



20 | ANNUAL 15/16 | REPORT



VISION

To be premier research-based university of science, engineering & technology internationally recognised for the quality and excellence of its teaching and learning; research and innovation and engagement.

MISSION

Produce world class research and innovation in science, engineering and technology contributing to industry growth and development and advancement of a diversified knowledge-based economy.

Produce tomorrow's leaders in industry and society through the provision of relevant, innovative, quality research intensive education of an international standard.

Promote community, national, regional and international development through the transfer of the University's knowledge and the provision of its skills and expertise

VALUES

Innovation
Sincerity & Trust
Equality & Diversity
High Performance & Quality
Quest for Knowledge & Understanding

STRATEGIC THEMES

Engagement for Development
High Performance Driven by
Cutting Edge Institutional Capability
Research & Innovation Excellence
Academic Quality & Student Reputation

Contents

INTRODUCTION

1		Message from the Council Chairperson	3
2		Mandate of the University and Strategic Intent	4
2.1		Mandate	4
2.2		Strategic Intent	4
3		Performance Highlights	6

GOVERNANCE

4		University Governance and Management	8
4.1		Council Role and Responsibilities	8
4.2		Council Committees	8
4.3		Council Members	8
4.4		Senate	10
4.5		Executive Management Team	12
4.6		Senior Management Team	13
4.7		Student Governance	14
5		Vice Chancellor's Report	16
5.1		Foreword	16
5.2		Academic Quality and Student Reputation	18
5.3		Research and Innovation Excellence	22
5.4		Engagement for Development	25
5.5		Quality Service Delivery	29



Introduction

Message from the Council Chairperson	3
Mandate of the University and Strategic Intent	4
Mandate	4
Strategic Intent	4
Performance Highlights	6

“ I am pleased to present the Annual Report on behalf of the Botswana International University of Science and Technology (BIUST) to the Minister of Education and Skills Development ”.

Council Chairman's Message

On behalf of the University I am pleased to present to the Minister the Annual Report for the year, 1st April 2015-March 31st 2016. The Report was prepared under the Council's direction to comply with the provisions of Section 20 of the BIUST Act (2005). The Council has a statutory responsibility for the management and administration of the revenue and property of the University as well as an overall governance level responsibility for the University and its affairs, purposes and functions.

The purpose of the Report is to inform the Shareholder (Government of Botswana) and the public how the Council has discharged its responsibilities and to provide a comprehensive overview of the performance of the University and a full and audited disclosure of the end of year financial results.

In line with the requirements of the King Report III on Corporate Governance the preparation of the report has adopted an integrated approach to reporting and disclosure so as to provide meaningful information to the Shareholder and stakeholders. The financial information included in the report has been provided in accordance with International Financial Reporting Standards (IFRS) with assurance of the Annual Financial Statements being attested to by the University External Auditors.

The responsibility for the integrity of this report is for the Council, which can confirm that the report fairly represents the performance of the University. The Members of Council have collectively reviewed the content of the report and believe it has taken into consideration all material and fiscal disclosures and implications of which the University is aware.

It is on this basis, that on behalf of the University Council I commend this Annual Report of the activities of the University during 2015/16 to the Minister and for it to be made available to the public in accordance with section 20 of the BIUST Act.



Bernard Bolele
Council Chairman.
September 2016



It is on this basis, that on behalf of the University Council I commend this Annual Report of the activities of the University during 2015/16 to the Minister and for it to be made available to the public in accordance with section 20 of the BIUST Act.

MANDATE OF THE UNIVERSITY AND STRATEGIC INTENT

University Mandate

The mandate of the Botswana International University of Science and Technology (BIUST) is to provide teaching and learning up to doctoral level in the disciplines of science, engineering and technology with a core engagement in basic and applied research.

The mandate of BIUST is discharged through the following objectives and powers as set out in the BIUST Act of 2005 (CAP 57:05):

(1) The objectives of the University are:-

- a) To provide higher education and training;
- (b) To undertake, promote and facilitate research and scholarly investigation;
- (c) To advance and disseminate knowledge and skills through teaching, learning and practical skills training;
- (d) To contribute to national and international scientific and technological development;
- (e) To support and contribute to the realisation of national economic and social development;
- (f) To contribute to the cultural and social life of the community; and
- (g) To advance the intellectual and human resource capacity of the international community.

(2) Without prejudice to the generality of subsection (1), the University shall have the power to-

- (a) Provide programmes and courses of study, conduct examinations and other methods of assessment, and award degrees and other qualifications;
- (b) Establish relationships and collaborate with other persons or bodies, or other institutions of learning, higher education, training or

research, within or outside Botswana, upon such terms as may be provided in the Statutes;

(c) Establish or participate in the establishment of such commercial, trading, research or other corporations as may be deemed necessary in the discharge of its functions;

(d) Collaborate with such business, professional, cultural, social or other interests, within and outside Botswana, as may be deemed necessary in the discharge of its functions;

(e) Collaborate with alumni and associations of alumni and graduates of the University;

(f) Procure contributions to the funds of the University, and raise funds in such other manner as the University may deem fit;

(g) Receive and accept donations of money or property, on such terms and conditions as shall not be inconsistent with this Act and the functions of the University.

3. University Strategic Intent

To fulfill its mandate BIUST has set a strategic intent to be a premier university of science and technology which it will address through four strategic priorities as outlined below and which it will fulfill through the strategic goals and objectives as set out in the University Strategic Plan (2016-2022) and the Annual University Operational Plans.

Strategic Priorities

(A): Academic Quality and Student Reputation

A key focus of the University's endeavours will be on its core academic mandate to provide higher education and training and to advance and disseminate knowledge and skills through teaching, learning and practical skills.

(B): Research and Innovation Excellence

The second key focus of the University's endeavours will be its research mission- to undertake, promote and facilitate research and scholarly investigations.

(C): Engagement for Development

The third key focus of the University's endeavours will be its mission of engagement to contribute to national and international scientific and technological development,'- 'to support and contribute to the realisations of national economic and social development,' 'to contribute to the cultural and social life of the community,' and 'to advance the intellectual and human resource capacity of the international community

(D): Quality Service Delivery

Naturally the preceding strategic priorities which are derived directly from the University's mandate and its academic core need to be underpinned by strong institutional capabilities and for the University to function as a high performance organisation.



Campus
2,500
hectares



Current Student
Enrollment **1,700**



Location
Palapye **270km** North
of Gaborone

BIUST at a Glance

PERFORMANCE HIGHLIGHTS 2015/16

Academic Quality and Student Reputation

- Total Student Enrolment 1700 an increase of 13.6% from 2014/15.
- Entire student body enrolled on the University campus in Palapye.
- 1,458 undergraduate students enrolled.
- 242 Postgraduate enrolments.
- 3% International student enrolments.
- Top achiever new intake with 75% obtained 40 points and above in BGCSE and 65% of entering students with 21 points and above in Mathematics and Science subjects.
- Low level (2%) of students excluded on academic grounds.
- High level student success rates of 74% year 1-2; 91% year 2-3 and 98% year 3-4.

Research and Innovation Excellence

College of Engineering and Technology

College of Engineering and Technology staff published 24 referred journal articles, 35 referred conference proceedings and two books/chapters and engaged with post graduate students in the following research areas:

- Waste energy and integrated waste management;
- Conversion of biomass to energy for vehicular application;
- Waste tyre and plastics utilization for fuels and valuable chemicals;
- Modelling Rockburst Intensity;
- Kinematics of combined and 3-Arm Cooperating Parallel Manipulators;
- Real-Time Monitoring of Drinking Water Quality in Botswana Employing Wireless Sensor Networks;
- Development of an Automatic Morama Seed Decorticator;
- Pulsed Power System for Wireless underground Sensor Networks
- Military Drones for Surveillance and Delivery in collaboration with the Botswana Defence Force.

The University through the College of Engineering and Technology hosted the International Conference on Clean Energy for Sustainable Growth in Developing Countries from the 16th to 18th September 2015. The Conference drew participants from various parts of the world, namely, Austria, Botswana, Canada, Ethiopia, Germany, Kenya, Namibia, Nigeria, South Africa, UK, Zambia, and Zimbabwe. Participants included professionals, academics, researchers, industrialists and policy makers engaged in the assessment, design, service provision, mainstreaming and maintenance of clean energy systems.

College of Sciences

College of Sciences published 29 refereed journal articles, six referred conference proceedings and three books/chapter and engaged with post graduate students in the following research areas.

- Hydrological and ecosystem dynamics of long-lived mega-lake system of the Kalahari;
- Environmental and Climatic Change;
- Sedimentological, petrographic and seismic characterization of Mosolotsane formation in the Kalahari Karoo Basin;
- Heavy metal accumulation in sediments of Motloutse River;
- Analysis of deformation monitoring associated with open pit mining;
- Molecular epidemiology of some gastro-viruses in Botswana;
- Insect taxonomy; sustainable management of the diamondback moth (DBM) *Plutella xylostella*;
- Bio mathematical and Bio statistical modeling;
- Quantification and Environmental Impacts of Lead in Southern Botswana shooting ranges;
- Selective Determination and Extraction of Heavy Metals from Biological Samples; Molecular dynamic simulation of liquid mixtures;
- Extraction of Aflatoxin M1 in milk prior to human consumption

The University through the College of Sciences was selected as a partner to host the Square Kilometer Array (SKA) radio telescope and the Earth Observation Data Acquisition Satellite Station for monitoring the environment as part of the Monitoring for Environment and Security in Arica project (MESA).

Engagement for Development

During 2015/16 the University in collaboration with the Australia National University established a relationship aimed at supporting Botswana's efforts in dealing with a long-standing Mathematics and Science performance problem in pre-tertiary public education. The University launched an outreach educational campaign conducting science teacher's capacity building workshops, as well as conducting science circus around the country to students, teachers and the public. The campaign included Gaborone, Jwaneng, Kang, Palapye, Francistown, Selibe-Phikwe, Kasane, Kanye, etc. 28,995 students and 1,025 members of the public participated in the activities and capacity building workshops were held for 242 teachers.

