



ANNUAL REPORT  
2020/21



**HUMAN  
RESOURCE  
DEVELOPMENT  
COUNCIL**  
*of* BOTSWANA

OUR PEOPLE • OUR FUTURE



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# 1.0 INTRODUCTION



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# INTRODUCTION

## 1.1 HRDC 2020/21 Milestone



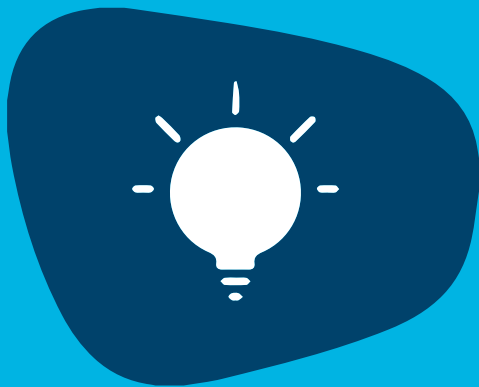
1. HRDC Develops its second Five (5) Year Strategic Plan
2. In partnership with the Directorate of Public Service Management (DPSM) and Ministry of Employment, Labour Productivity and Skills Development (MELSD), HRDC launched the Botswana Labour Market Observatory (LMO) Website Jobseekers Platform.
3. Monitoring and Evaluation (M&E) supports visits to Tertiary Education Institutions undertaken.
4. HRDC Conducted Tertiary Education's Institutional Plan Assessments.
5. 2019 Tertiary Education Statistics Report Produced.
6. HRDC successfully held the Webinar on Dissemination of the 2019 Tertiary Education Statistics in Collaboration with Statistics Botswana, Botswana National Productivity Centre (BNPC) and Institute of Development Management (IDM).
7. Adopt-A-School Memorandum of Understanding (MoU) between HRDC and Malatswae Primary School extended for the three (3) years
8. HRDC Digital Marketing Strategy Developed.
9. HRDC introduces Ethics Hotline to report unlawful, unethical and unsafe behaviours.
10. Capacitated and supported workplaces on the development and implementation of the Workplace Skills Training Plans (WSTP).
11. Developed the Creative Industries Sector Human Development Plan (NDP)
12. Conducted the Annual Review of the Current and Future Plans.





# INTRODUCTION

## 1.2 About the Human Resource Development Council (HRDC)



The Human Resource Development Council (HRDC) is responsible for providing policy advice on all matters of national human resource development; coordination and promotion of the implementation of the National Human Resource Development Strategy; development of the National Sector Human Resource Development (HRD) Plans and advising on Tertiary Education Financing and Workplace Learning.

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### **Chairperson of the HRDC Board**

Ms Moggie F. M. Mbaakanyi

### **Chief Executive Officer (CEO)**

Dr Raphael Dingalo

### **Registered Office**

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Botswana Human Resource Development Council



@BotswanaHRDC

# INTRODUCTION

## 1.3 MISSION, VISION, VALUES

### MISSION

To drive the development of Botswana's Human Resource to achieve a Knowledge Based Economy through the provision of Policy Advise, Planning, Funding and Coordination and Effective Collaboration.

### VISION

To Transform Botswana into a Globally Competitive Human Resource Hub by 2036.

### VALUES

#### ACCOUNTABILITY

*We act responsibly and commit to being answerable for our decisions and actions*

#### EXCELLENCE

*Quality service and commitment to outstanding performance*

#### EFFECTIVE COMMUNICATION

*Effective and continuous engagement of both internal and external stakeholders.*



#### INNOVATION

*Continuously seeking solutions and improvements*

#### TEAMWORK

*Collectively working towards common goals*

#### INTEGRITY

*Ethical, respectful, honest and Botho when dealing with customers and stakeholders)*





# INTRODUCTION

## 1.4 Corporate Profile



The Human Resource Development Council (HRDC) was established under the HRDC Act CAP. [54:07] which became effective on the 8<sup>th</sup> November, 2013. Acting as Government's advisor on human resource development, HRDC provides a platform for the Public, Private Sector and Civil Society to act in concert to drive the National Human Resource Development Strategy (NHRDS). Specifically, the Council coordinates efforts by all parties to guide Botswana's education and skills development mechanism. Additionally, HRDC assesses its impact on national priorities, identifies barriers to effective delivery of the NHRDS and mutually agrees on targeted solutions that should be implemented in the short, medium and long term in alignment with the strategic intent (as pronounced in the NHRDS).

The implementation of the above targeted solutions is driven by a set of clear initiatives that are coordinated, promoted and overseen by the HRDC in partnership with relevant stakeholders. The establishment of HRDC, therefore, represents a clear acknowledgement by Government on the need to drive effective Human Resource Development (HRD) through a process that engages and accommodates the input and broad participation of the public and private sector, civil society, labour, youth, Education and Training Providers (ETPs) and other key stakeholders.

# INTRODUCTION

## 1.5 HRDC'S Functional Structure

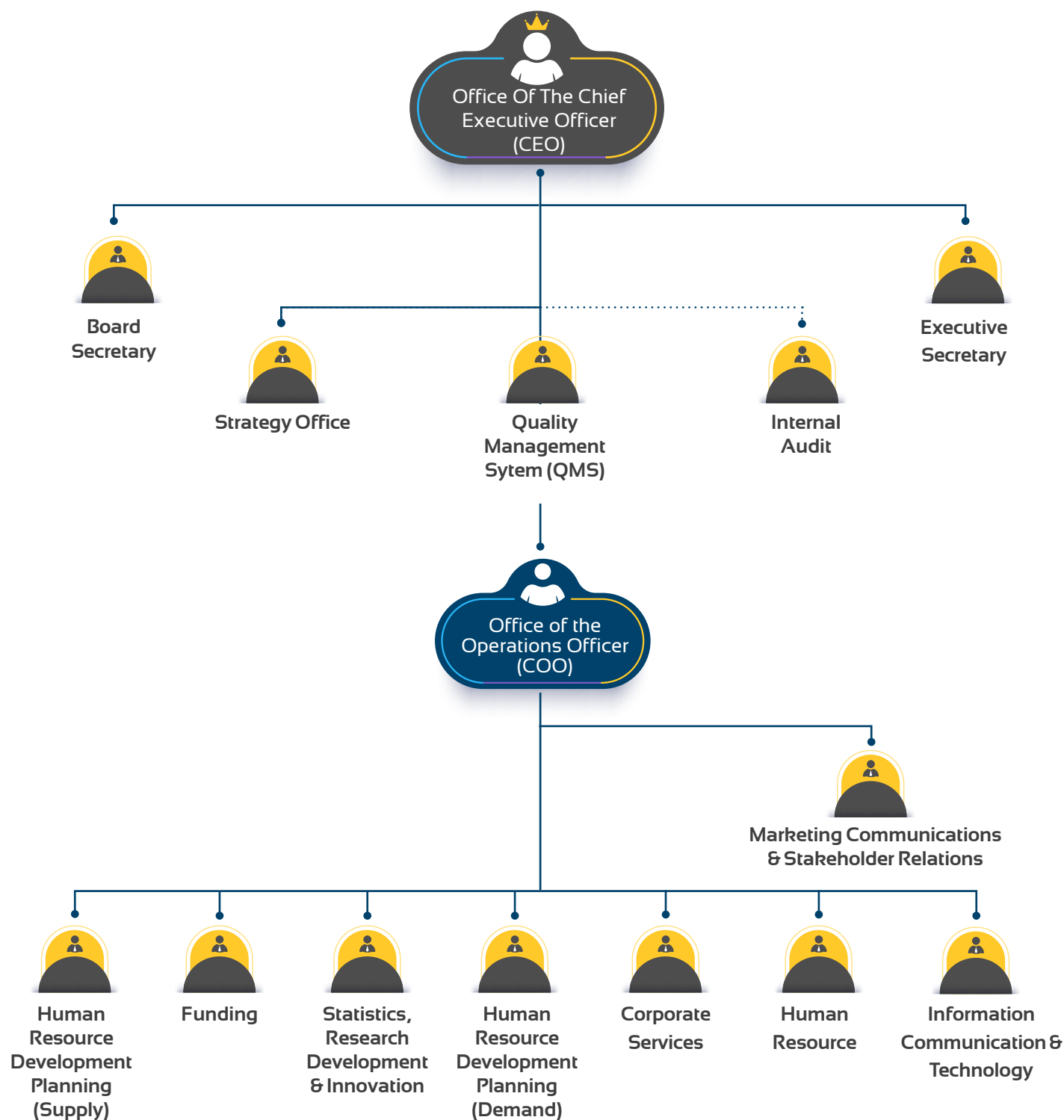


Figure 1: HRDC Functional Structure





## 2.0 CORPORATE GOVERNANCE



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# CORPORATE GOVERNANCE

## 2.1 Chairperson's Statement



The HRDC is committed to fulfilling its mandate in line with corporate governance standards and practices, with regards to accountability, transparency, professionalism and ethical values.

**Ms Moggie F. M. Mbaakanyi**  
BOARD CHAIRPERSON  
HUMAN RESOURCE  
DEVELOPMENT COUNCIL





# CORPORATE GOVERNANCE

## 2.1 Chairperson's Statement (Cont...)

**It is my pleasure to present to you the 2020/21 HRDC Annual Report.**

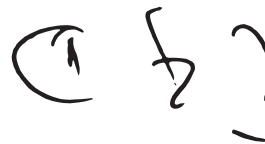
This Report demonstrates our resolute efforts in executing our key mandate of transforming Botswana to a knowledge based economy. However, it is worth noting that the year under review has been challenging due to the impact of the COVID 19 pandemic which compelled us to adapt to a new way of working, to enable us to deliver on our mandate. Nevertheless, I would like to appreciate the hard work that the Board Members, Management and Staff of the Human Resource Development Council (HRDC) have demonstrated in performing their responsibilities diligently in such challenging situations.

The new Strategic Plan (2021 - 2026) was approved within Quarter Four (Q4) of the financial year 2020/21 and the process involved collaborative workshops with key internal and external stakeholders. The Plan captures the direction HRDC will take to fulfil its mandate and meet its objectives in the next five years as aligned to Vision 2036 and the National Development Plan (NDP) II. Furthermore, the Plan outlines the HRDC's central role in the development and implementation of the National Human Resource Development Plan (NHRDP) in order to drive the effective implementation of the objectives of the National Human Resource Development Strategy (NHRDS) as that will enable transformation of Botswana into a globally competitive human resource hub.

In the 2019/20 Report, I had stated that the Government would invest heavily in the development of the Botswana Labour Market Information System (LMIS) with the main objective of providing regular and accurate data and information on employment. I am pleased to state that a component of the system called the Jobseekers Database has been developed and

was launched on the 17<sup>th</sup> November 2020. The Jobseekers Database was developed in collaboration with the Directorate of Public Service Management (DPSM) and the Ministry of Employment, Labour and Skills Development (MELSD) as they are critical stakeholders in jobseeker's registration and placement. This database marks a significant milestone in our efforts to make job opportunities more accessible, available and transparent to job seekers in Botswana particularly the undergraduates, facilitating better job-matches for available vacancies and thus, employment.

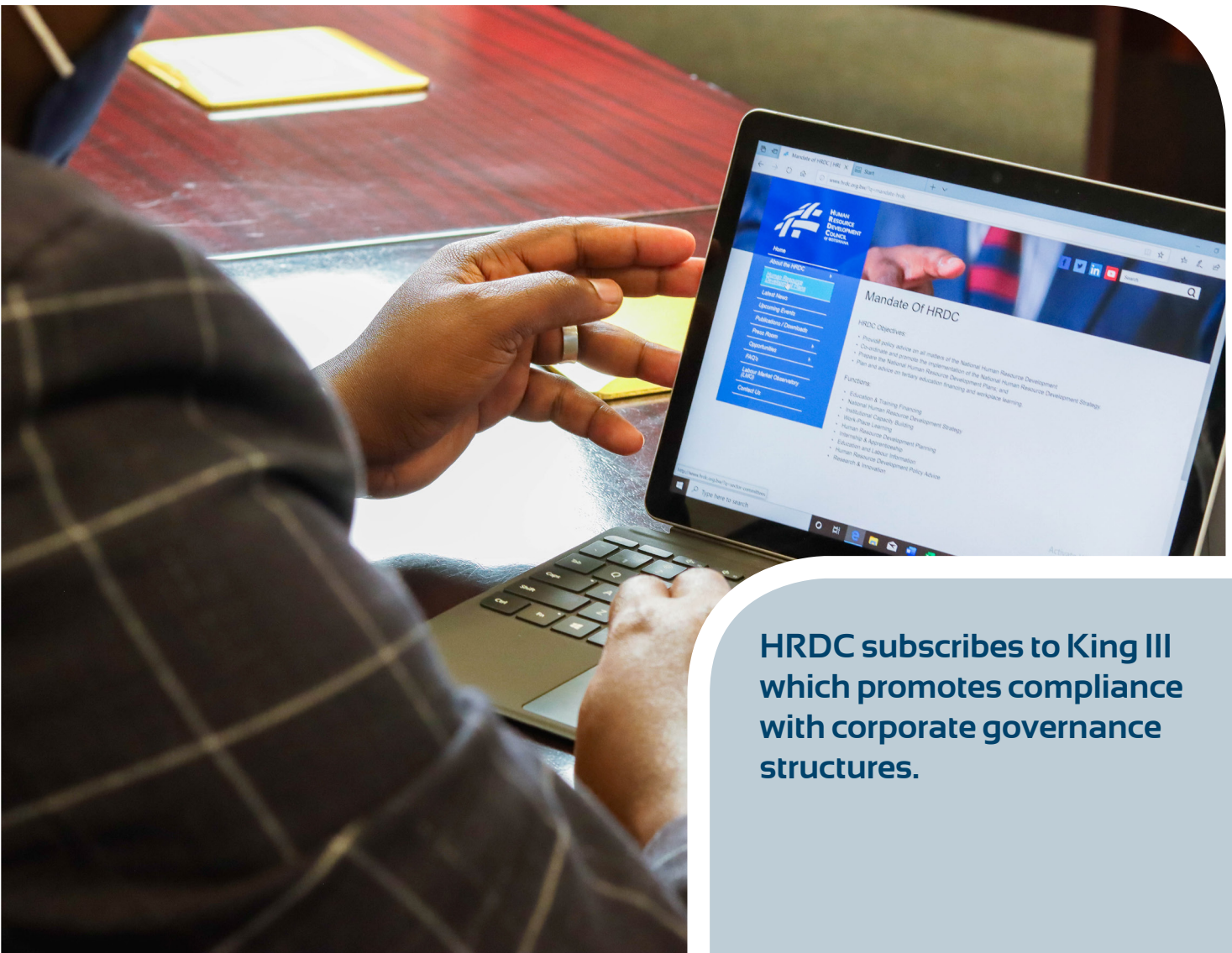
On behalf of the HRDC Board, I would like to extend my sincere appreciation and gratitude to HRDC Management Team and Staff for their continuous enthusiasm, commitment and support in implementing our mandate.



**Ms Moggie F. M. Mbaakanyi**  
BOARD CHAIRPERSON  
HUMAN RESOURCE  
DEVELOPMENT COUNCIL

# CORPORATE GOVERNANCE

## 2.2 Corporate Governance Report



**HRDC subscribes to King III which promotes compliance with corporate governance structures.**





# CORPORATE GOVERNANCE

## 2.2 Corporate Governance (Cont...)

### Compliance With Corporate Governance

HRDC is committed to fulfilling its mandate in line with corporate governance standards and practices, with regards to accountability, transparency, professionalism and ethical values. Furthermore, HRDC is alive to the highest standards of service delivery and integrity in all its activities and or undertakings. As an essential part of this commitment, members of the Board support high standards of corporate governance.

The Board oversees adherence to International Financial Reporting Standards (IFRS) in the preparation of its financial statements, which require that the information reported in the financial statements should be transparent, relevant, complete and reliable. HRDC understands that adhering to sound principles of corporate governance is critical to earning and maintaining the trust from key stakeholders and meeting service delivery standards.

#### 2.2.1 Internal Audit Unit

The Board has established an independent Internal Audit function which provides assurance and consulting activities to the Board and Management as to the adequacy, effectiveness and efficiency of governance, risk management and internal control. This is done so as to support the Council's Strategy, Vision, Mission and aspired Value set.

To maintain its independence, the Unit reports functionally to the Finance and Audit Committee of the Board and administratively to the Chief Executive Officer. The purpose, responsibility and authority of the Unit are captured in the Audit Charter which has been approved by the Finance and Audit Committee. The Head of Internal Audit has unrestricted access to the Chairperson of the Board and the Finance and Audit Committee.

### 2.2.2 Enterprise-Wide Risk Management

As part of strengthening the Board's oversight responsibility in its governance of risk, the Council has formalised and adopted an enterprise-wide approach to risk management. The long term vision is to integrate the risk management process into the operations of the Council to aid sound management practices and good corporate governance as it improves decision making, enhances outcomes, and strengthens management accountability.

The Board has approved an Enterprise-wide Risk Management (ERM) policy and framework which are the pinnacle of a successful ERM implementation. The intended benefits to be derived from embedding ERM in the operations of the Council are:

- i) To reinforce a risk culture, risk management to be embedded in strategy formulation, execution, and performance measurement and reporting.
- ii) To provide a framework within which Management can proactively manage strategic pursuit of value within the confines of an acceptable risk profile;
- iii) To provide a policy and framework within which Management can operate to pro-actively embed the risk management process that is structured, understood at all levels, optimised and aligned;
- iv) To anticipate, detect, acknowledge and respond to those changes and events in an appropriate and timely manner;
- v) To ensure that the risk appetite and tolerance arrangements are based on generally accepted risk management and governance practices that enhance value for all its stakeholders;
- vi) To inculcate an ethical risk management culture and behaviour that develop and protect people, assets and reputation.

The Board has further identified and documented strategic risks which are closely monitored as part of the strategy implementation process to minimise their impact should they materialise.



# CORPORATE GOVERNANCE

## 2.3 HRDC Board Members

The HRDC Board consists of 13 members appointed by the Minister. During the reporting period, there were two vacancies and therefore the Board operated with 11 members. During the reporting period, there were no resignations and no new appointments.

Table 1. HRDC Board Meetings

No of Meeting	Quartely Meeting	Special Meeting
Eight (8)	Four (4)	Four (4)

Table 2. Board Committee Meetings

	Committee	No's of Meeting
i)	Finance and Audit	Five (5) times.
ii)	Procurement	Five (5) times.
iii)	Funding	Five (5) times.
iv)	Human Resource	12 times
v)	Human Resource Development (HRD) Planning	Six (6) times.





# CORPORATE GOVERNANCE

## 2.4 HRDC Board Profiles



**Ms Moggie F. M. Mbaakanyi**  
Chairperson

Ms Mbaakanyi possesses a Bachelor of Arts Degree and Concurrent Certificate in Education from the University of Botswana, Lesotho and Swaziland. She graduated from the University of Leeds (UK) with a Postgraduate Diploma in Educational Performance and a Master of Arts (MA) in Educational Administration.

She joined the public service in 1976 at the level of a Principal of the Molepolole College of Education (MCE) and joined the private sector in 1994 after retirement. Ms Mbaakanyi spent 16 years in politics as a Councillor, Member of Parliament and finally as Assistant Minister of Education which position she served until 1<sup>st</sup> April 2008.



**Mr Moatswi Sekonopo**  
Vice Chairperson

Mr Sekonopo is the current Vice Chairperson of the Human Resource Development Council (HRDC) Board. He is a Professional Architect, Project Manager, Property Development Expert, Built Environment Expert and Entrepreneur with years spanning 20 years.

Mr Sekonopo is currently the ArcSwana Architect's Chairman and Managing Director of K-Hill property development. Mr Sekonopo is a Professional Architect registered with the Architects Registration Council (Botswana), South African Council of Architectural Profession, a member of the Architectural Association of Botswana, Chartered Member of Royal Institute of British Architects (RIBA) and a member of South African Institute of Architects (SAIA). He has a Bachelor of Architecture from Howard University in Washington DC, USA (May 1999) as well as Master of Civil Engineering (December 2000) from Catholic University of America, Washington, DC.



# CORPORATE GOVERNANCE

## 2.4 HRDC Board Profiles (Cont...)



**Ms Kebosweditse Ntebela**  
Member

Ms Ntebela possesses Degrees in Health, Education and Commerce. She holds a Master of Business Administration (MBA). She has 11 years of experience in Education and 25 years in the Medical Aid Industry at both Operational and Executive Management Level.

She was previously an Operations Manager with Metropolitan Botswana from 2004 - 2014, Strategic Business Manager from 2000 - 2004 with Botswana Medical Aid Society (BOMAID), Fund Manager from 1990 - 2000 with BOMAID. She also served under the Botswana Government from 1980 - 1990 with the National Health Institute. Cumulatively, she possesses 37 years work experience in both the private sector and the public service. She retired in 2014.



