donations	43 100	13 158
Electricity and water	3 204 667	4 887
General expenses	6 612 303	3 144 597
Insurance	1 208 838	705 506
Laboratory Expenses	2 639 083	3 140 749
Legal and professional fees	65 269	55 776
Loss/(Gain) on disposal of fixed assets	-	37 349
Council Expenses	402 693	235 497
Postal and telephone charges	3 892 416	2 276 610

Continues to next page >>

Petrol and oil Lubricants	684 806	202 565
Rental	52 004	-
Printing and stationery	2 097 650	1 347 932
Recruitment fees	6 076 049	2 278 479
Repairs and maintenance	490 074	224 883
Security	1 528 322	256 634
Staff costs	75 234 120	38 644 524
Staff training	2 043 050	-
Travelling expenses	6 752 756	988 430
Workshops, conferences and seminars	2 082 606	530 382
	139 064 785	63 894 677
(Deficit) / surplus for the year	(103 942 880)	71 103 049

"This detailed income statement does not form part of the audited financial statements covered by the audit opinion on pages 4-5"



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