Quality Service Delivery			
Financing	Campus Infrastructure	Staffing	Information & Communications Technology
<p>During 2015/16 the University demonstrated stable financial performance compared to the previous year brought about through tight controls being placed on expenditure. The University was thus able to manage the consequences of a major cut in its general operational budget by the Government. The University had requested a subvention of P482,586,013 for the Financial Year 2015/16. The amount allocated was P127,494,445 which left the University with a Budget Deficit of P355,091,568. Notwithstanding the budget challenge the University staff and students went about their duties and as reported in this Annual Report contributed immensely to the progress of the institution.</p>	<p>Achievements of note in developing the Campus Infrastructure included the construction of:</p> <ul style="list-style-type: none"> • 300 bed student hostel. • 600 student bed spaces. • Four classroom blocks each with a capacity for 300 students. • Three blocks of offices each with a capacity to house 100 academic staff. • Two blocks for student tutorials. • Additional reading and work space for the library. • Two Science laboratories. • One Computer Laboratory. • New College of Science buildings. 	<p>Achievements of note with regards staffing and human resource development included:</p> <ul style="list-style-type: none"> • Total staff complement 343. • Academic Staff 164. • Support Staff 179. • Salary Bill P189 million • Staff pension fund P13.086 million • Staff pension fund members 219 • 13 academic staff enrolled in doctoral programmes. 	<p>Achievements of note in developing the University ICT infrastructure and services included:</p> <ul style="list-style-type: none"> • Set up and installation of three computer laboratories in the College of Sciences each with space for 60 students. • Set up Wi-Fi and internet connectivity in student hostels. • Provision of Local Area Network (LAN) services in academic buildings. • Completion of Network Management and Security Project. • Migration to IP Telephony • Set up and installation of Smart boards.



Honourable Nonofo Molefhi, Minister of Infrastructure Science and Technology Cutting the Square Kilometer Array (SKA) Ribbon.



Governance

| University Governance and Management

Council Role and Responsibilities	8
Council Committees	8
Council Members	8
Senate	10
Executive Management Team	12
Senior Management Team	13
Student Governance	14

| Vice Chancellor's Report

Foreword	16
Academic Quality and Student Reputation	18
Research and Innovation Excellence	22
Engagement for Development	25
Quality Service Delivery	29

UNIVERSITY GOVERNANCE AND MANAGEMENT

4.1 Council Role & Responsibilities

A key objective of the University is to have in place high quality governance structures and capacity which ensures a sound governance system that focuses on strategy, performance, value creation internal controls, quality assurance and risk management. This objective is ensured through the University Council established in terms of Section 9 of the BIUST Act. The Council is the executive body of the University with a primary governance responsibility for policy-making, administration of the University, the planning of its work and the management of its resources.

4.2 Council Committees

The Council discharges its responsibilities through the following Standing Committees which are established by Statute.

- a) Council Audit and Finance Committee.** The Committee is responsible for providing policy guidance and oversight on financial accounting and auditing matters to ensure effective control and stewardship of the University's assets as well as compliance with internal and external audit rules and regulations.
- b) Council Human Resources Committee.** The Committee is responsible for providing policy guidance and oversight to the University on all issues relating to employment and conditions of service.
- c) Council Physical Infrastructure Committee.** The Committee provides policy guidance and oversight on all issues relating to physical infrastructure development.

- d) Council Tender Committee.** The Committee provides policy guidance and oversight on all issues relating to tenders, tender adjudication and awards to procure goods and services.

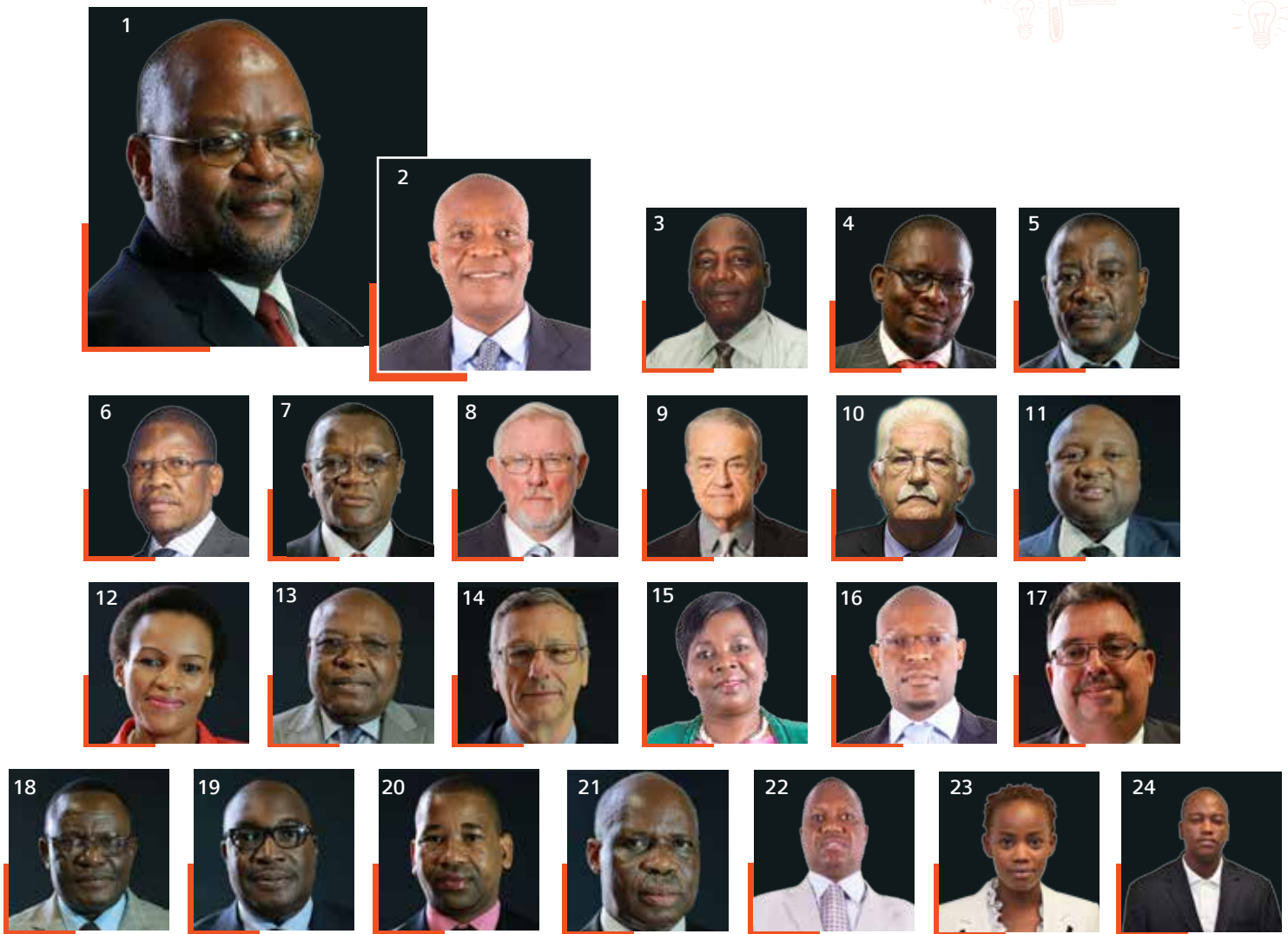
4.3 Council Members

The Membership of the University Council consists of:

- a) The Principal Officers of the University.** These are the Chancellor, the Chairperson and Vice-Chairperson of the University Council, the Vice-Chancellor and Deputy Vice-Chancellors.
- b)** Three public officers appointed by the Minister.
- c)** Seven persons representing the private sector and civil society appointed by the Chancellor.
- d)** Three persons who are not resident in Botswana appointed by the Minister.
- e)** One person elected by former students of the University.
- f)** Three persons elected by Senate, two of whom shall be professors and one a Dean of Faculty.
- g)** One member of the academic staff who is not on Senate elected by the academic staff of the University.
- h)** One member of the support staff elected by the support staff.
- i)** One student elected by the student body of the University.



BIUST Council Members



The members of Council for the reporting year 2015/16 were:

Chairperson

- 1) Mr B. Bolele

Vice Chairperson

- 2) Mr L. B. Sebetela

Chairperson Council Tender Committee

- 3) Dr H. Fidzani

Chairperson Council Audit and Finance Committee

- 4) Mr T. Johnson

Chairperson Council Infrastructure Committee

- 5) Mr J. Mokgosi

Chairperson Council Human Resources Committee

- 6) Mr L. Moahi

Vice Chancellor (since March 1, 2016)

- 7) Professor O. Totolo

Acting Vice Chancellor (until February 28, 2016)

- 8) Professor J. Cooke

Members

- 9) Distinguished Professor D. Signer
10) Mr D. B. Katzke (since February 2016)
11) Mr B. Paya (until January 2016)
12) Ms R. Maphorisa

- 13) Professor S. Toteu
14) Professor P. Berliner
15) Ms O. Butale-Mutloane
16) Mr L. Selolwane
17) Mr S. Coles
18) Professor J. Katende
19) Professor E. Shemang
20) Dr B. Batlokwa
21) Professor T. Oladiran (since December 2015)
22) Mr C. Maruza
23) Ms B. Bohule (since January 2016)
24) Mr K Cain-Mogorosi (until January 2016)

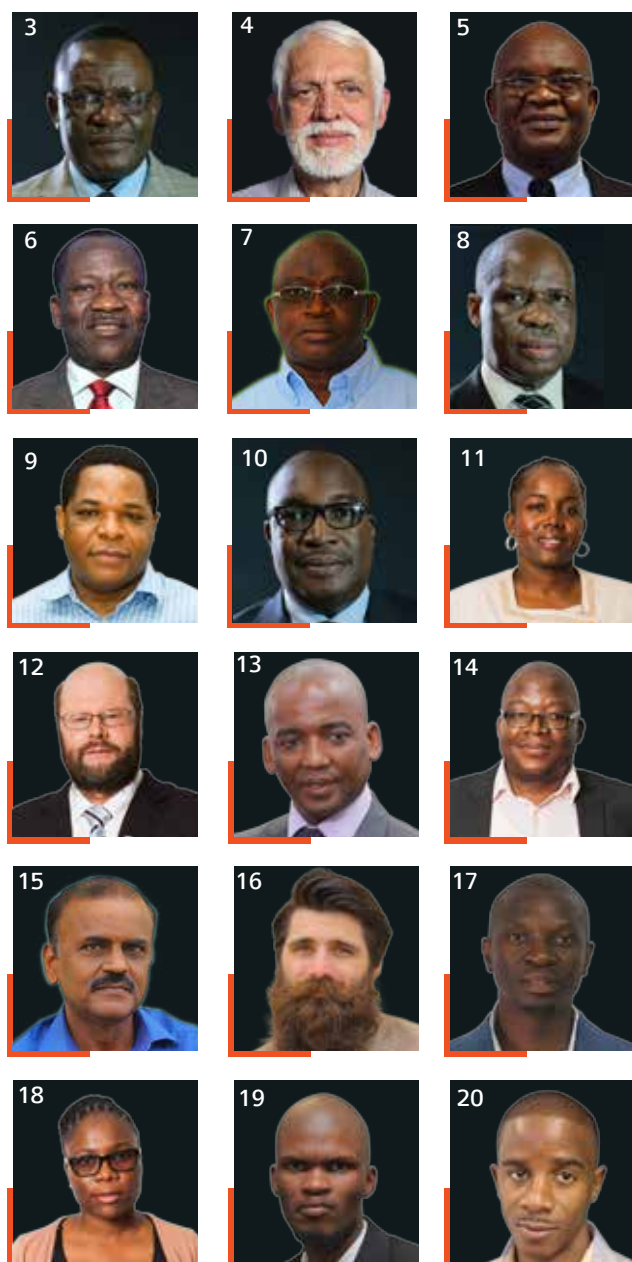
4.4 Senate

As provided for in the BIUST Act there is a Senate which is the highest academic body responsible to the Council. Senate is chaired by the Vice Chancellor with at least nine members drawn from the academic staff. The Act sets out the objectives of Senate which has a delegated responsibility for the academic work of the University, both in teaching and in research, and for the superintendence of the education and discipline of the students of the University. Senate is responsible under the authority of 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.