**Ms Ruth Mphathi**  
Member

Ms Mphathi graduated with a Master's Degree in Professional Accounting from the University of Washington, USA. Furthermore, she holds a Bachelor of Commerce Degree from the University of Botswana. She has a career spanning 27 years within the public accounting and manufacturing sectors as well as the water industry (Water Utilities Corporation) where she played various roles in general management and strategic planning, culminating in the position of Corporate Secretary, a senior management role which was responsible for both Board administration and coordination of various support services.

She has worked for Botswana Postal Services as Director of Corporate Services and as Head of Strategy and Governance. A significant part of her career was spent on Board operations and as a Director on several Boards including National Development Bank (NDB) and Botswana Savings Bank (BSB) just to mention a few. Being an advocate for effective corporate governance, Ms Mphathi has vast experience and expertise in the field of accounting, strategic planning, board administration, corporate governance, human resource management and procurement.



# CORPORATE GOVERNANCE

## 2.4 HRDC Board Profiles (Cont...)



**Ms Helen C. Chilisa**  
Member

Ms Chilisa has about 17 years work experience across sectors of the economy including aviation, hospitality and accounting. She has a Master of Science (MSc), Degree in International Marketing and an Executive Master of Business Administration in Aerospace Management from the University of Montreal.

Ms Chilisa also holds a Master of Business Administration (MBA) in Aerospace Management from the Toulouse School of Business in France. Her previous work experience includes; Deputy Permanent Secretary, Ministry of Basic Education (MoBE); Secretary of Reforms at the then Ministry of Education and Skills Development; Secretary General at Botswana National Commission UNESCO and Country Manager and Director (Botswana) with the Association of Chartered Certified Accountants (ACCA).



**Mr Kelapile Ndobano**  
Member

Mr Ndobano holds a Bachelor's degree in Economics from the University of Botswana and a Masters degree in Economic Policy Management from Columbia University, (New York, USA). He is currently the Secretary for Economic and Financial Policy in the Ministry of Finance and Economic Development, with more than 29 years work experience in the areas of national development planning, fiscal policy, including taxation matters, as well as financial sector development issues.

His experience has also included working with regional and international development organisations such as SACU, SADC, the World Bank, IMF, among others. He is currently a Board Member in the Diamond Trading Company Botswana (DTCB), the Botswana Unified Revenue Service (BURS) and the Botswana Institute for Development Policy Analysis (BIDPA). He previously served in the Boards of the Botswana Building Society (BBS) and the Botswana Privatisation Asset Holdings (BPAH).



# CORPORATE GOVERNANCE

## 2.4 HRDC Board Profiles (Cont...)



**Ms Seilaneng Godisang**  
Member

Ms Godisang has a Law Degree from the University of Botswana (UB) and she is currently a legal partner at Kelobang Godisang Attorneys.

Ms Godisang is admitted to practice as an attorney in the courts of Botswana since 2006. She has experience in transactional law, corporate lending, banking, financial services, labour disputes, competition and debt collection.

She possesses over 10 years work experience in both private practice and corporate bodies among them Collins Newman & Co., Barclays Bank and Stanbic Bank.



**Ms Tebogo Bagopi**  
Member

Ms Bagopi graduated with a Bachelor of Arts in Social Sciences (Accounting and Public Administration) from the University of Botswana and a Higher National Diploma (Graphic Arts and Technical Management) from Watford, United Kingdom.

She is currently the Deputy Permanent Secretary (Corporate Services) at the Ministry of Tertiary Education, Research, Science and Technology (MoTE) where she is mainly responsible for strategic planning and management, policy direction oversight on financial management, human resource management and information communication technologies (ICT), project management and coordination. She has more than 23 years work experience in the Public Service. Prior to joining the MoTE, she was the Deputy Permanent Secretary at the Office of the President as well as at the Ministry of Health.

Ms Bagopi was also the Strategy Management Specialist at the National Strategy Office (NSO). She has extensive expertise and experience in different areas of corporate governance including performance and strategic management, quality management systems, change agent and leadership strategies, balance score card, systems thinking, monitoring and evaluation, enterprise risk management.





# CORPORATE GOVERNANCE

## 2.4 HRDC Board Profiles (Cont...)



**Mr Lesego H. Pule**  
Member

Mr Pule is a graduate with a Masters of Business Administration (MBA) from University of KwaZulu-Natal, South Africa. He is a seasoned leader who can guide an organisation in visioning of a marketing strategy, development of business cases and execution of an aggressive strategy.

He is much skilled in effective sales and marketing communications, networking, team building, public relations, coaching and mentoring. He is currently the General Manager at Metropolitan Health Botswana. Mr Pule's career span for more than 27 years in the corporate world.



**Mr Nixon M. Marumoloa**  
Member

Mr Marumoloa is the Chief Executive Officer of the Botswana Savings Bank (BSB), a Government owned banking entity with a BWP 1.5 billion loan book, depositors' book of BWP 2.1 billion, about 190 employees and a banking network that operates through 124 Agencies around the country. BSB provides transactional banking products and consumer lending products. The bank has a long history of creating positive shareholder value and profitability.

He has nearly 22 years of financial business leadership and experience. His previous positions include leadership roles at Standard Chartered Bank, Barclays Bank, BancABC, First National Bank and Citizen Entrepreneurial Development Agency (CEDA), in addition to having served as a Board Member in other trading companies.

Mr Marumoloa holds a B.A. (Economics & Administration) from the University of Botswana, Insurance Qualifications from the Insurance Institute of South Africa and other trainings from (amongst others) Henley Business School, Gordon Institute of Business Science (University of Pretoria) and the Wits Business School.



# CORPORATE GOVERNANCE

## 2.4 HRDC Board Profiles (Cont...)



**Ms Goitseone N. Mosalakatane**  
Member

Ms. Mosalakatane possesses a Bachelor's Degree in Social Sciences and a Master of Science (MSc) Degree in Human Resource Development from the University of Botswana (UB) and Manchester University in the United Kingdom (UK) respectively.

She is currently the Director for the Directorate of Public Service Management of the Republic of Botswana. Prior to her current role, Ms Mosalakatane worked for various organisations as Managing Director and Principal Consultant for BothoPele Management Consultants (Pty) Ltd, Country Director (Botswana) for the Institute of Development Management (IDM); Organisation Development Manager, Head of Personnel and Employee Relations and Human Resource Director respectively for the Botswana Housing Corporation (BHC).

She has previously served in several corporate boards and national executive committees including the Botswana Telecommunication Corporation (BTC), the Public Enterprise Evaluation and Privatisation Agency (PEEPA), and the Institute of Human Resource Management (IHRM). She is currently the Local Board Chairperson of the Institute of Development Management Board of Governors and African Association for Public Administration and Management (AAPAM).

With 23 years' executive management experience, Ms Mosalakatane has led and participated in organisational transformation, and the formulation of policies, strategies, legislation, systems and processes to improve efficiency and effectiveness of the various institutions. Ms Mosalakatane has successfully carried out consultancy projects for public and private sector organisations, non-governmental and international organisations in Botswana and other South African Development Community (SADC) countries.



# CORPORATE GOVERNANCE

## 2.4 HRDC Board Profiles (Cont...)



**Dr Raphael Dingalo**

Ex Officio

Dr Raphael Dingalo is the Chief Executive Officer of the Human Resource Development Council (HRDC). He has worked at a number of Organisations that champion human capital development in Botswana, holding various positions including Deputy Permanent Secretary in the Ministry of Education and Skills Development. He has also worked as Deputy Clerk of Cabinet and Deputy Clerk of the National Assembly

Dr Dingalo spent time as Ag Vice Chancellor of Limkokwing University of Creative Technology (LUCT) Botswana and also worked at the University of Botswana, in the Centre for Academic Development (CAD). He holds a professional degree of Doctor in Education (EdD) University of London, UK; a Master in Education (M.Ed) from the University of Manchester School of Education, (UK); and a Bachelor of Education (B.Ed) from the College of St Mark and St John (UK).

# CORPORATE GOVERNANCE

## 2.5 Board Committees

The HRDC Board has five (5) Committees and they are as follows:

Table 3: Finance and Audit Committee

### Finance and Audit Committee

<b>Purpose of Committee:</b>
To monitor, evaluate and make recommendations to the Board with respect to operational policies and strategic matters on Finance and Audit
<b>MEMBERSHIP</b>
1. Ms Ruth Mphathi Chairperson
2. Mr Kelapile Ndobano Vice Chairperson
3. Ms Helen Chilisa Member
4. Mr Nixon Marumoloa Member
5. Ms Kebosweditse Ntebela Member
6. Dr Raphael Dingalo (Ex-Officio)

Table 4: Procurement Committee

### Procurement Committee

<b>Purpose of Committee:</b>
To monitor, evaluate and make recommendations to the Board with respect to policies and strategic matters relating to procurement, upkeep and disposal of assets.
<b>MEMBERSHIP</b>
1. Ms Kebosweditse Ntebela Chairperson
2. Ms Tebogo Bagopi Vice Chairperson
3. Ms Helen Chilisa Member
4. Mr Kelapile Ndobano Member
5. Mr Lesego Pule Member
6. Dr Raphael Dingalo (Ex-Officio)



# CORPORATE GOVERNANCE

## 2.5 Board Committees (Cont...)

Table 5: Funding Committee

<b>Purpose of Committee:</b>
It provides oversight and strategic guidance on the management of the three Funds namely; the Human Resource Development Fund (HRDF), which is already established, the Public Tertiary Education Institutions Fund (PTEIF) and the Tertiary Education Student Support Fund (TESSF) which are yet to be established. These Funds are meant to fund the education and training sector.
<b>Membership</b>
1. Mr Moatswi Sekonopo - Chairperson
2. Ms Goitseone N. Mosalakatane Vice Chairperson
3. Ms Seilaneng Godisang Member
4. Mr Nixon Marumoloa Member
5. Ms Ruth Mphathi Member
6. Dr Raphael Dingalo (Ex-Officio)

Table 6: Human Resource Development (HRD) Planning Committee

<b>Purpose of the Committee:</b>
To provide direction on National HRD planning by applying sector-focused approach to respond to the mismatch between supply and demand needs.
<b>Membership</b>
1. Mr Lesego Pule Chairperson
2. Ms Tebogo Bagopi Vice Chairperson
3. Mr Moatswi Sekonopo Member
4. Ms Kebosweditse Ntebela Member
5. Ms Helen Chilisa Member
6. Dr Bangwato Sikwa Member (Representative HRD Sector Committee)
7. Mr Rapula Kegopilwe Member (Representative HRD Sector Committee)
8. Dr Raphael Dingalo (Ex-Officio)

Table 7: Human Resource Committee

<b>Purpose of the Committee:</b>
To monitor, evaluate and make recommendations to the Board with respect to policies and strategic matters related to the HRDC internal human resource.
<b>Membership</b>
1. Ms Seilaneng Godisang Chairperson
2. Mr Moatswi Sekonopo - Vice-Chairperson
3. Ms Tebogo Bagopi Member
4. Ms Goitseone N. Mosalakatane Member
5. Mr Lesego Pule Member
6. Dr Raphael Dingalo (Ex-Officio)

# CORPORATE GOVERNANCE

## 2.6 HRDC Board Meeting Attendance for 2020-2021 Financial Year

### Board Secretary

The Board Secretary ensures that HRDC observes the highest standards of corporate governance and compliance with the requirements of the HRDC Act and other relevant laws and applicable Codes.

### Board Remuneration

The Board members are paid sitting allowances per Board/Committee meeting sitting in line with the rates prescribed by the Ministry of Finance and Economic Development (MFED) as follows:

**Board Chairperson:** P2 250

**Board Members:** P1800

**Table 8: HRDC Board Meetings for the Financial Year 2020/2021**

	DATE OF MEETING	TYPE OF MEETING
1.	23 <sup>rd</sup> June 2020	Quarterly Meeting
2.	23 <sup>rd</sup> June 2020	Special Meeting
3.	30 <sup>th</sup> June 2020	Special Meeting
4.	7 <sup>th</sup> July 2020	Special Meeting
5.	22 <sup>nd</sup> September 2020	Quarterly Meeting
6.	6 <sup>th</sup> October 2020	Special Meeting
7.	15 <sup>th</sup> December 2020	Quarterly Meeting
8.	23 <sup>rd</sup> March 2021	Quarterly Meeting
	<b>TOTAL NUMBER OF MEETINGS CONVENED</b>	<b>Eight (8)</b>

**Table 9: Board Member Attendance for the 2020/2021 Financial Year**

	HRDC BOARD MEMBERS	TOTAL NUMBER OF MEETINGS ATTENDED	PERCENTAGE MEETINGS ATTENDED
1.	<b>Ms. Moggie F. Mbaakanyi</b> Board Chairperson	8	100 percent
2.	<b>Mr. Moatswi Sekonopo</b> Vice Board Chairperson	7	87.5 percent
3.	Ms. Tebogo Bagopi Member	4	50 percent
4.	Ms. Helen C. Chilisa Member	8	100 percent
5.	Ms. Seilaneng Godisang Member	8	100 percent
6.	Ms. Ruth Mphathi Member	8	100 percent
7.	Mr. Kelapile Ndobano Member	5	62.5 percent
8.	Ms. Kebosweditse Ntebela Member	8	100 percent
9.	Mr. Lesego H. Pule Member	7	87.5 percent
10.	Mr. Nixon Marumolola Member	8	100 percent
11.	Ms. Goitseone N. Mosalakatane Member	7	87.5 percent



# CORPORATE GOVERNANCE

## 2.6 Board Committee Meetings (Cont...)

In the course and scope of discharging their mandate, the Board is empowered to delegate part of their duties to the various Board Committees. Certain functions of the Board are facilitated through the five Board Committees guided by the Board Charter which dictates their membership, scope of authority, responsibilities and duties. The Committees report to the main Board on quarterly basis or as and when there are special matters for consideration. The HRDC Committees met as follows:

- i) Finance and Audit Committee met five (5) times.
- ii) Procurement Committee met five (5) times.
- iii) Funding Committee met five (5) times.
- iv) Human Resource Committee met (12) times.
- v) Human Resource Development (HRD) Planning Committee met six (6) times

**Table 10: Finance and Audit Committee Meetings for the 2020/2021 Financial Year**

	DATE OF MEETING	TYPE OF MEETING
1.	29 <sup>th</sup> May 2020	Quarterly Meeting
2.	20 <sup>th</sup> August 2020	Quarterly Meeting
3.	28 <sup>th</sup> September 2020	Special Meeting
4.	12 <sup>th</sup> November 2020	Quarterly Meeting
5.	25 <sup>th</sup> February 2021	Quarterly Meeting
	<b>TOTAL NUMBER OF MEETINGS CONVENED</b>	<b>FIVE (5)</b>

**Table 11: Procurement Committee Meetings for the 2020/2021 Financial Year**

	DATE OF MEETING	TYPE OF MEETING
1.	25 <sup>th</sup> May 2020	Quarterly Meeting
2.	17 <sup>th</sup> August 2020	Quarterly Meeting
3.	9 <sup>th</sup> November 2020	Quarterly Meeting
4.	26 <sup>th</sup> January 2021	Special Meeting
5.	22 <sup>nd</sup> February 2021	Quarterly Meeting
	<b>TOTAL NUMBER OF MEETINGS CONVENED</b>	<b>FIVE (5)</b>

**Table 12: Funding Committee Meetings for the 2020/2021 Financial Year**

	DATE OF MEETING	TYPE OF MEETING
1.	26 <sup>th</sup> May 2020	Quarterly Meeting
2.	18 <sup>th</sup> August 2020	Quarterly Meeting
3.	10 <sup>th</sup> November 2020	Quarterly Meeting
4.	23 <sup>rd</sup> February 2021	Quarterly Meeting
5.	15 <sup>th</sup> March 2021	Special Meeting
	<b>TOTAL NUMBER OF MEETINGS CONVENED</b>	<b>FIVE (5)</b>

# CORPORATE GOVERNANCE

## 2.6 Board Committee Meetings (Cont...)

**Table 13: Human Resource Committee Meetings for the 2020/2021 Financial Year**

	DATE OF MEETING	TYPE OF MEETING
1.	27 <sup>th</sup> May 2020	Quarterly Meeting
2.	3 <sup>rd</sup> June 2020	Special Meeting
3.	11 <sup>th</sup> June 2020	Special Meeting
4.	19 <sup>th</sup> August 2020	Quarterly Meeting
5.	27 <sup>th</sup> August 2020	Special Meeting
6.	11 <sup>th</sup> September 2020	Special Meeting
7.	11 <sup>th</sup> November 2020	Quarterly Meeting
8.	27 <sup>th</sup> November 2020	Special Meeting
9.	2 <sup>nd</sup> February 2021	Special Meeting
10.	24 <sup>th</sup> February 2021	Quarterly Meeting
11.	2 <sup>nd</sup> March 2021	Special Meeting
12.	16 <sup>th</sup> March 2021	Special Meeting
	<b>TOTAL NUMBER OF MEETINGS CONVENED</b>	<b>TWELVE (12)</b>

**Table 14: Human Resource Development (HRD) Planning Committee Meetings for the 2020/2021 Financial Year**

	DATE OF MEETING	TYPE OF MEETING
1.	1 <sup>st</sup> June 2020	Quarterly Meeting
2.	24 <sup>th</sup> August 2020	Quarterly Meeting
3.	2 <sup>nd</sup> September 2020	Special Meeting
4.	16 <sup>th</sup> November 2020	Quarterly Meeting
5.	9 <sup>th</sup> February 2021	Special Meeting
6.	1 <sup>st</sup> March 2021	Quarterly Meeting
	<b>TOTAL NUMBER OF MEETINGS CONVENED</b>	<b>SIX (6)</b>





# CORPORATE GOVERNANCE

## 2.7 Chief Executive Officer's Report (CEO)



The mandate of the HRDC evolves around moulding each citizen of Botswana into a resource that will advance individual, societal, national and global aspirations for improved livelihoods and economic growth.

Raphael Dingalo (PhD)  
Chief Executive Officer (CEO)  
HUMAN RESOURCE DEVELOPMENT  
COUNCIL



# CORPORATE GOVERNANCE

## 2.7 Chief Executive Officer's Report (Cont...)

The financial year 2020/21 marked the last year in the implementation of the HRDC Five - Year Strategic Plan 2016-2021. This report covers the implementation for the period 1<sup>st</sup> April 2020 to 31<sup>st</sup> March 2021. The mandate of the HRDC entails coordinating efforts to moulding each citizen of Botswana into a resource that will advance individual, societal, national and global aspirations for improved livelihoods and economic growth. As such the Vision of the Council is: 'To make Botswana's human resource globally competitive by 2036'. This is in line with the country's aspirations towards a knowledge based economy.

### Development of the second HRDC Strategic Plan 2021- 2026

Since the 2020/21 financial year marked the last year of implementing the HRDC Strategic Plan 2016 - 2021, the Council developed its new Strategic Plan that is expected to steer its course over the next five (5) years from 2021-2026. The HRDC strategic plan describes how the Council will implement its mandate to provide policy advice, planning, funding, coordination and collaboration. It defines the HRDC's central role in the development and implementation of the NHRDP (National Human Resource Development Plan) to drive the effective execution and delivery of the objectives of the National Human Resource Development Strategy (NHRDS) to transform Botswana into a globally competitive human resource hub.

### Annual Review of the Current and Future Skills

HRDC continually reviews the changes in demand for skills locally and in the global market. The demand for skills is influenced by the socio-economic and technological changes mostly due to the fourth industrial revolution. The change in demand for skills affects the employability of the youth including graduates, worsened by the

fact that the economy is growing at a slow pace, hence low job creation. As a result, even the priority occupations identified by the sectors do not guarantee employment for any graduate.

### Promoting Skills Development in Botswana

The Council considers Technical and Vocational Education and Training (TVET) as a sub-sector that has the potential to equip Botswana with employable skills in order to enhance their employability and most importantly promote their significant contributions to the national economy. Together with its strategic partners, HRDC continued to promote TVET with efforts to transform and accord it the attention it deserves. In this regard, HRDC in collaboration with its strategic partners hosted the TVET *Pitso* workshop to review the recommendation proposed during the TVET *Pitso* that was held in 2019. The workshop was as a platform to engage key stakeholders to further dialogue and interrogate the sub-sector's challenges with a view to transform its quality. Amongst the observations put forward, was the TVET system's lack of appeal to the youth, a scenario to a great extent borne from public perception and attitude. The seminar recommended rebranding of the system so as to shed it of the current unfavourable "look and feel".

### Optimising the Human Resource Development Fund Administration

In response to the impact of COVID-19 pandemic, the training and submission periods for the financial year 2020/21 were extended to end of the months of June and September 2021 respectively to give clients the opportunity to complete their training plans. There is therefore an overlap in terms of claims received during of the two financial years.

The industry continued to train and benefit from



# CORPORATE GOVERNANCE

## 2.7 Chief Executive Officer's Report (Cont...)


the Human Resource Development (HRD) Fund. From April 2019 to March 2020, there were 42200 learners trained mainly on short term courses with the leading players being the retail industry. Apprentices are trained on year-to-year specifically by the mining industry. Claims received during the financial year 2020/21 were 2970 out of which 95 percent were processed.

