



**Botswana Institute
for Development
Policy Analysis**



2023/24 **ANNUAL REPORT**



Of Providing Evidence-Based Policy Advice



Providing evidence-based
socio-economic policy advice
and related capacity building

TABLE OF CONTENTS

- 4. BIDPA Corporate Profile
- 5. Our Objectives
- 6. Chairman's Statement
- 7. Message from the Acting Executive Director
- 9 Key Highlights

- 12. Governance Report
- 15. Board Committees
- 17. Board Tenure
- 18. Board Meetings
- 19. Sitting Allowance
- 20. Roles and Responsibilities of the Board
- 21. Management Committees
- 22. Project Reports
- 25. Stakeholder Engagement
- 26. BIDPA Publications

- 29. Annual Financial statement
- 29. General Information
- 30. Trustees' Responsibility and Approval
- 31. Independent Auditor's Report
- 35. Statement of Financial Position
- 36. Statement of Comprehensive Income
- 37. Statement of Change of Equity
- 38. Statement of Cash Flows
- 39. Accounting Policies
- 44. Notes to the Annual Financial Statements
- 66. Detailed Income Statement

CORPORATE PROFILE

The Botswana Institute for Development Policy Analysis (BIDPA) was established in 1995 by the Government of Botswana. BIDPA is a major player on the national public policy landscape. BIDPA's mandate is defined by the following elements: development policy research, analysis and advice; capacity building; and professional training.

WHAT WE DO : The core mandate of BIDPA is to undertake both demand-driven (consultancies) and supply-driven research. Demand-driven work involves consultancies and commissioned studies undertaken on behalf of various clients, including government, development partners, and non-state actors. This work is normally guided by pre-defined Terms of Reference and is done at a fee. The output of such work (reports) normally belongs to the client, unless permission is granted for the Institute to refine and publish such reports as BIDPA products.

Supply-driven projects are initiated by BIDPA researchers. They include internal projects undertaken independently by experienced researchers, and mentoring projects undertaken by junior researchers under the supervision of senior researchers. These are mainly funded through government grants. Supply-driven research normally leads to the production of publications such as working papers, policy briefs, books and book chapters, and journal articles.

Since most of the demand-driven work is undertaken for government, most of it has influenced public policy directly.

KEY PRODUCTS AND SERVICES: Consultancies – Policy Analysis and development, Implementation Strategies, Operational Plans, Monitoring and Evaluation Plans, Customer Satisfaction Survey Index etc.

Publications – Policy Briefs, Working Papers, Strategy Papers, Position Papers, Journal Articles, Books and Book Chapters.

Capacity Building – Short courses on budgeting, governance, evidence-based policy making, and policy analysis.

Public forums – Policy Debates, Budget Reviews, and others

OUR VALUE PROPOSITION: We ensure that our demand-driven research adheres to quality, cost and time parameters. We are committed to supply-driven research that supports the accomplishment of national priorities and addresses topics on the national development agenda.

BIDPA HAS FIVE RESEARCH UNITS:

a) Macroeconomics and Development

d) Environment, Agriculture and Natural Resources

b) Trade, Industry and Private Sector Development

e) Governance and Administration

c) Human and Social Development



OUR STRATEGIC OBJECTIVES



To promote and conduct research, analysis and publication on development policy issues of relevance to Botswana and the Southern African region.



To monitor the performance of the Botswana economy and the management of public policy implementation, especially with regard to the implication for economic and social development.



To offer advice and consultancy services to agencies of government and other clients under suitable contractual and other arrangements.



To provide technical and financial assistance, directly or indirectly, to individuals and organizations in Botswana as deemed desirable for purposes of facilitating policy analysis.



To assist professional training and public education of Botswana citizens in matters relating to policy analysis, and encourage collaboration between expatriates and local professionals in these matters in ways that build or augment national capacities for performance and understanding of policy analysis.



To employ staff members who will themselves, or jointly with other organizations or qualified people, carry out research, consultancy, training and education projects, including arrangement and management of contractual relationships designed to facilitate such activities by persons affiliated with the Institute.



To present or publish the outcome of its policy analysis, orally or in writing, to individuals, organizations or the general public .



To mobilize and administer funds for the achievement of the objectives and performance of the functions of the Institute.

BOARD CHAIRPERSON STATEMENT



Mr Daniel Molaodi

BIDPA - Board Chairperson

Dear Stakeholders,

I am delighted to present BIDPA's annual report for the financial year 2023-24. The report provides an insight into the Institute's operations and financial condition throughout the reporting period.

Throughout the past financial year, BIDPA made progress in strengthening corporate governance. The Board revised the Board Committee Charters to help meet its legal and regulatory commitments. The Board also appointed new members to its three committees of Finance, Risk & Audit, the Human Resources Committee as well as the Research Committee to foster informed decision-making and enhanced oversight.

The Institute continued to face funding challenges due to reduced government subventions and undiversified revenue sources which hampered our efforts to deliver on the set strategic objectives, especially our main output which is the publication and promotion of research output. The Institute's inability to replace senior researchers continues to put pressure on the few remaining ones who have to double efforts to deliver on its mandate.

In light of this, the board approved the extension of BIDPA's Strategic Plan which was to expire in March 2024 to December 2024 to allow management to complete some planned and ongoing deliverables, some of which will inform the development of the new strategy.

One such deliverable is the assessment of the suitability and relevance of the current legal framework governing BIDPA and advice if the Institute should remain as a Trust or adopt a different legal identity. The type of legal entity BIDPA adopts

will determine the Institute's future going forward including its strategic objectives in the next 5 years.

While management continued to invest in the expansion of ICT infrastructure to improve cybersecurity, at board level, we have enhanced our ICT governance capability by appointing an expert in the Finance, Risk and Audit Committee. Although this is a key milestone, it falls short of our strategic focus of ensuring complete digitalisation in BIDPA's working environment.

I would like to thank our stakeholders and clients who continue to place their trust in us to provide expert advisory services. On behalf of the Board and BIDPA Management, I wish to thank our shareholder, and the government of Botswana for continued support and collaboration.

To BIDPA management and employees, thank you for your dedication and hard work, despite numerous challenges you remain dedicated and focused. I would also like to thank my fellow board members for their guidance and support and for working tirelessly to ensure that despite all the challenges, BIDPA remains an undisputed source of socio-economic evidence that guides policy making.



Mr Daniel Molaodi
Board Chairperson

ACTING EXECUTIVE DIRECTOR STATEMENT



Dr G. Somolekae, PhD

BIDPA - Acting Executive Director

I am pleased to present the Botswana Institute for Development Policy Analysis (BIDPA) Integrated Annual Report for the financial year 2023–2024.

This report gives our stakeholders and partners an insight into our performance and achievements during the reporting period, including the challenges that we faced.

We made progress in our post COVID 19 recovery efforts, pushing hard on our research program and consultancy (revenue generation) initiatives. The institute is among several State-Owned Enterprises that had to endure deep budget cuts following the cost-cutting measures instituted by the government as a result of the pandemic. We are on the path to recovery and have been able to support the government in some of the most significant research projects that had been commissioned.

We take pride in having contributed immensely during the formulation of the Transitional Plan launched in 2022, and that yet again it was BIDPA that undertook the Diagnostic Study for the formulation of National Development Plan 12 during the last part of 2023. As the rationalization of State-Owned Enterprises and Ministries was being undertaken, it was indeed gratifying to note that part of our work informed the rationalization. Reference can be made here to the Study on Decentralization.

The work that BIDPA has undertaken on multi-dimensional poverty, especially the study focusing on children and people with disabilities as well as other studies on poverty exercise have been impactful. During this same period, we have also

been reviewing the 2002 Rural Development Policy and I had the honor to lead a Task Team appointed by the Vice-President of the Republic of Botswana Mr Slumber Tsogwane tasked with reviewing the composition and mandate of the Rural Development Council (RDC).

We remain a trusted partner by the government in policy design, policy analysis and evaluation. More and more stakeholders have been approaching us to review their policies, and BIDPA remains the go-to place for capacitation in the generation and use of evidence in crafting policy.

During the reporting period, BIDPA was also reviewed as part of the broader rationalization of State-Owned Enterprises. The Trust Deed establishing BIDPA has had to be reviewed. The work is at an advanced stage. We are happy that we have been part of this transformation and are keen to keep aligning our work to the country's national transformation agenda. We do this, not just in terms of our research focus and themes, but also in terms of strengthening our governance systems to make sure we are aligned to the King IV code as expected of institutions of state like ourselves.

We remain concerned about our inability to recruit senior researchers and to end the current challenge of having a vacancy rate of 80% at senior level, which will eventually hurt the institution. Relying too much on consultancies for income is not consistent with the institute's mandate of being a Think Tank. BIDPA was not set up as a consultancy outfit and this should not be its focus.

The highlight for BIDPA during this reporting period has been our corporate social responsibility impact emanating from our Adopt-a-School initiative under which, BIDPA adopted Hunhukwe Primary School in Kgalagadi in 2021. The pass rate in that year was 23.8%. The following year in 2022, it had risen to 42.1%, and to 74.1% in 2023. The support we have given this school, is partly responsible for these improvements. We will continue to give support, primarily because the area is one of the most disadvantaged in the country and needs the support we are providing.

I warmly thank the BIDPA staff for their dedication and focus. The achievements we continue to make as an institution are only made possible by their hard work and focus.

Finally, I thank the Board of Trustees, without whose guidance and support, the milestones reached might not have been possible.



Dr G. Somolekae, PhD
Acting Executive Director

providing evidence-based
socio-economic policy advice
and related capacity building





KEY HIGHLIGHTS

BIDPA RESEARCH (Supply Driven)

Through its working paper series, BIDPA continues to deliver the most cutting-edge information to researchers, policy makers and the public at large. During the year under review, the institute produced the first ever publication focussing on children with disabilities titled:

✓ **Children with disabilities:** Left behind or forgotten? Empirical evidence from Botswana using multidimensional poverty measures.

To create maximum impact, BIDPA has partnered with UNICEF and the Coordinating Office for People with Disabilities in the Office of the President to disseminate the study.

BIDPA CONSULTANCIES (Demand Driven)

BIDPA continues to undertake consultancies on behalf of clients which includes government, development partners and the private sector. During the period under review,

✓ **BIDPA undertook the Diagnostic Study for the formulation of National Development Plan 12**
on behalf of the National Planning Commission.

✓ **The Institute also carried out a study on tourism leakages**
on behalf of the Botswana Tourism Organization.

Others include the:

✓ **Development of a State-Owned Enterprise (SOE) Ownership Policy for Botswana**
for Public Enterprises Evaluation and Privatisation Agency.

✓ **Consultancy to undertake a Baseline Survey for CEDA's Result-Based Monitoring and Evaluation System**
on behalf of United Nations Development Programme.

GOVERNANCE

The following were undertaken in order to strengthen governance within the Institute.

Revised Board Committee Charters

Appointment of new members for Finance, Risk and Audit, the Human Resource and the Research Board Committees.

The Board also finalized the BIDPA Legal Identity Review Report

To comply with the new Public Procurement Regulatory Authority, BIDPA appointed members of the Procurement Oversight Committee to oversee procurement within the Institute.

PARTNERSHIPS



During the reporting period, the Institute entered into partnerships with like-minded institutions. This is critical for BIDPA to leverage the strength of others to execute its mission. This includes rekindling partnership with the Food, Agriculture and Natural Resources Policy Analysis Network (FANRPAN) based in South Africa. BIDPA is also a member of the Botswana Research and Education Network (BotsRen).

STAKEHOLDER ENGAGEMENT



The BIDPA Board of Trustees approved the Institute’s first ever Stakeholder Engagement Policy to guide the building and the maintenance of an open relationship between BIDPA and stakeholders and promote a good understanding of stakeholders’ needs, interests, and expectations.



CAPACITY BUILDING

In order to have a substantive research output and become a major contributor to the country's body of knowledge, BIDPA continues to invest in its researchers to attain PhDs.

Dr Keneilwe Pearl Marata

Doctor of Philosophy Degree (PhD) in Political Studies
University of Cape Town (South Africa).

Thesis: “Factors Affecting the Parliament of Botswana’s Performance of Budgetary Oversight”.

Through her research, Dr Marata addressed some of the challenges surrounding the effective performance of the Botswana parliament.



Dr Kedibonye Thompson

Doctor of Philosophy (PhD) in Economics, specializing in
Macroeconomics and Financial Markets
Business School, Loughborough University (United Kingdom)

Thesis: “Investment Dynamics, Financial Markets, and Economic Performance in Selected African Countries”.

Through her research, Dr. Thompson explored the complexities of financial markets, and their impact on investment dynamics for selected African economies, among other factors. Additionally, she explored the differential investment impacts of macroeconomic policies.



Corporate Social Responsibility

Through our corporate social responsibility Initiatives, BIDPA continues to promote educational excellence by sponsoring the Hunhukwe Primary School Annual Prize Giving ceremony. The partnership has seen the school improve its Primary School Leaving Examination, (PSLE) results, from 23.8% in 2021 to 74.1% in 2023.

BIDPA also supported the Kgalagadi Region 2023 School Essay Writing Competition where learners from 13-schools participated in essay writing and presentation in order to improve their research and presentation skills.

The partnership has seen the school improve its Primary School Leaving Examination results, **(PSLE) from**

23.8% IN 2021 ► **74.1% IN 2023**

GOVERNANCE REPORT

BIDPA is governed by the Board of Trustees whose work is carried out through various committees. There are five members of the board, and the Executive Director is the Secretary to the Board.