Microbiology Laboratory



The members of Senate for the reporting year 2015/16 were:

- 1 Professor J.Cooke –Chairperson
- 2 Distinguished Professor D.Siginer
- 3 Professor J.Katende
- 4 Professor H. Schroeder
- 5 Professor A. Amey
- 6 Dr K. Sedisa
- 7 Professor R.Suglo
- 8 Professor T. Oladiran
- 9 Professor G. Nyanhongo
- 10 Professor E. Shemang
- 11 Professor L. Ketsitlile
- 12 Professor G. Hillhouse
- 13 Dr R. Moatshe
- 14 Dr O.Boikanyo
- 15 Professor S. Sathiaraj
- 16 Dr F. Franchi
- 17 Dr O.Matsebe
- 18 Dr I. Seitshiro
- 19 Mr O. Morewane
- 20 Mr M. Keeditse

4.5 Executive Management Team

The Executive Management Team which comprises the Vice Chancellor and Deputy Vice Chancellors is at the apex of the University Management structure and provides the final link between management and the University governance structures. The Executive Management Team has overall responsibility for the strategic management and operations of the University.



The members of Executive Management Team for the reporting year 2015/16 were:

1 Vice Chancellor – from March 1st 2016.

Profesor O. Totolo

2 Ag. Vice Chancellor- to February 28th 2016

Professor J. Cooke

3 Deputy Vice Chancellor (Academic Affairs)

Distinguished Professor D. Signer

4 Ag. Deputy Vice Chancellor
(Finance & Administration) to January 2016

Mr B. Paya

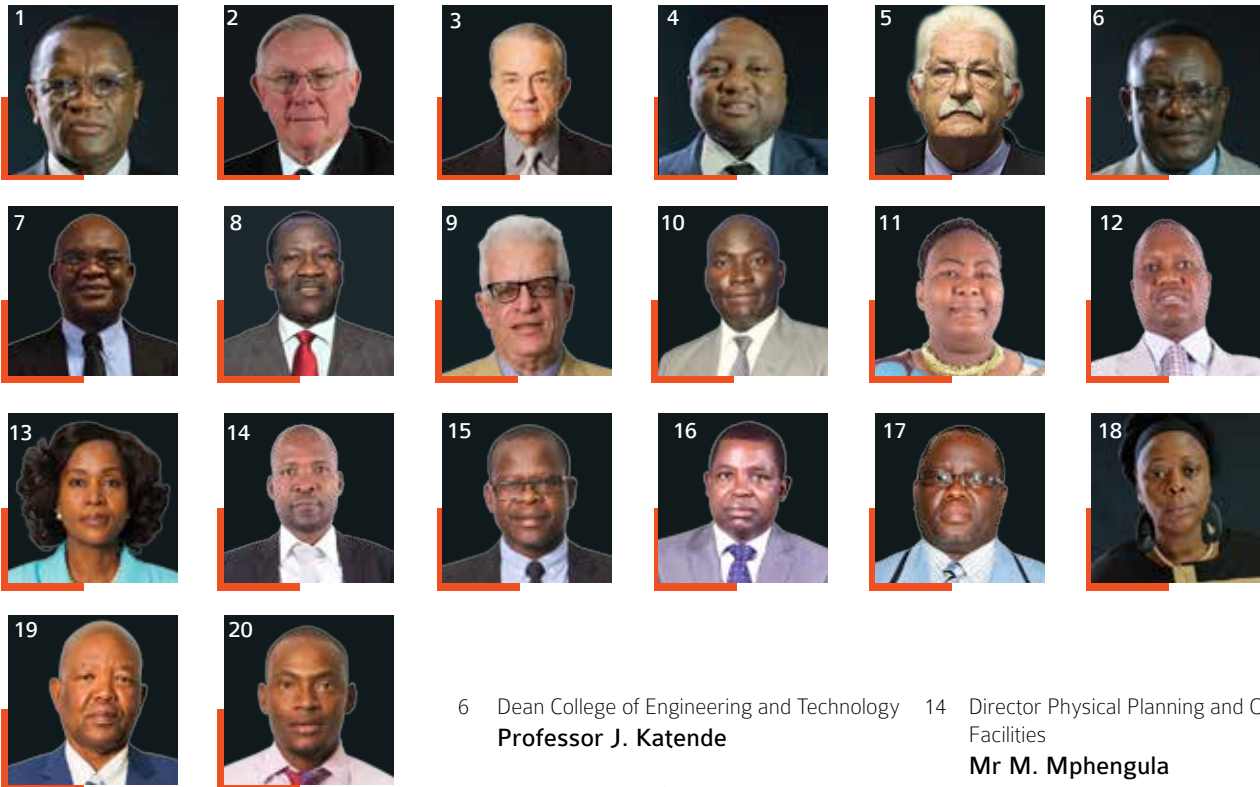
5 Deputy Vice Chancellor (Finance & Administration) from
February 2016

Mr D. B. Katzke

4.6 Senior Management Team

The Senior Management Team is led by the Vice Chancellor and Deputy Vice Chancellors and includes as its membership Deans and Directors. The key purpose of the Senior Management Team is to ensure a close interface between the Executive Management Team and the Senior Academic and Professional Administrative Staff who are responsible for implementation of the University policies and programmes at an operational level.

The members of Senior Management Team for the reporting year 2015/16 were:



1 Vice Chancellor from March 1st 2016
Professor O. Totolo

2 Ag. Vice Chancellor to February 28th 2016
Professor J. Cooke

3 Deputy Vice Chancellor (Academic Affairs)
Distinguished Professor D. Siginer

4 Ag. Deputy Vice Chancellor (Finance & Administration) to January 2016
Mr B. Paya

5 Deputy Vice Chancellor (Finance and Administration) from February 2016
Mr D. Katzke

6 Dean College of Engineering and Technology
Professor J. Katende

7 Ag. Dean College of Sciences
Professor A. Amey

8 Dean Student Affairs
Dr K. Sedisa

9 Ag. Director Institutional Planning
Mr J.R. Neill

10 Director Registry Services
Mr H. Hlomani

11 Director Internal Audit
Ms L. Lesetedi

12 Ag. Director Financial Services
Mr C. Maruza

13 Director Human Resources
Ms M. Mookodi

14 Director Physical Planning and Campus Facilities
Mr M. Mphengula

15 Director Pre-University Programmes
Dr H. Motlhabane

16 Director Library Services
Mr C. Namponya

17 Ag. Director Communication and Public Affairs
Mr K. Rafifing

18 Director Legal Services
Ms O. Sekga

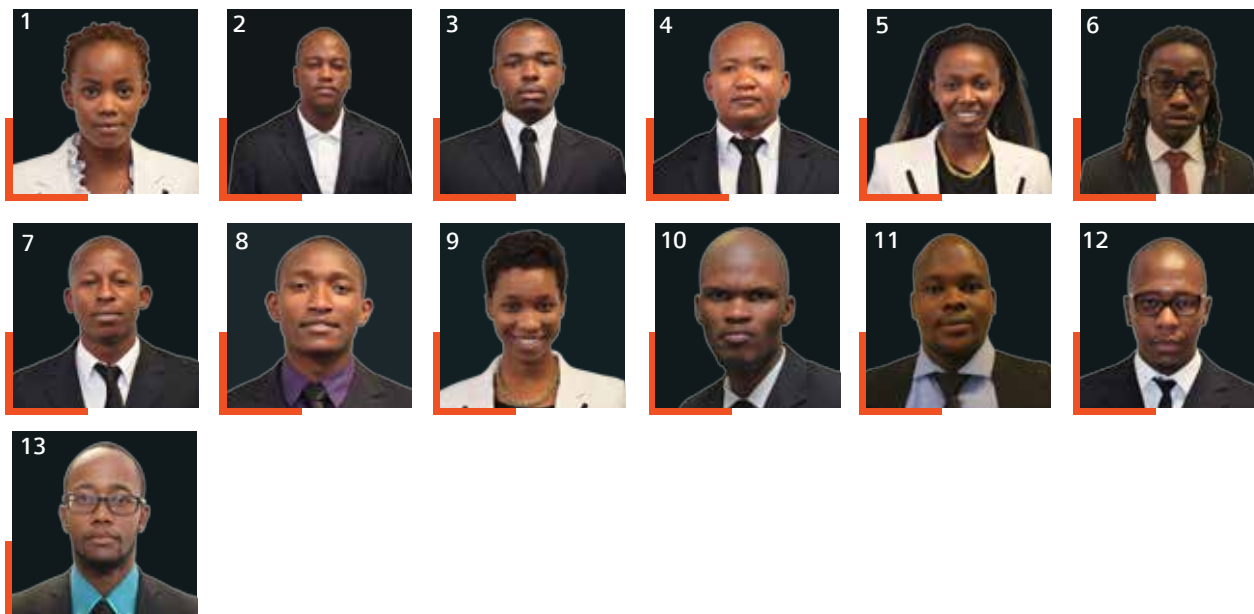
19 Ag. Director Research and Innovation
Dr. E. Selaolo

20 Ag. Director Information Technology
Mr O. Tshipa

4.7 Student Governance

The BIUST Student Representative Council (SRC) forms part of the University governance structures and represents student interests in the Council and Senate. The SRC is responsible for promoting student life including the social and welfare needs of students through the running of societies, clubs, entertainments and sports.

The members of Student Representative Council (SRC) for the reporting year 2015/16 were:



- | | |
|---|---|
| 1. President (from Jan 2016)
Ms B. Bohule | 8. Minister of Sports and Recreation
Mr L. Bute |
| 2. President (until Jan 2016)
Mr K. Cain-Mogorosi | 9. Minister of Community Outreach
Ms K. Seduke |
| 3. Acting Vice President (from Jan 2016) and Minister of International Affairs
Mr M. Mwanza | 10. Minister of Academic Affairs
Mr O. Morewane |
| 4. Secretary General (Until 2016)
Mr T. Letlakana | 11. Minister of Health and Safety
Mr K. Mmolawa |
| 5. Acting Secretary General (from 2016) and Administrative Secretary
Ms L. Moyo | 12. Minister of Entertainment and Culture
Mr T. Ruda |
| 6. Treasurer
Mr E. Ncube | 13. Minister of Student Welfare and Advocacy
Mr O. Kowa |
| 7. Minister of Publicity and Communications
Mr T. Maseko | |



International Development Design Summit (IDDS) Botswana, D'kar 2016. Final Presentation of Prototype Human Powered Washing Machine.