### Launch of the Botswana Labour Market Observatory Website

During the year under review, HRDC in conjunction with the Ministry of Employment, Labour Productivity and Skills Development (MELSD) and the Directorate of Public Service Management (DPSM) launched the Botswana Labour Market Observatory Website Jobseeker platform. The platform is an integration of the MELSD Jobseeker Database and the Unemployed Graduate Database (UGD) which was initially transferred from DPSM. It was embarked on to centralise jobseeker-

employer matching and to support the Government of Botswana's long term commitment of providing online (automated) services as well as in response to the COVID-19 'new normal' way of doing business which requires curtailment of movement and reduction of physical interaction of people.

I would like to thank the Board, Management and Staff of the HRDC for the dedication and commitment in the implementation of the 2020/21 Annual Plan. My sincere gratitude to the Ministry of Tertiary Education Research Science and Technology (MoTE), The Government of Botswana, partners, the private sector and the public at large for the support we continued to receive in discharging our mandate. Further reading of this report provides more information, please enjoy.



**Raphael Dingalo (PhD)**  
**Chief Executive Officer (CEO)**  
**HUMAN RESOURCE DEVELOPMENT COUNCIL**





**The demand for skills is influenced by the socio-economic changes and technological changes mostly due to the Fourth Industrial Revolution (4IR).**



# CORPORATE GOVERNANCE

## 2.8 Executive Management Team



**Dr Raphael Dingalo**  
Chief Executive Officer (CEO)



**Mr Meshack Tafa**  
Chief Operations Officer (COO)



**Mr Ralph Maganu**  
Director, Corporate Services



**Dr Fernando Siamisang**  
Director, Human Resource  
Development Planning  
(Demand)



**Dr Ellah Matshediso**  
Director, Human Resource  
Development Planning  
(Supply)



**Dr. Tlamele Sekambo**  
Director, Statistics, Research  
Development & Innovation



**Mr Mothusi Masole**  
Director, Funding



**Mr John Vassiliadis**  
Director, Information  
Communication and Technology



**Mr Keefentse Gaebowe**  
Director, Human Resources



**Ms Masingoaneng B.  
Ramodimoosi**  
Board Secretary



**Ms Faith Rapuleng-Tuelo**  
Manager, Stakeholder  
Relations and Marketing  
Communications



**Dr Matthews Phiri**  
Manager, Strategy



**Ms Agnes Phuthego**  
Manager, Internal Audit



**Ms Atlasaone Motshegwe**  
Manager - Quality  
Management Systems (QMS)



## 3.0 OPERATIONAL PERFORMANCE REPORTS



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# OPERATIONAL PERFORMANCE REPORTS

## 3.1 Organisational Performance 2020/21

The Financial Year under review highlights HRDC’s organisational performance in the implementation of the 2020-21 Annual Corporate Plan in pursuit of achieving our mission, *‘To make Botswana’s Human Resource Globally Competitive by 2036.’*

### Strategic Annual Plan Performance 2020/21

#### Operational Performance

The implementation of the HRDC Annual Corporate Plan for the 2020/2021 financial year was adversely affected by the advent of the COVID-19 pandemic. The Council had to review its budget downwards as well as curtail movements of staff and consequently customers in line with COVID-19 protocols and

restrictions. The Annual Plan had 28 Measures or Key Performance Indicators to monitor progress in the implementation to achieve the plan objectives. The overall performance score for the year is therefore given by the average performance of the 2020/2021 measures as set out in the annual corporate plan. An average target of 90 percent was set at the beginning of the financial year.

At the end of the year, HRDC achieved 79.2 percent compared to performance score of 83 percent in the previous year. This however, represents achieved target as per the HRDC Performance rating scale and a 3.8 percent drop in performance as compared to the 2019/2020 financial year.

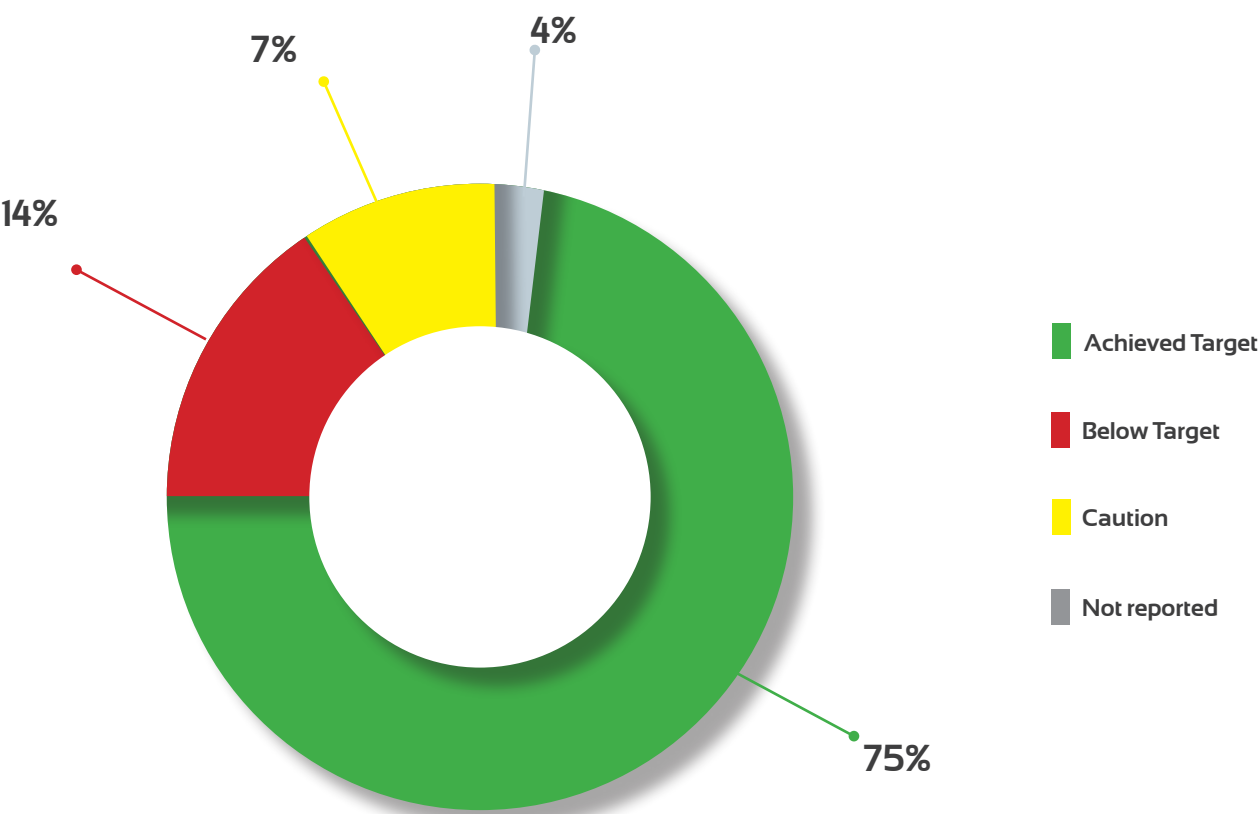


Figure 2: Organisational Performance

# OPERATIONAL PERFORMANCE REPORTS

## 3.2 Determining Demand For Human Resource Development

### Achievements

The report gives progress on Human Resource Development initiatives carried out by the Department of Human Resource Development Planning (Demand) for the 2020/21 Financial Year

### Development of the Creative Industries Sector HRD Plan

Human resource development is a critical enabler to driving and sustaining economic growth and diversification. The availability of a skilled and competitive workforce is necessary to support the transition of all economic sectors towards a knowledge intensive economy. In line with supporting the different sectors, the Human Resource Development Council (HRDC) developed the Creative Industry Sector Human Resource Development Plan to guide the development of a skilled and competitive workforce that will support the implementation of the newly developed Creative Industry Strategy. The Plan was developed through an extensive consultative process with various stakeholders, including public sector agencies and players in the Creative Industries. The National Creative Industries Strategy is a Government initiative that seeks to grow culture and the creative industries, borne out of a realisation that the sector can play a part in contributing to, diversifying and growing the economy of Botswana. The Creative Industries Sector HRD Plan has therefore recommended the development of the skills that will support the growth of both the formal and informal sectors within the Creative Industries Sector. The Creative Industries is a unique sector in terms of contributing to the growth of the economy as it has a potential to create jobs through the utilisation of the indigenous knowledge and skills



Figure 3: Creative Industries Sector HRD Plan Cover Page

of Botswana mostly in our remote areas. The Plan therefore recognised the need for the Human Resource Development Council to collaborate with the Botswana Qualification Authority (BQA) in implementing the Recognition to Prior Learning (RPL) Policy to support the Informal Sector and contribute to Botswana's economic growth and diversification.

Furthermore, the Creative Industries Sector HRD Plan has been aligned to the broader goals of the draft National Human Resource Development Plan (NHRDP). The NHRDP is one of the key drivers of the country's transformation agenda as when implemented, it will support all efforts by society to have an efficient development and utilisation of national human resources required for increasing the quality of life and strengthening the country's competitiveness and its transition to a knowledge economy and knowledge society. Figure 3 illustrates the cover page for the Creative Industries Sector HRD Plan.

# OPERATIONAL PERFORMANCE REPORTS

## 3.2 Determining Demand For Human Resource Development

### Annual Review of the Current and Future Skills

HRDC continually reviews the changes in demand for skills locally and in the global market. The demand for skills is influenced by the socio-economic changes and technological changes mostly due to the fourth industrial revolution. The change in demand for skills affects the employability of the youth including graduates. The problem is worsened by the fact that the economy for our country is growing slowly and hence low job creation. As a result, even the priority occupations identified by the sectors do not guarantee employment for any graduate and hence the need for graduates to have competitive skills that will improve chances of their employability. The National Human Resource Development Plan recognises that youth unemployment has been inordinately high for many years in Botswana and is one of the country's major socio-economic challenges. Statistics Botswana (SB) through the Botswana Multi -Topic Survey monitors the trends of the unemployed graduates and Figure 4 shows the unemployed graduates by sector. In this unique time of ever-changing technology, one of the greatest challenges of all organisations is to have the skill sets available to meet technological

innovations that will keep companies competitive in the market. One option is to retool and upskill existing employees and unemployed youth in an effort for them to stay ahead of the organisational technological needs. Re-tooling and up-skilling the unemployed youth to targeted future projects prioritised in the NDP 11 Mid Term Review will improve the youth's chances of finding employment or starting a profitable business.

#### Key Challenges

- Delay in approval of the National HRD Plan resulted in delay in implementation of both the National and Sectoral HRD Plans.
- Funding Human Resource Development (HRD) is a challenge not only for Botswana but for most developing countries and hence the need to explore other funding opportunities.
- Lack of real and current data is affecting the efficiency of providing forecasts for skills in demand and hence affecting the future planning of developing new courses and planning for the necessary resources.
- Lack of long term strategies for the sectors to inform Future Jobs and Future Skills.

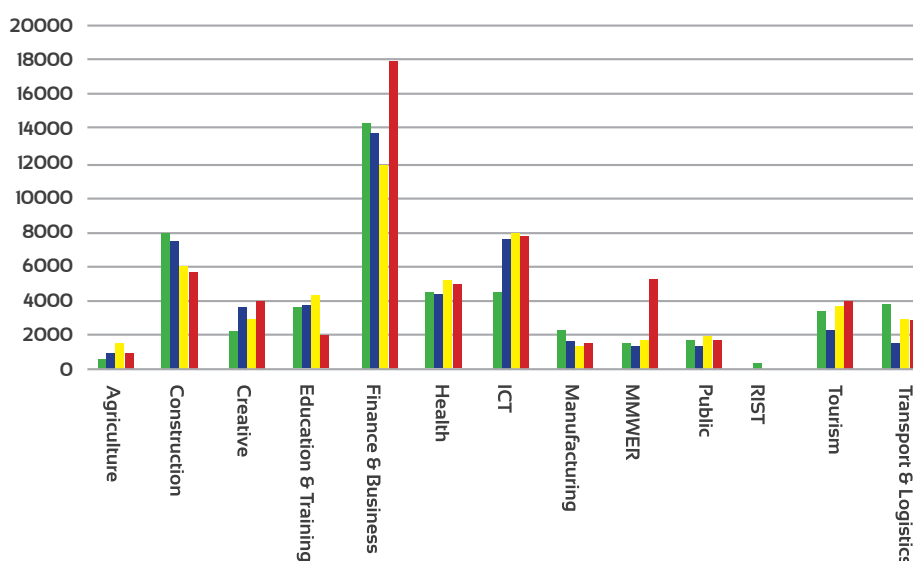


Figure 4: Unemployed Graduates by HRD Sectors  
Source: Statistics Botswana's Multi-Topic- Survey Quarterly Report (2019-2020)



# OPERATIONAL PERFORMANCE REPORTS

## 3.3 Membership of all 12 Sector Human Resource Development Committees - 2020/21

Table 15: Agriculture HRD Sector Committee

Agriculture HRD Sector Committee	
1.	Mr Rapula Mothala Kegopilwe- Chairperson
2.	Mr. David Headman Deputy Chairperson
3.	Mr Sipho Q. Madisa
4.	Mr. Andina Dintwa
5.	Dr Wame Boitumelo
6.	Mr. Mogomotsi Moatswi
7.	Mr. Quett Makwati Rabai
8.	Mr. Pelotshweu Kaone Mosweu
9.	Mr. Modise Mokgwatise
10.	Mr. Boipelo Precious Laetsang
11.	Prof Sam Ayanlaja
12.	Prof Khumoetsile Mmolawa
13.	Ms Thando Siga
14.	Ms Tumelo Mphengula
15.	Mr Mbiganyi Taka

Table 16: Creative Industries HRD Sector Committee

Creative Industries HRD Sector Committee	
1.	Mr Thabiso Mashaba - Chairperson
2.	Ms. Alina Masenya Deputy Chairperson
3.	Mr Dean Molebatsi
4.	Mr Lucky Chucky Nkhurutshe
5.	Mr. Thulaganyo Mogobe
6.	Ms Thato Radijeng
7.	Mr. Mpho Keatshabe
8.	Ms. Sheila Mahloane
9.	Ms. Onalenna Phambuka
10.	Mr Letsweletse Moshabi
11.	Ms. Neo Matome-Harum
12.	Mr Tom Ketlogetswe
13.	Mr Losika Seboni
14.	Mr Tsholofelo Ntshingane
15.	Mr Losika Mosarwa
16.	Mr Socca Sello A Moruakgomo
17.	Ms Mmakgari Claire K Dabutha

# OPERATIONAL PERFORMANCE REPORTS

## 3.3 Membership of all 12 Sector Human Resource Development Committees - 2020/21 (Cont...)

Table 17: Finance and Business Services HRD Sector Committee

Finance & Business Services HRD Sector Committee	
1.	Mr. Kagiso Morokotso - Chairperson
2.	Mr. Anil Kumar Chiralayam - Deputy Chairperson
3.	Mr. Josiah Mafojane
4.	Mr Otllaadisa Naane
5.	Ms. Tiny Ralefala
6.	Ms. Gomolemo Ratsie
7.	Ms. Linah Sekwababe
8.	Mr. Oaitse Dube
9.	Ms Mpho Lynn Mogasha
10.	Mr. Mao Segage
11	Ms. Bonolo Moatlhaping
12	Mr Nitin Sharma
13	Mr. Tumelo Mokowe
14	Ms. Naledi Madala

Table 18: Education and Training HRD Sector Committee

Education & Training HRD Sector Committee	
1.	Mr Cassius Mmopelwa - Chairperson
2.	Professor Wapula Raditloaneng Deputy Chairperson
3.	Ms Gaotewe Mosinyi
4.	Mr Tambona Jopi
5.	Mr Zan Tjirumendu Ngaruka
6.	Ms Tsholofelo Dichaba
7.	Prof Sourav Mukhopadya
8.	Dr Busisiwe Ndlovu
9.	Ms Tshwaragano Motlogelwa
10.	Ms Keitumetse Matebele
11.	Ms Segametsi Mosweunyane
12.	Mr Mothusi Ntau
13.	Ms Sipiwe Moesi
14.	Ms Seoketso Marata
15.	Ms Boikhutso Majang
16.	Mr Lesley Baleseng



# OPERATIONAL PERFORMANCE REPORTS

## 3.3 Membership of all 12 Sector Human Resource Development Committees - 2020/21 (Cont...)

Table 19: Health HRD Sector Committee

Health HRD Sector Committee	
1.	<b>Dr Bangwato Sikwa - Chairperson</b>
2.	<b>Mr Onkemetse Mathala - Deputy Chairperson</b>
3.	Ms Neo Habangana
4.	Dr Kefalotse Sylvia Dithole
5.	Prof Mosepele Mosepele
6.	Mr Moagi Mbayi
7.	Mr. Tebogo Johannes
8.	Dr. Tiroyaone Mampane
9.	Mr. Kenosi Mogorosi
10.	Mr Baipusi Gulubane
11.	Ms Dorcas Taukobong
12.	Mr Joe Van der Walt
13.	Ms Martha Mbayi
14.	Mr Modisa Motswaledi

Table 20: Manufacturing HRD Sector Committee

Manufacturing HRD Sector Committee	
1	<b>Mr Bonny Wadikonyana - Chairperson</b>
2	<b>Mr Kfir Teichman Deputy Chairperson</b>
3	Mr Ernest Somolekae
4	Mr Ndulamo Chingapani
5	Ms Banusi Mbaakanyi
6	Mr Bart Heylen
7	Mr Bathusi Kgosietsile
8	Mr Juda Bosa
9	Mr Nkululeko Ndlovu
10	Dr Robert Batane
11	Mr Fannie Gwizi
12.	Mr Johnson Tsoro Maiketso



# OPERATIONAL PERFORMANCE REPORTS

## 3.3 Membership of all 12 Sector Human Resource Development Committees - 2020/21 (Cont...)

Table 21: Research Innovation, Science and Technology HRD Sector Committee

Research Innovation Science and Technology HRD Sector Committee	
1.	<b>Prof Gabriel Anabwani - Chairperson</b>
2.	<b>Prof Patrick Malope Deputy Chairperson</b>
3.	Ms Gopabaone Chabaditsile
4.	Dr Kereilemang K. Nthoiwa
5.	Prof Olekae Thakadu
6.	Prof Goitseone Malumbela
7.	Dr Lekopanye Tladi
8.	Ms Thandie Lekone
9.	Mr. Bekezela Moyo
10.	Dr Bogadi Nage-Sibande
11.	Prof Amos Thapisa
12.	Prof Samodimo Ngwako
13.	Ms. Thabiso G. Patlakwe
14.	Ms. Doreen Ramogola-Masire

Table 22: Transport and Logistics HRD Sector Committee

Transport & Logistics HRD Sector Committee	
1.	<b>Ms Lesedi Moakofhi - Chairperson</b>
2.	<b>Mr Claude Kamangirira Deputy Chairperson</b>
3.	Ms Kaone Kgorotlhe
4.	Mr Onkarabile Khibanyane
5.	Mr Absolom Mukonyo
6.	Ms Nsiyiwa Pelaelo
7.	Mr Capital Darryl Ellitson
8.	Ms Godiraone Ivy Saudu
9.	Mr Stephen Makuke
10.	Mr Thomoitsile Moichubedi

# OPERATIONAL PERFORMANCE REPORTS

## 3.3 Membership of all 12 Sector Human Resource Development Committees - 2020/21 (Cont...)

Table 23: Information and Communication Technology HRD Sector Committee

Information and Communication Technology (ICT) HRD Sector Committee	
1.	Mr Tshepo Tsheko- Chairperson
2.	Ms Lilly Sullivan Deputy Chairperson
3.	Ms Malebogo Khanda
4.	Mr Taolo Tsimanyane
5.	Mr Ephraim Kedisang
6.	Ms Ruth B. Kedikilwe
7.	Ms Beenzu S. S. Kapapa
8.	Mr Ishmael Lesolame
9.	Mr Godfrey Mwewa
10.	Mr Komal V. Rao
11.	Mr Bhaskar Nalamalapu
12.	Mr Isaiah Mosutlha
13.	Dr Galani Malatsi

Table 24: Public HRD Sector Committee

Public HRD Sector Committee	
1.	Mr Bajaki Chika - Chairperson
2.	Ms Medy N. Moatshe Deputy Chairperson
3.	Ms Pauline Jonas
4.	Ms Goitsewang Tidimane
5.	Mr Bome Matshaba
6.	Mr Marutsaneng Duiker
7.	Ms Atlarelang Solomon
8.	Mr Aubrey Chewe
9.	Ms Seadimo Oefile
10.	Mr Kethapeng Karabo
11.	Ms Maele L Keaikitse
12.	Mr Godfrey Mwewa



# OPERATIONAL PERFORMANCE REPORTS

## 3.3 Membership of all 12 Sector Human Resource Development Committees - 2020/21 (Cont...)

Table 25: Tourism HRD Sector Committee

Tourism HRD Sector Committee	
1.	<b>Ms Tshoganetso Carl- Ponoesele - Chairperson</b>
2.	<b>Ms Thato B Morule Deputy Chairperson</b>
3.	Mr Oarabile Lesole
4.	Mr Michael Matlapeng
5.	Mr Thusang Butale
6.	Mr Oscar Chiwira
7.	Ms Kelebaone G D Maselesele
8.	Ms Poifo Jibajiba
9.	Mr Poniso Shamukuni
10.	Mr Peace Nawa Shamuka
11.	Ms Gorata Gabaraane
12.	Ms Khudzani Nlasha

Table 26: Mining Minerals Energy and Water Resources HRD Sector Committee

Mining Minerals Energy and Water Resources HRD Sector Committee	
1.	<b>Mr Teddy Ditsabatho- Chairperson</b>
2.	<b>Mr Charles Siwawa Deputy Chairperson</b>
3.	Mr Ravi Srivisan
4.	Mr Kitso Phillip Phiri
5.	Dr Obolokile Thoti Obakeng
6.	Mr Mmetla Masire
7.	Mr Puso Akanyang
8.	Mr Jerry du Preez
9.	Mr Bakani Nlebgwa
10.	Dr Khaulani Fichani
11.	Mr Caesar Tshupelo
12.	Mr Johannes Motshegare
13.	Advocate Nelson Sebalo
14.	Mr James Othapile
15.	Dr Bonny Matshediso



# OPERATIONAL PERFORMANCE REPORTS

## 3.4 Coordinating Supply Of Human Resource Development Report

### Achievements

The report gives progress on Human Resource Development initiatives carried out by the Department of Human Resource Development Planning-Supply for the year 2020/2021.