THERE ARE THREE SUB-COMMITTEES OF THE BOARD

**1. FINANCE, RISK
AND AUDIT COMMITTEE**

**2. HUMAN RESOURCES
COMMITTEE**

**3. RESEARCH
COMMITTEE**

The composition of the board and its committees are in line with the King Code and there is a clear balance of power to ensure no individual has undue decision-making powers. The meeting schedule for the board and committees is confirmed at the beginning of every financial year. The Executive Director is appointed by the board and given the mandate to run the Institute



Mr Daniel K. Molaodi
Chairperson

QUALIFICATION

Master's degree in public policy & administration
(University of Wisconsin, Madison, USA)

Bachelor's degree in public administration and
political science (University of Botswana)

APPOINTED TO THE BOARD:

31st July 2019

Daniel Molaodi is a lecturer in the Department of Political & Administrative Studies (PAS) at the University of Botswana, having joined from the Institute of Development and Management. Molaodi has taught several public administration courses in the PAS' undergraduate and graduate programs. His focus is on Public Administration Theory, Local Governments, Public Services, Public Policy, and Project Planning & Management, among others.

He has also conducted workshops and seminars on local government projects in Botswana, Lesotho and Swaziland (BLS countries), as well as conducting a series of Heads of Departments seminars for senior level managers in the public sectors of the BLS countries. In addition to attending numerous seminars on strategic planning and institutional missions and visions, Molaodi has made several conference paper presentations for organizations such as the African Association for Public Administration and Management (AAPAM), The Conference for Minority Public Administrators (COMPA) and National Forum for Black Public Administrators (NAFBPA), (the latter two in the USA).



Dr Kealeboga Masalila
Deputy Chairperson

QUALIFICATION

PhD in Economics (*University of Manchester, UK*)
MPhil in Monetary Economics (*Glasgow University, Scotland*)
Bachelor of Commerce (*University of Botswana*)

APPOINTED TO THE BOARD:

26 February 2021

Dr Kealeboga S Masalila is a Deputy Governor at the Bank of Botswana, appointed in December 2016, and oversees the Research and Financial Stability, Financial Markets, Statistics and Data Management, Human Resources, Information and Communications Technology, Protective Services, as well as Procurement and Property Management Functions.

Prior to appointment as Deputy Governor, he had been Director of the Research and Financial Stability Department from 2010, an area where he spent most of the over 30 years he worked at the Bank of Botswana. He has also worked in the Banking Supervision Department of the Bank and under the Special Appointee programme at the International Monetary Fund, as well as the Ministry of Trade and Industry. Dr Masalila has a special interest in monetary and exchange rate policies and financial sector regulation and reform and has contributed research and policy papers in this regard.



Ms Goaba Mosienyane
Member

QUALIFICATION

Master of Science (Medical Microbiology),
London School of Hygiene and Tropical Medicine
Bachelor of Science (with Honours) in Biomedical Sciences,
(Portsmouth University, United Kingdom)

APPOINTED TO THE BOARD:

7 September 2020

Ms Goaba Mosienyane is the Deputy Commissioner General at the National Planning Commission, responsible for implementation coordination. A scientist by training, Ms Mosienyane has undergone several executive leadership and transformation training programmes and was accredited for corporate values assessment tools.

In addition to this, she studied Public Enterprise Policy Management, Telecommunications Sales and Marketing Management and Total Quality Management. She has led a variety of organizational programs over time, from governmental institutions, public entities to private organizations.

This includes leading large systems to benefit from transformational change and has expertise at building teams, coaching, designing performance monitoring systems and her scientific background provides an excellent critical thinking foundation for this.



Ms Jacqueline Sajembe
Member

QUALIFICATION

MSc in Economics (*University of Wales, UK*)
Bachelor of Accounting and Economics
(*University of Botswana*)

APPOINTED TO THE BOARD:

20 January 2021

Ms Jacqueline Sajembe is an Economist with over 30-years experience. She started off as an Economics Lecturer at the then Botswana Institute of Administration and Commerce (BIAC) and the University of Botswana Centre of Continuing Education. She then joined the Economic Affairs Division in the then Ministry of Finance and Economic Development, focusing on the development of National Development Plans, Preparation of Annual Budget Speeches, macroeconomic reports, and forecasts.

At that time she was dealing with the World Bank, IMF, Commonwealth, SADC and SACU issues. She was then transferred at Director level, to coordinate and facilitate the Government Motor Vehicle and Residential Property Advance Scheme. Overseeing the processing and disbursement of Government Guaranteed funds, and insurance coverage of such guaranteed loans; working with financing banks.



Dr Gloria Somolekae
Acting Executive Director and Secretary to the Board

QUALIFICATION

PhD in Public Administration (Maxwell School, Syracuse University, USA)
Master's degree in Public Policy and Administration (*Institute of Social Studies in The Hague, Netherlands*)
Bachelor's degree in Public Administration and Political Science (*University of Botswana and Swaziland*)

Dr Gloria Somolekae is the head of the Governance and Administration Unit at BIDPA. She started her career as a Lecturer at the University of Botswana where she taught Development Administration, Public Policy analysis, Research Methods, Local Government, Program Evaluation and Organizational Development.

After 18 years with the University, she joined the W.K. Kellogg Foundation as a Policy Consultant focusing on poverty eradication and broader issues of rural development in Southern Africa and became the Program Director at the W.K. Kellogg Africa head office, assuming responsibility for the work of the Foundation in Malawi, Botswana, Mozambique, and Zimbabwe.

She has also served as a Specially-elected Member of Parliament and in 2011 she was appointed the Deputy Minister of Finance and Development Planning where she also assumed the role of Director for the African Development Bank representing the Botswana Government. She then served for a year, before moving to the Office of the President, and later the Ministry of Health in the same role of Deputy Minister.



BOARD COMMITTEES

1. Finance Risk and Audit Committee

The Board of Trustees established the Finance, Risk and Audit Committee (FRAC) to provide oversight in ensuring transparency and integrity in financial information and fulfilling its corporate governance responsibility. The purpose of the committee is to provide oversight on:

- ☑ Integrity of financial reporting, audit processes and effectiveness of quality assurance functions
- ☑ Maintenance of sound internal controls systems
- ☑ Effective Risk and Compliance Management
- ☑ Information and Technology
- ☑ Stakeholder Management including Corporate Social Responsibility
- ☑ Annual Budget preparation

Members

Rebecca Mgadla

Mr Ratsela Mooketsi

Kealeboga Masalila

Jacqueline Sajembe
Chairperson



2. Human Resources Committee

The Human Resources Committee was established to provide oversight in ensuring transparency and integrity in human resources related issues. The purpose of the committee is to assist the BIDPA Board of Trustees in fulfilling its oversight responsibilities in the field of human resources. The Committee;

- ✔ Provides oversight on all matters related to BIDPA's human resources such as recruitment, remuneration, development, succession planning and compensation.
- ✔ Oversees the development and implementation of comprehensive human resources policies and strategies which will ensure that BIDPA is able to attract and retain required skills.
- ✔ Ensures that BIDPA keeps abreast of developments in the labour market and that the institute adopts suitable best practices in human capital management.

Members

Jacqueline Sajembe

Mr Peter Tladinyane

Tekolo Modungwa

Ms Goaba Mosienyane
Chairperson



3. Research Committee

The Committee was established to ensure transparency and integrity in the execution of the research mandate. The committee is an advisory body for the Board and in matters pertaining to research in the broadest sense. The Committee has oversight of the research activities as the core mandate of BIDPA.

Members

Dr Kealeboga Masalila

Ms Goaba Mosienyane

Prof. T. Maundeni

Dr Kealeboga Masalila
Chairperson



BOARD COMPOSITION

SKILLS MATRIX

KEY SKILLS OF OUR BOARD /MEMBERS

SKILLS	MEMBERS
GOVERNMENT POLICY	2
ECONOMICS	2
RESEARCH	3
FINANCE / AUDIT	1
STRATEGY	1
RISK	1
HUMAN RESOURCES	1



BOARD TENURE

Name	First Appointment	Current Appointment	Expiration Date	FRAC	HR	RESEARCH	
1. Mr D. Molaodi	31-Jul-19	31-Jul-23	30-Jul-27				2nd term
3. Ms Goaba Mosienyane	07-Sep-20	07-Sep-20	06-Sep-24				1st term
4. Jacqueline Sajembe	20-Jan-21	20-Jan-21	19-Jan-25				1st term
5. Dr Kealeboga Masalila	26-Feb-21	26-Feb-25	24-Feb-29				1st term
8. Mr Peter Tladinyane	05-Apr-23	05-Apr-23	04-Apr-27				1st term
9. Tekolo Modungwa	01-Jul-23	01-Jul-23	30-Jun-27				1st term
3. Rebecca Mgadla	20-Aug-20	20-Aug-24	18-Aug-28				1st term
4. Mr Ratsela Mooketsi	05-Apr-23	05-Apr-23	04-Apr-27				1st term
7. Prof. T. Maundeni	19-Aug-19	01-Oct-23	30-Sep-27				2nd term
9. Dr Gloria Somolekae	Board Secretary						

BOARD MEETINGS ATTENDANCE & DECISIONS

BOARD MEETING DATE	ATTENDANCE	DECISIONS / APPROVALS
4 April 2023	Mr. D Molaodi Mr. D. Molobe Dr K Masalila Ms G Mosienyane Absent- Ms J Sajembe	☑ Technical Assistance Project Audited Financial Statements 2021/22 ☑ Approved the 2023/24 budget. ☑ Approved the 2023/24 workplan. ☑ Revised Board Committee Charters ☑ Appointment of new committee members for FRAC and the Human Resource Committee. ☑ Quarterly Management Accounts ☑ Appointment of external auditors for 1 year
12 July 2023	Mr. D Molaodi Ms. J Sajembe Dr K Masalila Absent- Ms G Mosienyane	☑ Management Accounts for the period ending March 2023 ☑ Strategy extension to March 2024 ☑ Appoint board committee chairpersons
20 September 2023	Mr. D Molaodi Dr. K Masalila Ms J Sajembe Absent- Ms G Mosienyane	☑ Audited Financial Statement for March 2022/23 ☑ Technical Assistance Project Audited Financial Statements 2022/23 ☑ Management Accounts July 2023
26 October 2023	Mr. D Molaodi Dr. K Masalila Ms J Sajembe Absent- Ms G Mosienyane	☑ Management Accounts for the period ending March 2023 ☑ Policy for the Engagement of External Auditors.
November 2023	Mr. D. Molaodi Mr. D. Molobe Ms. J. Sajembe Absent- Masalila and Mosienyane	☑ Draft BIDPA Legal Identity Review report
January 2024	Mr. D. Molaodi Mr. D. Molobe Ms. J. Sajembe Ms. G. Mosienyane Dr. K. Masalila	☑ Final BIDPA Legal Identity Review report
8th February 2024	Mr Molaodi Ms Sajembe Ms Mosienyane Dr Masalila	☑ Management accounts for the period ended September 2023 ☑ 1 year appointment of external auditors ☑ Additional signatory to the BIDPA accounts.
28 March 2024	Mr Molaodi Dr Masalila Ms Mosienyane Ms Sajembe	☑ Approved Management Accounts for the period ended December 23 ☑ Approve extension of the BIDPA strategic plan to December 2024 ☑ Revised budget 2023/24 budget and use of reserves to offset the deficit. ☑ Appointment of Dr Kabo Diraditsile as a member of the Research Committee ☑ Budget Approval of 2024/25 budget

SITTING ALLOWANCE

for the year ended March 2023/2024

NO.	NAMES	POSITION	SITTING ALLOWANCE
1	Daniel Molaodi	Board Chairperson,	43,250.00
2	Kealeboga Masalila	Board, FRAC, Research & FRAC	37,340.00
3	Jacqueline Sajembe	Board, HR Committee	32,080.00
4	Goaba Mosienyane	Board, HR & Research Committee	24,520.00
5	Peter Tladinyane	HR Committee	16,520.00
6	Tekolo Modungwa	HR Committee	17,780.00
7	Rebecca Mgadla	Finance & Audit Committee	25,780.00
8	Ratsela Mooketsi	FRAC	28,300.00
9	Tapologo Maundeni	Research	17,720.00
10	Macie Molebatsi	HR Committee	2,460.00
11	Gaolatlhe Medupe	Procurement Oversight Committee	8,760.00
12	Matlhogonolo Maano	Procurement Oversight Committee	8,760.00
13	Botho Nkawana	Procurement Oversight Committee	6,300.00
			269,570.00



ROLES AND RESPONSIBILITIES OF THE BOARD

1.1. The broader role of the Board is to provide strategic leadership and guidance. The Board's roles and responsibilities include:–

1.2. Strategy Development and Oversight

1.2.1. Ensuring that there is an approved strategy, and that it is being implemented and appraised annually.

1.3. Risk and Compliance

1.3.1. Performing an oversight role in the development of the enterprise risk management strategy and monitoring of its implementation in accordance with best practices.

1.3.2. Ensuring compliance with statutory and regulatory requirements and standards.

1.4. Appointments

1.4.1. Appointing of the Executive Director, setting performance targets, and evaluating the performance of, and dismissing the Executive Director as prescribed in the Deed of Trust.

1.4.2. Appointing independent Board committee members.

1.4.3. Appoints internal and external auditors.

1.5. Work Plan and Budget

1.5.1. Approves the annual workplan and budget.

1.5.2. Approves the audited financial statements.

BOARD CHAIRPERSON

1. DUTIES OF THE CHAIRPERSON AND DEPUTY CHAIRPERSON

1.1. The role of the Chairperson is to provide strategic leadership and guidance, to promote cohesiveness and regular dialogue with Executive Director, and to ensure effectiveness of the Board. In the absence of the Chairperson, the Deputy Chairperson will play the roles and responsibilities of the Chairperson. Specific key roles and responsibilities shall include, among others, the following:

1.1.1. Maintaining regular contact with the Executive Director on strategic governance matters.

1.1.2. Maintaining good relationships with strategic stakeholders, such as Parent Ministry, other line Ministries, and non-state actors.

1.1.3. Ensuring that all Trustees are made aware of their responsibilities through an induction program.

1.1.4. Monitoring, assessing, and evaluating the performance of the Executive Director.

1.1.5. Ensuring that the Board and each individual Trustee is assessed for effectiveness on an annual basis.

EXECUTIVE DIRECTOR

☑ The Board delegates the following functions to the Executive Director of BIDPA:

☑ Ensure the effective and efficient running of the Institute in accordance with the strategic direction established by the Board and within the agreed policies and budgets.