VICE CHANCELLOR'S REPORT

5.1 Foreword

This Vice Chancellor's Report is significant as it marks the transition of the University from one period of stabilising the institution to the start of a new period of development and advancement. Accordingly while this report will focus on the performance of the University during 2015/16 it will also highlight the transitions that have occurred.

The major transition that took place was with the Executive Management caused by the change from the Ag. Vice Chancellor, Professor J. Cooke who steered the University during eleven months of the reporting period (April 1st 2015-February 28th 2016) to the start of my term of office on March 1st 2016. I want to appreciate Professor Cooke for the hard work which helped in stabilising the University and moving it forward. There was a second key leadership change with Mr. B. Paya stepping down as Ag Deputy Vice Chancellor (Finance and Administration) with the arrival of Mr D. Katzke who assumed the substantive DVC position on February 1st 2016. Both Professor Cooke and Mr. Paya undertook a very difficult task but with intelligence and effective leadership skills they discharged their respective responsibilities in an exemplary manner and set an example for the staff of the University.

The transformation of the Executive Management Team was concluded with the appointment of Professor D. Norris (Deputy Vice Chancellor Research and Innovation) who at the time of writing this Report had assumed office on June 1st 2016. This completed the task of putting in place a new leadership team for the University who, collectively will be looking at BIUST through a different lens to ensure that is transformed into the successful University that Botswana will be proud of.

The second key transition that took place concerns the operations of the University. 2015/16 marked a distinct period when the University had to deal with the consequences brought about the resignation of the former Vice Chancellor and a legacy which required a number of initiatives to be put in place to stabilise the institution. This required the analysis of the University's internal operating environment to identify what was working and what was not working. The analysis revealed a number of performance gaps and areas of critical weakness that had to be addressed. The major weakness of BIUST's internal operating environment was attributable to the absence of a number of key building blocks which should have been put in place during the Founding Development Phase (2009-2012). These needed to be developed and implemented before the University could properly commence the process of comprehensively delivering on its mandate. The building blocks that were not in place embraced almost the entire range of operations of the University, including both the academic core and institutional



support services and required the development and implementation of comprehensive portfolios of strategies, structures, policies, procedures, guidelines and systems. Considerable progress was made during 2015/16 in re-building the foundations of the University to ensure that it has a sound base for moving forward.

With the University being set on a firmer footing, the third major transition was to engage the campus community on thinking about the long term future of the University. A comprehensive university-wide strategic planning process was initiated that ensured a collaborative, systematic consultation across all levels of the institution including Council, staff and students to chart a new strategic direction for the University to 2022. The process resulted in an all-encompassing 'end-state' for the University which found form in a Strategic Plan which had as its moniker 'A Catalyst for Innovation and Transformation.' At the time of writing this Report the Strategic Plan has been approved by Council on July 8th 2016 and its implementation has commenced. This marks the conclusion of what was referred to as the Founding Development Phase of BIUST and heralds the commencement of the transition to a new phase where the University will be expected to gear up its operations to comprehensively deliver on its mandate over the period 2016/17-2022/23. This will require the University to position itself at the apex of the national higher education and research systems as well as being recognised internationally for academic quality and research excellence. This has required major strategic decisions to be made about the University's future which has informed the development of a new institutional strategy and strategic plan.

The recruitment of a new Executive Management Team and the conclusion of the development of the strategic plan will draw a firm line under the past as the University moves from an era of challenges to one of change. While challenges will naturally remain, the past couple of years has provided the University with the opportunity to get things right and to approach future challenges with a new energy and a determination not to repeat the mistakes of the past.

While 2015/16 marked a period of transition and looking to the future it was also a year characterised by continuity. We continued to settle down in the new purpose built campus in Palapye, students were fully engaged in the business of learning, academic staff went about their business of teaching, researching and making their services available to our external partners and stakeholders, and our support staff worked diligently to service the operations of the University. In sum BIUST had opened its doors for 'business' on the Palapye Campus in February 2015 and for the duration of 2015/16 the University as a whole went about its business with remarkable passion and diligence. The results of this effort were summarised overleaf using the four key pillars of the University's strategic intent.

"This Vice Chancellor's Report is significant as it marks the transition of the University from one period of stabilising the institution to the start of a new period of development and advancement".

5.2 Academic Quality and Student Reputation

The first priority of the University is academic quality and excellence and the maintenance of high academic standards. This is aligned to the expectations of students who are a key stakeholder and whose desire is to study at a research intensive innovative university with a global reputable brand positioning which provides relevant and quality academic programmes. Students have a legitimate expectation that their qualifications have 'currency' and will be recognised and held in high esteem in Botswana and internationally.

Equally important is to ensure the University's academic programme mission is aligned to the needs of the national economy as well as being able to make a unique contribution internationally. This requires the University to determine the desirable level of undergraduate/graduate student enrolments and programme/qualifications mix that is responsive to national needs and addresses the demand from international students.

Finally the success of BIUST will ultimately depend on the quality of its graduates. In order to produce world-class graduates BIUST will be required to offer a world-class teaching, learning and student experience. The future impact that BIUST graduates will have on society after they join the world of work will be dependent not only on the quality of what takes place in the lecture theatre and laboratory but also the formative experiences and quality of student life experiences that are provided throughout the campus.

By the start of the academic year 2015/2016 the University had undergone a further significant transition with the entire student body being taught for the first time on the BIUST campus at Palapye. The overall number of registered students enrolled reached a total of 1700 an increase of 13.6% from 2014/2015. 1458 were enrolled in undergraduate programmes plus 242 Postgraduate students (masters and doctoral-level) comprising 14.2% of the student body. The majority of students were citizens with only 3% international against a future target of 10-15% by 2022/23.



SRC Leadership Training



Metal Workshop



Research Laboratories

This rapid increase in student numbers however resulted in a major burden being placed on the existing campus infrastructure and grant funding which required a major rethink about the future size and pace of growth of student enrolments. During 2015/16 the University faced a critical challenge caused by over ambitious and aggressive student enrolment targets being set in the previous two years which sought to achieve the optimum enrolment of students as rapidly as possible. This required the University to enroll almost 60% of a final projected student enrolment target of 8,000 by 2015/16. Unfortunately the target failed to take account of the academic programme context, the need to ensure quality and student success, the financial and phasing implications on the capital development programme and the need to have an approved operational plan and budget to support this level of growth.

Accordingly the University (in agreement with the Shareholder) reset the long term enrolment target to 6,000 head count enrolments which the University will aim to achieve on a more gradual basis with a lower first year entering student cohort for the next two to three years. The quality of the intake measured in terms of prior school-leaving performance remained high with (a) 75% having obtained 40 points and above from their best six subjects in the BGSCE and (b) 65% of the 2015/16 entering students having obtained 21 points and above from a combined Mathematics and two Science subjects. BIUST is fortunate in that it enrolls students who based on their secondary school performance have the capacity to not only complete their degrees but also achieve high levels of performance.

The University will graduate its first cohort of students towards the end of 2016 and will be reporting its graduation rate in subsequent annual reports. To achieve a high level of student completion requires the University to focus on the quality of teaching and learning which can be measured in terms of student throughput and retention. As a young start-up university the development of a teaching and learning culture, is at an early stage and is confronted with a number of challenges. These include the rapid influx of staff from diverse university backgrounds all with different pedagogic experiences and approaches. Staff vacancies also pose a problem with the need to recruit a corps of senior academics who can guide and mentor junior colleagues and teach them how to teach. While the facilities of the University such as classrooms, lecture theaters are under construction and the provision of specialist equipment is on-going, the quality of teaching and learning will not be to the desired quality standard. Notwithstanding these factors which militate against quality education a sound teaching and learning programme has been established across the University which is starting to yield satisfactory student learning outcomes.

Student progression is a key measure of the success of the teaching learning programme. Only 2% of students were excluded on academic grounds during the 2015/16 academic year while success rates in years 100-200 and 300 level courses ranging between 74 % year 1-2; 91% from year 2-3 and 98% year 3-4. This suggests that the teaching and learning programme is starting to yield positive results.

While the progression rates for 2015/16 were impressive, there were some early warning signals that point to future problems which will require attention. A key area of potential concern relates to the level of performance of students with 45% of undergraduate students achieving low GPA scores and consequently being ranked in the lower divisions of the University degree classification system. Moving forward the University will be putting in place academic support programmes and teaching and learning initiatives to ensure that the students are sufficiently supported to achieve their potential and maximise their chances of success.

During 2015/16 the **College of Engineering and Technology** registered 214 new students for the first year with a total enrolment of 969, the largest enrolment since the College started operations in 2012. During the course of the year new staff continued to be recruited, teaching and assessment for the academic year was completed successfully and 135 second year students participated in a two month Winter School providing them with practical experience and exposure to the real world of work. To ensure our students are work ready preparations were put in place to ensure all 4th year students will undergo a 16 week internship at companies and organisations related to their programmes of study. Work was also commenced on ensuring international professional accreditation of the engineering programmes with the Engineering Council of South Africa (ECSA). The BIUST Engineering Students Association (BESA) held an Engineering week during December 2015 which provided an opportunity for them to interact with industries, hold debates and make presentations.



Engineering Metal Works Workshop



During 2015/16 the College of Sciences enrolled 188 new students for the first year with a total enrolment of 518 students the largest enrolment since the College started operations in 2012. Teaching and assessment for the year was completed successfully although the absence in some instances of key laboratory equipment and the lack of readiness of some of the chemistry and computer laboratories required students to be transported to Gaborone to use facilities available there. A number of new staff was recruited; visiting academic staff spent time teaching in the College and two BIUST Fellows completed their doctoral studies and returned to join the Department of Biological and Biotechnological Sciences.

5.5 Research and Innovation Excellence

The recognition of the University both nationally and internationally as a reputable science, engineering and technology university of repute will ultimately depend on its success in undertaking high quality research that can be transformed into tangible applications and products of importance to society. This requires the University to ensure research is institutionalised as a strategic priority, with strong industry linkages, and supported by a sustainable research staffing and infrastructure; research funding and a properly managed and coordinated research management capacity.



Parabolic Trough (Solar Thermal Collector)

With the stated ambition of becoming a research intensive university, developing our research capacity and achieving international benchmarks for research performance is a fundamental part of BIUST's mission, purpose and coordinated research management capacity.