### Technical and Vocational Education and Training (TVET) Pitso Action Plan Implementation

The contribution of TVET to the development of the national economy particularly in the sectors of mining, construction, tourism and manufacturing has proven that opportunities for employment creation are abound. HRDC working collaboratively with various stakeholders has prioritised repositioning and revitalisation of the Country's TVET sub-sector. The TVET Seminar dubbed 'National TVET *Pitso*', which HRDC organised and hosted in 2019 made some critical observations and recommendations to guide the implementation of TVET. Amongst the observations put forward was the TVET sub-sector's lack of appeal to the youth, a scenario to a great extent borne from public perception and attitude. The seminar recommended rebranding of the sub sector so as to shed it of the current unfavourable image. [Refer to the TVET Dashboard on Figure 5].

### TVET *Pitso*

HRDC in collaboration with the National Technical and Vocational Education and Training Advisory Committee (NTAC) hosted the 2019 TVET *Pitso* as a platform to engage key stakeholders to dialogue and interrogate the sub-sector's challenges with a view to transform it.

The TVET Pitso was hosted in collaboration with key partners from the 20<sup>th</sup> - 21<sup>st</sup> February 2019 at Palapye International Convention Centre (PICC), under the theme; 'Nurturing and Managing TVET in a Global and Competitive Economy'. The guest speaker was Professor Roy Howard du Pré, European Union, SADC TVET Specialist, who shared invaluable insights underscoring the importance of relevant and responsive TVET initiatives and strategies for current and future skills needs. Following development of the TVET Pitso Action Plan, TVET monitoring and evaluation tools were developed to facilitate implementation of the Recommendations as per the Action Plan.

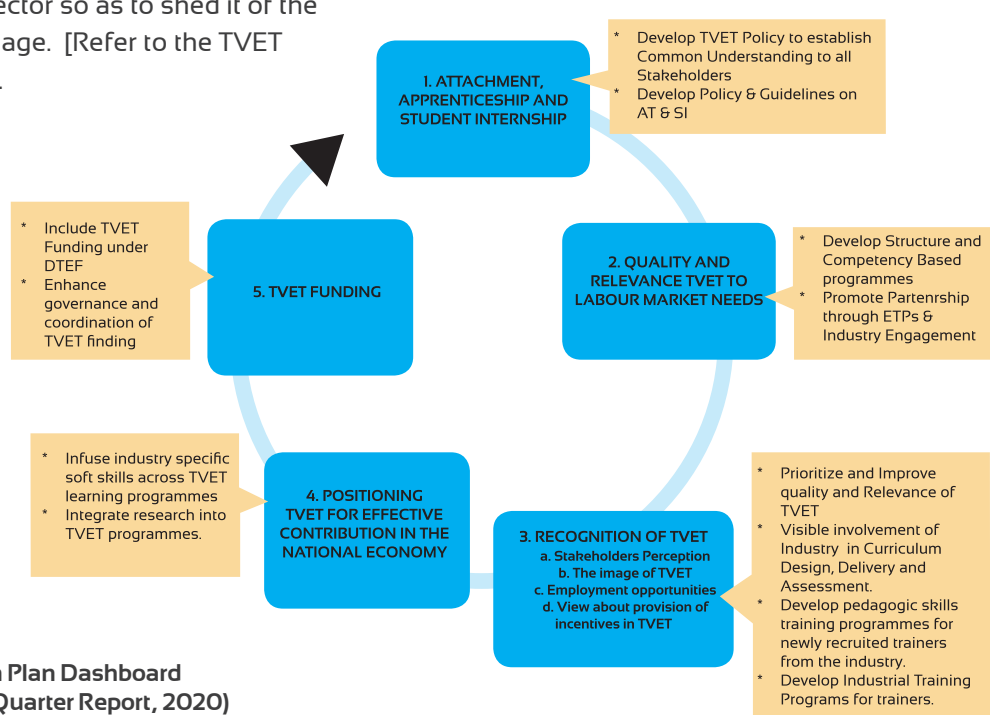


Figure 5: TVET Pitso Action Plan Dashboard (HRD Planning Supply 3<sup>rd</sup> Quarter Report, 2020)



# OPERATIONAL PERFORMANCE REPORTS

## 3.4 Coordinating Supply Of Human Resource Development Report (Cont...)

### Workbased Learning

#### The National Policy on Apprenticeship Training and Student Internship

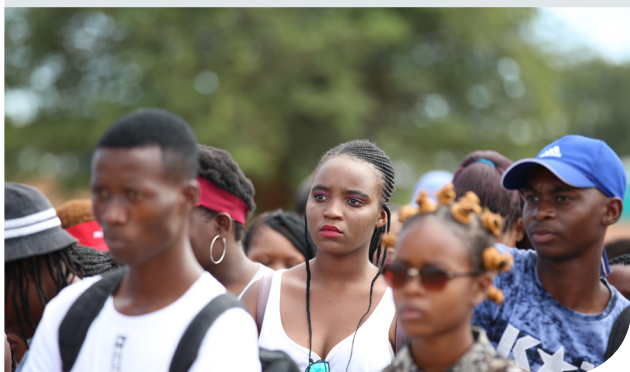
The Human Resource Development Council assisted by the Commonwealth of Learning developed the Apprenticeship Training and Student Internship Policy, Framework and Guidelines. The purpose of which were to achieve the following;

- i. Develop a National Policy and Framework to guide the implementation of work based learning.
- ii. Position TVET as a viable alternative for skills development and employment creation.
- iii. Build mutually beneficial partnerships with stakeholders, particularly the industry in promoting and supporting work based learning.
- iv. Improve the image and appeal of the TVET system to the youth.

#### The project's main deliverables included:

1. Situational Analysis Report;
2. Apprenticeship Training & Student Internship Policy;
3. Apprenticeship Training & Student Internship Framework;
4. Implementation Plan and Guidelines;

All the deliverables were submitted by the Consultant and subsequently approved by the Project Reference Group which provided oversight. The project deliverables have been submitted to the parent Ministry for approval.



### Work Place Learning

#### Work Skills Training Plans (WSTP's)

Work Skills Training Plans (WSTP) depict and guide the training interventions a workplace should adopt in response to its operational skills needs over a particular planning year. The plans are subsequently submitted to HRDC for approval purposes leading to facilitation of claims from the Human Resource Development Fund subsequent to successful delivery of training interventions by the employer/ workplace. In an effort to promote and coordinate workplace learning, HRDC advocates for the development of Work Skills Training Plans, to direct staff training and development towards operation specific interventions. The plan serves as a summary of projected training that will take place during the financial year. In the current year workplaces resorted to online training in an effort to comply with the COVID - 19 protocols. Therefore the Work Skills Training Plans incorporated online training. It has been noted that some workplaces lack the resources necessary to facilitate the online training. Nonetheless, for purposes of business continuity, HRDC encourages workplaces to continue leveraging on technology mediated training.

#### Workplace Monitoring and Evaluation Support Visits

The Workplace Learning Support function continues to promote workplace learning through Monitoring and Evaluation (M & E) Support visits to encourage workplaces to uptake skills training and development in order to retool and up-skill their workforce. The M & E Support Visits were conducted in Maun, Kasane and Selibe-Phikwe and in total, the number of workplaces supported across various industry sectors were 45 as shown in Figure 6.

# OPERATIONAL PERFORMANCE REPORTS

## 3.4 Coordinating Supply Of Human Resource Development Report (Cont...)

### Achievements

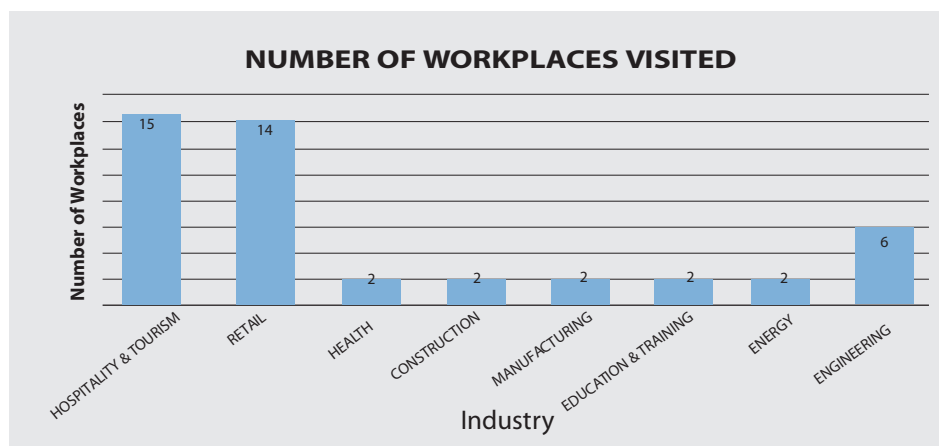


Figure 6: Number of Workplaces visited (HRDPS 4<sup>th</sup> Quarter Report, 2021)

### Institutional Planning

Institutional Planning function is responsible for promoting the establishment, coordination and approval of institutional plans for Tertiary Education Institutions (TEIs). The main purpose is to guide institutions to train according to the identified needs of the economy by seeking to produce work-ready graduates and increasing access to relevant and quality tertiary education.

#### Capacitation on Institutional Planning

The initial TEIs which were identified for capacitation and development of institutional plans were 48. Out of the 48, four (4) were TVET ETPs and four (4) were professional colleges.

The review of the HRDC 2016-2020 strategy led to re-configuration that would ensure alignment of operation with other statutory documents. Consequently, the TEIs were prioritised for planning, and focus was on the 40 TEIs and other ETPs (e.g.TVET) were to be covered in the 2021-26 strategy.

Of the 40 TEIs that have been capacitated on institutional planning, one has ceased operation and 39 have submitted their draft plans. Figure 7 shows representation of the institutions by public and private categories.

#### Representation of TEIs by category

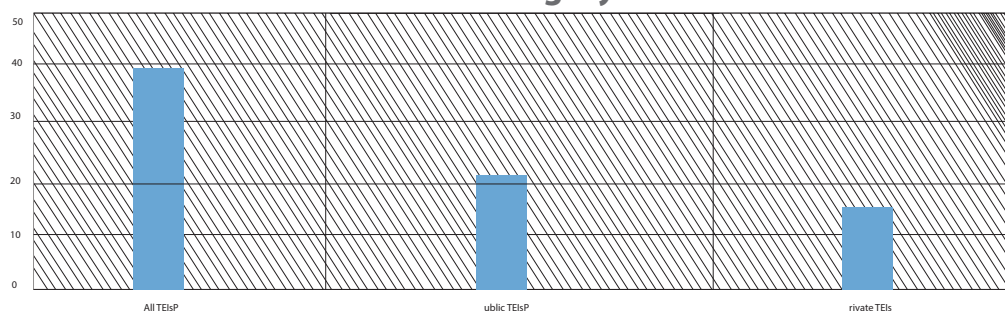


Figure 7: Representation of TEI's by Category



# OPERATIONAL PERFORMANCE REPORTS

## 3.4 Coordinating Supply Of Human Resource Development Report (Cont...)

### Achievements

#### Monitoring and Evaluation (M&E) of Plan Implementation

In the context of an institution, Monitoring & Evaluation (M&E) is an effort to assess and appraise its attainment of institutional plan targets and objectives for the purposes of coming up with initiatives for achievement. In other words, through this fundamental process, an institution demonstrates through planning, assessment and evidence-based actions that it is making progress towards achieving its stated mission based strategic goals.

M&E is on-going, and to date the exercise has been carried out in 19 institutions. They are all compliant to priority areas of the national plan. Nonetheless, there are logistical challenges at institutional level, such as lack of autonomy especially in public institutions, centralised syllabus system which deny them the liberty to improve programmes to meet the current needs.

Due to COVID-19, the face-to-face interaction changed to virtual platforms. The M&E

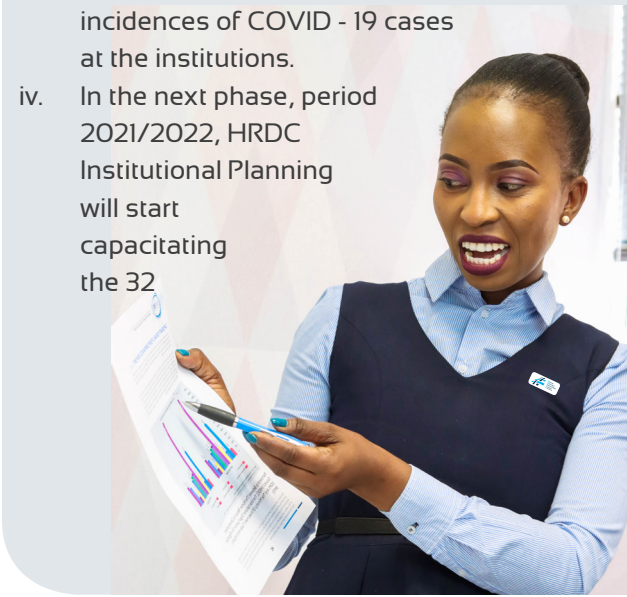


exercise facilitated HRDC to continue giving Tertiary Education Institutions (TEIs) further technical support as required.

Strategies to improve achievement of Mandate in the New Normal

The new normal under COVID-19 posed methodological challenges and resource needs. Initially, the main approach was face-to-face interactions and follow up visits for observations, context appreciation and further interactive dialogues. However, in the advent of COVID-19, physical interactions were not advisable and could be carried out to a very limited extent under strict compliance to COVID-19 protocols. The new normal came with the following challenges:

- Digital tools inadequacy and internet disruptions often forced postponements and rescheduling of sessions.
- In some cases, face-to-face interactions remained the only plausible means to carry out capacity building as well as M & E sessions.
- M&E schedule was often interrupted by incidences of COVID - 19 cases at the institutions.
- In the next phase, period 2021/2022, HRDC Institutional Planning will start capacitating the 32





# OPERATIONAL PERFORMANCE REPORTS

## 3.4 Coordinating Supply Of Human Resource Development Report (Cont...)

### Non-Credit Bearing Short Courses (NCBSCs)

1.1 HRDC received an instruction from the Ministry dated 09th December 2020 to the effect that, the recognition of Non-Credit Bearing Short Courses (NCBSCs) was transferred from BQA to HRDC effective 1st April 2021.

Since then the Council has been working on the process to enable the execution of the function. Amongst the challenges were lack of the legal provision under the HRDC Act 2013 to undertake.

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### Student Planning and Welfare

Learner Support is critical to Student Planning for enhancement of student retention, success, throughput and employability. Capacitation of the Tertiary Education Institutions on the Student Affairs Norms & Standards has been rolled out successfully to all Tertiary Education Institutions and Brigades. So far, the Monitoring & Evaluation evidence

shows that there is improvement in budgeting for Student Affairs Services and appreciation of its impact. There is also an indication of enhanced complementarity of the academic and support services. This will surely impact and enhance retention of students and it is also anticipated to enhance learning experiences.

### Challenges

- Human Resource - This continues to be a constraint owing to inadequate human resource capacity within the Department.
- Financial Resource Shortage - The perpetual financial constraints have negatively impacted undertaking of planned activities geared towards delivery of the mandate.
- COVID - 19 Pandemic Outbreak- The Council was unable to stage the 12th Botswana Human Resource Development Skills (BHRDS) Fair and Career Clinics in Gaborone.
- Work Skills Training Plans (WSTP) - Delayed submissions of Work Skills Training Plans (WSTP).
- Institutional Plans - Education and Training Institutions (TEIs) slow in submitting draft Institutional Plans owing to limited stakeholder engagement interventions.

## Botswana Human Resource Development Skills (BHRDS) Fair & Career Clinics 2020/21



BHRDS, the HRDC flagship event for the past 12 years serve our primary stakeholders inter alia, Economic Sectors, Education & Training Providers (ETPs), Parents, Civil Society and Learners. It is a one-stop service that brings together these valued stakeholders under one roof with an overall aim of facilitating informed career choices. The event seeks to enable the industry or the labour market to interface with prospective learners and share necessary industry relevant information. This interaction is envisaged to reduce growing levels unemployment as a result of skills imbalances as the labour supply and the demand will be aligned. This event further imbues the affirmation that education is a public good, and as such has tried as much as possible to reach every corner of the country with constrained resources. It has thus far been consistently hosted in Gaborone to reach learners in the southern side of the country and as well as the Northern and the North West parts of the country to improve on access and equity. Plans are that, the event should reach other parts such as the Western corridor.

The event seeks to enable the industry or the labour

market to interface with prospective learners and share necessary industry relevant information. This interaction is envisaged to reduce by growing levels unemployment as a result of skills imbalances as the labour supply and the demand will be aligned. This event further imbues the affirmation that education is a public good, and as such has tried as much as possible to reach every corner of the country with constrained resources.

The outbreak of Corona Virus affected the BHRDS, like other activities that involved physical interactions. The event was indefinitely postponed to observe COVID - 19 protocols as provided by the Government of Botswana. Therefore, the most expedient alternative, given the prevailing circumstances, is the online (virtual) so as to leverage on technological advancement. In an effort to keep the event sustainable, HRDC is exploring avenues such as partnerships with capable industry players to host the BHRDS Fair and Career Clinics. The biggest challenge is constrained financial resources which hampers reaching out to every legible prospective learner, particularly those in disadvantaged places.





# OPERATIONAL PERFORMANCE REPORTS

## 3.5 Funding Workplace Training and Skills Development Report

### Achievements

The Human Resource Development Council is mandated through the Department of Funding, to manage the Human Resource Development Fund (HRDF). The HRDF is a levy based Fund established in 2008 to promote workplace learning. The HRD Fund generates income primarily from a Levy, enforced through the Vocational Training (Levy) Order.

The HRD Fund was established as an incentive to encourage employer participation in training employees with the intent to provide sufficient funds to support skills training in Botswana. The main objectives of the HRD Fund are:

- Motivate enterprises to train their staff.
- Increase skills base at the workplaces.
- Help to bring together supply and demand for training.
- Create new opportunities in the training market.
- Support the goal of cost-sharing in skills development in Botswana.

### Performance Of The Fund

#### Levy Collection

The levy collected during the financial year 2020/21 was **BWP135,059,809**. This represents about 50 percent of the annual average of **BWP300 million**. The reason for the variance was that the Government of Botswana suspended payment of the training levy for the period from April 2020 to September 2020. This was meant to give companies an opportunity to recover from the impact of the COVID-19 pandemic on their financial performance.

#### Financing of Human Capital Development

During the year under review, companies continued

using the HRD Fund to support workplace learning. The effectiveness of the HRD Fund in promoting skills development is measured by the rate of utilisation as well as the effectiveness of the HRD Fund in responding to the client's applications for reimbursement.

#### a) Fund Utilisation Rate

The suspension of the training levy payments did not affect human capital development that much as HRDC facilitated and enabled companies to continue training and being reimbursed through the HRD Fund reserves.

For the year under review, training reimbursement claims amounted to **BWP144,356,812**, just seven percent more than the levy collected. The level of utilisation of the Fund for this year, therefore, far surpasses the annual target of 64 percent. The variation was there because there was no levy income for half of the year as compared to the previous years. The level of uptake stands at 23.9 percent against a target of 24 percent.