☑ Be responsible for the employment, management, supervision, direction (and where appropriate, removal) of BIDPA employees subject to functions reserved for the Board.

☑ Ensure that advice and information is available to the Board so that informed decisions can be made.

☑ Ensure that records and documents of BIDPA are properly kept.

☑ Preparing the budget and audited accounts of the Institute, for submission to and approval by the Board.

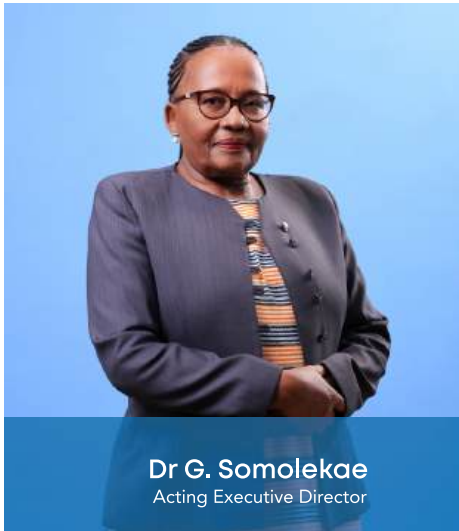
☑ Preparing annual reports and activities of the Institute.

☑ Preparing and maintaining proper record of proceedings of the meetings of the Board.

☑ Any other functions as directed by the Board.

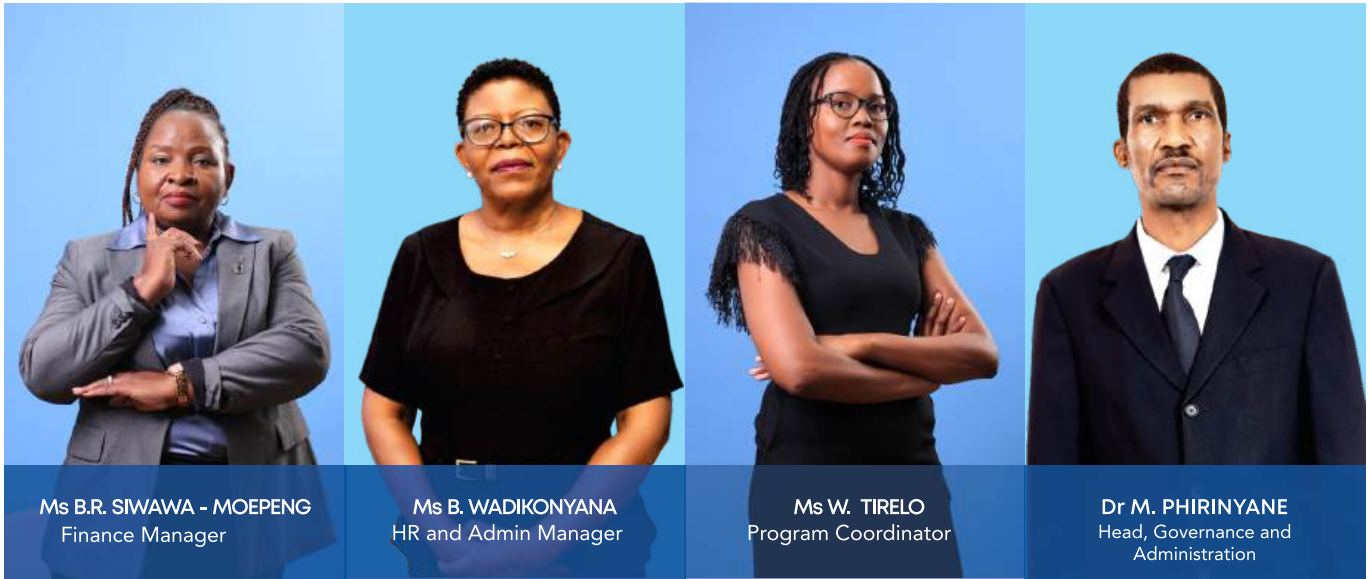
☑ Risk Management

MANAGEMENT COMMITTEE



Dr G. Somolekae
Acting Executive Director

The BIDPA Management Committee comprises the Executive Director, the Programme Coordinator, Finance Manager, Human Resources Manager, the Knowledge Management and Dissemination Manager, Information Technology Manager and all Senior Research Fellows. The Executive Director (ED) is appointed by Board of Trustees. The ED has everyday management responsibility for all activities of the Institute. Senior Research Fellows are heads of research units. Non-research managers are responsible for Information and Technology, Finance, Programme Coordination, Knowledge Management and Human Resources.

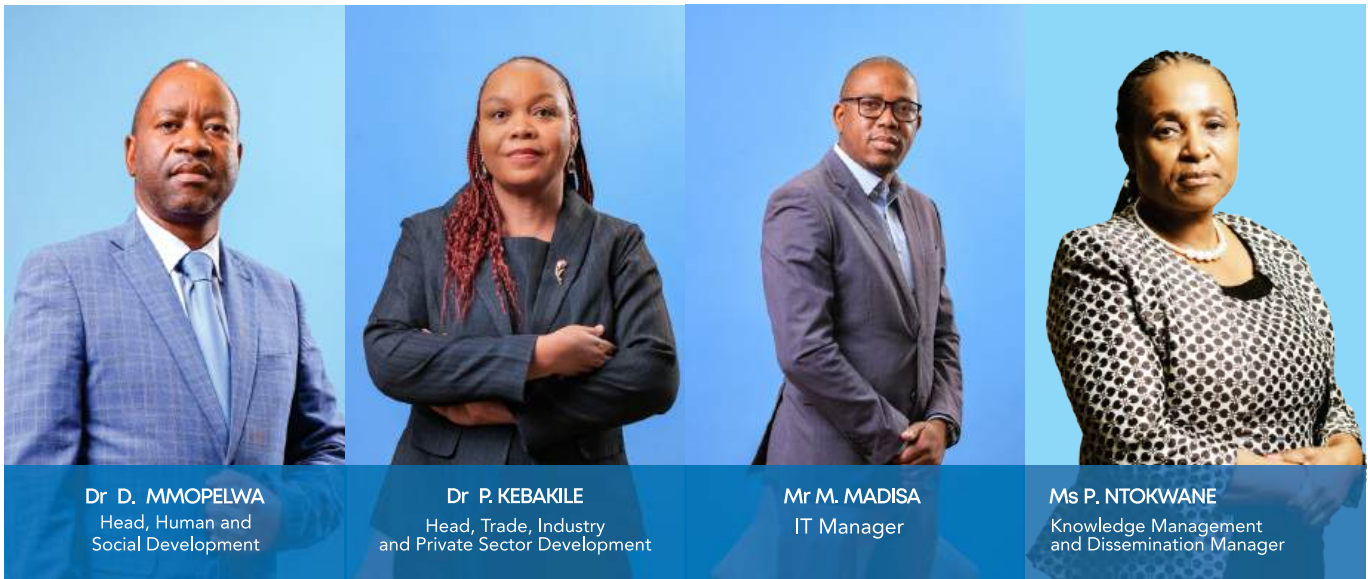


Ms B.R. SIWAWA - MOEPENG
Finance Manager

Ms B. WADIKONYANA
HR and Admin Manager

Ms W. TIRELO
Program Coordinator

Dr M. PHIRINYANE
Head, Governance and
Administration



Dr D. MMOPELWA
Head, Human and
Social Development

Dr P. KEBAKILE
Head, Trade, Industry
and Private Sector Development

Mr M. MADISA
IT Manager

Ms P. NTOKWANE
Knowledge Management
and Dissemination Manager



PROJECT REPORTS

The core mandate of BIDPA is to undertake both demand-driven (consultancies) and supply-driven research.

DEMAND DRIVEN

Research/Consultancies

The institute bid and succeeded in the following projects during the reporting period.

BIDPA PROJECT REPORTS FOR THE 2023/2024 ANNUAL REPORT

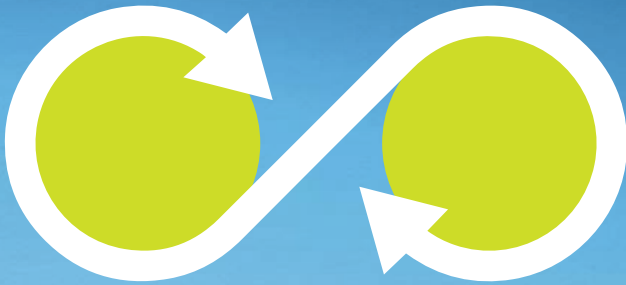
Demand Driven Research/Consultancies

During the reporting period , the Institute undertook the following projects for the government, parastatals and developmental partners:

PROJECT NAME	CLIENT	DESCRIPTION	STATUS
1. Development of a State-Owned Enterprise (SOE) Ownership Policy for Botswana”	Public Enterprises Evaluation and Privatisation Agency (PEEPA)	The Botswana Institute for Development Policy Analysis (BIDPA) was contracted by the Public Enterprise Evaluation and Privatisation Agency (PEEPA) to develop a State-Owned Enterprise (SOE) Ownership Policy for Botswana. The two key objectives BIDPA was expected to meet are to: 1. Recommend ways to harmonise and align existing SOE legislative instrument and; 2. Develop a SOE Ownership Policy	COMPLETED
2. Consultancy to undertake a Baseline Survey for CEDA’s Result Based Monitoring and Evaluation System	United Nations Development Programme (UNDP)	United Nations Development Programme (UNDP) engaged the Botswana Institute for Development to undertake this study and some of the main tasks were: 1. To assess the current landscape and status of the CEDA-funded enterprises in accordance with the selected sample. 2. To develop a survey implementation plan that provides a detailed approach for implementation of the survey including the sample selection, identify appropriate sampling design, data collection instruments, data processing, analysis and reporting as well as clearly prescribing the roles and responsibilities of different parties who will be involved in the survey. 3. As per the selected indicators in the Result Measurement Framework (RMF), collect data from the clients using the various methods as prescribed in the survey implementation plan. 4. Prepare a field mission report to show-case preliminary findings from the data collection exercise. This should allow for identification of gaps and challenges incurred in data collection such that the project team can advise on the necessary mitigation measures. 5. Data consolidation, analysis and packaging. 6. Produce baseline data sets and survey reports by the project team and subsequent integration into the RMF.	COMPLETED
3. Diagnostic Study to Inform the Preparation of National Development Plan 12	National Planning Commission (NPC)	The National Planning Commission (NPC) assigned the Botswana Institute for Development Policy Analysis (BIDPA / Consultant) to develop a Diagnostic Study for the Development of National Development Plan 12 (NDP12). The terms of reference for this study were: a. Review relevant literature, including Vision 2036 diagnostic study reports, to gauge the extent of prevalence of challenges and obstacles identified therein and how significant they are to Botswana’s development prospects. b. Identify strengths and weaknesses of the measures taken to address the identified challenges and assess if there is need for adjustment. c. Identify key performance indicators for Vision 2036 on which to pay the most attention to during NDP 12, assess the adequacy of existing intervention measures and provide advice on resource requirements for new and proposed interventions. d. Review the current national development planning system, identify strengths and weaknesses in the system and propose reforms and other remedial measures to address structural challenges hindering transformation of the Botswanaeconomy.	COMPLETED

PROJECT NAME	CLIENT	DESCRIPTION	STATUS
		e. Facilitate identification of national priorities for NDP12, including growth opportunities and key drivers, as well as required national development planning capacities in a reformed national planning system for transforming the country to a high income country by 2036. f. Propose the most effective way of involving the private sector in planning and ensuring their delivery towards the goals and objectives of the plan. g. Propose measures for proper alignment of the district/urban development plans and the National Spatial Plan with the National Development Plan, including projects and programmes	
ON-GOING PROJECTS UNDER THE 2023-2024 PERIOD			
1. Review of the National Policy for Rural Development (2002) & Develop a Revised National Policy for Rural Development (RNPRD)	United Nations Development Programme (UNDP)	The United Nations Development Programme (UNDP) engaged BIDPA to review the 2002 Revised National Policy for Rural Development and develop a revised comprehensive National Policy for Rural Development. The scope of work encompasses the following: i. Review the 2002 Revised National Policy for Rural Development including its 12 strategic/thematic areas and the action plan (2010–2016). The review must employ the six evaluation criteria of relevance, coherence, effectiveness, efficiency, impact, and sustainability. I. Undertake an assessment of the status of rural development in Botswana. iii. Undertake a desktop review of international best practices on rural development. iv. Develop a Review Report containing findings and detailed recommendations to improve the relevance, efficiency, effectiveness, impact, and sustainability to inform the development of the Revised NPRD and Action Plan. v. Develop a comprehensive revised NPRD, aligned to national policy guidelines. vi. Develop a comprehensive Action Plan for the Revised Policy vii. Develop the Revised NPRD Risk Management Plan that outlines risk descriptions, likelihood, impact, risk owners and mitigating measures. Action 6 Viii. Develop a Monitoring & Evaluation Plan, integrated within the Action Plan.	ONGOING
2. Tourism Leakages in Botswana	Botswana Tourism Organization (BTO)	Botswana Tourism Organization (BTO) appointed BIDPA to undertake this study. The overall goal of the study is to map the tourism value chain, identify the tourism leakages in the country, quantify them to give an overall vision on leakage in the economy and propose strategies for transforming leakages into linkages to ensure smart tourism in Botswana.	ONGOING
3. Assessment of an Enabling Environment to Fast Tracking Renewable Energy Transition in Botswana	European Climate Foundation (ECF).	European Climate Foundation (ECF) commissioned BIDPA to undertake an Assessment of an Enabling Environment to Fast Tracking Renewable Energy Transition in Botswana. To achieve the objectives of the study, it has been subdivided into four strategic components which are key to address the country's transformation agenda. The four are: 1. Diagnostic Study on Transition to a Low Carbon Economy. 2. Diagnostic Study on Transition to Knowledge Based Economy in context of Sustainability. 3. Assessment of Factors Determining Public Willingness to Adopt Renewable Energy Technologies 4. Assessment of Energy Poverty Amidst Transition to Low Carbon Economy	ONGOING
4. Scaling Up and Accelerating Youth Entrepreneurship in Botswana	Local Enterprise Authority (LEA)	Local Enterprise Authority (LEA) appointed BIDPA to undertake this study. The study aims to identify a pipeline of interventions to stimulate youth entrepreneurship, and development of high-impact and innovative interventions to build capacity and growth of youth-owned or led MSMEs and start-ups in Botswana in line with the Africa Growth Platform.	ONGOING

STAKEHOLDER ENGAGEMENT



Strong partnerships and understanding are essential to value creation. We continue to explore the most effective way to understand our stakeholder needs and how to engage them. We gather feedback through continuous dialogue with our stakeholders throughout the year to gain an understanding of their needs.