Research performance for 2015/16 was measured in terms of the number of refereed journal articles per academic staff member. The recently approved strategic plan sets a target that by 2016/17 the ratio of publications in peer reviewed refereed journals and included in citation indexes to permanent academic staff to be at least 1.0. The performance in 2015 was 0.45 publications per staff member. This provides a warning signal that significant support in terms of staff time, facilities and equipment, financial resources and support will need to be provided for the University to achieve its target and to deliver on its research mission.

On a more positive note the University's performance in terms of research application is impressive with both Colleges building the reputation of BIUST as an institution committed to undertaking high quality research and innovation that can be transformed into tangible applications and products and provide research services and facilities that can support the needs of industry and society.

During 2015/16 the **College of Engineering and Technology** published 24 refereed journal articles and 35 refereed conference proceedings and two books/book chapters. In addition a number of research clusters were formed with staff and post graduate students working collaboratively to focus on industry specific problems. The College is actively engaged in the Network of Energy Excellence for Development Project (NEED) an international collaborative research programme funded by the European Union and involving

partner institutions from Germany, Botswana, (BIUST and the Harry Oppenheimer Research Centre), Namibia and Zambia. The College Laser Manufacturing Research Group has been established with the collaborative support of the Council for Industrial and Scientific Research (CSIR) and the National Laser Centre (South Africa) to promote the training of young Africans in the speciality of laser manufacturing.

Staff and postgraduate students in the College of Sciences were engaged in research in the following areas:

- a) Waste to energy and integrated waste management;
- b) Conversion of biomass to energy for vehicular application;
- c) Waste tyre and plastics utilization for fuels and valuable chemicals;
- d) Modelling Rockburst Intensity;
- e) Kinematics of combined and 3-Arm Cooperating Parallel Manipulators;
- f) Real-Time Monitoring of Drinking Water Quality in Botswana Employing Wireless Sensor Networks;
- g) Development of an Automatic Morama Seed Decorticator;
- h) Pulsed Power System for Wireless underground Sensor Networks
- i) Military Drones for Surveillance and Delivery in collaboration with the Botswana Defence Force.



Botswana Defence Force (BDF) and BIUST MOU Signing

The College organised the International Conference on Clean Energy for Sustainable Growth in Developing Countries which was hosted by the University from the 16th to 18th September 2015. Eighty four (84) abstracts were received from various parts of the world, namely, Austria, Botswana, Canada, Ethiopia, Germany, Kenya, Namibia, Nigeria, South Africa, UK, Zambia, and Zimbabwe. Participants included professionals, academics, researchers, industrialists and policy makers engaged in the assessment, design, service provision, mainstreaming and maintenance of clean energy systems. They shared knowledge, experiences, practical examples and green designs on identified topics.



International Conference on Clean Energy for Sustainable Growth in Developing Countries (September 16-18 2015)

During 2015/16 the **College of Sciences** published 29 refereed journal articles, 6 refereed conference proceedings and 3 books/book chapters. The College established on-going research collaborations with Universities and Institutions in Botswana, Cameroon, Germany; Kenya, South Africa, Japan, China, Canada, USA and Zimbabwe. Staff and postgraduate students in the College of Sciences were engaged in research in the following areas:

- a) Hydrological and ecosystem dynamics of long-lived mega-lake system of the Kalahari;
- b) Environmental and Climatic Change;
- c) Sedimentological, petrographic and seismic characterization of Mosolotsane formation in the Kalahari Karoo Basin;
- d) Heavy metal accumulation in sediments of Motloutse River;
- e) Analysis of deformation monitoring associated with open pit mining;
- f) Molecular epidemiology of some gastro-viruses in Botswana;
- g) Insect taxonomy; sustainable management of the diamondback moth (DBM) *Plutella xylostella*;
- h) Bio mathematical and Bio statistical modeling;
- i) Quantification and Environmental Impacts of Lead in Southern Botswana shooting ranges
- j) Selective Determination and Extraction of Heavy Metals from Biological Samples; Molecular dynamic simulation of liquid mixtures;
- k) Extraction of Aflatoxin M1 in milk prior to human consumption.

The University was selected as a partner to host the Square Kilometer Array (SKA) radio telescope. Financed by the Newton Fund the project provides a major opportunity for the University in terms of funding, facilities, scientific research, teaching and learning, human capacity development and employment opportunities. The key benefit will be that BIUST will be able to develop as a centre of excellence in the fields of astrophysics, radio astronomy, remote sensing, high performance and 'big data' computing. The University also received funding from the European Union to host an Earth Observation Data Acquisition Satellite Station for monitoring the environment as part of the Monitoring for Environment and Security in Arica project (MESA).

In order to strengthen the University's research performance, the Office of Research, Development and Innovation (ORDI) was established to provide support to the academic and research staff. During 2015/16, ORDI undertook facilitated research by BIUST Colleges and especially procurement of the state of the art research equipment (e.g. scanning electron microscope, electron microprobe etc.). In future such equipment will be housed in the Core Analytical Facility where accessibility will be open to those conducting research which requires the use of such equipment. In addition, the third Botswana -South Africa joint Science and Technology Committee meeting was held on the 24th June 2015, where various BIUST departments made presentations on their portfolios.

5.6 Engagement for Development

Engagement is one of the primary responsibilities of the University which it discharges by making its knowledge expertise and skills available. The transition of the University from Oodi to Palapye has sharpened the focus of BIUST's engagement activities with it being required to function in the following four key areas.

(i) Community Partnerships

The building of strong relationships with the community is one of mutual benefit. Accordingly, BIUST has an essential role to play in developing the economic, social and employment opportunities within the local community. During the year under review, a BIUST Student Club, Science & Engineers Without Borders (SEWBB), undertook social responsibility initiatives which were aimed at improving the lives of the less fortunate in and around Palapye through the development of the Lotsane River bridge project to enable pedestrians to cross safely, as well as the multi million Pula Dikabeya water project which was aimed at bringing the residents water.

(ii) Industry Linkages

During 2014/15 BIUST research teams comprising of the College of Engineering and Technology, College of Sciences and the Office of Research Development and Innovation visited a number of mines, namely BCL, African Copper, Morupule Coal Mine and Orapa & Letlhakane Mines.



BIUST Training Central District Teachers on ICT



Honourable N. Molefhi,
Minister of Infrastructure
Science and Technology
unveiling two radio satellite
dishes.



Ms A. Loots, SKA South Africa
giving an overview of SKA
project.





Mr F. Marumbwa, giving an overview of MESA Project.



Professor M. Hoare, University of Leeds, UK giving overview of Newton Fund Projects.



A number of research areas were identified and subsequently students were placed with these mining houses. Research field areas are varied and range from: Geological modelling, slope stability, blasting methodologies and copper oxide processing. Furthermore, in principle agreements were reached for an attachment of fourth year students for the year 2016/17

During the year under review, an assesment of all MOUs were initiated with the intention of scalling down and creating an effectiveness on the existing partnerships.

(iii) Internationalisation

During 2015/16 the University in collaboration with the Australia National University established a relationship aimed at supporting Botswana's efforts in dealing with a long-standing Mathematics and Science performance problem in pre-tertiary public education. The University launched an outreach educational campaign conducting science teacher's capacity building workshops, as well as conducting science circus around the country to students, teachers and the public. The campaign included Gaborone, Jwaneng, Kang, Palapye, Francistown, Selibe-Phikwe, Kasane, Kanye,etc. 28,995 students and 1,025 members of the public participated in the activities and capacity building workshops were held for 242 teachers.

BIUST participated in the Science Technology and Innovation Week organized by the Ministry of Infrastructure, Science and Technology (MIST). It was held at Kang in August under the theme "Science and Technology the future of our Children". Its primary objective was to create awareness and attract learners to science and technology subjects.

Towards the close 2015/16 BIUST started the process of integrating the concept of 'engagement' as a strategic component of its institutional mission. While traditionally engagement has been understood in terms of public outreach or civic and community service activities and individual acts of volunteerism, BIUST intends to reconfigure itself as an 'engaged' University in partnership with both the public and private sectors. A new Directorate was established with a mandate to promote linkages and partnerships both local and international and to ensure that the concept of an 'engaged' university is comprehensively mainstreamed and realised.

5.7 Quality Service Delivery

During 2015/16 the University demonstrated stable financial performance compared to the previous year brought about through tight controls being placed on expenditure. The University was thus able to manage the consequences of a major cut in its general operational budget by the government. The University had requested a subvention of P482,586,013 for the Financial Year 2015/16. The amount allocated was P127,494,445 which left the University with a Budget Deficit of P355,091,568. Notwithstanding the budget challenge the University staff and students went about their duties and as reported in this Annual Report contributed immensely to the progress of BIUST.

Funding the University on a sustainable basis poses the greatest challenge and which requires the priority attention of the University and Government. The University throughout 2015/16 was operating with a deficit budget and in a challenging economic environment where the financial resources made available by Government were not sufficient to satisfy the needs of the institution. This is a situation will not change thus it requires both the University and Government to rethink how the University will be resourced. The key response to this challenge is for BIUST to be continued to be funded as a project during the course of NDP11. The University was established in 2009 as a Project which culminated in 2013 with the completion of the Founding Development Campus Facilities at Palapye. This did not however complete the project which can only be concluded through the implementation of the Strategic Plan (2016/17-2022/23) which will put in place the key building blocks of a research-based Science and Technology University. It is accordingly proposed that to successfully implement the Strategic Plan Government funds the plan as a separate project rather than through the Operational Budget in order to conclude the University's Founding Development Programme.

Progress in developing the campus infrastructure and facilities continued during 2015/16. Achievements of note included the construction of:

- (i) 300 bed student hostel
- (ii) 600 student bed spaces;
- (iii) Four classroom blocks each with a capacity for 300 students'
- (iv) Three blocks of offices each with a capacity to house 100 academic staff;
- (v) Two blocks for student tutorials;
- (vi) Additional reading and work space for the library.
- (vii) Two Science laboratories
- (viii) One Computer Laboratory
- (ix) New College of Science buildings

By the close of the reporting year 2015/16 the University had steered the institution towards a 'steady operational state' so that its business was conducted on a sounder basis guided by policies, processes, guidelines and operating protocols and procedures which ensured that the services being provided to students and staff were being delivered in a reasonably efficient and effective manner.

During 2015/16 the University had a staff complement of 343 staff in post (March 31st 2016) of which 164 were academic and 179 support and a salaries bill of P185 million. A new Performance Management System was developed which will be rolled out during 2016/17 and a Staff Pension Fund established with a market value of P13,086,000.00 (as at March 31st 2016) and with 219 staff members enrolled. 13 academic staff were enrolled in international universities studying for doctoral degrees in various fields of science and engineering.