Claims received during the financial year 2020/21 were 2 970 out of which 95 percent were processed within target. About 49 611 learners were trained mainly on short term courses and apprenticeship programmes. The type of programmes per learning category are as follows;



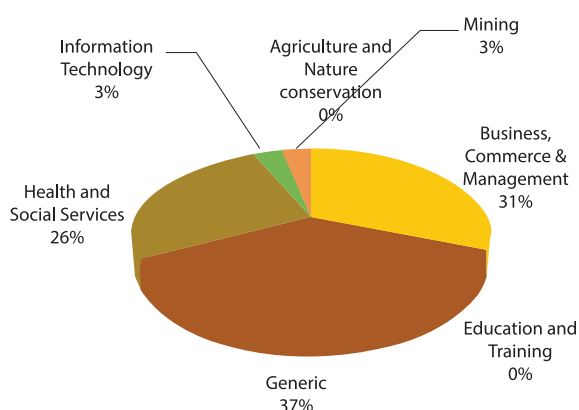
# OPERATIONAL PERFORMANCE REPORTS

## 3.5 Funding Workplace Training And Skills Development Report (Cont...)

Table 27: Fund Utilisation Rate

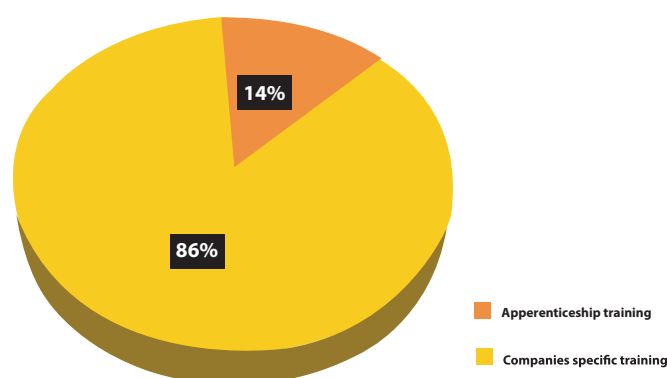
LEARNING AREA	PROGRAMMES INCLUDED.	NO OF LEARNERS
Agriculture and Nature Conservation	Agro Chemical Management, Animal Production.	28
Business Commerce and Management	Accounting, Administration, Procurement, Human Resources, Industrial Relations, Tourism, Wholesale and Retail, Advertising.	15252
Education and Training	Train the Trainer, Assessor Training,	88
Generic	Communication, Public Relations, Customer Service, Stress Management, Monitoring and Coaching, Time Management, Team Building.	18095
Health and Social Services	Occupational Health and Safety, First Aid , Fire Fighting, working with heights.	12970
Information Technology	Microsoft Suites, Sage pastel, Networking, Programming	1662
Mining	Apprenticeship (all trades), Motor Graders, Salt Milling, Rigging and Hoisting.	1516

Figure 8: Graphical Presentation of the Number of Learners Per Learning Area



The most participating industries were in retail and the mining sectors. Among all those companies training their employees, companies in the mining sector took the lead in the apprenticeship and

Figure 9: Mining Sector Apprenticeship Training



or artisan development training programmes. Figure 9 depicts a percentage of learners in the apprenticeship programmes.



# OPERATIONAL PERFORMANCE REPORTS

## 3.5 Funding Workplace Training And Skills Development Report (Cont...)

### b) Fund Administration and HRDC Response to COVID-19 Impact

From the onset of the pandemic, it became apparent that the economy and organisations would suffer the catastrophic effects of the pandemic. In response, the Government of Botswana, utilised part of the HRD Fund reserves as seed capital towards the establishment of the COVID-19 Relief Fund.

In respond to Government's call to support business, HRDC extended the training and submission periods for the financial year 2020/21 to the end of the months of June and September 2021 respectively. This was meant to give clients opportunity to complete their training plans. Additionally, the HRD Fund implemented several measures to ensure continuous training without compromising on the protocols put in place to curb the spread of the diseases. Some of the measures put in place to facilitate skills development included;

- 1) The expedited payment of levy claims to curb the negative effect on companies' cash flows.
- 2) The use of HRD Fund reserves to pay for training by companies during the period that the levy contributions were suspended.
- 3) Promotion of virtual learning and reduced class sizes.
- 4) Increased use of virtual platforms for communication and online submission to minimise physical contact.
- 5) Continuous engagement with stakeholders to sensitise them on the criticality of human capital development as a critical survival tool during the pandemic.
- 6) The non-levy payer's reimbursement distribution model was changed such that claimants instead of waiting for a year, submit claims for reimbursement immediately after training.

### Fraud Risk Management

HRDC recognises the importance of risk management particularly that the HRD Fund is susceptible to fraud. Efforts have been made to strengthen the internal controls. These include segregation of duties, companies risk profiling and development of Fraud and Whistleblowing Policies. A risk log is maintained at the HRD Fund Contact Centre to record potential risks that may impact on the HRD Fund and continuous monitoring is carried out to manage emerging risks and update businesses profiling accordingly.

### Future Developments

#### Comprehensive review of the HRD Fund

Owing to the changing dynamics in the workplaces, alongside the aspirations to transform from a resource to a knowledge - based economy, it is evident that the current operational environment needed to be taken into consideration hence the need to review the model of the HRD Fund and the subsequent legislative instruments. The review is necessary to make the HRD Fund more accessible and inclusive thus opening opportunities to fund programmes that will facilitate skills development for the entire economy. The review of the model and the legislative instrument has been completed and is at approval stage. Once completed stakeholders will be consulted for the review of the supportive operational instruments.

# OPERATIONAL PERFORMANCE REPORTS

## 3.5 Funding Workplace Training And Skills Development Report (Cont...)

### e-HRDF

In a quest to improve service delivery, HRDC conducted an audit of the HRDF System in order to establish whether the system meets all user requirements and if the design and architecture of the system is capable of assimilating further enhancements. The audit had concluded that the system is overtaken by events and therefore not fit for purpose hence the audit recommended acquisition of a new system.

The new system also referred to as the e-HRDF is expected to address the shortcomings of the old system with updated modern functionalities and improved security protocols. Furthermore, it will speed up the claims management processes thus leading to reduced turnaround time of submission and assessment of costs. It is envisaged that the system will host the Call Centre Software (CCS) & Customer Communications Module (CCM), Online Reimbursement Application Software (ORAS), e-filing module, interface of payment and revenue

collection as well as risk management modules. To date, the development of the e-HRDF Statement of User Requirements (SOUR) has been completed and the subsequent requisite processes have been effected.

### Challenges

There are some challenges encountered in administering the HRD Fund. Some of which include the following;

1. Random training by levy payers.
2. Exorbitant pricing of programmes by training providers.
3. Fraud.

These challenges are endemic to the HRD Fund particularly emanating from the HRD Fund model. HRDC continues to manage them through the introduction of proactive measures such as stringent preventative internal control mechanisms, legislative reviews, process reviews and introduction of new system technologies.







# OPERATIONAL PERFORMANCE REPORTS

## 3.6 Data Management, Research and Innovation Report

### Achievements

The report gives progress on data management, research and innovation report carried out by the Department of Statistics, research Development and Innovation for the 2020/21 Financial Year

### The Labour Market Information System (LMIS)

HRDC has been tasked with the establishment of the Labour Market Information System (LMIS) as well as the management of the Education Database as articulated in the HRDC Act No 17 of 2013. The development of the LMIS seeks to address the lack of quality labour market information and data used for effective planning and policy advice. It is further intended to match employers with jobseekers to enhance their employability and reduce the current high levels of unemployment.

During the year under review, HRDC in conjunction with the Ministry of Employment, Labour Productivity and Skills Development (MELSD) and the Directorate of Public Service Management (DPSM) launched the Botswana Labour Market Observatory Website Jobseeker platform. The platform is an integration of the MELSD Jobseeker Database and the Unemployed Graduate Database (UGD) initially at DPSM. It was developed to centralise jobseeker-employer matching and to support the Government of Botswana's long term commitment of providing online (automated) services as well as in response to the COVID - 19 'new normal way of doing business which requires curtailment of movement and reduction of physical interaction of people. Registration in the website at the address [www.botswanalmo.org.bw](http://www.botswanalmo.org.bw) by both the employers and the jobseekers is continuing and at the time of production of this report, there were over 80,000 jobseekers and over 55 ( as at end of March 2021) employers registered in the database.

Central to the functionality of the LMIS, is content management which is closely associated with data and document management to optimise efficiency in information flow. This has necessitated the creation of a Content Management Strategy (CMS)

which will provide a structured approach to the creation and distribution of relevant information in a manner that allows one to make informed decisions in a timely manner. The Content Management Strategy is envisaged to provide strategic guidance in the development and management of content for the Botswana LMIS Portal by fostering coordination, harmonisation and standardisation of data flow and production of labour market information among data producers, suppliers and ensuring responsiveness to users in line with the overarching strategic intent of HRDC.

The CMS details ways of acquiring and processing data to ensure timeous delivery of reliable information. It further articulates an approach within which procedures for institutionalising content acquisition, creation, processing, formatting, presenting, publishing, archiving as well as monitoring and evaluating are meticulously laid out. In addition, it presents a governance framework to ensure accountability and quality assurance in preserving the organisational brand. Lastly, it provides an implementation plan that details the work flows and scheduled tasks as per the content categories captured in the LMIS Portal to ensure that there is consistency and continual information flow and updates.

HRDC with the support of the Labour Market Organisation (ILO), identified the opportunity to work together on the development of indicators for the Botswana Labour Market Information System (LMIS). This initiative began with a diagnosis of data availability and institutional frameworks which were found to be in place since Statistics Botswana produces quarterly labour force statistics in the Continuous Household Multi-Topic Surveys

# OPERATIONAL PERFORMANCE REPORTS

## 3.6 Data Management, Research and Innovation Report (Cont...)

(CHMTS). A LMIS Metadata Handbook has thus been developed to provide a single comprehensive reference set of labour market indicators and definitions in Botswana for the reporting and presentation of labour market information and metadata, covering both economic and socio-demographic statistics. The handbook is designed for use by all LMIS stakeholders including researchers and the general public. There are 70 indicators altogether in this version. The indicators are broadly categorised into the five (5) Core Elements of Decent Work and within each category, by groups of indicators relating to the same labour market phenomenon. The indicator is defined, and its method of computation explained, then the interpretation guidelines as well as its source and the disaggregation levels.

The metadata handbook will be an effective tool that facilitates harmonisation, comparability and use of standard statistical concepts and definitions in the LMIS as part of the LMIS Content Management Strategy (CMS). It is the first of its kind for Botswana, and as such will help LMIS users to interpret, understand, and analyse LMIS data, even if they have not themselves participated in the production processes. It will also help the LMIS users to easily identify, locate, and retrieve statistical information of relevance to themselves as it will minimise the mismatch between producer's and user's concepts since it was developed with key stakeholders such as the ILO, Statistics Botswana and others.

## Statistics

### Annual Institutional Census

This is the sixth edition of Tertiary Education Statistics Report, an annual publication of the Human Resource Development Council (HRDC) on the state of tertiary education in Botswana as at March 2020.

The report presents real time statistics, data and indicators on the tertiary education landscape and plays a pivotal role in providing baseline data for planning and evidence based decision making for the education sector.

The objectives of the 2020 report are as follows:

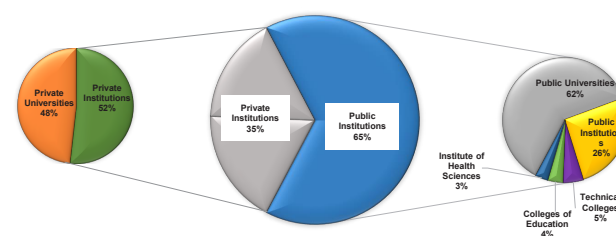
- Produce 2020 tertiary education indicators
- Promote usage of timely statistics
- Provide baseline statistics for the Education sector
- Support planning and monitoring of the sector projects.

## Scope

The 2019/20 tertiary education institutional census covered a total of 44 Tertiary Education Institutions (TEIs); 40 Higher Education Institutions (HEIs) and four technical colleges under the Ministry of Tertiary Education, Science Research and Technology (MOTE).

### Key highlights

#### 2020 Tertiary Participation



**Figure 10: 2020 Student Enrolment**

Source: Higher Education Institutions 2020

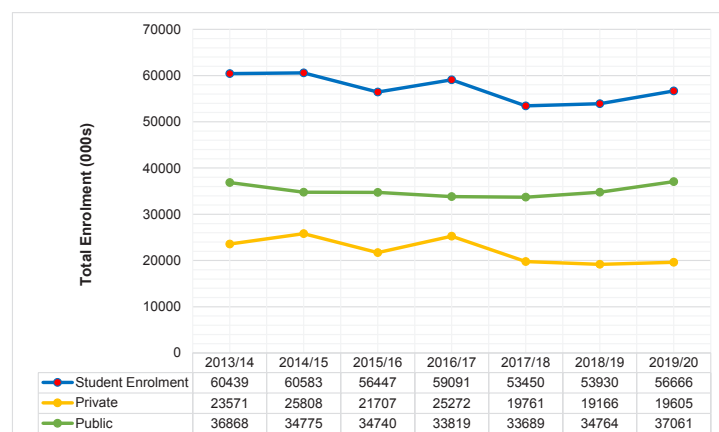
In 2020, a total of 56,666 students were pursuing tertiary studies in Botswana: 37,061 (65.0%) in public tertiary institutions and 19,605 (35.0%) in private tertiary institutions. Of the 37,601 in public tertiary institutions, majority, 62 percent were enrolled in public universities.

The Colleges of Education and Institute of Health Sciences were the least and accounted for four and three percent respectively. As for the private TEIs, the private universities accounted for 48 percent and the other private institutions had the remaining share of 52 percent.

# OPERATIONAL PERFORMANCE REPORTS

## 3.6 Data Management, Research and Innovation Report (Cont...)

### Trends



Source: Higher Education Institutions 2013/20

**Figure 11: Tertiary Education trends by total and broad categories (2013-2020)**

Overall, there has been an increase in tertiary education enrolments since 2009. Higher Education Institutions enrolled a total of 56,666 students during the 2019/20 academic year, thereby making an increase of 5.1 percent (2,736) from the previous academic year which had an enrolment of 53,930 students. The increase was more in public than the private institutions.

**Table 28: Tertiary Enrolment by Institution type**

Type of Institution	Female	Male	Total	% Female
Private Institutions	6,205	3,957	10,162	61.1
Private Universities	5,284	4,159	9,443	56.0
Colleges of Education	961	448	1,409	68.2
Institute of Health Sciences	805	424	1,229	65.5
Technical Colleges	1,002	986	1,988	50.4
Public Institutions	6,087	3,518	9,605	63.4
Public Universities	14,161	8,669	22,830	62.0
<b>Total</b>	<b>34,505</b>	<b>22,161</b>	<b>56,666</b>	<b>60.9</b>

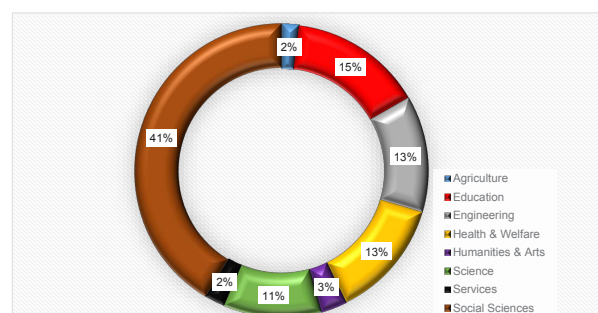
Source: Higher Education Institutions 2019/20

The universities (both private and public) dominate the overall share of enrolments in higher education. Majority of the students (22,830) were enrolled in public universities which is made up of Botswana University of Agriculture and Natural Resources (BUAN), Botswana Open University (BOU), Botswana International University of Science and Technology (BIUST) and University of Botswana (UB).

**Table 29: Student Enrolment by Qualifications**

Level	Female	Male	Total	% Female
Certificate	1,828	958	2,786	65.6
Diploma	8,982	4,548	13,530	66.4
Bachelor's Degree	20,658	14,604	35,262	58.6
Post Graduate Diploma	350	194	544	64.3
Master's Degree	1,225	1,009	2,234	54.8
Master of Philosophy	42	52	94	44.7
Doctor of Philosophy	64	87	151	42.4
Professional Qualifications	1,337	701	2,038	65.6
Other	19	8	27	70.4
<b>Total</b>	<b>34,505</b>	<b>22,161</b>	<b>56,666</b>	<b>60.9</b>

The majority of students (91 percent) were enrolled at under graduate level, and only four percent of the total enrolment constituted master's degree and PHD combined, (with PhD enrolment at 0.3 percent (151 students) of which 64 were females).



Source: Higher Education Institutions 2019/20

**Figure 12: Enrolment by ISCED field of Education**



# OPERATIONAL PERFORMANCE REPORTS

## Sponsorship

The 2020 data had revealed that the government is the main sponsor of tertiary education in Botswana. Of the 56,666 students enrolled in tertiary education institutions in 2020, 39,446 (70%) were on government sponsorship while only 12,646 (22%) and 4,574 (8%) were on self and other entities sponsorships respectively.

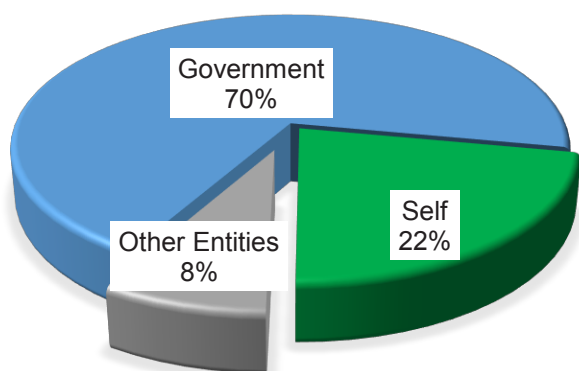


Figure 13: Student Enrolment by sponsorship

## Inbound Students

### Enrolment by Country of Origin

The total number of foreign national students enrolled in Botswana's Tertiary Institutions is 1204. These foreign students come from 48 different countries across the globe. The highest share of students come from neighbouring SADC countries of which Zimbabwe constitutes 31.7 percent of the total, followed by Eswatini at 9.3 percent, Lesotho at 9.1 percent and Zambia at 8.4 percent.

## Inbound Mobility Ratio

Inbound Mobility Ratio (IMR) is calculated as the number of students from abroad studying in a given country, as a percentage of the total tertiary enrolment in that country. In 2020 the IMR for Botswana was at 2.1 percent indicating a very low inflow of students from other countries.

## Gross Enrolment Ratio

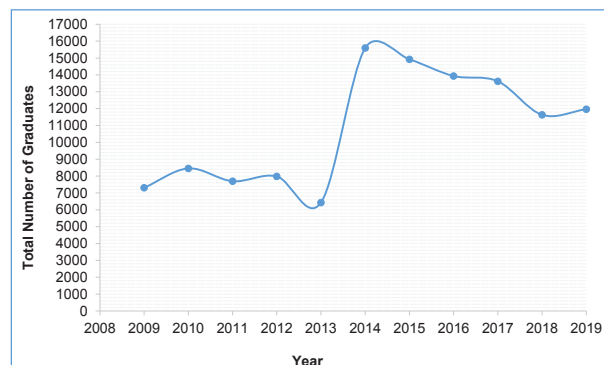
Gross Enrolment Ratio (GER) in tertiary education is calculated for the 18-24 population age group. It is an indicator that shows the overall participation in the educational system as a ratio of the population eligible for participation. The indicator is also used to compare participation between areas in a given country or can be used for comparing two or more countries. 2020's GER was 19.5, an increase of 1.0 percentage point from the previous year.

## Transition Rate

Transition rate for the academic year 2019/20 was 34.2 percent. This was a decrease of 16.8 percent from the 2018/19 transition rate which stood at 51.0 percent.

## Graduates

A total of 11,963 students graduated from tertiary education institutions in 2019. Figure 14 below show graduates trends from 2008 to 2019.



Source: Higher Education Institution 2019/20: Tertiary Education Statistics Report (2019)

Figure 14: Graduates Trends

## Graduation Rate

The graduation rate was 82.1 percent, which is 2.3 percent from the graduate rate of 79.8 percent recorded in the previous year.

[1] Approximated from the 2019/20 completion rate of all final year students



# OPERATIONAL PERFORMANCE REPORTS

## 3.6 Data Management, Research and Innovation Report (Cont...)

### HRDC Research and Innovation Capacity Building Initiatives



This Report presents the summary of key activities conducted in the 2020/21 financial year by the Research & Innovation Unit of the Department of Statistics, Research Development and Innovation. It highlights the capacity building interventions undertaken by the Human Resource Development Council towards capacitating Tertiary Education Institutions (TEIs) during the aforementioned financial year under review.