1. CLIENTS

In 2023–24 our main focus was building partnerships and striving to build long-lasting relationships with our clients. We developed a Stakeholder Engagement Policy which awaits board approval.

We engage with them through;

- ☑ Dedicated partnerships coordinator
- ☑ User friendly website
- ☑ Regular telephone and email communications
- ☑ Industry relevant events
- ☑ Marketing events



2. OUR EMPLOYEES

BIDPA employees are at the heart of our operations. We strive to focus on the following; learning, development and career progression, diversity, inclusion and equity, physical and mental well-being and flexible working conditions. Funds permitting, we will be reviewing the pay structure in the next financial year to ensure fair remuneration.

We engaged with our employees through;

- ☑ Staff updates on organizational performance
- ☑ Induction programme for new employees
- ☑ Annual performance appraisals
- ☑ Ongoing communications from executive leadership through email updates and digital platforms



3. SHAREHOLDER

- ☑ Progress against planned objectives
- ☑ Financial performance (Audited Financial Statement)

We engage through;

- ☑ Meetings between Shareholder and both Board Chairperson and Executive Director
- ☑ Attends and participates in different shareholder forums (Ministerial strategic planning sessions, annual strategic retreats)



4. COMMUNITIES

BIDPA aims to contribute to the society with focus on the following areas; education, environmental sustainability, gender equality and empowerment of women and digitization.

We engage with communities through;

- ☑ Supporting community initiatives. During the past year, BIDPA supported an essay writing competition where learners from 13 schools in the Kgalagadi Region participated in an essay writing and presentation in order to improve their research skills on selected topics.
- ☑ Our partnership with Hunhukwe Primary School in the Kgalagadi North region continues to promote educational excellence. The learners are determined to turn the tide. A first in the history of the school. Results of Primary School Leaving Examinations have improved from 23.8% in 2021 to 74.1% in the ABC grades.
- ☑ Website and social media platforms

BIDPA PUBLICATIONS

BIDPA BRIEFING	BIDPA WORKING PAPERS	BIDPA PUBLICATIONS SERIES	BIDPA POLICY BRIEF	BIDPA NEWSLETTER AND ANNUAL REPORTS
An economic and policy commentary newsletter, published approximately eight times in a year.	Presenting the initial results of research projects, or work in progress.	Publications containing results of research projects, conference proceedings and journal contributions.	Reports on policy implications emanating from research undertakings	Projects and general activities updates.

WORKING PAPERS

Working Paper No 85: Lekobane, Khaufelo R. (2024) Factors Influencing the Probability of Being Left Behind: *A multidimensional poverty approach for Botswana*

Working Paper No 84: Lekobane, Khaufelo R. and Samboma, Thabile A. (2023) Children with Disabilities: *Left behind or forgotten? Empirical evidence from Botswana using multidimensional poverty measures.*

Working Paper No 83: Samboma, Thabile (2022) Child Sexual Abuse in Botswana: *An evaluation of the effectiveness of child protection institutions in selected villages*

Working Paper No 82: Gaodirelwe, Ikanyeng et. al. (2022) Predictions of Human-Wildlife Fatalities: Insights from Botswana

Working Paper No 81: Blackie, Israel R. (2022) Ex Gratia Payments for Loss of Life Due to Wild Animal Attack in Botswana: *Implications for practice and policies*

Working Paper No 80: Blackie, Israel R. (2022) The Social Impact Analysis of the Human-Wildlife Conflict on Victims and their Families in Botswana

Working Paper No 79: Omotoye, Marumo (2020) Whistleblowing in Botswana's Construction Industry: *A public and private sector perspective.*

Working Paper No 78: Seleka, Tebogo B. (2020) Old Wine in a New Bottle? *Impact of the ISPAAD Input Subsidy Programme on the Subsistence Economy in Botswana.*

Working Paper No 77: Motsatsi, Johane (2020) How Non-Diamond Exports Respond to Exchange Rate Volatility in Botswana.

Working Paper No 76: Motswapong, Masedi (2020) Male-Female Wage Differentials in Botswana.

Working Paper No 75: Mmolainyane, Kelesego (2020) Financing Public Private Partnerships (PPPs) in Botswana Through the Capital Market.

Working Paper No 74: Gaetsewe, Tshepiso (2020) Characteristics of Firms in Botswana's Informal Sector.

Working Paper No 73: Khanie, Goitseone (2020) Key Drivers of Industrial Growth: *A case study of Botswana's manufacturing sector.*

Working Paper No 72: Seleka, Tebogo B. and Lekobane, Khaufelo R. (2020) Targeting Effectiveness of Social Transfer Programs in Botswana: *Means-Tested versus Categorical and Self-Selected Instruments.*

Working Paper No 71: Sedimo, Ratang and Mmolainyane, Kelesego (2020) Ordinary Shareholders' Rights Protection in Botswana.

Working Paper No 70: Gaetsewe, Tshepiso (2019) Youth Employment in Botswana: *Comparative Analysis of 2009/10 And 2015/16.*

Working Paper No 69: Omotoye, Marumo (2019) Gender and Corruption in Botswana: *Perceptions, Participation and Considerations for Anti-Corruption Policy.*

Working Paper No 68: Tshukudu, Masedi K. (2019) Impacts of Access to ICTs on Employment Status in Botswana.

Working Paper No 67: Sekakela, Kedibonye (2019) The Impact of Business Regulatory Quality on Private Sector Investment in Botswana.

Working Paper No 66: Raboloko, Mpho (2019) The Impact of Infrastructure on Economic Growth in Botswana

Working Paper No 65: Mookodi, Lillian (2019) Consumption Inequality in Botswana: *The decomposition of the gini coefficient of consumer expenditures.*

Working Paper No 64: Motsatsi, Johane M (2019) Unemployment in the SADC Region.

Working Paper No 63: Mmolainyane, Kelesego (2019) Structural Transformation & Fiscal Policy in Botswana.

Working Paper No 62: Molefhi, Koketso (2019) The Impact of Macroeconomic Variables on Capital Market Development in Botswana's Economy.

Working Paper No 61: Khanie, Goitseone (2019) Education & Labour Market Activity of Women in Botswana.

Working Paper No 60: Molefhi, Koketso (2019) Financial Inclusion and Its Impact on Employment Creation in Botswana.

Working Paper No 59: Samboma, Thabile (2019) Challenges of Project Implementation in Local Government: *The case of Francistown City Council and Kweneng District Council.*

POLICY BRIEFS

Policy Brief No. 19: Lekobane, Khaufelo R. and Samboma, Thabile A. (2023) Left Behind or Forgotten? The Case of Children with Disabilities: *A multidimensional poverty approach*

Policy Brief No. 18: Kebakile, Pinkie Gertrude (2023) Understanding the Firm-Level Export Diversification Characteristics in Botswana

Policy Brief No. 17: Omotoye, Marumo (2022) Barriers to Effective Whistleblowing in Botswana: *Lessons from the construction industry*

Policy Brief No. 16: Blackie, Israel R. (2021) Resolving Human-Wildlife Conflict in Botswana Through Social Protection.

Policy Brief No. 15: Sedimo, Ratang and Mmolainyane, Kelesego (2020) Ordinary Shareholders' Rights Protection in Botswana.

Policy Brief No. 14: Mookodi, Lillian (2020) Consumer Expenditure Inequality in Botswana.

BOOKS AND OTHER SPECIAL PUBLICATIONS

1. Lekobane, Khaufelo R.; Kaboyakgosi, Gape; Maenge, Gaokgakala; Molefhi, Koketso and Gaodirelwe, Ikanyeng (2023) A Situational Analysis for the Development of the National Productivity and Competitiveness Policy and Strategy

2. Samboma, Thabile; Lekobane, Khaufelo R.; Kaboyakgosi, Gape and Maenge, Gaokgakala (2023) Situational Analysis for the Development of Gender Mainstreaming in the Criminal Justice System

3. Mmopelwa, David; Gaetsewe, Tshepiso and Molefhi, Koketso (2023) A situational Brief for Youth Financial Inclusion in Botswana: The case of CEDA funding and Youth Development Fund.

4. Lekobane, Khaufelo R.; Samboma, Thabile A. and Gaodirelwe, Ikanyeng (2023) *Waste Management Value Chains in Botswana: Towards waste entrepreneurship.*

5. Kaboyakgosi, Gape; Maenge, Gaokgakala and Motsatsi, Johane (2023) *Situational Analysis – Guiding Botswana's Culture and Creative Industry Towards Commercialisation: The music industry*

6. IDS Working Paper (Vol. 2020) No 539: Leaving No One Behind: *An individual-level approach to measuring multidimensional poverty in Botswana.* Khaufelo R. Lekobane (June 2020)

JOURNAL ARTICLES

1. Samboma, T. A. (2022). Child Protection and Health Emergencies in Botswana. *Social Work in Health Emergencies: Global Perspectives*, Routledge pp. 139-154. <https://doi.org/10.4324/9781003111214-8>

2. Lekobane, K. R. (2022). Does it matter which poverty measure we use to identify those left behind? Investigating poverty mismatch and overlap for Botswana. *Journal of Social and Economic Development*, 24, pp. 171-19. <https://doi.org/10.1007/s40847-022-00181-5>

3. Lekobane, K. R (2022) Leaving No One Behind: An individual-level approach to measuring multidimensional poverty in Botswana. *Social Indicators Research*, 162, pp.179-208. <https://doi.org/10.1007/s11205-021-02824-2>

4. Molefhi, K. (2022). The Role of Energy in Botswana's Economic Transformation. *Open Science Journal*, 7 (3). <https://osjournal.org/ojs/index.php/OSJ/article/view/3184>

5. Galebotswe, O and Molefhi, K (2022). The Transmission of the Central Bank Policy Instrument to Market Interest Rates in Botswana. *Asian African Journal of Economics and Econometrics*, 22(2).

6. Mookodi, Lillian (2021): Decomposition Analysis of the Gini Coefficient of Consumer Expenditures in Botswana, *Development Southern Africa*. DOI:1080/0376835X.2021.1912587

7. Molefhi, Koketso. (2021): The Impact of Macroeconomic Variables in Capital Market Development in Botswana's Economy. *African Journal of Economic Review*, Vol.9(2) pp.204-222

8. Samboma, Thabile A. (2021) Leaving No One Behind: Intellectual disability during COVID-19 in Africa. *International Social Work*, Vol.64(2) pp.265-269

9. Samboma, Thabile A. (2021) Project Implementation in Local Authorities: *The Botswana context.* *Journal of Public Affairs*. <https://doi.org/10.1002/pa.2610>

10. Samboma, Thabile A. (2020): Vulnerability of Children in Botswana During COVID-19. *International Social Work*, Vol.63(6)pp.807-810

11. Omotoye, A.M.T. (2020): Perspectives on Gender and Corruption in Botswana: Lessons and Implications for Anti-Corruption Policy. *African Journal of Public Administration and Management*, Vol. XXVII, No. 2, pp. 25-43.

12. Seleka, Tebogo B. and Lekobane, Khaufelo R. (2020) Targeting Effectiveness of Social Transfer Programs in Botswana: Means-tested versus Categorical and Self-selected Instruments. *Social Development Issues*, 42(1) 2020

13. Seleka, Tebogo B. and Dlamini, Thula S. (2020) Competitiveness of ACP Sugar Exports in the Global Market. *The International Trade Journal*, vol. 34(2), pp. 247-277

14. Gaodirelwe, Ikanyeng; Motsholapheko, M. R. and Masunga, G. S. (2020) Community Perceptions of Wildlife Management Strategies and Subsistence Poaching in the Okavango Delta, Botswana. *Human Dimensions of Wildlife: An International Journal*.
<https://doi.org/10.1080/10871209.2020.1727589>

15. Lekobane, K. R. and Roelen, Keetie (2020) Leaving No One Behind: Multidimensional Child Poverty in Botswana. *Child Indicators Research*. <https://doi.org/10.1007/s12187-020-09744-6>

16. Seleka, Tebogo B. and David Mmopelwa (2020) Effects of Input Subsidies on Cropland Allocation and Diversification in Botswana's Subsistence Economy. *Agrekon*.
<https://doi.org/10.1080/03031853.2020.1758175>

17. Khanie G. (2019). Education and Labor Market Activity of Women: The case of Botswana. *Labor and Society*. 22:791-805.
<https://doi.org/10.1111/lands.1245>

18. Omotoye, Abiodun M T. (2019). Institutional and Policy Issues Experienced in the Implementation of Botswana's National Disability Policy. *Journal of Public Affairs*. DOI: 10.1002/p.1951.

19. Samboma, Thabile A. (2019). E-Government: A tool for service delivery in Botswana's local authorities. *Global Journal of Human-Social Science*, 19(1). Pp.1-4.

CONFERENCE PAPERS

1. Kouassi, Eugene (2017). Growth, Inequalities and Employment in Africa: Case of Botswana.
Paper presented at the 5th Congress of the African Economist held 1st to 4th November, 2017, Malabo, Equatorial Guinea.

2. Malope, Patrick. Land Tenure Regularization in Botswana. Paper presented at a workshop organised by the African Development Bank (AFDB) and the Natural Resource Centre (ANRC) with the theme, "Land Governance in Africa held from 22nd to 23rd November 2016 in Nairobi, Kenya.



ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

GENERAL INFORMATION

Country of incorporation and domicile	Botswana
Nature of business and principal activities	Botswana Institute for Development Policy Analysis (the Institute") is an autonomous, non-governmental research Institute established by a trust deed (MA 16/95). It is involved in development policy analysis and capacity building in Botswana
Chief Executive Director	Dr. G Somolekae (Acting)
Trustees	Ms. G. Mosienyane (Appointed September 2020) Mr. D. Molobe Mr. D.K Molaodi Dr. K.S Masalila (Appointed August 2021) Ms Sajembe (Appointed August 2021)
Secretary	Dr. G Somolekae
Business address	BIDPA House Plot 134 Millennium Office Park Gaborone
Bankers	Bank Gaborone Limited Absa Bank Botswana Limited First National Bank Of Botswana Limited
Investment Banker	Vunani Fund Managers
Auditors	Grant Thornton Chartered Accountants Member firm of Grant Thornton International limited
Presentation currency	Botswana Pula (BWP)
Postal address	Private Bag BR 29 Gaborone Botswana
Trust registration number	TUHGB-000189-20

Botswana Institute for Development Policy Analysis

Annual Financial Statements for the year ended 31 March 2024

Trustees' Responsibilities and Approval

The Trustees are required in terms of the Deed of Trust (MA 216/22) to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the Institute as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Standards. The external auditors are engaged to express an independent opinion on the annual financial statements.

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

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

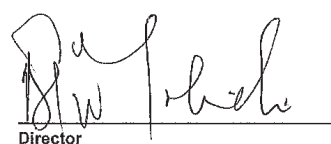
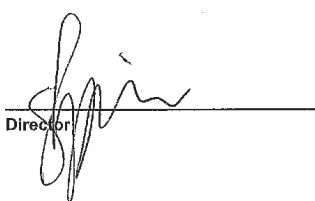
The Trustees are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial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

The Trustees have reviewed the Institute's cash flow forecast for the year to 31 March 2025 and, in light of this review and the current financial position, they are satisfied that the Institute has or had access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the Institute's annual financial statements. The annual financial statements have been examined by the Institute's external auditors and their report is presented on pages 4 to 7.

The annual financial statements set out on pages 34 to 71, which have been prepared on the going concern basis, were approved by the board of trustees on 11 October 2024 and were signed on their behalf by:

Approval of financial statements


Director
Director

Chartered Accountants**Grant Thornton**

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Gaborone, Botswana

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twitter.com/GrantThorntonBW

Independent Auditor's Report

To the members of Botswana Institute for Development Policy Analysis

Opinion

We have audited the annual financial statements of Botswana Institute for Development Policy Analysis (the Institute) set out on pages 8 to 38, which comprise the statement of financial position as at 31 March 2024, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the annual financial statements, including material accounting policy information.

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of Botswana Institute for Development Policy Analysis as at 31 March 2024, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Annual Financial Statements section of our report. We are independent of the Institute in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (Parts 1, 3 and 4A) (IESBA Code) and other independence requirements applicable to performing audits of annual financial statements in Botswana. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and in accordance with other ethical requirements applicable to performing audits in Botswana. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty on going concern

Without qualifying our opinion, we draw attention to Note on going concern. As at the year end, the Institute's accumulated deficit was reported at P (1 051 738) and the Institute reported a deficit of P (2 085 507) for the year ended 31 March 2024. These results and position indicate the presence of a material uncertainty on the Institute's ability to continue as a going concern and is dependent on its ability to source sufficient recurrent subventions to meet its financial obligations on a regular basis.

Partners

Kalyanaraman Vijay (Managing), Aswin Vaidyanathan*, Madhavan Venkatachary*, Anthony Quashie, Sunny K Mulakulam*,
Aparna Vijay* (*Indian)



Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the annual financial statements of the current period. These matters were addressed in the context of our audit of the annual financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters

Other Information

The Trustees are responsible for the other information. The other information comprises the information included in the document titled "Botswana Institute for Development Policy Analysis annual financial statements for the year ended 31 March 2024", which includes the Detailed Income Statement and the supplementary information as set out on pages 40 to 41, which we obtained prior to the date of this report, and the Annual Report, which is expected to be made available to us after that date. The other information does not include the annual financial statements and our auditor's report thereon.

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

In connection with our audit of the annual financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the annual financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Trustees for the Annual Financial Statements

The Trustees are responsible for the preparation and fair presentation of the annual financial statements in accordance with International Financial Reporting Standards and for such internal control as the Trustees determine is necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual financial statements, the Trustees are responsible for assessing the Institute's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intends to liquidate the Institute or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Institute's financial reporting process.





Auditor's Responsibilities for the Audit of the Annual Financial Statements

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

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

- Identify and assess the risks of material misstatement of the annual financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Institute's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Institute's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Institute to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



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We communicate with the Trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Trustees with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Trustees, we determine those matters that were of most significance in the audit of the annual financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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Grant Thornton

Firm of Certified Auditors

Practising member: Aswin Vaidyanathan (CAP 0016 2024)

11 OCT 2024

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Botswana Institute for Development Policy Analysis

Annual Financial Statements for the year ended 31 March 2024

Statement of Financial Position as at 31 March 2024

Figures in Pula	Note(s)	2024	2023
Assets			
Non-Current Assets			
Property, plant and equipment	3	18 004 675	17 369 394
Current Assets			
Financial assets	4	11 195 808	11 280 921
Trade and other receivables	5	2 407 017	2 032 185
Cash and cash equivalents	6	1 450 134	4 346 733
		15 052 959	17 659 839
Total Assets		33 057 634	35 029 233
Equity and Liabilities			
Equity			
Reserves		19 161 735	20 027 912
Accumulated loss		(1 051 738)	167 592
		18 109 997	20 195 504
Liabilities			
Non-Current Liabilities			
Deferred income	10	5 318 629	4 880 579
Current Liabilities			
Trade and other payables	9	9 354 671	8 227 525
Deferred income	10	217 324	938 627
Deferred project revenue	11	57 013	786 998
		9 629 008	9 953 150
Total Liabilities		14 947 637	14 833 729
Total Equity and Liabilities		33 057 634	35 029 233

Botswana Institute for Development Policy Analysis

Annual Financial Statements for the year ended 31 March 2024

Statement of Profit or Loss and Other Comprehensive Income

Figures in Pula	Note(s)	2024	2023
Revenue	12	6 187 337	7 802 379
Grant income	13	20 300 000	18 300 000
Gross profit		2 6 487 337	26 102 379
Other operating income	14	463 906	377 998
Other operating gains	15	27 777	4 513
Other operating expenses		(29 783 260)	(30 335)
Operating loss	16	(2 804 240)	(3 850 868)
Finance income	18	718 733	856 381
Loss for the year		(2 085 507)	(2 994 487)
Other comprehensive income:			
Items that will not be reclassified to profit or loss:			
Losses on property revaluation		-	(6 380 621)
Other comprehensive income for the year net of taxation		-	(6 380 621)
Total comprehensive (loss) income for the year		(2 085 507)	(9 375 108)

Botswana Institute for Development Policy Analysis

Annual Financial Statements for the year ended 31 March 2024

Statement of Changes in Equity

Figures in Pula	Revaluation reserve	Capital grant	Training fund reserve	Building fund reserve	Total reserves	Retained income	Total funds and reserves
Balance at 01 April 2022	13 282 624	1 891 510	6 105 749	6 099 880	27 379 763	2 190 849	29 570 612
Loss for the year	-	-	-	-	-	(2 994 487)	(2 994 487)
Other comprehensive income	(6 380 621)	-	-	-	(6 380 621)	-	(6 380 621)
Total comprehensive Loss for the year	(6 380 621)	-	-	-	(6 380 621)	(2 994 487)	(9 375 108)
Transfer between reserves	-	-	(971 230)	-	(971 230)	971 230	-
Total contributions by and distributions to owners of company recognised directly in equity	-	-	(971 230)	-	(971 230)	971 230	-
Balance at 01 April 2023	6 902 003	1 891 510	5 134 519	6 099 880	20 027 912	167 592	20 195 504
Loss for the year	-	-	-	-	-	(2 085 507)	(2 085 507)
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive Loss for the year	-	-	-	-	-	(2 085 507)	(2 085 507)
Transfer to retained income	-	(63 050)	-	-	(63 050)	63 050	-
Transfer to fixed capital grant	-	-	(594 787)	-	(594 787)	594 787	-
Amortisation	-	-	-	(208 340)	(208 340)	208 340	-
Total contributions by and distributions to owners of company recognised directly in equity	-	(63 050)	(594 787)	(208 340)	(866 177)	866 177	-
Balance at 31 March 2024	6 902 003	1 828 460	4 539 732	5 891 540	19 161 735	(1 051 738)	18 109 997
Note			7		8		

Botswana Institute for Development Policy Analysis

Annual Financial Statements for the year ended 31 March 2024

Statement of Cash Flows

Figures in Pula	Note(s)	2024	2023
Cash flows from operating activities			
Cash used in operations	19	(2 400 360)	(2 612 081)
Interest income	18	718 733	856 381
Net cash from operating activities		(1 681 627)	(1 755 700)
Cash flows from investing activities			
Purchase of property, plant and equipment	3	(1 300 084)	(5 660 859)
Cash advanced on financial assets	4	(714 887)	-
Cash receipts on on financial assets	4	800 000	9 058 716
Net cash from investing activities		(1 214 971)	3 397 857
Cash flows from financing activities			
Capital grants received during the year	11	-	1 000 000
Total cash movement for the year		(2 896 598)	2 642 157
Cash and cash equivalents at the beginning of the year		4 346 732	1 704 576
Cash and cash equivalents at the end of the year	6	1 450 134	4 346 733

Botswana Institute for Development Policy Analysis

Annual Financial Statements for the year ended 31 March 2024

Accounting Policies

1. Material accounting policies

Management has considered the principles of materiality in IFRS Practice Statement 2 Making Materiality Judgements, and only those accounting policies which are considered material have been presented in these annual financial statements.

1.1 Basis of preparation

The annual financial statements have been prepared on the going concern basis in accordance with, and in compliance with, International Financial Reporting Standards ("IFRS") and International Financial Reporting Standards Interpretations Committee ("IFRS IC") interpretations issued and effective at the time of preparing these annual financial statements.

The annual financial statements have been prepared on the historic cost convention, unless otherwise stated in the accounting policies which follow and incorporate the material accounting policies set out below. They are presented in Pulas, which is the Institute's functional currency.

These accounting policies are consistent with the previous period.

1.2 Significant judgements and sources of estimation uncertainty

The preparation of annual financial statements in conformity with IFRS requires management, from time to time, to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Key sources of estimation uncertainty

Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Institute uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Institute's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Fair value estimation

Certain assets and liabilities of the group are either measured at fair value or disclosure is made of their fair values. Observable market data is used as inputs to the extent that it is available

Impairment testing

The Institute reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. When such indicators exist, management determine the recoverable amount by performing value in use and fair value calculations. These calculations require the use of estimates and assumptions. When it is not possible to determine the recoverable amount for an individual asset, management assesses the recoverable amount for the cash generating unit to which the asset belongs.

Useful lives of property, plant and equipment

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

Botswana Institute for Development Policy Analysis

Annual Financial Statements for the year ended 31 March 2024

Accounting Policies

1.2 Significant judgements and sources of estimation uncertainty (continued)

Provisions

Provisions are inherently based on assumptions and estimates using the best information available.

1.3 Property, plant and equipment

Property, plant and equipment is initially measured at cost. Expenditure incurred subsequently for major services, additions to or replacements of parts of property, plant and equipment are capitalised if it is probable that future economic benefits associated with the expenditure will flow to the Institute and the cost can be measured reliably. Day to day servicing costs are included in profit or loss in the year in which they are incurred.

Property, plant and equipment is subsequently stated at cost less accumulated depreciation and impairment losses except for land which is not depreciated.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Buildings	Straight line	40 years
Household Furniture – Technology Tablets	Straight line	3 years
Furniture and fixtures	Straight line	10 years
Motor vehicles	Straight line	4 years
Office equipment	Straight line	5 years
IT equipment	Straight line	4 years

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting . No material changes were made.

There were no indicators of impairment for property, plant and equipment and no impairment tests were performed.

1.4 Financial instruments

Financial instruments are recognised when the Institute becomes a party to the contractual provisions. They are measured, at initial recognition, at fair value plus transaction costs, if any.

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis.

The material accounting policies for each type of financial instrument held by the Institute are presented below:

Trade and other receivables

Trade and other receivables, excluding, when applicable, VAT and prepayments, are measured, subsequent to initial recognition, at amortised cost.

The amortised cost is the amount recognised on the receivable initially, minus principal repayments, plus cumulative amortisation (interest) using the effective interest method of any difference between the initial amount and the maturity amount, adjusted for any loss allowance.

The accounting policy for impairment of trade and other receivables is set out in the loss allowances and write offs accounting policy.

Botswana Institute for Development Policy Analysis

Annual Financial Statements for the year ended 31 March 2024

Accounting Policies

1.4 Financial instruments (continued)

Impairment – Expected credit losses and write offs

A provision matrix is used as a practical expedient when determining expected credit losses. The provision matrix is based on historic credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current and forecast conditions.

The measurement of expected credit losses incorporates the probability of default, loss given default and the exposure at default, taking the time value of money, historical data and forward-looking information into consideration.

The movement in credit loss allowance is recognised in surplus or deficit with a corresponding adjustment to the carrying amount of the instrument through a loss allowance account.

The Institute writes off an instrument when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Instruments written off may still be subject to enforcement activities under the Institute's recovery procedures. Any recoveries made are recognised in surplus or deficit.

Trade and other payables

Trade and other payables, excluding VAT and amounts received in advance, are classified as financial liabilities subsequently measured at amortised cost.

Cash and cash equivalents

Cash and cash equivalents are stated at carrying amount which is deemed to be fair value.