Science Buildings

A key objective of the University is to have in place high quality governance (Council and Senate) structures and capacity which ensures a sound governance system that focuses on strategy, performance, value creation, internal controls, quality assurance and risk management. University Governance had previously raised concerns during 2013/14 and which had caused the University to develop without the necessary oversight and accountability. This has now been set right during 2015/16 under the sound leadership of the Council Chairperson, Mr B. Bolele and the Members of the Council. Of particular note was the work to develop a comprehensive set of Statutes which was concluded during 2015/16 with the Statutes being subsequently approved by Council on July 8th 2016. The first set of University statutes which had been operational since 2009 had been enacted prior to the University being operational and before any staff members were employed or students enrolled. Accordingly in 2014, with the University fully operational, the Council recognised the need for the Statutes to be reviewed. With the revised University Statutes having been approved we now have in place the framework that details how the provisions of the BIUST Act are to be discharged.

Information Technology is not only at the core of the University's academic mission but lies at the centre of the institution's operations. Advances in information technology are transforming our lives and the pace of change is breath taking. It is of strategic importance therefore that BIUST not only keeps abreast of what is happening but also leads the change. New technologies provide extraordinary opportunities for BIUST. As a premier University of Science and Technology it is imperative that we are open to the potential of technologies, ensure that technology is a fundamental part of the University's mission and operations and that we are sufficiently flexible to exploit the opportunities it presents to us.

Progress in developing the campus information and communications technology infrastructure and services continued during 2015/16. Achievements of note included the following:

(i) Computer Laboratories

All computer laboratories have been fully equipped with computers, including the four 60 seater laboratories in the College of Sciences block.

(ii) Set up of Wi-Fi and Internet Connectivity In Student Hostels

All students residences have access to WI-FI and internet connectivity including main campus and the temporary accommodation facilities at former Fenguye and Old Sekgoma in Serowe. This has afforded students the opportunity to have round-the-clock, reliable access to online information and interactive tools such as Google Apps and Blackboard which are vital to their educational experience.

(iii) Provision of Local Area Network (LAN) Services for New Academic Premises

Network coverage by means of cable and wireless has been extended to all new academic facilities including the prefabricated clusters on the eastern part of campus and the new College of Sciences buildings. These initiatives have enabled the provisioning of business-critical services such as telephony, shared printing, and video conferencing amongst others. In addition students are able to access Wi-Fi Internet from their personal devices and this alleviates potential overcrowding and shortage of computer lab facilities.

(iv) ICT Security Upgrades

Several initiatives have been undertaken to bolster the security of ICT systems and protect the University's digital data assets. These measures are also employed as part of risk management responsibility as well as to comply with audit requirements. They include the implementation of a next-generation firewalls and network monitoring amongst others.

(v) Migration to IP Telephony

ICT has successfully migrated the University's telephone network from traditional analogue to an IP-based system and provided Voice-over-IP (VOIP) handsets to all key business areas across campus. The whole of founding campus as well new academic areas including CET and College of Sciences are fully connected to the VOIP network. Migrating to VOIP has laid the foundation for an easy- to- manage and cost-effective telephony service that will yield key benefits such as the ability to place free long distance calls between the university's head office and its remote campuses.

(vi) Setup and Installation of Smart boards

Labs are fully equipped with smart boards for all Colleges (Engineering and Sciences). All teaching spaces are fitted with interactive boards. Training on the use of the teachings has been conducted, with more scheduled later this year.

(vii) Reputation Management

The final key focus area for the University during 2015/16 was reputation management. This involved a proactive approach to positively projecting the University's image; management of press comment; building strong external stakeholder support; successful crisis management and developing good relationships with the public and key stakeholders.

Generally positive media relations with few negative stories reported with BIUST events and activities receiving comprehensive and positive reporting helping to turn around the negative perception that had been caused by events during the period 2013/14 and 2014/15.

Other positive reputational events and activities that punctuated the year 2015/16 included Executive, senior and academic staff consistently sought after as authoritative experts in their field; good projection of the University and staff accomplishments; a growing respect from stakeholders and the public for the work of the University and recognition and increased standing nationally, regionally and internationally among per and comparator universities.



Professor Otlogetswe Totolo
Vice Chancellor
September 2016



The Roving Torch arriving at BIUST

Financial Statement



BOTSWANA INTERNATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY

ANNUAL FINANCIAL STATEMENTS

for the year ended 31st March 2016

(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 O Totolo	Vice-Chancellor (From March 2016)
Prof J A Cooke	Acting Vice-Chancellor (Up to- February 2016)
Prof D Siginer	Deputy Vice Chancellor Academic Affairs
Mr B Paya	Acting Deputy Vice-Chancellor Research and Innovation
Mr D B Katzke	Deputy Vice-Chancellor Finance and Administration
Ms O C Sekga	Secretary to Council

MEMBERS OF THE COUNCIL

Mr B B Bolele	Chairperson
Mr B L Sebetela	Vice Chairperson
Prof O Totolo	Vice-Chancellor (March 2016)
Distinguished Prof D Siginer	Deputy Vice-Chancellor Academic Affairs
Prof J A Cooke	Acting Vice-Chancellor (up to February 2016)
Mr B Paya	Acting Deputy Vice-Chancellor Research and Innovation (Until Feb 2016)
Mr D B Katzke	Deputy Vice-Chancellor Finance and Administration (from Dec 2016)
Mr T Johnson	Member
Prof P Berliner	Member
Dr N H Fidzani	Member
Mr L Moahi	Member
Mr J Mokgosi	Member
Mr L Selolwane	Member
Prof J Katende	Member
Prof E Shemang	Member
Dr B Batlokwa	Member
Mr C M Maruza	Member
Ms O Butale -Mutloane	Member
Prof T Oladiran	Member
Dr F Toteu	Member
Ms B Bohule	Member (Since 8th January 2016)
Mr S Coles	Member
Mr K Cain - Mogorosi	Member (Until 8th January 2016)

REGISTERED OFFICE

Plot 10071, Palapye

BANKERS

Bank Gaborone Limited, Banc ABC Limited, First National Bank of Botswana Limited, Stanbic Bank Botswana Limited, Standard Chartered Bank of Botswana Limited.

INDEPENDENT AUDITORS

Mazars – Certified Auditors

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

CONTENTS

37		Statement of responsibility by the Members of the University Council
38		Independent auditor's report
39		Statement of comprehensive income
40		Statement of financial position
41		Statement of changes in accumulated funds
42		Statement of cash flows
43 - 62		Notes to the financial statements
Annexure I		Detailed income statement

BOTSWANA INTERNATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY

STATEMENT OF RESPONSIBILITY BY MEMBERS OF THE COUNCIL

for the year ended 31st March 2016

The Members of Botswana International University of Science and 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 and Technology Act, 57:05.

Botswana International University of Science and 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 assets of the University. 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.

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 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 39 to 62 were authorised for issue by the members of the University Council and signed on its behalf by;



Chairperson



Vice Chancellor

INDEPENDENT AUDITORS' REPORT



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, 2016, 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, and the Council Members' report, as set out on pages 6 to 30.

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 and 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 and Technology as at 31 March 2016, and its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standards.

Other matter

Without qualifying our opinion, we draw attention to the fact that the supplementary information set out page 62 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
Mazars

Certified Auditors

Practicing Member: Shashikumar Velambath

Gaborone

Date...13-10-2016...

BOTSWANA INTERNATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY

STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31st March 2016

	Note	2016 P	Restated 2015 P
Government Subvention	5	262 861 250	294 216 750
Tuition fees		58 984 601	30 914 059
Amortisation of Capital Grants	14	36 003 609	16 173 454
Gross Operating Income		357 849 460	341 304 263
Other Income	23	10 413 814	7 676 138
Staff Costs	6	(204 208 553)	(149 302 984)
Other Operating Expenses	7	(165 120 210)	(108 863 956)
Surplus for the Year from Operating Activities		(1 065 489)	90 813 461
Finance Income	8	1 165 640	4 465 126
Surplus for the Year		100 151	95 278 587
Other Comprehensive Income			
Total Comprehensive Income		100 151	95 278 587

STATEMENT OF FINANCIAL POSITION

as at 31st March 2016

ASSETS

Non-current Assets

Property, Plant and Equipment

Intangible Assets

Current Assets

Other Receivables

Cash and Cash Equivalents

Total Assets

EQUITY AND LIABILITIES

Capital Grant and Reserves

Capital Grants

Accumulated Funds

Non-current liabilities

Current Liabilities

Retention Payable

Trade and Other Payables

Total Equity and Liabilities

Note	2016 P	Restated 2015 P
10	1 075 798 950	787 684 632
9	4 363 003	502 090
	1 080 161 953	788 186 722
11	27 756 974	95 152 359
12	14 961 894	9 323 807
	42 718 868	104 476 166
	1 122 880 821	892 662 888
14	942 637 434	652 518 998
	96 057 748	95 957 597
	1 038 695 182	748 476 595
15	6 978 489	15 958 321
16	77 207 150	128 227 972
	84 185 639	144 186 293
	1 122 880 821	892 662 888

BOTSWANA INTERNATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY

STATEMENT OF CHANGES IN ACCUMULATED FUNDS

for the year ended 31st March 2016

	Capital Grants	Accumulated Funds	Total
	P	P	P
Balance at 1 April 2014 - (as previously stated)	597 692 452	10 040 743	607 733 195
Prior year adjustment - tuition fees (note 24)	-	(9 361 733)	(9 361 733)
Balance at 1 April 2014 - (as restated)	597 692 452	679 010	598 371 462
Grants received during the year (Note 14)	71 000 000	-	71 000 000
Amortisation of capital grants (Note 14)	(16,173,454)	-	(16,173,454)
Surplus for the year - as previously stated	-	129 021 506	129 021 506
Prior year adjustment - tuition fees (note 24)	-	(33 742 919)	(33 742 919)
Surplus for the year - as restated	-	95 278 587	95 278 587
Balance at 31 March 2015 - (as re-stated)	652 518 998	95 957 597	748 476 595
Balance at 1 April 2015	652 518 998	95 957 597	748 476 595
Grants received during the year (Note 14)	346 904 910	-	346 904 910
Amortisation of capital grants (Note 14)	(36 003 609)	-	(36 003 609)
Disposal of assets in the normal course of business	(11 397 658)	-	(11 397 658)
Transfer of assets to Oodi College of Applied Arts & Technology	(9 385 207)	-	(9 385 207)
Surplus for the year	-	100 151	100 151
Balance at 31 March 2016	942 637 434	96 057 748	1 038 695 182

STATEMENT OF CASH FLOWS

for the year ended 31st March 2016

	Note	2016 P	2015 P
Cash flows from operating activities:			
Cash generated from operations	17	6 519 002	110 281 209
Net cash flows generated from operating activities		6 519 002	110 281 209
Cash flows from (to) investing activities:			
Interest income	8	1 165 640	4 465 126
Additions to property, plant and equipment		(344 550 255)	(279 756 938)
Additions to intangible assets	9	(4 401 210)	(80 134)
Net cash utilised in investing activities		(347 785 825)	(275 371 946)
Cash flows from financing activities:			
Capital grants	14	346 904 910	71 000 000
Net cash generated from financing activities		346 904 910	71 000 000
Net change in cash and cash equivalents		5 638 087	(94 090 737)
Cash and cash equivalents at beginning of year		9 323 807	103 414 544
Cash and cash equivalents at end of year	12	14 961 894	9 323 807

BOTSWANA INTERNATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March 2016

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 in order 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 applied consistently 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 entity has adopted all the new and revised standards and interpretations issued by the International Accounting Standards Board (IASB) and the International Financial Interpretations Committee (IFRIC) of the IASB that are relevant to its operations and effective for annual periods beginning on or after 1 April 2015. Adoption of these standards and interpretations have not had any impact significant on the financial statements of the Corporation.