#### Capacity Building

The Research and Innovation Unit continued its Capacity Building activities for TEIs in 2020/21 by conducting a Technology Transfer Development (TTD) workshop in October 2020. HRDC partnered with the Southern African Research and Innovation Management Association (SARIMA), whereby

SARIMA prepared and delivered a bespoke programme for the training of personnel involved in establishing technology transfer functions at various institutions in Botswana. The programme includes a number of interventions aimed at providing theoretical knowledge, practical and experiential training on Intellectual Property (IP), Technology Transfer (TT) and establishing a TTO. The Virtual workshop aimed at expanding participants' knowledge of the technology transfer value chain by inducting them on issues related to the Management & Evaluation of IP Disclosures and Market Assessment. The focus was on the practical aspects of creating IP disclosure forms, capturing IP disclosures and the importance of effectively undertaking market assessments. It also covered different forms of intellectual property and various protection mechanisms. It is through these workshops that HRDC supports TEIs as knowledge

# OPERATIONAL PERFORMANCE REPORTS

## 3.6 Data Management, Research And Innovation Report (Cont...)

producers to develop Botswana into a knowledge-based economy that will be globally competitive. The goal is to ensure long-term capacity of researchers in conducting high quality technology transfer and commercialisation activities and protection of their inventions. The objectives of the four-day TTD workshop were to:

- Increase the participants' awareness and knowledge of IP management and TT.
- Equip the participants with the know-how to establish TT function at institutions through sharing of knowledge, experience and learnings from South African TTOs.
- Provide direct support and assistance to organisations with the establishment and enhancement of their TT functions, applying international best practices.
- Provide practical training on and recommendations for the management and commercialisation of selected technologies developed at participating institutions.
- Capacitate institutions to compete for international grants and effectively manage the grants once awarded.
- Establish and maintain networks of individuals and institutions aimed at sharing knowledge, experience and expertise in the innovation space.

This workshop consisted of Learning Units three (3) & four (4) which were a continuation in a series of an eight (8) planned Learning Units as per the contractual agreement between HRDC and SARIMA that was signed in January 2020 and elapsing in August 2022.

The second capacity building activity held within the 2020/21 financial year was the Intellectual Property Policy Development Virtual Workshop which was held in March 2021. The objectives of this workshop were to provide guidance on IP Policy choices and the process of creating and/or improving IP Policies with particular focus on:

- Procedures for drafting Institutional IP Policies;

- Institution's Mission;
- Financial Resources;
- Characteristics of Institutions Research & IP Policies;
- Rules of Ownership;
- Infrastructure;
- Rules on IP Management

This workshop was attended by over 80 percent of invited TEIs. In addition to the Capacity Building interventions undertaken by the Research & Innovation Unit in conjunction with SARIMA, the Unit also developed a Skills Audit Data Collection Tool in order to assess the current statuses with regard to IP Policy Development and research activities in respective TEIs. This will enable HRDC to have a clear sense of the research activities in TEIs and level of research skills and competencies. This will further enable HRDC to develop targeted capacity-building interventions along the research and innovation value chain.



# OPERATIONAL PERFORMANCE REPORTS

## 3.7 Stakeholder Engagement and Marketing Communications Report

### Achievements

#### Stakeholder Engagement





The COVID-19 pandemic has without doubt affected every aspect of our lives. Effective stakeholder management assists the Human Resource Development Council (HRDC) with translating stakeholder needs to organisational goals. It is a basis for effective strategy development. Due to the pandemic, HRDC had to change its engagement platforms from human interactions to virtual and hybrid engagements.

Different Departments and Units utilised on online platforms to host webinars and workshops. The Marketing Communications Unit played a supportive role to ensure that these engagements achieve their intended objectives.

#### Use of Digital Marketing Platforms

The COVID-19 pandemic has put a great emphasis on virtual interactions. This therefore called for HRDC to overhaul its Digital Marketing Strategy to ensure business continuity. Our digital marketing efforts aimed at increasing brand visibility by heightening engagement with valued stakeholders even during the national lockdown.

HRDC made use of its social media platforms namely; Twitter, Facebook, LinkedIn and the recently introduced You Tube and Instagram pages. Facebook remains the popular social media platform in Botswana with many registered users. At the end of the financial year under review HRDC had 53 270 followers.

 57 133	 5 090
 220	 4

#### Website

Our website continued to be the backbone of our online presence as traffic from social media pages was also channelled to the website. All communication shared was on the website as it gives our stakeholders, customers and clients a clear understanding of the organisation's brand and the services we offer. The website address is **www.hrdc.org.bw**.

#### Publications

The Marketing Communications Unit continued to produce publications in collaboration with different Departments and Units within the organisation. These included; HRDC Insight Newsletters, 2020/21 Annual Reports, Tertiary Education Statistics Reports as well as reprinting of various publications, just to mention a few.



#### Media Relations

HRDC continued to engage the media through issuing of periodic media releases and participating in different interviews on broadcast media (television and radio). The main goal of these media engagements was to clarify our mandate to our different stakeholders in a bid to ensure that they clearly understand the services provided by HRDC.

#### Stakeholder Satisfaction (Customer Service)

In a bid to strategically align with stakeholder needs to ensure a healthy and mutually beneficial relations. We continually seek feedback from our stakeholders to ensure we provide the best service to them. We continued to seek feedback from our walk-in stakeholders at our offices.

# OPERATIONAL PERFORMANCE REPORTS

## 3.8 Corporate Social Responsibility Programme Report

### Achievements

Established during the 2017/18 financial year, the Human Resource Development Council (HRDC) Corporate Social Responsibility (CSR) Committee assisted the Executive Management of the organisation to oversee projects in the thematic areas of Education and Training, Health, Environment and Sustainability, Sports, Natural Disasters and Community involvement.

HRDC CSR guidelines are motivated by the following;

1. Mandate of HRDC;
2. Vision 2036; and
3. National Governmental Strategies e.g. Poverty Eradication Programmes.

In line with their mandate, the Committee undertook the following activities;

Table 30: CSR Activities for the Financial Year 2020/21

PROJECT NAME	BRIEF DESCRIPTION OF PROJECT	VALUE
1. Malatswae Adopt -A- School Project	<p>HRDC entered into a Memorandum of Understanding (MoU) with Malatswae Primary School for a period of three years (2017-2020) to support the school towards improving its academic performance.</p> <p>HRDC has donated stationery on a termly basis. The Organisation has also sponsored the School's Prize Giving and Early Childhood Development Programme Graduation Ceremonies. This MoU was extended from the 1<sup>st</sup> November 2020 until 31<sup>st</sup> October 2023.</p>	P100 000.00 (P33 000.00 per term for an academic year)



Malatswae Pre-Primary School Learners during their Graduation Ceremony



HRDC Staff Members assisting with the cooking at the Malatswae Price Giving Ceremony



# 4.0 ENABLING ENVIRONMENT REPORTS



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# ENABLING ENVIRONMENT REPORTS

## 4.1 Information, Communication and Technology Report



### Achievements

The Department of Information Communication Technology (ICT) is mandated to address the establishment of sustainable IT solutions that enable departments to discharge the mandate of HRDC. It continually assesses the organisations operations, identifies areas with a potential for service improvement, to ensure HRDC continues to leverage on ICT. As an example, changes and shifts to the IT Architecture and service offerings have had to be implemented during the COVID-19 pandemic to allow a sizeable number of staff to work from home, thereby increasing efficiency and productivity.

#### ICT Strategy Implementation

The Department continued to implement its approved IT Strategy initiatives. The ICT Strategy has since come to an end, effective 31<sup>st</sup> March 2021. A refresh of the ICT Strategy is being undertaken to align it with the newly launched organisational strategy. The revised strategy takes into consideration among others, the global changes in governance, technology, and environment.

#### Infrastructure resilience

To achieve business continuity (BC) in times of disruptions, HRDC continued to ensure availability

of Disaster Recovery solutions. Business Continuity (BC) were addressed though security, redundancy, replication and backups. Overall systems hardening and network security were enhanced to ensure HRDC assets are resilient and secure, thus enhancing availability of services.

#### Collaboration and Teamwork

With the continued challenges brought about by COVID-19, a collaboration platform and video conferencing solutions were implemented and availed to all professional staff. These facilitate both internal and external collaboration of stakeholders, through holding online meetings and collaborating online with authoring of documents that have version control. All professional employees are facilitated to remotely work from home to manage COVID-19 in the workplace. This required among others the provision of laptops, internet access, and remote printing services.

#### Challenges

Availability of funds continue to be a challenge, affecting implementation speed, achieving the approved IT staff compliment. As a way of mitigating the challenges, initiatives that were implemented were reduced, capacity building was conducted online, and where funds permitted, some services were outsourced.



# ENABLING ENVIRONMENT REPORTS

## 4.2 Quality Management Systems Report

In an effort to improve service delivery to our stakeholders, Quality Management System (QMS) was adopted to provide services that meet customer and regulatory needs in a bid to improve customer satisfaction. QMS refers to documented procedures and generated records which define how HRDC should deliver services to customers. Documented procedures are tailored to enhance stakeholders customers and clients the services

provided by HRDC. Records generated while implementing documented procedures were monitored to establish the effectiveness of the QMS tools and will be carried out during the next financial year. Monitoring continued to assist Executive Management to implement service delivery decisions where areas of improvement were noted and changes needed were effected accordingly.



# ENABLING ENVIRONMENT REPORTS

## 4.3 Human Resource Management Report

In an endeavour to achieve on the implementation of the HR Strategy, the Department has worked on optimal utilisation of human resources. The available human resources' performance was managed and the organisation invested on development and improvement of key skills required for the successful implementation of our strategic plan. HRDC's overall retention offering enabled the organisation to retain required skills and attraction of new skills from the market.




### Staffing

Although staffing levels were not adequate the Department was able to stretch the available resources to meet the expected performance standards. To this end, HRDC overall staffing was **112** as at 31<sup>st</sup> March 2021. This number comprised; 66 females and 46 males, with 44 employees employed on Fixed Term Contract of 60 months (five years), whilst 68 are employed on Permanent and Pensionable terms. HRDC has been able to retain staff by 100 percent which means there were no separations.

In line with the National Human Capital Development efforts, HRDC was able to provide knowledge and on the job training to graduate interns. Attachment opportunities were also extended to continuing tertiary students to accord them the opportunity to gain experience from a professional and practical working environment.

### Employee Value Proposition

In the quest to achieve High Performance Culture in the workplace various training initiatives were undertaken to equip employees with skills needed for them to perform as expected. This included long term academic training and short term training aimed at filling the gaps identified. Assistance was also provided on continuous professional development to ensure that employees' skills are in line with the new trends in their professional fields. HRDC's succession planning efforts were achieved through our succession planning initiatives to prepare our staff for higher levels of responsibility. The initiatives included, acting appointments to higher roles, project assignments for exposure and also for team building. During the reporting period, staff have successfully enrolled in their programmes of study as

 OVERALL STAFFING	 FEMALES	 MALES
<b>112</b>	<b>66</b>	<b>46</b>

FIXED CONTRACTS	PERMANENT & PENSIONABLE
<b>44</b>	<b>68</b>

PROGRAMME OF STUDY	NUMBER OF STAFF
PhD	2
Masters	10
Degree	14

Table 30: Staff Training and Programmes



# ENABLING ENVIRONMENT REPORT

## 4.3 Human Resource Management Report (Cont...)



Other employees also continued to pursue membership of professional programmes such as; Chartered Institute of Management Accounting (CIMA), Association of Chartered Certified Accountants (ACCA), Association of Accounting Technicians (AAT) and Chartered Institute of Procurement and Supply (CIPS).

During the year under review, capacity building initiatives were recorded as a challenge due to COVID-19 pandemic, however some trainings were undertaken online via platforms such as LinkedIn and Microsoft Teams. In addition, HRDC employees continued to enrol for self - development programmes and the organisation was able to assist them by granting study loans and exam leave to facilitate easy learning.

### Staff Welfare

HRDC continued to support its employees by implementing interventions geared towards helping them to manage both their professional and personal lives. HRDC recognises that its best retention is its ability to provide a conducive working environment where employees are enabled to perform beyond expectation. Due to the outbreak of COVID-19, much of the welfare interventions were directed towards implementing the necessary controls and provision of preventative supplies.

To mitigate the impact of the pandemic on our employees HRDC implemented a Working From Home (WFH) schedule geared toward decongesting the work place. HRDC has invested in technology to enable work interactions such as meetings, assignment of duties and conferences to be conducted virtually. In a bid to facilitate working from home, all the employees were provided with laptops to enable them to deliver remotely. Furthermore, impartation on COVID - 19 protocols was undertaken for all staff members aimed at increasing awareness regarding the disease.



# ENABLING ENVIRONEMENT REPORT

## 4.4 Corporate Budget and Expenditures



The 2020-21 financial year recorded a five (5) percent increase in Total Income due to an increase in both the Recurrent Government Grant and Other Income. The increase in Other Income was driven largely by an increase in the reimbursements for Sector Human Resource Development costs by the Human Resource Development Fund (HRDF). The Administrative expenses recorded an eight (8) percent decrease compared to 2019-20 due to; i) the suspension of Botswana Human Resource Development Skills and Career Fair (BHRDS); and ii) decrease in local travel and stakeholder consultations. Both i) and ii) were on account of the COVID-19 social distancing protocols. Board Meetings, Stakeholder Meetings and Printing & Stationary also decreased significantly on account of the use technology. Both the increase in total income and the drop in total expenditure resonates well with the national call for Government Institutions to cut costs owing to constrained Government funding environment. Overall, HRDC recorded a small surplus of P162 878 reflecting a significant improvement when compared to a deficit of P10 669 066 in the previous year.

The approved budgeted income for the financial year was P131.74 Million to be funded through a Government Grant of P72.53 Million (P57.53 Million Recurrent and P15 Million Development), P7.96 Million Differed CAPEX, P1.5 Million Development Grant, 10 percent Admin Fees from Human Resource Development at P33.00 Million, P6.00

Million from the Human Resource Development (HRD) Fund for Sector and National HRD Planning, P5.00 Million from other sources and the balance of P5.76 Million from reserves. The recurrent expenditure constituted 90 percent of the budget while 10 percent was for CAPEX.

Following the advent of COVID-19 at the tail end of 2019-20 the Government of Botswana's funding became substantially constrained resulting in most of the funding expected from the Government being no longer available therefore constraining the rollout of the business plan. Activities/projects for the financial year were further constrained by the numerous COVID-19 lockdowns as well as social distancing requirements that demand the minimisation of physical contact. As a result the actual numbers recorded were significantly lower than the budget with a Total Recurrent Income of P88.93 and Total Recurrent Expenditure of P88.48. Notwithstanding, HRDC still retained a relatively healthy liquidity and reserves position albeit at a reduced level from the previous year.

HRDC is implementing the Government Citizen Economic Empowerment Policies, the Economic Diversification Policies and the Local Procurement Scheme. In that regard, HRDC recorded 73.8 percent purchases from citizen owned companies from a total procurement spend of P15 680 616 for the Financial Year 2020/21. Purchases for 100 percent women and people living with disabilities business accounted for 3.3 percent of the total procurement expenditure.



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## Abbreviations

ACCA	Association of Chartered Certified Accountants
AAPAM	African Association for Public Administration and Management
BAC	Botswana Accountancy College
BCM	Botswana Chamber of Mines
BEC	Botswana Examinations Council
BEF	Botswana Excellence Foundation
BBS	Botswana Building Society
BS	Botswana Scorecard
BSB	Botswana Savings Bank
BBNF	Business Botswana Northern Trade Fair
BHC	Botswana Housing Corporation
BHRDS	Botswana Human Resource Development Skills Fair and Career Clinics
BIDPA	Botswana Institute for Development Policy Analysis (BIDPA)
BITRI	Botswana Institute of Technology, Research and Innovation
BIUST	Botswana International University of Science and Technology
BOMAID	Botswana Medical Aid Society
BPAH	Botswana Privatisation Asset Holdings
BQA	Botswana Qualifications Authority
BUAN	Botswana University of Agriculture and Natural Resources
BURS	Botswana Unified Revenue Service
CAPA	Creative Industries and Performing Arts
CCS	Call Center Software
CCM	Customer Communications Module
CHMTS	Continuous Household Multi-Topic Surveys
CIMA	Chartered Institute of Management Accountants
CFE	Certified Fraud Examiner
CMS	Content Management System
CEDA	Citizen Entrepreneurial Development Agency
CSR	Corporate Social Responsibility
DPSM	Directorate of Public Service Management
ECDP	Early Childhood Development Programme
ETP	Education and Training Providers
EOI	Expression of Interest
ERM	Enterprise-Wide Risk Management
FC	Funding Committee
GER	Gross Enrolment Ratio
GPI	Gender Parity Index
HATAB	Hospitality and Tourism Association of Botswana
HRD	Human Resource Development
HRDC	Human Resource Development Council
HRDF	Human Resource Development Fund



IDM	Institute of Development Management
IFRS	International Financial Reporting Standard
IP	Institutional Planning
LMO	Labour Market Observatory
LMIS	Labour Market Information System
MA	Master of Arts
M and E	Monitoring and Evaluation
MBA	Master of Business Administration
MDP	Management Development Programme
MELSD	Ministry of Employment Labour Productivity and Skills Development
MoBE	Ministry of Basic Education
MoTE	Ministry of Tertiary Education Research Science and Technology
MMWER	Ministry of Minerals and Water Resources
MSc	Master of Science
NDB	National Development Bank
NHRDP	National Human Resource Development Plan
NHRDS	National Human Resource Development Strategy
NDP	National Development Plan
NGO	Non-Governmental Organisation
NSO	National Strategy Office
PEEPA	Public Enterprises Evaluation and Privatisation Agency
PIG	Piggery Investment Guide
PTEIF	Public Tertiary Education Institutions Fund
RIBA	Royal Institute of British Architects
SARIMA	Southern African Research and Innovation Management Association
SB	Statistics Botswana
SADC	Southern African Development Community
SAS	Student Affairs Services
SASE	Southern African Society of Education
SMME	Small Medium and Micro Enterprises
SOUR	Statement of User Requirements
SPSS	Statistical Package of Social Scientists
STEM	Science, Technology, Engineering and Mathematics
SOUR	Statement of User Requirements
TEC	Tertiary Education Council
TEI	Tertiary Education Institution
TESR	Tertiary Education Statistics Report
TESSF	Tertiary Education Student Support Fund
TT	Technology Transfer
ToR	Terms of Reference
TVET	Technical and Vocational Education and Training
UGD	Unemployment Graduate Database
UB	University of Botswana
QMS	Quality Management Service
WSTP	Work Skills Training Plans





## 5.0 ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2021



## COUNCIL INFORMATION

### Domicile, legal form and principal business activity:

The Human Resource Development Council (HRDC) was established under the Human Resource Development Council Act No, 17 of 2013 which also repealed the Tertiary Education Act, 1999. The Council is responsible for the coordination of and promotion of the implementation of the Human Resource Development Strategy. The Council is domiciled in Botswana.

**Registered Address:** Plot 60113, Block 7,  
Ext 48, Gaborone West, Botswana.

**Members of the Board:** **Chairperson** - Ms Moggie F Mbaakanyi  
Mr Moatswi Sekonopo  
Ms Tebogo Bagopi  
Ms Helen Chedza Chilisa  
Ms Seilaneng Godisang  
Ms Ruth Mphathi  
Mr Kelapile Ndobano  
Ms Kebosweditse Ntebela  
Mr Lesego Harold Pule  
Ms Goitseone Naledi Mosalakatane  
Mr Nixon M Marumoloa  
Dr Raphael Dingalo - Ex-Officio

**Postal Address:** Private Bag BR 108  
Gaborone

**Auditors:** Ernst & Young  
Gaborone

**Bankers:** Absa Bank of Botswana  
Stanbic Bank Botswana  
Bank Gaborone  
BancABC

**Lawyers:** Bogopa, Manewe, Tobedza & CO



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## Annual Financial Statements for the Year Ended 31<sup>st</sup> March 2021

### Statement of Responsibility by Board Members For the Year Ended 31<sup>st</sup> March 2021

The Members of the Board of the Human Resource Development Council ("the Members", "the Members of the Board") are responsible for the annual financial statements and all other information presented therewith. Their responsibility includes the maintenance of true and fair financial records and the preparation of annual financial statements in accordance with International Financial Reporting Standards and in the manner required by the Human Resource Development Council Act of 2013.

The Human Resource Development Council ("the Council") maintains systems of internal control, which are designed to provide reasonable assurance that the records accurately reflect its transactions and to provide protection against serious misuse or loss of Council's assets. The Members are also responsible for the design, implementation, and maintenance and monitoring of these systems of internal financial control. Nothing has come to the attention of the Members to indicate that any significant breakdown in the functioning of these systems has occurred during the year under review.

The going concern basis has been adopted in preparing the annual financial statements. The Members have no reason to believe that the Council will not be a going concern in the foreseeable future, based on the continuous support by the Government of Botswana through the Ministry of Tertiary Education, Research, Science and Technology.

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

The financial statements set out on pages 77 to 106 and supplementary information on Annexure 1 were approved by the Members of the Board and are signed on its behalf by:

Director

Director

# REPORT OF INDEPENDENT AUDITORS



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Incorporated in Botswana  
Company No: C02014/799  
VAT No: C31441701112  
[www.ey.com](http://www.ey.com)

## Independent Auditor's Report

*To the Members of Human Resources Development Council*

### Report on the Audit of the Financial Statements

#### *Opinion*

We have audited the financial statements of Human Resources Development Council ("the Council") set out on pages 77 to 106 which comprise the statement of financial position as at 31 March 2021, and the statement of comprehensive income, statement of changes in reserves and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements give a true and fair view of the financial position of Human Resources Development Council as at 31 March 2021, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Human Resources Development Council Act of 2013.