Derecognition

The Institute derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Institute neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Institute recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Institute retains substantially all the risks and rewards of ownership of a transferred financial asset, the Institute continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

The Institute derecognises financial liabilities when its obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Reclassification

The Institute only reclassifies affected financial assets if there is a change in the business model for managing financial assets. If a reclassification is necessary, it is applied prospectively from the reclassification date. Any previously stated gains, losses or interest are not restated.

The reclassification date is the beginning of the first reporting period following the change in business model which necessitates a reclassification.

Financial liabilities are not reclassified.

1.5 Tax

Current tax assets and liabilities

The Institute is exempt from paying income tax as per the requirements of the Income Tax Act.

Botswana Institute for Development Policy Analysis

Annual Financial Statements for the year ended 31 March 2024

Accounting Policies

1.5 Tax (continued)

Tax expenses

The Institute is exempt from paying income tax as per the Income Tax Act (Cap 52:01).

1.6 Impairment of assets

The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. If the recoverable amount cannot be determined for an individual asset, then it is determined for the cash generating unit to which the asset belongs.

Impairment losses are recognised immediately in profit or loss.

1.7 Employee benefits

Short-term employee benefits

Short-term employee benefits, which consist of annual leave and sick leave, bonuses, and medical aid, are recognised in the period in which the service is rendered and are not discounted.

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

The expected cost of profit sharing and bonus payments is recognised as an expense when there is a legal obligation to make such payments as a result of past performance.

1.8 Provisions and contingencies

The Institute recognises provisions in circumstances where it has a present obligation resulting from past events, which can be measured reliably and for which it is probable that the Institute will be required to settle the obligation.

There is always a degree of estimation uncertainty involved with provisions as they are measured at management's best estimate of the amount which will be required to settle the obligation. When the effect of discounting is material, the provision is measured at the present value of such amounts.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in .

1.9 Government subvention

Government grants are recognised when there is reasonable assurance that:

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

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

A government grant that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs is recognised as income of the period in which it becomes receivable.

Government grants related to assets, including non-monetary grants at fair value, are presented in the statement of financial position by setting up the grant as deferred income or by deducting the grant in arriving at the carrying amount of the asset.

Grants related to income are presented as a credit in the profit or loss.

Botswana Institute for Development Policy Analysis

Annual Financial Statements for the year ended 31 March 2024

Accounting Policies

1.9 Government subvention (continued)

Repayment of a grant related to income is applied first against any un-amortised deferred credit set up in respect of the grant. To the extent that the repayment exceeds any such deferred credit, or where no deferred credit exists, the repayment is recognised immediately as an expense.

Repayment of a grant related to an asset is recorded by increasing the carrying amount of the asset or reducing the deferred income balance by the amount repayable. The cumulative additional depreciation that would have been recognised to date as an expense in the absence of the grant is recognised immediately as an expense.

1.10 Revenue from contracts with customers

Income from research projects

The institute earns income from research projects at a fee. These contracts involve services that are substantially the same and the benefit of each service is received and consumed immediately. These contracts therefore consist of a single performance obligation for which control is transferred over time (i.e. the contract period) and revenue is recognised on a straight-line basis over the term of each contract. This method provides a faithful depiction of the transfer of services because the work required does not vary significantly from month-to-month. No element of financing is deemed present as the sales are made with a credit term of 30 days, which is consistent with market practice.

1.11 Translation of foreign currencies

Foreign currency transactions

A foreign currency transaction is recorded, on initial recognition in Pulas, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.
Foreign currency monetary items are translated at the end of the reporting period using the closing rate.
Cash flows arising from transactions in a foreign currency are recorded in Pulas by applying to the foreign currency amount the exchange rate between the Pula and the foreign currency at the date of the cash flow.

Refer to the individual accounting policies for financial instruments for the detailed foreign exchange accounting policies.

Botswana Institute for Development Policy Analysis

Annual Financial Statements for the year ended 31 March 2024

Notes to the annual financial statements

2. New Standards and Interpretations

2.1 Standards and interpretations effective and adopted in the current year

In the current year, the Institute has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

International tax reform – Pillar two model rules – amendments to IAS 12

The amendments incorporate into IAS 12, taxes arising from tax law enacted or substantively enacted to implement the Pillar Two model rules published by the Organisation for Economic Co-operation and Development. As an exception, deferred tax assets and liabilities shall not be recognised, nor information about them disclosed related to Pillar Two income taxes. Disclosures about applying this exception to deferred tax are required. Any current tax income or expense related to Pillar Two income taxes is required to be disclosed separately. In addition, where the legislation is enacted or substantively enacted, but not yet in effect, management are required to disclose known or reasonably estimable information of the entity's exposure to Pillar Two taxes arising from that legislation.

The effective date of the amendment is for years beginning on or after 01 January 2024.

The Institute has adopted the amendment for the first time in the 2024 annual financial statements. The impact of the amendment is not material.

Deferred tax related to assets and liabilities arising from a single transaction – Amendments to IAS 12

The amendment adds an additional requirement for transactions which will not give rise to the recognition of a deferred tax asset or liability on initial recognition. Previously, deferred tax would not be recognised on the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting profit or loss. The additional requirement provides that the transaction, at the time of the transaction must not give rise to equal taxable and deductible temporary differences.

The effective date of the amendment is for years beginning on or after 01 January 2023.

The Institute has adopted the amendment for the first time in the 2024 annual financial statements. The impact of the amendment is not material.

Disclosure of accounting policies: Amendments to IAS 1 and IFRS Practice Statement 2

IAS 1 was amended to require that only material accounting policy information shall be disclosed in the annual financial statements. The amendment will not result in changes to measurement or recognition of financial statement items, but management will undergo a review of accounting policies to ensure that only material accounting policy information is disclosed.

The effective date of the amendment is for years beginning on or after 01 January 2023.

The Institute has adopted the amendment for the first time in the 2024 annual financial statements. The impact of the amendment is not material.

Definition of accounting estimates: Amendments to IAS 8

The definition of accounting estimates was amended so that accounting estimates are now defined as "monetary amounts in annual financial statements that are subject to measurement uncertainty."

The effective date of the amendment is for years beginning on or after 01 January 2023.

Botswana Institute for Development Policy Analysis

Annual Financial Statements for the year ended 31 March 2024

Notes to the annual financial statements

2. New Standards and Interpretations (continued)

The Institute has adopted the amendment for the first time in the 2024 annual financial statements. The impact of the amendment is not material.

Classification of Liabilities as Current or Non-Current – Amendment to IAS 1

The amendment changes the requirements to classify a liability as current or non-current. If an entity has the right at the end of the reporting period, to defer settlement of a liability for at least twelve months after the reporting period, then the liability is classified as non-current.

If this right is subject to conditions imposed on the entity, then the right only exists, if, at the end of the reporting period, the entity has complied with those conditions.

In addition, the classification is not affected by the likelihood that the entity will exercise its right to defer settlement. Therefore, if the right exists, the liability is classified as non-current even if management intends or expects to settle the liability within twelve months of the reporting period. Additional disclosures would be required in such circumstances.

The effective date of the amendment is for years beginning on or after 01 January 2023.

The Institute has adopted the amendment for the first time in the 2024 annual financial statements. The impact of the amendment is not material.

2.2 Standards and interpretations not yet effective

The Institute has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the Institute's accounting periods beginning on or after 01 April 2024 or later periods:

Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

If a parent loses control of a subsidiary which does not contain a business, as a result of a transaction with an associate or joint venture, then the gain or loss on the loss of control is recognised in the parents' surplus or deficit only to the extent of the unrelated investors' interest in the associate or joint venture. The remaining gain or loss is eliminated against the carrying amount of the investment in the associate or joint venture. The same treatment is followed for the measurement to fair value of any remaining investment which is itself an associate or joint venture. If the remaining investment is accounted for in terms of IFRS 9, then the measurement to fair value of that interest is recognised in full in the parents' surplus or deficit.

The effective date of the amendment is to be determined by the IASB.

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

Lack of exchangeability – amendments to IAS 21

The amendments apply to currencies which are not exchangeable. The definition of exchangeable is provided as being when an entity is able to obtain the other currency within a time frame that allows for a normal administrative delay and through a market or exchange mechanism in which an exchange transaction would create enforceable rights and obligations. The amendments require an entity to estimate the spot exchange rate at measurement date when a currency is not exchangeable into another currency. Additional disclosures are also required to enable users of financial statements to understand the impact of the non-exchangeability on financial performance, financial position and cash flow.

The effective date of the amendment is for years beginning on or after 01 January 2025

Botswana Institute for Development Policy Analysis

Annual Financial Statements for the year ended 31 March 2024

Notes to the annual financial statements

2. New Standards and Interpretations (continued)

The Institute expects to adopt the amendment for the first time in the 2026 annual financial statements.

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

Supplier finance arrangements – amendments to IAS 7 and IFRS 7

The amendment applies to circumstances where supplier finance arrangements exist. These are arrangements whereby finance providers pay the suppliers of the entity, thus providing the entity with extended payment terms or the suppliers with early payment terms. The entity then pays the finance providers based on their specific terms and conditions. The amendment requires the disclosure of information about supplier finance arrangements that enable users of financial statements to assess the effects of those arrangements on the entity's liabilities and cash flows as well as on the entity's exposure to liquidity risk.

The effective date of the amendment is for years beginning on or after 01 January 2024.

The Institute expects to adopt the amendment for the first time in the 2025 annual financial statements.

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

Non-current liabilities with covenants – amendments to IAS 1

The amendment applies to the classification of liabilities with loan covenants as current or non-current. If an entity has the right to defer settlement of a liability for at least twelve months after the reporting period, but subject to conditions, then the timing of the required conditions impacts whether the entity has a right to defer settlement. If the conditions must be complied with at or before the reporting date, then they affect whether the rights to defer settlement exists at reporting date. However, if the entity is only required to comply with the conditions after the reporting period, then the conditions do not affect whether the right to defer settlement exists at reporting date. If an entity classifies a liability as non-current when the conditions are only required to be met after the reporting period, then additional disclosures are required to enable the users of financial statements to understand the risk that the liabilities could become repayable within twelve months after the reporting period.

The effective date of the amendment is for years beginning on or after 01 January 2024.

The Institute expects to adopt the amendment for the first time in the 2025 annual financial statements.

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

Lease liability in a sale and leaseback

The amendment requires that a seller-lessee in a sale and leaseback transaction, shall determine 'lease payments' or 'revised lease payments' in a way that the seller-lessee would not recognise any amount of the gain or loss that relates to the right of use retained by the seller-lessee.

The effective date of the amendment is for years beginning on or after 01 January 2024.

The Institute expects to adopt the amendment for the first time in the 2025 annual financial statements.

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

Botswana Institute for Development Policy Analysis

Annual Financial Statements for the year ended 31 March 2024

Notes to the annual financial statements

Figures in Pula	Note(s)			2024	2023	
3. Property, plant and equipment						
		2024		2023		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Buildings	16 071 264	(270 068)	15 801 196	15 409 000	-	15 409 000
Furniture and fixtures	1 656 846	(785 839)	871 007	1 357 213	(712 811)	644 402
Motor vehicles	178 184	(89 092)	89 092	178 184	(44 546)	133 638
Office equipment	690 277	(429 471)	260 806	636 168	(442 971)	193 197
Computer software	1 194 737	(954 765)	239 972	1 062 484	(874 926)	187 558
Property, plant and equipment 1	622 170	(622 170)	-	622 170	(622 170)	-
Other property, plant and equipment	842 815	(100 213)	742 602	842 815	(41 216)	801 599
Total	21 256 293	(3 251 618)	18 004 675	20 108 034	(2 738 640)	17 369 394

Reconciliation of property, plant and equipment - 2024

	Opening balance	Additions	Depreciation	Total
Buildings	15 409 000	662 264	(270 068)	15 801 196
Furniture and fixtures	644 402	396 108	(169 503)	871 007
Motor vehicles	133 638	-	(44 546)	89 092
Office equipment	193 197	110 959	(43 350)	260 806
Computer equipment	187 558	130 753	(78 339)	239 972
Other property, plant and equipment	801 599	-	(58 997)	742 602
	17 369 394	1 300 084	(664 803)	18 004 675

Reconciliation of property, plant and equipment - 2023

	Opening balance	Additions	Transfers	Revaluations	Other changes, movements	Depreciation	Total
Buildings	17 738 072	4 948 634	(410 483)	(6 380 621)	-	(486 602)	15 409 000
Furniture and fixtures	622 746	92 970	-	-	-	(71 314)	644 402
Motor vehicles	178 184	-	-	-	-	(44 546)	133 638
Office equipment	230 502	78 749	-	-	(54 634)	(61 420)	193 197
Computer equipment	46 008	162 808	-	-	-	(21 258)	187 558
Other property, plant and equipment	-	432 332	410 483	-	-	(41 216)	801 599
	18 815 512	5 715 493	-	(6 380 621)	(54 634)	(726 356)	17 369 394

Botswana Institute for Development Policy Analysis

Annual Financial Statements for the year ended 31 March 2024

Notes to the annual financial statements

Figures in Pula	Note(s)	2024	2023
3. Property, plant and equipment (continued)			
Valuations			
Land and building consist of a certain piece of land, being portion 134 of the Farm Forest Hill No. 9-KO measuring 1554 square meters held under a title deed MA56/2003 dated 01 March 2003 for a 99 year period commencing 01 March 2003.			
Land and Buildings was revalued by an independent professional valuer in the current year. The land and Buildings were valued at P 15 409 000, after renovations and refurbishments representing the open market value arrived at using discounted cash flow method. Inspection of the properties were conducted during the valuation.			
The revaluation of motor vehicles was done was performed on the 15 March 2022 and 06 April 2022. The revaluations were performed by independent valuers. The motor vehicles were valued at P178 185, thereby representing the open market value.			
Carrying value of assets under the cost model			
Property 1			
- Purchase price: 1 December 2005		2 827 290	2 827 290
- Additions since purchase or valuation		118 821	118 821
		2 946 111	2 946 111
4. Financial assets			
Financial assets are presented at amortised cost, which is net of loss allowance, as follows:			
Vunani Fund Managers			
The fair value of the investments in money market funds are based on the valuation of units provided by the fund manager. The fund manager's valuation is based on market value of the underlying assets of each fund.			
Bank Gaborone Limited		1 153 243	1 075 422
		10 042 565	10 205 422
		11 195 808	11 280 921
Split between non-current and current portions			
Current assets		11 195 808	11 280 921

Exposure to credit risk

Financial assets inherently exposes the Institute to credit risk, being the risk that the Institute will incur financial loss if counterparties fail to make payments as they fall due.