- Amendments to IAS 19 Defined Benefit Plans: Employee Contributions (effective annual periods beginning on or after 1 July 2014).
- Annual Improvements 2010-2012 Cycle (effective annual periods beginning on or after 1 July 2014) Makes amendments to IFRS 2, IFRS 3, IFRS 8, IFRS 13, and IAS 16, IAS 24 and IAS 38.
- Annual Improvements 2011-2013 Cycle (effective annual periods beginning on or after 1 July 2014) Makes amendments to IFRS 1, IFRS 3 and IFRS 13 and IAS 40.

2.1.2 Standards and Interpretations Not Yet Effective

At the date of authorisation of these financial statements, the following standards were issued but not yet effective.

IFRS 9 Financial Instruments: classification and measurement (effective annual periods beginning on or after 1 January 2018)

Amendment relates to classification and measurement requirements for financial instruments based on a combined business model and contractual cash flow test. Entities may recognise changes in their own credit risk for fair valued financial liabilities in Other Comprehensive Income. Impairment methodology is now based on expected credit losses rather than incurred credit losses.

IFRS 9 Financial Instruments (Hedge Accounting and amendments to IFRS 9, IFRS 7 and IAS 39) (effective annual periods beginning on or after 1 January 2018)

Introduces a new chapter to IFRS 9 on hedge accounting, putting in place a new hedge accounting model that is designed to be more closely aligned with how entities undertake risk management activities when hedging financial and non-financial risk exposures.

IFRS 9 Financial Instruments (2014) (effective annual periods beginning on or after 1 January 2018)

A finalised version of IFRS 9 which contains accounting requirements for financial instruments, replacing IAS 39 Financial Instruments: Recognition and Measurement. The key impact of IFRS 9 will be to require that financial assets be classified into two measurement categories: fair value and amortised cost.

IFRS 14 Regulatory Deferral Accounts (effective annual periods beginning on or after 1 January 2016)

IFRS 14 specifies the accounting for regulatory deferral account balances that arise from rate-regulated activities.

IFRS 15 Revenue from Contracts with Customers (effective annual periods beginning on or after 1 January 2018)

IFRS 15 provides a new model for the recognition and measurement of all revenue arising from contracts with customers. In principle, an entity will be required to recognise revenue amounts that reflect consideration an entity is entitled to in exchange for transferring goods or services to a customer.

Accounting for Acquisitions of Interests in Joint Operations (Amendments to IFRS 11) (effective annual periods beginning on or after 1 January 2016)

Amends IFRS 11 Joint Arrangements to require an acquirer of an interest in a joint operation in which the activity constitutes a business.

Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to IAS 16 and IAS 38) (effective annual periods beginning on or after 1 January 2016)

Clarify that a depreciation method that is based on revenue that is generated by an activity that includes the use of an asset is not appropriate.

Equity Method in Separate Financial Statements (Amendments to IAS 27) (effective annual periods beginning on or after 1 January 2016)

Amends IAS 27 Separate Financial Statements to permit investments in subsidiaries, joint ventures and associates to be optionally accounted for using the equity method in separate financial statements.

Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28) (effective annual periods beginning on or after 1 January 2016)

Amends IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures (2011) to clarify the treatment of the sale or contribution of assets from an investor to its associate or joint venture.

Amendments to IFRS 10, IFRS 12 and IAS 28 Investment Entities: Applying the consolidation exception (effective annual period beginning on or after 1 January 2016)

The amendment clarifies the exemption from preparing consolidated financial statements and is only available to a parent entity that is a subsidiary of an investment entity.

Annual Improvements 2012-2014 Cycle (effective annual periods beginning on or after 1 July 2016)

Makes amendments to IFRS 5, IFRS 7, IAS 9 and IAS 34

The University will evaluate the effect of all the new standards, amendments and interpretations that are in issue for adoption in the applicable periods.

2.2 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:

Buildings	30 years
Computers	3 years
Motor Vehicle	5 years
Office Equipment	7 years

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.

2.3 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.

2.4 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.

2.5 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.

2.6 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.

2.7 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.

2.8 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.

2.9 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.

2.10 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.

2.11 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.

2.12 Income Taxes

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

2.13 Revenue Recognition

2.13.1 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.

2.13.2 Tuition Fees

Tuition fees, residence and book fees are recognised as revenue over the period of instruction, regardless of the timing of a formal bill being issued. Unearned tuition fees are recognised as a current liability. Deposits provided by prospective students are treated as a separate current liability until the amount is earned, at which point in time it is also recognised over the period of instruction. To the extent that revenue is not recoverable, provision is made for the estimated unrealisable amount.

2.13.3 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.

2.14 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.

(a) 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 'subvention 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 investments have expired or have been transferred and the BIUST has 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.

2.14.4 Impairment of Financial Assets

(a) Assets Carried at Amortised Cost

At the end of each reporting period, BIUST assesses whether there is objective evidence that a financial asset or a group of financial assets is impaired. Impairment losses are incurred 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 a debtor 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.

2.15 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.

2.16 Employee Benefits

BIUST pays employee 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.

2.17 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 2016, 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 P74 809 (2015: P 46 619) higher/lower, mainly as result of higher/lower interest income on interest-bearing assets.

(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.

At 31 March 2016

Trade and other payables (Note 16)
Retention payable (Note 15)

Less than six months	Between six and twelve month	More than a year
P	P	P
77 207 150	-	-
-	6 978 491	-
77 207 150	6 978 491	

At 31 March 2015

Trade and other payables (Note 16)
Retention payable (Note 15)

Less than six months	Between six and twelve months	More than a year
P	P	P
128 227 975	-	-
-	15 958 321	-
128 227 975	15 958 321	

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.

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

3.3 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.

4. Critical Accounting Estimates and Judgments

Estimates and judgments are evaluated continually 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 organisations.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31st March 2016

5 Government Subventions

Government subventions received

2016 P	2015 P
262 861 250	294 216 750
262 861 250	294 216 750

6 Staff costs

Gratuities and severance

Leave pay

Medical aid contribution

Salaries and wages

Staff training

Other staff benefits

13 802 619	20 409 721
6 522 241	5 797 073
4 007 890	2 732 316
176 602 931	117 085 177
2 911 641	2 406 715
361 231	871 983
204 208 553	149 302 985

7 Other operating expenses

Administrative expenses

Amortisation of intangible assets

Depreciation

Travelling and accommodation expenses

Other expenses

71 148 354	51 714 459
540 297	487 173
35 463 313	15 686 280
5 855 615	9 378 606
52 112 631	31 597 437
165 120 210	108 863 955

8 Finance income

Interest received - bank

1 165 640	4 465 126
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BOTSWANA INTERNATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31st March 2016

9 Intangible asset

Year ended 31 March 2015

Opening net book amount

Additions

Amortisation charge

Closing net book amount

At 31 March 2015

Cost

Accumulated amortisation

Net book amount

Year ended 31 March 2016

Opening net book amount

Additions

Amortisation charge

Closing net book amount

At 31 March 2016

Cost

Accumulated amortisation

Net book amount

Computer Software	Total
P	P
909 129	909 129
80 134	80 134
(487 173)	(487 173)
502 090	502 090
5 063 490	5 063 490
(4 561 400)	(4 561 400)
502 090	502 090
502 090	502 090
4 401 210	4 401 210
(540 297)	(540 297)
4 363 003	4 363 003
9 464 700	9 464 700
(5 101 697)	(5 101 697)
4 363 003	4 363 003

10 Property, plant and equipment

Year ended 31 March 2015

Opening net book amount

Additions

Depreciation

Closing net book amount**At 31 March 2015**

Cost

Accumulated depreciation

Net book amount**Year ended 31 March 2016**

Opening net book amount

Additions

Transfer

Disposals

Reclassifications

Depreciation on reclassification

Depreciation on disposals

Depreciation

Closing net book amount**At 31 March 2016**

Cost

Accumulated depreciation

Net book amount

Land	Buildings	Work in progress
P	P	P
1496 810	448 197 593	39 706 740
	18 172 082	161 574 242
-	(2 658 550)	-
1 496 810	463 711 125	201 280 982
1 496 810	468 808 665	201280 982
-	(5 097 540)	-
1 496 810	463 711 125	201 280 982
1 496 810	463 711 125	201 280 982
-	107 753 960	135 835 022
-	332 048 066	(332 048 066)
(189 760)	(9 227 633)	-
-	(150 643)	-
-	21 405	-
-	289 966	-
-	(5 708 061)	-
1 307 050	888 738 185	5 067 938
1 307 050	899 232 415	5 067 938
-	(10 494 230)	-
1 307 050	888 738 185	5 067 938