#### *Basis for Opinion*

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the council in accordance with the International Ethics Standards Board for Accountants' International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) and other independence requirements applicable to performing the audit of Human Resources Development Council and in Botswana. We have fulfilled our other ethical responsibilities, as applicable, in accordance with the IESBA Code, and in accordance with other ethical requirements applicable to performing the audit of Human Resources Development Council and in Botswana. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Key Audit Matters*

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. We have determined that there are no such matters to report.

#### *Other Information*

The Board of Directors' is responsible for the other information. The other information comprises the information included in the 37 page document titled "Human Resources Development Council Annual Financial Statements for the year ended 31 March 2021" which includes the Directors' Responsibility Statement, Approval of the annual financial statements and the Directors' Report as required by the Human Resources Development Council Act of 2013. The other information does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information received 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.



# REPORT OF INDEPENDENT AUDITORS



## *Responsibilities of the Board of Directors for the Financial Statements*

The Board of Directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and the requirements of the Human Resources Development Council of 2013 and for such internal control as the Board of Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the council'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 Board of Directors either intend to liquidate the council or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the council's financial reporting processes.

## *Auditor's Responsibilities for the Audit of the Financial Statements*

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

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

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



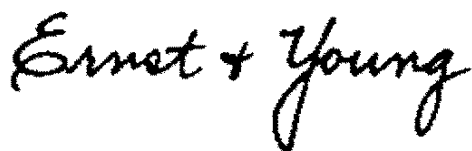


## REPORT OF INDEPENDENT AUDITORS



We communicate with the Board of Directors 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 Board of Directors 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.



Ernst & Young  
Practising member: Bakani Ndwapi  
Partner  
Membership number: 19980026  
Certified Auditor  
Gaborone



## Statement of Comprehensive Income for the Year Ended 31<sup>st</sup> March 2021

	Note	2021 P	2020 P
Revenue	5	82,023,813	78,956,154
Other income	6	6,012,253	4,927,083
Administrative expenses	7	(88,475,886)	(96,081,075)
Operating Profit/(Loss)		(439,820)	(12,197,838)
Interest income	9	748,618	1,281,874
Foreign exchange (Loss)/Gain		(145,920)	246,898
<b>Operation Profit/( loss)</b>		<b>162,878</b>	<b>(10,669,066)</b>
<b>Other comprehensive income</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive income/(loss) for the year</b>		<b>162,878</b>	<b>(10,669,066)</b>



## Statement of Financial Position as at 31<sup>st</sup> March 2021

	Note	2021 P	2020 P
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	10	37,542,355	3 9,130,722
Intangible assets	11	1,166,975	1,254,713
		<b>38,709,330</b>	<b>40,385,435</b>
<b>Current assets</b>			
Trade and other receivables	12	12,108,622	9,172,091
Cash and cash equivalents	13	27,071,697	52,006,753
		<b>39,180,319</b>	<b>6 1,178,844</b>
<b>Total assets</b>		<b>77,889,649</b>	<b>10 1,564,279</b>
<b>FUNDS AND LIABILITIES</b>			
<b>Funds</b>			
Accumulated surplus		9,741,137	9,250,442
		<b>9,741,137</b>	<b>9,250,442</b>
<b>Non-current liabilities</b>			
Capital grants	14	38,709,635	40,385,435
<b>Current liabilities</b>			
Trade and other payables	15	29,438,877	5 1,928,402
<b>Total liabilities</b>		<b>68,148,512</b>	<b>9 2,313,837</b>
<b>Total funds and liabilities</b>		<b>77,889,649</b>	<b>10 1,564,279</b>





## Statement of Changes in Funds for the Year Ended 31<sup>st</sup> March 2021

	Accumulated fund	Total
	P	P
<b>Balance as at 1 April 2019</b>	19,800,381	19,800,381
Adjustment for prior year income	1 19,127	1 19,127
Total comprehensive loss for the year	(10,669,066)	(10,669,066)
<b>Balance as at 31 March 2020</b>	<b>9,250,442</b>	<b>9,250,442</b>
<b>Balance as at 1 April 2020</b>	9,250,442	9,250,442
Adjustment for prior year income	3 27,817	3 27,817
Total comprehensive income for the year	1 62,878	1 62,878
<b>Balance as at 31 March 2021</b>	<b>9,741,137</b>	<b>9,741,137</b>

## Statement of Cash Flows as at 31<sup>st</sup> March 2021

	Note	2021 P	2020 P
<b>Cash generated from operations</b>			
<b>Operating Profit/(Loss)</b>		(439,820)	(12 ,197 ,838)
Adjustments for:			
Depreciation	10	2,908,865	2 , 917,714
Amortisation of intangible assets	11	461,883	388,169
Profit on disposal of plant and equipment	6	(41,625)	-
Realized Foreign exchange gain		145,920	246,898
Amortisation of deferred income	14	(3,366,885)	(3 , 305,883)
		(331,662)	(11 , 950,940)
Changes in working capital			
(Increase)/decrease in trade and other receivables		(2,936,429)	6 , 414,552
(Decrease)/Increase in trade and other payables		(22,457,107)	4 , 206,199
<b>Net cash used in operating activities</b>		(25,725,198)	(1 , 330 ,189)
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	10	(1,299,853)	(2, 242 ,503)
Purchase of intangible assets	11	(345,487)	( 691 ,354)
Proceeds from disposal of plant and equipment		41,625	
Interest income received	9	748,618	1, 281 ,874
<b>Net cash used in investing activities</b>		(855,097)	(1,651 ,983)
<b>Cash flows from financing activities</b>			
Capital grant received during the year	14	1,645,239	2,933 ,755
<b>Net cash generated from financing activities</b>		1,645,239	2,933 ,755
<b>Net change in cash and cash equivalents</b>		(24,935,056)	(48,417)
Cash and cash equivalents at beginning of year		52,006,753	52,055,170
Cash and Cash equivalents		27,071,697	52,006,753
<b>Cash and cash equivalents at end of year</b>	13	27,071,697	52,006,753



# Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March 2021

## 1. General Information

Human Resource Development Council (HRDC) was established under the Human Resource Development Council Act No, 17 of 2013. The Council is responsible for the coordination of and promotion of the implementation of the National Human Resource Development Strategy. The address of its registered office is Plot 60113, Block 7, Ext 48, Gaborone West, Botswana.

The financial statements set out on pages 77 to 106 have been approved by the Members of the Board of Human Resource Development Council on 18 January 2022

## 2. Summary of Significant Accounting Policies

The financial statement have been prepared in accordance with the International Financial Reporting Standard.

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

### 2.1. Basis of preparation

The annual financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS). The financial statements have been prepared under the historical cost basis, unless stated otherwise.

The preparation of Council financial statements in conformity with International Financial Reporting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Council's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Council financial statements are disclosed in the respective section of the financial statements. Refer to note 4 for critical accounting estimates and judgements policy notes. All amounts are shown in Pula which is the entity's functional and presentation currency. All values are rounded to the nearest Pula, unless otherwise stated.



## Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March 2021 (Cont..)

### 2.1.1 Adoption of standards in the current financial year

#### New standards and interpretations

##### (a) Standards and Interpretations which became effective during the year

The following standards and interpretations became effective during the year ended 31 March 2021 and were adopted by the Council:

Standards/Interpretations	Effective date	Impact on these financial statements
Conceptual Framework for Financial Reporting	01 January 2022	No material impact on financial statements
Amendments to the definition of material in IAS 1 and IAS 8	01 January 2023	No material impact on financial statements
Interest Rate Benchmark Reform (Amendments to IFRS 9, IAS 39 and IFRS 7)	01 January 2021	No material impact on financial statements
Practice Statement 2 Making Material Judgements	01 January 2023	No material impact on financial statements
IFRS 3 amendment Definitions of a business combination	01 January 2022	No impact on financial statements
Presentation of Financial Statements: Disclosure Initiative	01 January 2022	No material impact on financial statements
Accounting Policies, Changes in Accounting Estimates and Errors: Disclosure initiative	01 January 2023	No material impact on financial statements

##### (b) Standards and Interpretations not yet effective

The following new standards, amendments to standards and interpretations are not yet effective for the year ended 31 March 2021 and have not been applied in preparing these financial statements.

**Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28):** The amendments require the full gain to be recognised when assets transferred between an investor and its associate or joint venture meet the definition of a 'business' under IFRS 3 Business Combinations. Where the assets transferred do not meet the definition of a business, a partial gain to the extent of unrelated investors' interests in the associate or joint venture is recognised. The definition of a business is key to determining the extent of the gain to be recognised. The effective date of these amendments was deferred indefinitely, but optional adoption is permitted. The amendments are not expected to have any impact on the Council's financial statements.



## Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March 2021 (Cont..)

### 2.1.1 Adoption of standards in the current financial year (continued)

#### IFRS 17 Insurance contracts

IFRS 17 supersedes IFRS 4 Insurance Contracts and aims to increase comparability and transparency about profitability. The new standard introduces a new comprehensive model ("general model") for the recognition and measurement of liabilities arising from insurance contracts. In addition, it includes a simplified approach and modifications to the general measurement model that can be applied in certain circumstances and to specific contracts, such as:

- Reinsurance contracts held;
- Direct participating contracts; and
- Investment contracts with discretionary participation features.

Under the new standard, investment components are excluded from insurance revenue and service expenses. Entities can also choose to present the effect of changes in discount rates and other financial risks in profit or loss or other comprehensive income.

The new standard includes various new disclosures and requires additional granularity in disclosures to assist users to assess the effects of insurance contracts on the entity's financial statements. This standard is effective for annual periods beginning on or after 1 January 2023 with early adoption permitted. The standard is not expected to have any impact on the Council financial statements.

### 2.2 Foreign currency translation

#### 2.2.1 Functional and presentation currency

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

#### 2.2.2 Transactions and balances

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

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the income statement within "finance income" or "finance cost". All other foreign exchange gains and losses are presented in the statement of comprehensive income within "other income" or "operating expenses".



## Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March 2021

(Cont..)

### 2.3 Property, plant and equipment

#### a) Measurement

Property plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items and to get the items ready for their intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Council and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the statement of comprehensive Income during the financial period in which they are incurred.

#### b) Depreciation

Depreciation commences when the assets are available for use. Depreciation is calculated on the straight-line basis at rates designed to depreciate the cost of the assets, to their residual value, over their estimated useful lives as follows:

-Furniture and Office Equipment	<b>2-10 years</b>
- Gym equipment	<b>5-10 years</b>
- Computer equipment	<b>3-5 years</b>
- Motor vehicles	<b>4-8 years</b>
- Leasehold land and Buildings	<b>Over the life of the lease</b>
- Buildings- Porta Cabins	<b>20 years</b>

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period

#### c) Derecognition

An item of property plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit/loss when the asset is derecognised.

Property and equipment are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount, the latter being the higher of the fair value less cost of disposal and its value in use.

A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years.



## Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March 2021 (Cont..)

### 2.4 Intangible assets

#### Acquired Computer software

Intangible assets are carried at cost, less accumulated amortisation and accumulated impairment losses, if any. Acquired computer software licenses are capitalised and recorded as intangible assets on the basis of the cost incurred to acquire and bring to use the specific software. These costs are amortised on the basis of an expected useful life between three to five years, using the straight-line method. Useful lives and amortisation methods are assessed and adjusted for prospectively, if necessary, on an annual basis.

### 2.5 Financial Assets and Liabilities

#### 2.5.1 Classification and Measurement methods

##### *Classification*

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

- o Financial assets at amortised cost
- o Financial liabilities at amortised cost

The classification depends on the purpose for which the financial instruments were obtained/incurred. Management determines the classification of its financial assets at initial recognition.

##### *Amortised cost and effective interest rate*

The amortised cost is the amount at which the financial asset or financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any loss allowance.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset (i.e. its amortised cost before any impairment allowance) or to the amortised cost of a financial liability. The calculation does not consider expected credit losses and includes transaction costs, premiums or discounts and fees and points paid or received that are integral to the effective interest rate, such as origination fees.

When the Council revises the estimates of future cash flows, the carrying amount of the respective financial assets or financial liability is adjusted to reflect the new estimate discounted using the original effective interest rate. Any changes are recognised in profit or loss.

##### *Initial recognition and measurement*

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument.





## Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March 2021 (Cont..)

### 2.5 Financial Assets and Liabilities (conti..)

#### 2.5.1 Classification and Measurement methods (conti..)

##### *Initial recognition and measurement (conti..)*

At initial recognition, the Council measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are incremental and directly attributable to the acquisition or issue of the financial asset or financial liability, such as fees and commissions. Transaction costs of financial assets and financial liabilities carried at fair value through profit or loss are expensed in profit or loss. Immediately after initial recognition, an expected credit loss allowance (ECL) is recognised for financial assets measured at amortised cost, which results in an accounting loss being recognised in profit or loss when an asset is newly originated.

When the fair value of financial assets and liabilities differs from the transaction price on initial recognition, the Council recognises the difference as follows:

- (a) When the fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. a Level 1 input) or based on a valuation technique that uses only data from observable markets, the difference is recognised as a gain or loss.
- (b) In all other cases, the difference is deferred and the timing of recognition of deferred day one profit or loss is determined individually. It is either amortised over the life of the instrument, deferred until the instrument's fair value can be determined using market observable inputs, or realised through settlement.

#### 2.5.2 Financial assets

##### *Classification and subsequent measurement*

The classification requirements for debt measured at amortised cost are described below:

##### *Debt instruments*

Debt instruments are those instruments that meet the definition of a financial liability from the issuer's perspective, such as loans, government and corporate bonds and trade receivables purchased from clients in factoring arrangements without recourse.

*Classification and subsequent measurement of debt instruments depend on:*

- (i) the Council's business model for managing the asset; and
- (ii) the cash flow characteristics of the asset.

Based on these factors, the Council classifies its debt instruments as amortised cost as follows:

**Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest ('SPPI'), and that are not designated at FVPL, are measured at amortised cost. The carrying amount of these assets is adjusted by any expected credit loss allowance recognised and measured using the simplified expected loss model. Interest income from these financial assets is included in 'Interest and similar income' using the effective interest rate method.

**Business model:** the business model reflects how the Council manages the assets in order to generate cash flows. That is, whether the Company's objective is solely to collect the contractual cash flows from the assets or is to collect both the contractual cash flows and cash flows arising from the sale of assets.



## Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March 2021 (Cont..)

### 2.5 Financial Assets and Liabilities (conti..)

#### 2.5.2 Financial assets (cont..)

##### **Classification and subsequent measurement (cont..)**

If neither of these is applicable (e.g. financial assets are held for trading purposes), then the financial assets are classified as part of 'other' business model and measured at FVPL. Factors considered by the Council in determining the business model for a group of assets include past experience on how the cash flows for these assets were collected, how the asset's performance is evaluated and reported to key management personnel, how risks are assessed and managed and how managers are compensated. For example, the liquidity portfolio of assets, which is held by the Council as part of liquidity management and is generally classified within the hold to collect and sell business model. Securities held for trading are held principally for the purpose of selling in the near term or are part of a portfolio of financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking. These securities are classified in the 'other' business model and measured at FVPL.

**SPPI:** Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, the Council assesses whether the financial instruments' cash flows represent solely payments of principal and interest (the 'SPPI test').

In making this assessment, the Council considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss.

The Council reclassifies debt investments when and only when its business model for managing those assets changes. The reclassification takes place from the start of the first reporting period following the change. Such changes are expected to be very infrequent and none occurred during the period.

##### **Cash and cash equivalents**

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position. Cash and cash equivalents are stated at carrying amount which is deemed to be fair value.

##### ***Impairment of financial assets***

The Council recognises a loss allowance for expected credit losses (ECL) on investments in debt instruments that are measured at amortised cost which include lease receivables, trade receivables and contract assets. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Council always recognises lifetime ECL for trade receivables, contract assets and lease receivables. The expected credit losses on these financial assets are estimated using simplified ECL model based on the provision matrix. The ECL model takes into account Centre's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date. Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument.



## Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March 2021 (Cont..)

### 2.5 Financial Assets and Liabilities (conti..)

#### 2.5.2 Financial assets (cont..)

##### **Derecognition of financial assets**

The Council 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 entity. If the Council neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Council recognises its retained interest in the asset and an associated liability for amounts it may have to pay. On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

All financial liabilities are measured subsequently at amortised cost using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

##### **Derecognition of financial liabilities**

The Council derecognises financial liabilities when, and only when, the Council's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

### 2.6 Trade receivables

Trade receivables are amounts due from customers for services performed in the ordinary course of operation. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

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

### 2.7 Trade payables

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

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

### 2.8 Employee benefits

The terminal benefits such as end of contract gratuity are accrued for employees based on their employment contracts over the period of the contract. These costs are recognised as part of the staff costs in the statement of comprehensive income.



## Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March 2021 (Conti..)

### 2.5 Financial Assets and Liabilities (conti..)

#### 2.5.2 Financial liabilities (cont..)

### 2.9 Provisions

Provisions are recognised when: the Council has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

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

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

### 2.10 Revenue recognition

Revenue is recognized upon transfer of control of promised services to customers in an amount that reflects the consideration the Council expects to receive in exchange for the services.

### 2.11. Nature of services & timing of revenue recognition

The Council provides Human Resource Development Fund administration services and conducts the BHRDS Fair and Career Clinics. The administration fee is earned on monthly bases from the administration of the Human Resource Development Fund. This is a Fund where the training levy is collected into from the companies that are eligible. Money that is transferred into this fund is collected on a quarterly basis from the Botswana Unified Revenue Service (BURS) and forwarded to the Fund account. HRDC receives 10% of the money transferred by BURS towards the fund for the administration of this Fund.

The Council also generates revenue by selling fair stands and advertising space on the Fair Catalogue at the BHRDS Fair and Career Clinics to exhibitors. The fair stands and advertising space are sold at price determined by Management and review annually.

Revenue is recognised at a specific point in time as this reflects the nature of performance obligations embedded in the contracts for the services rendered by the Council. Revenue recognition follows a five step model framework model listed below:

- Step1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation





## Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March 2021 (Cont..)

### 2.10 Revenue Recognition (cont...)

### 2.12 Government grants

Government grants are assistance by government in the form of transfers of resources to the Council in return for compliance with certain conditions relating to the operating activities of the Council. Government subventions relating to a particular period are recognised in the respective period at their fair value where there is a reasonable assurance that the subventions will be received and the Council has complied with conditions attached to them.

Grants (Development Grant) received for specific expenses are recognised in the statement of comprehensive income over the period necessary to match with the expenses they are intended to compensate. Grants received for which the related expense have not been incurred remain included in current liabilities as unspent grants received from Government.

Grants received for the acquisition of property, plant and equipment ("capital assets") are transferred from unspent grants to capital grants in the statement of financial position in the period in which the underlying asset is bought. Grants, for which the underlying asset has been bought, is subsequently recognised in the statement of comprehensive income to match the depreciation of the related assets, as other income. Grants received for which assets have not been purchased, remain included in current liabilities as unspent grants received from Government.

#### 2.12.1 Human Resource Development Fund (HRDF) Administration fee

The administration fee is earned from the administration of the Human Resource Development Fund. This is a Fund where the training levy is collected into from the companies that are eligible. Money that is transferred into this fund is collected on a quarterly basis from the Botswana Unified Revenue Service (BURS) and forwarded to the Fund account. HRDC receives 10% of the money transferred by BURS towards the fund for the administration of this Fund.

#### 2.12.2 Interest income

Interest income is recognised on a time-proportion basis using the effective interest method.

### 2.13 Taxation

Council is exempt from income tax under Part 1 of the second schedule of the Income Tax Act (52:01).

### 2.14 Changes in accounting policies

There were no changes in accounting policies.

# Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March 2021 (Cont..)

## 3 Financial risk management

### 3.1 Financial risk factors

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

#### (a) Market risk

##### (i) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cashflows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Council is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the United States Dollar. Foreign exchange risk arises from commercial transactions. Management has set up a policy to require Council to manage their foreign exchange risk against their functional currency.

		Cash and cash equivalents	Effect on Profit/(Loss)
		P	P
<b>2021</b>			
Increase in exchange rate	1%	865,184	86,514
Decrease in exchange rate	-1%	(865,184)	(86,514)
<b>2020</b>			
Increase in exchange rate	1%	2,554,829	25,548
Decrease in exchange rate	-1%	(2,554,829)	(25,548)

##### (ii) Price risk

As the Council has no equity securities, the Council's income and operating cash flows are substantially independent of changes in equity price risk.

##### (iii) Interest rate risk

At 31 March 2021, if interest rates on short-term deposit had been 1% higher / lower with all other variables held constant, excess of expenditure over income for the year would have been **P128,187** (2020: P 332, 118) lower/higher, mainly as a result of higher / lower interest income on floating rate deposits.

## Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March 2021 (Cont..)