Other financial assets are subject to the impairment provisions of IFRS 9 Financial Instruments, which requires a loss allowance to be recognised for all exposures to credit risk. The loss allowance for Other financial assets is calculated based on twelve month expected losses if the credit risk has not increased significantly since initial recognition. In cases where the credit risk has increased significantly since initial recognition, the loss allowance is calculated based on lifetime expected credit losses. The loss allowance is updated to either twelve month or lifetime expected credit losses at each reporting date based on changes in the credit risk since initial recognition.

Botswana Institute for Development Policy Analysis

Annual Financial Statements for the year ended 31 March 2024

Notes to the annual financial statements

Figures in Pula	Note(s)	2024	2023
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4. Financial assets (continued)

In determining the amount of expected credit losses, the Institute has taken into account any historic default experience, the financial positions of the counterparties as well as the future prospects in the industries in which the counterparties operate or are employed. This information has been obtained from the counterparties themselves, as well as from economic reports, financial analyst reports and various external sources of actual and forecast data and is applied to estimate a probability of default occurring as well as estimating the loss upon default.

Credit rating framework

For purposes of determining the credit loss allowances, management determine the credit rating grades of each loan at the end of the reporting period. These ratings are determined either externally through ratings agencies or internally where external ratings are not available.

The table below sets out the internal credit rating framework which is applied by management for loans for which external ratings are not available. The abbreviation "ECL" is used to depict "expected credit losses."

Internal credit grade	Description	Basis for recognising expected credit losses
Performing	Low risk of default and no amounts are past due	12m ECL
Doubtful	Either 30 days past due or there has been a significant increase in credit risk since initial recognition.	Lifetime ECL (not credit impaired)
In default	Either 90 days past due or there is evidence that the asset is credit impaired	Lifetime ECL (credit impaired)
Write-off	There is evidence indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery.	Amount is written off

Botswana Institute for Development Policy Analysis

Annual Financial Statements for the year ended 31 March 2024

Notes to the annual financial statements

Figures in Pula		2024	2023
4. Financial assets (continued)			
Credit loss allowances			
The following tables set out the carrying amount, loss allowance and measurement basis of expected credit losses for financial assets by credit rating grade:			
2024			
Instrument	External credit rating (where applicable)	Rating agency	Internal credit rating (where applicable)
Vunani Fund Managers Bank Gaborone Limited	N/a	Fitch	Performing
	N/a	N/a	Performing
			Basis of loss allowance
			12m ECL 12m ECL
			Gross Carrying amount
			1 153 243
			10 042 565
			11 195 808
			Amortised cost
			1 153 243
			10 042 565
			11 195 808
2023			
Instrument	External credit rating (where applicable)	Rating agency	Internal credit rating (where applicable)
Vunani Fund Managers Bank Gaborone Limited	N/a	Fitch	Performing
	N/a	N/a	Performing
			Basis of loss allowance
			12m ECL 12m ECL
			Gross Carrying amount
			1 075 499
			10 205 422
			11 280 921
			Amortised cost
			1 075 499
			10 205 422
			11 280 921

Botswana Institute for Development Policy Analysis

Annual Financial Statements for the year ended 31 March 2024

Notes to the annual financial statements

Figures in Pula	Note(s)	2024	2023
5. Trade and other receivables			
Financial instruments:			
Trade receivables		2 217 881	1 964 424
Loss allowance		(79 114)	(79 114)
Trade receivables at amortised cost		2 138 767	1 885 310
Deposits		28 000	28 000
Other receivable		52 112	53 642
Non-financial instruments:			
		52 730	25 186
Employee costs in advance Prepayments		135 408	40 047
Total trade and other receivables		2 407 017	2 032 185
Split between non-current and current portions			
Current assets		2 407 017	2 032 185
Financial instrument and non-financial instrument components of trade and other receivables			
At amortised cost		2 218 879	1 966 952
Non-financial instruments		188 138	65 233
		2 407 017	2 032 185

Exposure to credit risk

Trade receivables inherently expose the Institute to credit risk, being the risk that the Institute will incur financial loss if customers fail to make payments as they fall due.

The Institute’s historical credit loss experience does not show significantly different loss patterns for different customer segments. The provision for credit losses is therefore based on past due status without disaggregating into further risk profiles. The loss allowance provision is determined as follows:

Expected credit loss rate:

Not past due:
Less than 30 days past due: X% (20xx: X%)
>90 days past due:

Total

2024	2024	2023	2023
Estimated gross carrying amount at default	Loss allowance (Lifetime expected credit loss)	Estimated gross carrying amount at default	Loss allowance (Lifetime expected credit loss)
1 365 527	-	1 964 424	-
773 240	-	-	-
79 114	(79 114)	1 885 310	(79 114)
2 217 881	(79 114)	3 849 734	(79 114)

Reconciliation of loss allowances

The following table shows the movement in the loss allowance (lifetime expected credit losses) for trade receivables:

Opening balance in accordance with IFRS 9	(79 114)	(79 114)
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Botswana Institute for Development Policy Analysis

Annual Financial Statements for the year ended 31 March 2024

Notes to the annual financial statements

Figures in Pula	Note(s)	2024	2023
5. Trade and other receivables (continued)			
Fair value of trade and other receivables			
The fair value of trade and other receivables approximates their carrying amounts.			
6. Cash and cash equivalents			
Cash and cash equivalents consist of:			
Cash on hand		1 307	2 265
Bank balances		1 448 827	4 344 468
		1 450 134	4 346 733
Credit quality of cash at bank and short-term deposits, excluding cash on hand			
The credit quality of cash at bank and short-term deposits, excluding cash on hand that are neither past due nor impaired can be assessed by reference to historical information about counterparty default rates:			
Bank balances are maintained with reputable banks which are rated in South Africa and the United Kingdom.			
7. Training fund reserve			
The funds will be used assist professional training and public education of Botswana citizens in matters relating to policy analysis and encourage collaboration between expatriates and local professionals in these matters in ways which will build and augment national capacities for performance and understanding of policy analysis. The funds are for PHD training and were necessary will include training at masters level.			
The reserve shall be released to the retained income to the extent of training funds utilised during the year.			
Opening Balance		5 134 519	6 105 749
Transferred to retained earnings		(594 787)	(971 230)
		4 539 732	5 134 519
8. Building fund reserve			
The Institute set up this reserve from its accumulated surplus to demark the funds that have been allocated towards the building renovations and refurbishments. These fund have been for the renovations on the BIDP building which commenced in April 2021 and was completed during the year. Renovations include the superstructure and excludes other additional components that had to be removed from the renovation stage. It includes replacement of the lift, replacement of environmentally friendly air conditioners, partitioning of smaller meeting rooms as well as other aesthetic additions.			
The reserve shall be released to the accumulated surplus to the extent of depreciation charge on the renovations costs on an annual basis.			
Opening Balance		6 099 880	6 099 880
Amortisation		(208 340)	-
		5 891 540	6 099 880

Botswana Institute for Development Policy Analysis

Annual Financial Statements for the year ended 31 March 2024

Notes to the annual financial statements

Figures in Pula	Note(s)	2024	2023
9. Trade and other payables			
Financial instruments:			
Trade payables		25 338	17 516
Vision 2036 funds		197 290	198 840
Other payables		1 288 705	1 923 663
Non-financial instruments:			
Amounts received in advance		1 070 302	1 012 157
Refund liability		6 516 627	4 814 738
Value added tax		256 409	260 611
		9 354 671	8 227 525
Fair value of trade and other payables			
The fair value of trade and other payables approximates their carrying amounts.			
10. Deferred income			
Government grants		5 535 953	5 819 206
Split between non-current and current portions			
Non-current liabilities		5 318 629	4 880 579
Current liabilities		217 324	938 627
		5 535 953	5 819 206
The Institute receives grants from the Government based on the budget approved by the Board of Trustees and the Ministry of Finance and Economic Development.			
Grants related to assets			
Balance at the beginning of the year		4 880 580	3 771 092
Received during the year		-	1 000 000
Transfer from deferred income		721 303	359 254
Released to income statement through amortisation		(283 254)	(249 766)
		5 318 629	4 880 580
Deferred Income			
Balance at the beginning of the year		938 627	1 297 881
Received during the year		-	-
Transferred to grants relating to assets		(721 303)	(359 254)
		217 324	938 627
11. Deferred project revenue			
The institute has an agreement with European union in collaboration with thee Ministry Of Finance And Economic Development to undertake a study titled implementation of Botswana Policy Dialogue Facility. The balance represents the tasks and activities that are yet to be undertaken by the Institute.			
Opening balance		786 998	3 493 283
Release to the income statement for services rendered during the year		(786 998)	(2 706 285)
		-	786 998

Botswana Institute for Development Policy Analysis

Annual Financial Statements for the year ended 31 March 2024

Notes to the annual financial statements

Figures in Pula	Note(s)	2024	2023
12. Revenue			
Revenue from contracts with customers			
Income earned from research projects		6 187 337	7 802 379
Disaggregation of revenue from contracts with customers			
The Institute disaggregates revenue from customers as follows:			
Services revenue			
Professional services revenue		6 187 337	7 802 379
Timing of revenue recognition			
Over time			
Rendering of services		6 187 337	7 802 379
13. Grant income			
Government of Botswana		(20 300 000)	(18 300 000)
14. Other operating income			
Other sundry income		180 652	128 232
Amortisation of capital grants		283 254	249 766
		463 906	377 998
15. Other operating gains (losses)			
Foreign exchange gains (losses)			
Net foreign exchange gains		27 777	4 513
16. Operating profit (loss)			
Operating loss for the year is stated after charging (crediting) the following, amongst others:			
Auditor's remuneration – external			
Audit fees		229 905	134 134
Auditor's remuneration – internal		-	216 682
Depreciation and amortisation			
Depreciation of property, plant and equipment		664 803	726 356
Other			
Project costs		3 307 618	3 842 924

Botswana Institute for Development Policy Analysis

Annual Financial Statements for the year ended 31 March 2024

Notes to the annual financial statements

Figures in Pula	Note(s)	2024	2023
16. Operating profit (loss) (continued)			
Expenses by nature			
The general and administrative expenses, maintenance expenses and other operating expenses are analysed by nature as follows:			
Employee costs		21 718 189	20 642 794
Depreciation, amortisation and impairment		664 803	726 356
Other expenses		691 018	1 295 469
Training		618 801	1 198 081
Project costs		3 307 618	3 842 924
Water and electricity		251 411	134 553
Repairs and maintenance		143 663	149 366
Legal fees		181 078	119 534
Security		162 971	127 205
Insurance		119 245	144 321
Telephone and fax		578 689	581 026
Consulting and professional fees		326 997	582 636
Cleaning costs		255 995	149 366
Board expenses		243 081	176 840
Advertising		71 149	125 436
IT Expenses		448 552	339 851
		29 783 260	30 335 758
17. Employee costs			
Employee costs			
Basic		14 340 686	13 591 106
Medical aid		438 468	387 924
Performance bonus		303 473	213 003
Pay in lieu leave		654 793	766 494
Gratuity		4 112 468	3 972 148
Scarcity allowances		1 303 410	1 162 911
Cell phone allowance		179 127	177 332
Entertainment benefit		385 764	371 876
		21 718 189	20 642 794
18. Finance income			
Interest income			
Investments in financial assets:			
Bank and other cash		718 733	856 381

Botswana Institute for Development Policy Analysis

Annual Financial Statements for the year ended 31 March 2024

Notes to the annual financial statements

Figures in Pula	Note(s)	2024	2023
19. Cash used in operations			
Loss before taxation		(2 085 507)	(2 994 487)
Adjustments for non-cash items:			
Depreciation		664 803	726 356
Scrapping of assets		-	54 634
Amortisation of capital grant		(283 254)	(249 766)
Release to the income statement for services rendered		(729 985)	(2 760 916)
Adjust for items which are presented separately:			
Interest income		(718 733)	(856 381)
Changes in working capital:			
(Increase) decrease in trade and other receivables		(374 832)	3 175 115
Increase (decrease) in trade and other payables		1 127 148	293 364
		(2 400 360)	(2 612 081)

Botswana Institute for Development Policy Analysis

Annual Financial Statements for the year ended 31 March 2024

Notes to the annual financial statements

Figures in Pula	Note(s)	2024	2023
20. Related parties			
Relationships			
Ultimate holding company	Government of Botswana		
Projects controlled by the Institute	Technical Assistance Project		
Independent Board Committee Memebers	Mr P. Tladinyane Ms T. Modungwa Mr R. Mokeetsi Ms R. Mgadla Professor T. Maundeni Ms W. Ramaphoi - Resigned June 2023		
Members of key management	Dr G Somolekae (Acting Executive Director)) Ms. B Siwawa-Moepeng (Finance Manager) Ms. B Wadikonyana (Human Resource and Administration Manager) Mr M Madisa (IT Manager) Ms P Ntokwane (Knowledge Management and Dissemination Manager) Ms W. Tirelo (Programme Coordinator)		
Related party balances			
Amounts included in Trade receivable (Trade Payable) regarding related parties			
Technical Assistance Projects		806 142	814 315
Related party transactions			
Grants received from related parties including deferred grants			
Government of Botswana grant Income		(20 300 000)	(18 300 000)
Government of Botswana grant received during the year		-	(1 000 000)
		(20 300 000)	(19 300 000)
Board transactions			
Board sitting fees and expenses		243 081	176 840
Administration fees received from related parties			
Technical Assistance Project		(707 142)	(727 067)
Key management remuneration			
Other long term employee benefits		1 733 846	3 459 109

Botswana Institute for Development Policy Analysis

Annual Financial Statements for the year ended 31 March 2024

Notes to the annual financial statements

Figures in Pula	Note(s)	2024	2023	
21. Financial instruments and risk management				
Categories of financial instruments				
Categories of financial assets				
2024				
	Note(s)	Amortised cost	Total	Fair value
Financial asset	4	11 195 808	11 195 808	11 195 808
Trade and other receivables	5	2 218 879	2 218 879	2 218 879
Cash and cash equivalents	6	1 450 506	1 450 506	1 450 506
		14 865 193	14 865 193	14 865 193
2023				
	Note(s)	Amortised cost	Total	Fair value
Financial asset	4	11 280 921	11 280 921	11 280 921
Trade and other receivables	5	1 966 952	1 966 952	1 966 952
Cash and cash equivalents	6	4 391 383	4 391 383	4 391 383
		17 639 256	17 639 256	17 639 256
Categories of financial liabilities				
2024				
	Note(s)	Amortised cost	Total	Fair value
Trade and other payables	9	1 511 334	1 511 334	1 568 347
2023				
	Note(s)	Amortised cost	Total	Fair value
Trade and other payables	9	2 140 013	2 140 013	2 140 013

Botswana Institute for Development Policy Analysis

Annual Financial Statements for the year ended 31 March 2024

Notes to the annual financial statements

Figures in Pula	Note(s)	2024	2023
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21. Financial instruments and risk management (continued) Capital risk management

The Institute's objective when managing capital (which includes borrowings, working capital and cash and cash equivalents) is to maintain a flexible capital structure that reduces the cost of capital to an acceptable level of risk and to safeguard the Institute's ability to continue as a going concern while taking advantage of strategic opportunities in order to maximise returns.