BOTSWANA INTERNATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY

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
3 918 832	5 238 749	4 581 093	3 122 628	13 442 849	1 770 046	2 138 636	523 613 976
6 545 005	15 940 477	6 095 829	2 032 359	61 609 503	1 247 463	6 539 978	279 756 938
(1 056 257)	(3 040 744)	(966 786)	(604 344)	(3 563 913)	(1 185 987)	(2 609 701)	(15 686 282)
9 407 580	18 138 482	9 710 136	4 550 643	71 488 439	1 831 522	6 068 913	787 684 632
12 364 500	26 206 064	11 799 144	5 747 142	77 549 174	3 965 388	9 489 821	818 707 690
(2 956 920)	(8 067 582)	(2 089 008)	(1 196 499)	(6 060 735)	(2 133 866)	(3 420 908)	(31 023 058)
9 407 580	18 138 482	9 710 136	4 550 643	71 488 439	1 831 522	6 068 913	787 684 632
9 407 580	18 138 482	9 710 136	4 550 643	71 488 439	1 831 522	6 068 913	787 684 632
4 336 752	10 169 460	984 336	6 092 214	68 237 184	495 794	10 645 533	344 550 255
-	-	-	-	-	-	-	-
-	(312 039)	(8 648 293)	(502 002)	(5 440 129)	(1 185 316)	-	(25 505 172)
-	(653 490)	285 676	653 490	-	(135 033)	-	-
-	-	69 608	-	-	(91 013)	-	-
-	231 322	2 294 651	123 295	317 348	1 275 965	-	4 532 547
(1 693 951)	(7 092 861)	(1 629 581)	(1 253 611)	(13 018 418)	101 600	(5 168 429)	(35 463 312)
12 050 381	20 480 874	3 066 533	9 664 029	121 584 424	2 293 519	11 546 017	1 075 798 950
16 701 252	35 409 995	4 420 863	11 990 844	140 346 229	3 140 833	20 135 354	1 137 752 773
(4 650 871)	(14 929 121)	(1 354 330)	(2 326 815)	(18 761 805)	(847 314)	(8 589 337)	(61 953 823)
12 050 381	20 480 874	3 066 533	9 664 029	121 584 424	2 293 519	11 546 017	1 075 798 950

NOTES TO THE ANNUAL FINANCIAL STATEMENT

for the year ended 31st March 2016

11 Other Receivables

Tuition fees
Prepayments, advances and deposits
Other receivables

	2016 P	Restated 2015 P
Tuition fees	21 671 441	66 518 483
Prepayments, advances and deposits	6 082 266	13 208 816
Other receivables	3 267	15 425 061
	27 756 974	95 152 360
The fair values of other receivables are as follows:		
Tuition fees	21 671 441	66 518 483
Prepayments, advances and deposits	6 082 266	13 208 816
Other receivables	3 267	80 936 753
	27 756 974	160 664 052

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.

12 Cash and cash equivalents

Cash at Bank

	2016 P	2015 P
Cash at Bank	14 961 894	9 323 807

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

Cash at bank

	2016 P	2015 P
Cash at bank	14 961,894	9 323 807

13 Analyses of Financial Instruments

a) Financial instruments by category

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

Loans and receivables:

Assets as per the statement of financial position

Other receivables - excluding prepayments (Note 11)
Cash and cash equivalents (Note 12)

	2016 P	2015 P
Other receivables - excluding prepayments (Note 11)	27 756 974	87 909 786
Cash and cash equivalents (Note 12)	14 961 894	9 323 807
	42 718 868	97 233 593
Financial liabilities:		
Liabilities as per statement of financial position		
Retention payable (Note 15)	6 978 489	15 958 321
Trade and other payables (Note 16)	77 207 150	85 123 323
	84 185 639	101 081 644

BOTSWANA INTERNATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY

NOTES TO THE ANNUAL FINANCIAL STATEMENT

for the year ended 31st March 2016

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

		2016 P	2015 P
Cash in Hand		10 000	13 905
First National Bank of Botswana Limited	Not rated	10 006 836	4 897 404
BancABC Limited	Not rated	610 398	599 271
Money markets	Not rated	2 000 000	2 000 000
Stanbic Bank Botswana Limited	Not rated	1 850 677	1 433 771
Standard Chartered Bank Botswana Limited	Not rated	483 983	379 456
		14 961 894	9 323 807

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 Limited. 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.

14 Capital Grants

	2016 P	2015 P
Balance at beginning of year	652 518 998	597 692 452
Grants received	346 904 910	71 000 000
Disposal of assets in the normal course of business	(11 397 658)	-
Transfer to Oodi College of Applied Arts & Technoogy (OCAAT)	(9 385 207)	-
Amortisation of capital grants	(36 003 609)	(16 173 454)
Balance at end of year	942 637 434	652 518 998

NOTES TO THE ANNUAL FINANCIAL STATEMENT

for the year ended 31st March 2016

15 Retention Payable

Balance at beginning of year

Retention during the year

Balance at end of year

2016 P	Restated 2015 P
15 958 322	11 207 387
(8 979 833)	4 750 934
6 978 489	15 958 321

Retention payable is recognised initially at fair value and subsequently measured at amortised cost using the effective rate of interest.

16 Trade and Other Payables

Accruals and other payables

Deferred income

Provisions (Note 16.1)

2016 P	2015 P
43 474 452	56 517 658
373 333	43 104 652
33 359 365	28 605 665
77 207 150	128 227 975

16.1 Provisions

As at 1 April 2015

Provision for the year

Payments during the year

As at 31 March 2016

Gratuity P	Leave Pay P	Total P
19 116 093	9 489 572	28 605 665
15 436 384	5 951 062	21 387 446
(11 488 235)	(5 145 511)	(16 633 746)
23 064 242	10 295 123	33 359 365

17 Cash Flows From Operating Activities

Operating surplus

Adjustments for:

Depreciation on property, plant and equipment (Note 10)

Amortisation of intangible asset (Note 9)

Amortisation of capital grant (Note 14)

Adjustment on land duplication (Note 10)

Changes in working capital:

Other receivables

Retention payable

Trade and other payables

Cash generated from operations

2016 P	2015 P
(1 065 489)	90 813 462
35 463 312	15 686 280
540 297	487 173
(36 003 609)	(16,173 454)
189 760	-
67 395 385	(62 034 761)
(8 979 832)	4 750 934
(51 020 822)	76 751 575
6 519 002	110 281 209

BOTSWANA INTERNATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY

NOTES TO THE ANNUAL FINANCIAL STATEMENT

for the year ended 31st March 2016

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.

	2016 P	2015 P
Senior management salaries and allowances	3 892 879	6 790 626
Council Expenses	311 932	1 624 433
Government of Botswana - subventions received	262 861 250	294 216 750
Government of Botswana - capital grants received	346 904 910	71 000 000

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

19 Contingent Liabilities

A supplier has instituted legal proceedings against the University to purchase certain equipment with the claim ranging between P 62 050 and P 1 400 000 from which an asset of equivalent value would be acquired by the University. The University's legal counsel believes that judgement will be in favour of the University.

20 Commitments

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

	2016 P	2015 P
Building Construction	719 109 017	532 601 800
	719 109 017	532 601 800

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

	2016 P	2015 P
	38 213 526	119 251 055

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

NOTES TO THE ANNUAL FINANCIAL STATEMENT

for the year ended 31st March 2016

12 Events After The Reporting Date

There have been no major events between the reporting date and the date of approval of these financial statements that may require adjustment or disclosure in the financial statements.

22 Expenses by Nature

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

	2016 P	2015 P
Advertising	2 768 972	6,231 672
Auditors' remuneration	775 303	343 599
Amortisation of intangible asset (Note 9)	540 297	487 173
Books and Publications	8 298 532	1 634 995
Computer consumables	96 770	561 243
Consultancy fees	14 957 490	5 970 843
Depreciation of property, plant and equipment (Note 10)	35 463 313	15 686 280
Insurance	3 027 284	1 562 402
Laboratory Expenses	7 221 672	11 249 137
Legal and professional fees	733 972	1 010 271
Council Expenses (Note 18)	311 932	1 624 433
Petrol, Oil and Lubricants	1 361 041	1 410 893
Postal and telephone charges	7 374 129	6 731 662
Recruitment fees	6 844 274	5 084 071
Remuneration paid to senior management (Note 18)	3 892 879	6 790 626
Other staff costs	200 315 674	142 512 358
Other expenses	75 345 230	49 275 282
Total staff and other operating expenses	369 328 764	258 166 939
23 Other Income		
Late Registration Fees	400	1 050
Application Fees	316 484	366 412
Identity Card Fees	6 070	70
Student Resident Fees-General	2 541 663	92 000
Rent Receivable- Institutional	2 324 640	478 708
Reimbursements of books and kits	4 602 224	6 121 699
Miscellaneous Income	622 333	616 199
	10 413 814	7 676 138

24 Prior Year Adjustment

The University's academic year runs from December to November annually, whilst the University's financial year end is March. Accordingly, a proportion of revenue billed and received during the financial year relates to portions of the academic year which relate to months which do not fall within the financial year. Such revenue represents deferred income for the University, however, this has not been treated as such in the historical financial statements. The accounting treatment has been corrected on a retrospective basis through adjustment of previously reported amounts and balances. The impact of the restatement is summarised below:

BOTSWANA INTERNATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY

NOTES TO THE ANNUAL FINANCIAL STATEMENT

for the year ended 31st March 2016

	Previously reported	Adjustment with respect to deferred income	Restated
	P	P	P
As at 31 March 2014			
Deferred Income	-	(9 361 733)	(9 361 733)
Accumulated fund	10 040 742	(9 361 733)	679 009
As at 31 March 2015			
Deferred Income	-	(43 104 652)	(43 104 652)
Accumulated fund	139 062 248	(43 104 652)	95 957 596
For the year ended 31 March 2015			
Tuition and other student fee	64 656 978	(33 742 919)	30 914 059

DETAILED INCOME STATEMENT

for the year ended 31st March 2016

	2016 P	Restated 2015 P
Government subvention	262,861 250	294 216 750
Tuition fees	58 984 601	30 914 059
	321 845 851	325 130 809
Amortisation of capital grants	36 003 610	16 173 454
Gross operating income	357 849 461	341 304 263
Other income	11 579 454	12 141 264
Operating expenses		
Advertising	2 768 972	6 231 672
Amortisation of software	540 297	487 173
Auditors' remuneration	775 303	343 599
Bank charges	193 532	317 991
Books and Publications	8 298 532	1 634 995
Computer consumables	96 770	561 243
Consultancy fees	14 957 490	5 970 843
Depreciation	35 463 313	15 686 280
Donations	43 500	62 780
Electricity and water	6 147 474	2 319 099
General expenses	34 546 118	15 921 396
Insurance	3 027 284	1 562 402
Laboratory Expenses	7 221 672	11 249 137
Legal and professional fees	733 972	1 010 271
Council Expenses	311 932	1 624 433
Postal and telephone charges	7 374 129	6 731 662
Petrol, Oil and Lubricants	1 361 041	1 410 893
Rental	7 322 779	3 577 105
Printing and stationery	3 357 214	3 634 411
Recruitment fees	6 844 274	5 084 071
Repairs and maintenance	10 828 138	8 753 769
Security	5 048 050	2 580 995
Staff costs	201 296 912	146 896 269
Staff training	2 911 641	2 406 715
Travelling expenses	5 855 615	9 378 606
Workshops, conferences and seminars	2,002,810	2,729,129
	369 328 764	258 166 939
Surplus for the year	100 151	95 278 589

"This detailed income statement does not form part of the audited financial statements covered by the audit opinion

NOTES

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Driving Change

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