### 3 Financial risk management (conti..)

#### (b) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Council. As at 31 March 2021, the Council's maximum exposure to credit risk which will cause a financial loss due to failure to discharge an obligation by the counterparties arises from the carrying amount of the respective recognised financial assets as stated in the statement of financial position.

In order to minimise credit risk, the Council has adopted appropriate policies and procedures to ensure that follow-up action is taken to recover overdue debts. Furthermore, the Council reviews the recoverable amount of each trade debt on an individual basis at the end of each month to ensure that adequate loss allowance is made for irrecoverable amounts. In this regard, the Members consider that the Council's credit risk is significantly reduced. The Council does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets.

Financial assets of the Council, which are subject to credit risk, consist mainly of trade and other receivable and cash resources. The Council holds cash deposits with reputable financial institutions.

The Council applies the simplified approach to providing for expected credit losses prescribed by IFRS 9, which permits the use of the lifetime expected loss provision for all short-term receivables. To measure the expected credit losses, short-term receivables have been grouped based on shared credit risk characteristics and the days past due. The loss allowance as at 31 March 2021 is determined as follows.

Financial assets with the maximum exposure to credit risk at the year-end were as follows:

Description	2021	2020
Trade Receivables	686,031	676,429
Receivables from HRDF	11,051,591	8,230,580
Other Receivables	459,511	255,991
Less: Impairment provision	(686,031)	(676,451)
<b>Net trade and other receivables</b>	<b>11,511,102</b>	<b>8,486,549</b>

The Council only deposit cash with major banks with high quality credit standing and limits exposure to any one counter-party. The Council has deposits with Absa Bank of Botswana Bank Gaborone Limited and BancABC. There are no credit ratings available in Botswana.

## Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March 2021 (Cont..)

### 3 Financial risk management (continued)

#### (b) Credit risk (continued)

Stanbic Bank Botswana Limited is a long-established bank in Botswana and a subsidiary of Standard Bank of South Africa. Standard Bank of South Africa is listed on the Johannesburg Stock Exchange and has a credit rating of F2 for short term credits (Fitch rating).

Barclays Bank of Botswana Limited is listed on the Botswana Stock Exchange and is a subsidiary of Barclays plc, which is listed on the London Stock Exchange and has a credit rating AAA+ (Fitch rating).

BancABC Limited previously known as African Banking Corporation Botswana Limited is a subsidiary of ABC Holdings Limited (ABCH) Group. ABC Holdings Limited is dually listed on the Botswana Stock Exchange and on the Zimbabwe Stock Exchange.

Bank Gaborone Limited is a wholly owned subsidiary of Capricorn Investment Holdings (Botswana) (Pty) Ltd. Bank Gaborone was issued a license by the Bank of Botswana on 1st February 2006 to commence with its full retail banking business.

#### Reconciliation of Impairment Loss Allowance

Description	2021	2020
	P	P
Opening balance	676,451	676,451
Increase in receivable loss allowance recognised in profit or loss during the period	9,580	-
Receivables written off during the year as uncollectible	-	-
<b>Closing balance at 31 March 2021</b>	<b>686,031</b>	<b>676,451</b>

#### (b) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, management of the Council aims to maintain flexibility in funding by keeping committed credit lines available.

The Council's financial liabilities as given in the table below consist of accounts payable with a maturity period of less than 12 months from the statement of financial position date. The analyses of financial liabilities into relevant maturity groupings are based on the remaining period at the statement of financial position to the contractual maturity date. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.



# Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March 2021 (Cont..)

## 3 Financial risk management (continued)

### (b) Liquidity risk (cont..)

At 31 March 2021  
Trade and other payables

Less than 1 year  
P

28,906,235

At 31 March 2020  
Trade and other payables

51,928,402

### 3.2 Capital risk management

The Council’s objectives when managing capital are to safeguard the Council’s ability to continue as a going concern and benefits for stakeholders and to minimise the use of debt capital. In order to maintain or adjust the capital structure the Council may adjust the assets or sell assets.

The Council is funded by the Government. Consistent with this objective the Council does not monitor capital on the basis of the gearing ratio.

## 4 Critical accounting estimates and judgements

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

### (a) Residual values and useful lives of property, plant and equipment

Residual values and useful lives of property, plant and equipment are based on current estimates of the value of these assets at the end of their useful lives. The estimated residual values of buildings have been determined by the members of the Council based on their knowledge of the industry.

### (b) Intangible assets - estimate of amortisation method and period

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

### (c) Impairment loss/ measurement of Expected Credit Loss (ECL) on trade receivables

#### Expected Credit Loss Allowance (ECL)

In 2019 reporting period, the Council adopted IFRS 9 Financial Instruments (“IFRS 9”) to measure the ECL for the first time. The Council applies the simplified approach and recognises lifetime ECL for trade receivables.

The measurement of the expected credit loss allowance for financial assets measured at amortised cost is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behavior (e.g. the likelihood of customers defaulting and the resulting losses).



## Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March 2021 (Cont..)

### 4 Critical accounting estimates and judgements (cont..)

#### (c) Impairment loss/ measurement of Expected Credit Loss (ECL) on trade receivables (cont..)

A number of significant judgements are also required in applying the accounting requirements for measuring ECL, such as:

- Choosing appropriate models and assumptions for the measurement of ECL;
- Establishing groups of similar financial assets for the purposes of measuring ECL.

#### (d) Treatment of grant received from Government

Taking into account its nature and substance, the Council considers amounts that it receives from the Government to fall within the scope of IAS 20 Accounting for Government Grants and Disclosure of Government Assistance. In reaching this conclusion, the Council considers the terms attached to each of the grants received and the current practice adopted by other parastatals in Botswana. Accordingly, the Council recognises the amounts received in accordance with the accounting policy as included in note 2.12.

## Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March 2021

### 5 Revenue

Government subventions  
HRDF administration fees

2021 P	2020 P
50,602,400	46,962,949
31,421,413	31,993,205
<b>82,023,813</b>	<b>78,956,154</b>

### 6 Other income

Amortisation of Capital grant (Note 14)  
BHRDS Fair and Career Clinic  
Reimbursement of HRD sector plan costs  
Sale of tender documents and sundry income  
Profit on disposal of assets

2021 P	2020 P
3,366,885	3,305,883
-	1,306,061
2,089,275	-
514,468	315,139
41,625	-
<b>6,012,253</b>	<b>4,927,083</b>

### 7 Expenses by nature

The following items have been charged in arriving at operating surplus before finance income:

Advertising  
Amortisation of intangible assets  
Auditors' remuneration  
Board members' sitting allowances  
Consultancy  
Depreciation  
Electricity and water  
Insurance  
Other administration expenses  
Printing and stationery  
Repairs and maintenance  
Staff costs (Note 8)  
Stakeholder meetings and Conferences  
Subscriptions  
BHRDS Fair and Career Clinics -  
Training and capacity building  
Travelling and accommodation

2021 P	2021 P
590,799	1,058,957
461,883	388,169
484,512	470,400
793,732	699,481
4,390,443	4,796,155
2,908,865	2,917,714
789,087	643,044
800,838	862,563
2,450,203	3,308,991
667,140	1,195,169
1,533,499	1,646,663
68,249,536	67,312,176
503,951	2,480,828
2,737,973	2,116,115
-	2,869,563
776,042	1,303,459
337,382	2,011,627
<b>88,475,886</b>	<b>96,081,075</b>



## Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March 2021 (Cont..)

### 8 Staff costs

Salaries and wages

Medical and gratuity expenses

Average number of employees

### 9 Interest income

Interest income

	2021 P	2020 P
Salaries and wages	56,942,331	51,430,143
Medical and gratuity expenses	11,307,205	15,882,033
	<b>68,249,536</b>	<b>67,312,176</b>
Average number of employees	112	112
	2021 P	2019 P
Interest income	748,618	1,281,874
	<b>748,618</b>	<b>1,281,874</b>



## Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March 2021 (Cont..)

### 10 Property, plant and equipment

	Land and building	Buildings- Porta Cabins	Motor vehicles	Computer equipment	Gym equipment	Furniture and office fittings	Total
	P	P	P	P	P	P	P
As at 31 March 2019							
Cost	40,956,745	304,800	3,538,095	5,492,117	374,017	7,096,349	57,762,123
Accumulated depreciation	(7,240,445)	(92,710)	(1,379,399)	(3,460,898)	(317,751)	(5,456,052)	(17,947,255)
Net book amount	33,716,300	212,090	2,158,696	2,031,219	56,266	1,640,297	39,814,868
Year ended 31 March 2020							
Net book amount at beginning of year	33,716,300	212,090	2,158,696	2,031,219	56,266	1,640,297	39,814,868
Additions	-	-	10,796	587,467	-	1,644,241	2,242,503
Cost on disposal	-	-	-	-	-	(205,664)	(205,664)
Depreciation on disposal	-	-	-	-	-	205,664	205,664
Depreciation	(819,797)	(15,240)	(349,446)	(833,667)	(23,057)	(876,507)	(2,917,714)
Net book amount at end of year	32,896,503	196,850	1,820,046	1,785,020	33,209	2,408,030	39,139,657
As at 31 March 2020							
Cost	40,956,745	304,800	3,548,891	6,079,584	374,017	8,534,926	59,798,962
Accumulated depreciation	(8,060,242)	(107,950)	(1,728,845)	(4,294,565)	(340,808)	(6,126,895)	(20,659,305)
Net book amount	32,896,503	196,850	1,820,046	1,785,020	33,209	2,408,030	39,139,657
Year ended 31 March 2021							
Net book amount at beginning of year	32,896,503	196,850	1,820,046	1,797,186	33,209	2,415,125	39,158,918
Additions	-	-	-	1,095,468	-	204,385	1,299,853
Cost on disposal	-	-	-	(282,316)	-	(496,562)	(778,878)
Depreciation on disposal	-	-	-	282,316	-	496,542	778,858
Capital Work in progress	16,800	-	-	-	-	-	16,800
Depreciation	(819,797)	(15,240)	(346,485)	(855,064)	(13,210)	(859,070)	(2,908,865)
Net book amount at end of year	32,093,506	181,610	1,473,561	2,037,590	19,999	1,760,421	37,566,686
As at 31 March 2021							
Cost	40,973,545	304,800	3,548,891	6,880,571	374,017	8,249,844	60,331,667
Accumulated depreciation	(8,880,039)	(123,190)	(2,075,330)	(4,867,313)	(354,018)	(6,489,423)	(22,789,312)
Net book amount	32,093,506	181,610	1,473,561	2,013,258	19,999	1,760,421	37,542,355



## Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March 2021 (Cont..)

### 11 Intangible assets

#### As at 31 March 2020

Cost	2,948,841	2,228,827
Accumulated amortisation	(1,665,468)	(1,277,300)
<b>Net book amount</b>	<b>1,283,374</b>	<b>951,528</b>

#### Year ended 31 March 2021

Net book amount at beginning of year	1,283,374	951,529
Additions	345,487	691,354
Amortisation charge	(461,883)	(388,169)
<b>Net book amount at end of year</b>	<b>1,166,976</b>	<b>1,254,713</b>

#### As at 31 March 2021

Cost	3,294,328	2,920,181
Accumulated amortisation	(2,127,353)	(1,665,468)
<b>Net book amount</b>	<b>1,166,975</b>	<b>1,254,713</b>

Intangible assets consist of computer software.

### 12 Trade and other receivables

Trade receivables	686,031	676,429
Less: Loss allowance / provision for impairment	(686,031)	(676,451)
	-	(22)
Receivable from HRDF (Note 18)	11,051,591	8,230,580
Prepayment and deposit	597,520	685,539
Other receivables	459,511	255,992
	<b>12,108,622</b>	<b>9,172,111</b>
	<b>12,108,622</b>	<b>9,172,089</b>

#### Reconciliation of loss allowance

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

#### Opening impairment allowance as at 1 April 2020 - calculated under IFRS 9

Increase in receivable loss allowance recognised in profit or loss during the period	676,451	676,451
Receivables written off during the year as uncollectible	9,580	-
	-	-
<b>Balance at the end of the year</b>	<b>686,031</b>	<b>676,451</b>



## Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March 2021 (Cont..)

### 13 Cash and cash equivalents

Cash on hand  
Cash at bank  
Short-term deposits

2021 P	2020 P
1,694	2,197
16,753,123	52,004,555
10,316,880	-
<b>27,071,697</b>	<b>52,006,753</b>

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

Bank balances  
Cash on hand

2021 P	2020 P
27,070,003	52,004,555
1,694	2,197
<b>27,071,697</b>	<b>52,006,753</b>

Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Council, and earn interest at the respective short-term deposit rates.

Cash and cash equivalents denominated in foreign currencies are as follows:

US Dollar ( 2021 : 78,0340 / 2020: 237,088)

2021 P	2020 P
865,184	2,420,403

### 14 Capital grants

Balance at beginning of year  
Grant received/utilised during the year  
Capital Work in progress  
Amortisation during the year (Note 6)  
Balance at end of year

2021 P	2020 P
40,414,482	40,757,564
1,645,239	2,933,755
16,800	-
(3,366,885)	(3,305,883)
<b>38,709,635</b>	<b>40,385,435</b>



## Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March 2021 (Cont..)

### 15 Trade and other payables

Trade and other payables
Sundry creditors
Staff accruals (Note 15.1)
Unutilised grants (Note 15.2)

2021 P	2020 P
5,687,270	3,393,176
484,512	708,570
12,347,047	35,224,764
10,920,049	12,610,849
<b>28,438,877</b>	<b>51,937,359</b>

#### 15.1 Staff Accruals

Movement in staff accruals is as follows:

Balance at beginning of year
Additional accruals during the year
Paid during the year
Balance at end of year

Gratuity P	Leave pay P	Total P
31,486,632	3,738,132	35,224,764
10,912,649	2,440,526	13,353,175
(32,890,480)	(3,340,412)	(36,230,892)
<b>9,508,801</b>	<b>2,838,246</b>	<b>12,347,047</b>

#### 15.2 Unutilised grants

HRDC Capital Grant
HRDC Research Grant
Recurrent Grant - Sector Committees

2021 P	2020 P
8,108,350	9,799,150
1,311,698	1,311,698
1,500,001	1,500,001
<b>10,920,049</b>	<b>12,610,849</b>

Government capital are grants received for capital expenditure. Unutilised grants are development grant received for specific activities and can not be used the Council's operation without the approval of Government hence categorised as current liabilities.





## Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March 2021 (Cont..)

### 16 Commitments

#### Commitments for consultancies and projects contracted but not incurred

Commonwealth of Learning - Development of Internship Framework

Palm Consult - Development Creative Industry HRD sector Plan

Exceq Services - Development Statement of User Requirement - HRDF System

2021 P	2020 P
-	966,013
516,415	-
611,905	-



## Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March 2021 (Cont..)

### 17 Analysis of financial instruments

#### Financial instruments by category

The following are the carrying amounts and fair values of financial assets and financial liabilities of the Council.

	Fair value P	Fair value through OCI P	Amortised cost P	Non - financial Instruments P	Total carrying amount P
<b>As at 31 March 2021</b>					
<b>Financial assets</b>					
Trade and other receivables			12,108,622	597,520	12,706,142
Cash and cash equivalent			27,071,697	-	27,071,697
	-	-	<b>39,180,319</b>	<b>597,520</b>	<b>39,777,839</b>
<b>Financial liabilities</b>					
Trade and other payables			28,906,235	-	28,906,235
	-	-	<b>29,438,877</b>	-	<b>29,438,877</b>
	<b>At Fair value P</b>	<b>Loans and receivables P</b>	<b>Amortised cost P</b>	<b>Non - financial instruments P</b>	<b>Total carrying amount P</b>
<b>As at 31 March 2020</b>					
<b>Financial assets</b>					
Trade and other receivables	-	-	9,172,089	685,539	9,857,630
Cash and cash equivalent	-	-	52,006,753	-	52,006,753
	-	-	<b>61,178,842</b>	<b>685,539</b>	<b>61,864,383</b>
<b>Financial liabilities</b>					
Trade and other payables	-	-	51,937,359	-	51,937,359
	-	-	<b>51,937,359</b>	-	<b>51,937,359</b>



## Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March 2021 (Cont..)

### 18 Related party transactions

Human Resource Development Council (HRDC) was established through the Human Resource Development Act No. 17 of 2013. The Council is responsible for the co-ordination of and promotion of the implementation of the National Human Resource Development Strategy.

#### Related party transaction and balances

(a) The Council carried out the following transactions with its related parties during the financial year ended 31 March 2021:

Name of Related party	Nature of transactions	2021 P	2020 P
Ministry of Tertiary Education Research Science and Technology	Government Subvention	50,602,400	46,962,949
Human Resource Development Fund	Administration fees	31,421,413	31,993,205
Human Resource Development Fund	Reimbursement of sector plan costs	-	-

#### Key management compensation

Key management includes Board Members and the Executive Committee. The compensation paid or payable to key management for employee services together with payments made to the directors are shown below;

	2021 P	2020 P
Key management - salaries and short term benefits	8,622,037	8,921,718
Key management - gratuity and leave pay	2,602,835	2,426,506
Management - total	11,224,871	11,348,223
Payments made to Board Members	512,775	501,290
	11,737,646	11,849,514

(b) The following balances were receivable from related parties:

	2021 P	2020 P
Human Resource Development Fund-Administration fees	8,962,317	8,631,060
Human Resource Development Fund-Reimbursable Grant	2,089,275	-
	11,051,591	8,631,060



## Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March 2021 (Cont..)

### 19 Contingent liabilities

#### Staff Loan Guarantees

The Human Resource Development Council has guaranteed the obligations of its employees under a motor vehicle and housing loan guarantee scheme operated through Botswana Savings Bank and Absa Bank Botswana Limited. The maximum amount guaranteed at 31 March 2021 was **P 21,874,305** (2020: P 17,044,418) (Absa Bank of Botswana **P10,972,615** (2020:P 9,724,561) and Botswana Savings Bank **P 10,901,690** (2020:P7,626,224)). At the time of approving the financial statements, the Board Members were not aware of any losses that might arise from these arrangements.

All housing loans mortgage bonds are registered in the name of HRDC and the bond together with the title deed are retained by HRDC until the loan has been repaid in full. For motor vehicle loans, the related motor vehicle will be registered in the name of the employee while the financial interest of the HRDC will be noted on the vehicle registration book. As for personal loans the loan amount should not exceed the gratuity amount to be earned by the employee during his/her contract period.

The Board Members confirm that there were no other contingent liabilities at the reporting date.





## Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March 2021 (Cont...)

### 20 COVID-19 impact

"The COVID-19 pandemic, which first emerged from Wuhan City, China in December 2019 has spread globally, resulting in extraordinary levels of mortality and morbidity, worldwide. The pandemic affected the economy of most countries in Africa including Botswana. Private and public sectors faced a serious challenge in their production processes due to issues of staff retrenchment, loss of skilled-man power, as well as financial challenges for the implementation of control measures. Therefore, COVID-19 Pandemic remains a public health and socioeconomic concern. The Human Resource Development Council was also affected by the outbreak and this posed challenges to its delivery on its mandate. The Council nevertheless, had put in place measures to ensure survival of its workforce and business continuity during the worst phase of pandemic. The organisation has engaged a SHE Officer to facilitate and guide on the implementation of the COVID-19 Health protocols which includes among others, Temperature screening, Hands sanitisation, Cleaning and Disinfection. The Council has also reduced the number of officers working from the office as some staff members work from home.

### 21 Events after reporting period

Based on the Council's own assessment of the likely impact that this may have on the Council's ability to continue as a going concern, these financial statements have been prepared on a going concern basis based on the information available at the time of approval thereof.

## Annexure I

### Annual Financial Statements for the Year Ended 31<sup>st</sup> March 2021 (Cont..)

#### 1 Administrative expenses

	2021	2020
	P	P
Advertising	590,799	1,058,957
Amortisation of intangible assets (Note 11)	461,884	388,169
Audit fees	484,512	470,400
Bank charges	66,794	94,357
Board expenses	227,803	1,305,432
Consultancy	4,390,443	4,796,155
Depreciation	2,905,001	2,917,714
Development office expenses	780,823	529,329
Electricity and water	789,087	643,044
Impairment charge / (reversal) on receivables	9,571	-
Insurance	800,838	862,563
Legal Fees	190,396	30,000
Library	21,108	117,370
Printing and stationery	667,140	1,195,169
Recruitment cost	125,037	7,730
Staff Pension Admin Fee	36,019	-
Repairs and maintenance	1,533,499	1,646,663
Salaries and wages	68,249,536	67,312,176
Security services	471,742	460,136
Sitting allowance	512,775	501,290
Sitting allowance-sector committee	280,957	198,191
Staff welfare	187,946	370,991
Stakeholder meetings and conferences	503,951	2,480,828
Subscription	2,737,973	2,116,115
Telephone and postage	236,219	248,038
BHRDS Fair and Career Clinics	-	2,869,563
Training and capacity building	776,042	1,303,459
Travel and accommodation	337,382	2,011,627
Vehicle expenses	100,610	145,607
	<b>88,475,887</b>	<b>96,081,075</b>

This detailed expenditure statement does not form part of the financial statements covered by the audit opinion.