Financial risk management

Overview

The Institute is exposed to the following risks from its use of financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk (currency risk, interest rate risk and price risk).

The board of directors has overall responsibility for the establishment and oversight of the Institute's risk management framework. The board has established the risk committee, which is responsible for developing and monitoring the Institute's risk management policies. The committee reports quarterly to the board of directors on its activities.

The Institute's risk management policies are established to identify and analyse the risks faced by the Institute, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Institute's activities.

Credit risk

Credit risk is the risk of financial loss to the Institute if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

Credit risk for exposures other than those arising on cash and cash equivalents, are managed by making use of credit approvals, limits and monitoring. The institute only deals with reputable counterparties with consistent payment histories. The exposure to credit risk and the creditworthiness of counterparties is continually monitored.

Credit risk exposure arising on cash and cash equivalents is managed by the group through dealing with well-established financial institutions with high credit ratings.

The maximum exposure to credit risk is presented in the table below:

		2024			2023		
		Gross carrying amount	Credit loss allowance	Amortised cost / fair value	Gross carrying amount	Credit loss allowance	Amortised cost / fair value
Financial asset	4	11 195 808	-	11 195 808	11 280 921	-	11 280 921
Trade and other receivables	5	2 486 131	(79 114)	2 407 017	5 173 387	(79 114)	5 094 273
Cash and cash equivalents	6	1 450 506	-	1 450 506	4 391 383	-	4 391 383
		15 132 445	(79 114)	15 053 331	20 845 691	(79 114)	20 766 577

Liquidity risk

The Institute is exposed to liquidity risk, which is the risk that the Institute will encounter difficulties in meeting its obligations as they become due.

Botswana Institute for Development Policy Analysis

Annual Financial Statements for the year ended 31 March 2024

Notes to the annual financial statements

Figures in Pula	Note(s)	2024	2023	
21. Financial instruments and risk management (continued)				
The Institute manages its liquidity risk by effectively managing its working capital, capital expenditure and cash flows.				
There have been no significant changes in the liquidity risk management policies and processes since the prior reporting period.				
The maturity profile of contractual cash flows of non-derivative financial liabilities, and financial assets held to mitigate the risk, are presented in the following table. The cash flows are undiscounted contractual amounts.				
2024				
		Less than 1 year	Total contractual cash flows	Carrying amount
Current liabilities				
Trade and other payables	9	1 511 334	1 511 334	1 511 334
2023				
		Less than 1 year	Total contractual cash flows	Carrying amount
Current liabilities				
Trade and other payables	9	2 140 013	2 140 013	2 140 013

Botswana Institute for Development Policy Analysis

Annual Financial Statements for the year ended 31 March 2024

Notes to the annual financial statements

Figures in Pula	Note(s)	2024	2023
21. Financial instruments and risk management (continued) Foreign currency risk			
The Institute is exposed to foreign currency risk for transactions which are denominated in a currency other than Pula. The Institute does not take cover on foreign currency as it regards the Pula as a stable currency. The Institute's exposure to foreign exchange risk, based on notional amounts, is analysed as follows:			
Exposure in Pula			
The net carrying amounts, in Pula, of the various exposures, are denominated in the following currencies. The amounts have been presented in Pula by converting the foreign currency amounts at the closing rate at the reporting date:			
US Dollar exposure:			
Current assets:			
Trade and other receivables	5	100 403	79 873
Cash and cash equivalents	6	90 028	1 070 414
Net US Dollar exposure		190 431	1 150 287
Euro exposure:			
Current assets:			
Cash and cash equivalents	6	-	792 221
South African Rand exposure:			
Current assets:			
Cash and cash equivalents	6	-	363
Net exposure to foreign currency in Pula		190 431	1 942 871
Exposure in foreign currency amounts			
The net carrying amounts, in foreign currency of the above exposure was as follows:			
US Dollar exposure:			
Current assets:			
Trade and other receivables	5	7 500	6 062
Cash and cash equivalents	6	6 725	81 224
Net US Dollar exposure		14 225	87 286
Euro exposure:			
Current assets:			
Cash and cash equivalents	6	-	55 535
South African Rand exposure:			
Current assets:			
Cash and cash equivalents	6	-	243
Exchange rates			
Pula per unit of foreign currency:			
US Dollar		13.387	13.175
Euro		-	12.739

Botswana Institute for Development Policy Analysis

Annual Financial Statements for the year ended 31 March 2024

Notes to the annual financial statements

Figures in Pula	Note(s)	2024	2023
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21. Financial instruments and risk management (continued)

Yen - 1.381

Foreign currency sensitivity analysis

The following information presents the sensitivity of the Institute to an increase or decrease in the respective currencies it is exposed to. The sensitivity rate is the rate used when reporting foreign currency risk internally to key management personnel and represents management’s assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated amounts and adjusts their translation at the reporting date. No changes were made to the methods and assumptions used in the preparation of the sensitivity analysis compared to the previous reporting period.

Increase or decrease in rate
Impact on profit or loss:

US Dollar 10% (2023: 10%)
Euro 10% (2023: 10%)
ZAR 10% (2023: 10%)

2024	2024	2023	2023
Increase	Decrease	Increase	Decrease
19 043	(19 043)	115 029	(115 029)
-	-	79 222	(79 222)
-	-	34	(34)
19 043	(19 043)	194 285	(194 285)

Interest rate risk

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

The Institute’s interest rate risk arises from deposits in short term financial assets and call accounts with its bankers. The Institute analyses its interest rate exposure on a dynamic basis. Since most of the deposits are placed in short term maturity assets, the financial administrators negotiate interest rates with the bankers on maturity of these instruments before decisions on reinvesting. A quote for the best interest is obtained from financial institutions in the country and decisions are then made.

The institute invests with reputable financial institutions and is subject to normal market interest rate risk on its banking facilities.

Interest rate sensitivity analysis

The following sensitivity analysis has been prepared using a sensitivity rate which is used when reporting interest rate risk internally to key management personnel and represents management’s assessment of the reasonably possible change in interest rates. All other variables remain constant. The sensitivity analysis includes only financial instruments exposed to interest rate risk which were recognised at the reporting date. No changes were made to the methods and assumptions used in the preparation of the sensitivity analysis compared to the previous reporting period.

Increase or decrease in rate by 10%

Impact on profit or loss:

Financial assets 0.1% (2023: 0.1%)

2024	2024	2023	2023
Increase	Decrease	Increase	Decrease
71 489	(71 489)	8 564	(8 564)

Botswana Institute for Development Policy Analysis

Annual Financial Statements for the year ended 31 March 2024

Notes to the annual financial statements

Figures in Pula	Note(s)	2024	2023
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22. Fair value information

Fair value hierarchy

The table below analyses assets and liabilities carried at fair value. The different levels are defined as follows:

Level 1: Quoted unadjusted prices in active markets for identical assets or liabilities that the Institute can access at measurement date.

Level 2: Inputs other than quoted prices included in level 1 that are observable for the asset or liability either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

Levels of fair value measurements

Level 2

Recurring fair value measurements

Assets Note(s)

Financial assets mandatorily at fair value through profit or loss

Financial assets at fair value	1 195 808	11 280 921
Total	1 195 808	11 280 921

The fair value of the investments in money market funds are based on the valuation of units provided by the fund manager. The fund manager's valuation is based on market value of the underlying assets of each fund.

Level 3

Recurring fair value measurements

Assets

Property, plant and equipment

Land and buildings

Motor vehicles

Total property, plant and equipment

Total

Note(s)

3	15 805 054 89 092	15 409 000 133 638
	15 894 146	15 542 638
	15 894 146	15 542 638

Botswana Institute for Development Policy Analysis

Annual Financial Statements for the year ended 31 March 2024

Statement of Changes in Equity

Figures in Pula	Revaluation reserve	Capital grant	Training fund reserve	Building fund reserve	Total reserves	Retained income	Total funds and reserves
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22. Fair value information (continued)

Reconciliation of assets and liabilities measured at level 3

	Note(s)	Opening balance	Gains (losses) recognised in other comprehensive income	Additions	Scrapping	Depreciation	Transfers	Closing balance
2024								
Assets								
Property, plant and equipment	3	15 409 000	-	662 264	-	(266 210)	-	15 805 054
Land		133 638	-	-	-	(44 546)	-	89 092
Motor vehicles								
Total		15 542 638	-	662 264	-	(310 756)	-	15 894 146

2023								
Assets								
Property, plant and equipment	3	17 738 072	(6 308 621)	4 948 634	(486 602)	-	(410 483)	15 481 000
Land and buildings		178 184	-	-	-	(44 546)	-	133 638
Motor vehicles								
Total		17 916 256	(6 308 621)	4 948 634	(486 602)	(44 546)	(410 483)	15 614 638

Land and Buildings was revalued by an independent professional valuer in the current year. The land and Buildings were valued at P 15 409 000 representing the open market value arrived at using discounted cash flow method. Inspection of the properties were conducted during the valuation.

Botswana Institute for Development Policy Analysis

Annual Financial Statements for the year ended 31 March 2024

Notes to the annual financial statements

Figures in Pula	Note(s)	2024	2023
23. Going concern			
We draw attention to the fact that as at 31 March 2024, the institute incurred a loss of P 2 085 5(2023 : P 9 375108) and accumulated losses of P 1 051 738.			
The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business. The Trustees believe that the Institute has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis. The Trustees are optimistic that the Institute will continue to be supported by the Government of Botswana through revenue subventions to meet recurring expenditure of the Institute. The Trustees are not aware of any new material changes that may adversely impact the Institute. The Trustees are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the Institute.			
24. Events after the reporting period			
There were no other post balance sheet events which require adjustment or disclosure in these financial statements.			

Botswana Institute for Development Policy Analysis

Annual Financial Statements for the year ended 31 March 2024

Detailed Income Statement

Figures in Pula	Note(s)	2024	2023
Revenue			
Income earned from research projects		6 187 337	7 802 379
Grant income	13	20 300 000	18 300 000
Gross profit		26 487 337	26 102 379
Other operating income			
Sundry income		180 652	128 232
Amortisation of fixed assets		283 254	249 766
	14	463 906	377 998
Other operating gains (losses)			
Foreign exchange gains		27 777	4 513
Expenses (Refer to page 40)		(29 783 260)	(30 335 758)
Operating loss	16	(2 804 240)	(3 850 868)
Finance income	18	718 733	856 381
(Loss) profit for the year		(2 085 507)	(2 994 487)

Botswana Institute for Development Policy Analysis

Annual Financial Statements for the year ended 31 March 2024

Detailed Income Statement

Figures in Pula	Note(s)	2024	2023
Other operating expenses			
Advertising		(71 149)	(125 436)
Auditor's remuneration - external audit	16	(229 905)	(134 134)
Auditor's remuneration - internal audit	16	-	(216 682)
Bank charges		(30 108)	(36 847)
Cleaning		(255 995)	(203 228)
Consulting and professional fees		(326 997)	(582 636)
Consulting and professional fees - legal fees		(181 078)	(119 534)
Consumables		-	(2 313)
Depreciation		(664 803)	(726 356)
Employee costs		(21 718 189)	(20 642 794)
Entertainment		(1 000)	-
Project expenses		(3 307 618)	(3 842 924)
Corporate social responsibility		(47 207)	(38 728)
Board expenses		(243 081)	(176 840)
Conference costs		(19 707)	(93 906)
Public forum		-	(56 487)
Health and safety		(400)	(526)
Insurance		(119 245)	(144 321)
IT expenses		(448 552)	(339 851)
Motor vehicle expenses		(37 928)	(34 892)
Electricity and water		(251 411)	(134 553)
Relocation expenses		-	(287 142)
Postage		(8 045)	(2 551)
Printing and stationery		(97 279)	(92 075)
Publications		(98 600)	(73 339)
Repairs and maintenance		(143 663)	(149 366)
Security		(162 971)	(127 205)
Staff welfare		(51 624)	(50 658)
Subscriptions		(59 199)	(113 134)
		(578 689)	(581 026)
		(618 801)	(1 198 081)
		(10 016)	(8 193)
		(29 783 260)	(30 335 758)

The supplementary information presented does not form part of the annual financial statements and is unaudited



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