SADCAS

SOUTHERN AFRICAN DEVELOPMENT COMMUNITY ACCREDITATION SERVICE

annual report 2009/10

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Vision, Mission, Mandate and Company Values

SADCAS Vision

SADCAS vision is to be a leading regionally accepted and internationally recognized regional accreditation body aimed at supporting and enhancing industry and governments' efforts and to be at the cutting edge of accreditation service delivery.

SADCAS Mission

SADCAS mission is to provide internationally recognized cost effective, regional accreditation services for SADC member states aimed at supporting regional and international trade, enhance the protection of consumers and the environment and improve the competitiveness of SADC products and services in both the voluntary and regulatory areas.

SADCAS Mandate

The objects, powers and rules for the operation of SADCAS are set out in the Memorandum and Articles of Association lodged with the Registrar of Companies, Botswana. SADCAS is recognized by the SADC Council of Ministers as a subsidiarity organization of SADC hence an agency of SADC. A Memorandum of Understanding (MoU) between SADC and SADCAS serves as the basis for the recognition of SADCAS, by SADC member states, as a multi economy accreditation body.

SADCAS Company Values

In its service delivery, SADCAS upholds the following core values:

- Impartiality
- Transparency
- Non discrimination
- Integrity

Corporate Profile

The Southern African Development Community Accreditation Service (SADCAS) is a multi-economy accreditation body incorporated in Botswana under the Botswana Companies Act Ch. 42:01 as a non-profit limited company. SADCAS was established in terms of Articles 10(1) and 10(2) of the SADC Memorandum of Understanding on standardization, quality assurance, accreditation and metrology (SQAM MOU). The SADC SQAM MOU has since been superseded by the Technical Barriers to Trade (TBT) Annex to the SADC Protocol on Trade. SADCAS is recognized by the SADC Council of Ministers as a subsidiarity organization of SADC. The relationship between SADCAS and SADC is formalized through a Memorandum of Understanding (MoU) on general cooperation.

Governance

SADCAS is governed by a General Assembly which comprises of:

- Subscribers to the Memorandum and Articles of Association;
- Members of the Board of Directors;
- Duly appointed SADC Cooperation in Accreditation (SADCA) Committee members from each SADC member state;
- Appointed representatives of National Accreditation Focal Points (NAFPs) in each SADC member state using the service of SADCAS; and
- Individuals or organizations who apply for admission as members of SADCAS.

Drawn out of the General Assembly is the Board of Directors which oversees the running of SADCAS and fulfills any function that the SADCAS General Assembly may delegate to it. The SADCAS Chief Executive Officer (CEO) who reports to the Board of Directors leads the company and is responsible for the day-to-day operation of SADCAS.

SADCAS Organization

SADCAS is composed of three functional units. The technical unit which is headed by the Technical Manager is responsible for technical aspects of accreditation including the management of assessors. The administration unit is responsible for ensuring that all administration needed to effect the assessment processes are effectively managed. The financial administration unit is responsible for financial management of the company. National Accreditation Focal Points established in SADC member states using the services of SADCAS serve as the administrative link between SADCAS and clients/ potential clients in member states. A pool of qualified and registered assessors undertake assessments on behalf of SADCAS.

SADCAS Services

SADCAS provides accreditation services and training in accreditation associated activities.

SADCAS offers the following accreditation programs for conformity assessment bodies:

- Calibration laboratories in accordance with ISO/IEC 17025;
- Testing laboratories in accordance with ISO/IEC 17025;
- Medical laboratories in accordance with ISO 15189;
- Management systems certification bodies in accordance with ISO/IEC 17021;
- Product certification bodies in accordance with ISO/IEC Guide 65;
- Personnel certification bodies in accordance with ISO/IEC 17024; and
- Inspection bodies in accordance with ISO/IEC 17020.

SADCAS will broaden its scope of accreditation programs as needs arise.

SADCAS also offers training on accreditation related activities. Training courses can be conducted in house or as open courses. SADCAS courses are made relevant and practical as they include case studies and exercises that reflect the respective professional disciplines. SADCAS' trainers are drawn from a pool of qualified and experienced experts who have up to date involvement in accreditation matters.

SADCAS Regional and International Connections

SADCAS is

- An ordinary member of the SADC Cooperation in Accreditation (SADCA);
- An affiliate member of the International Laboratory Accreditation Cooperation (ILAC); and
- An observer member of the International Accreditation Forum (IAF).

SADC Executive Secretary's Foreword

Dr Tomaz A Salomão

SADCAS is now in its second year of operation as a multi- economy accreditation body established to meet the accreditation needs of SADC Member States especially those without a national accreditation body i.e. 13 countries in all namely Angola, Botswana, Democratic Republic of Congo, Lesotho, Madagascar, Malawi, Mozambique, Namibia, Seychelles, Swaziland, Tanzania, Zambia and Zimbabwe. The SADC SQAM program embraces all the 5 pillars of quality infrastructure, including accreditation. The program was set up to ensure that the region has an effective and functional quality infrastructure to address technical barriers to trade existing amongst member states as well as between the region and other trading blocs internationally.

In today's complex global market, reassurance in the measurements, tests, inspection and certification performed by conformity assessment bodies is essential. Accreditation is increasingly accepted as the most transparent, non- discriminatory mechanism to assure technical competency. It is key in supporting the freedom of world trade as it removes the need for suppliers to have their goods or services evaluated in every country they enter on a commercial basis.

In the short time of its existence, SADCAS has made significant progress in fulfilling its mandate. A pool of assessors has been trained in Member States to undertake assessments on behalf of SADCAS and National Accreditation Focal Points have been set up as the administrative link between SADCAS and the relevant Member State. SADCAS is now operational with six accreditation applications at various stages of consideration and has administered four training courses on accreditation standards during the period under review. SADCAS is already a member of the international accreditation family as it works towards international recognition which in the meantime is achieved through a Twinning Partnership Arrangement with the South African National Accreditation System (SANAS).

The SADC Free Trade Area launched in August 2008 renders Member States virtually borderless requiring a robust and compatible system for assuring quality and technical competence within the region. I am confident that SADCAS will play its key role in facilitating trade, protecting consumers and the environment we live in as well as enhancing the competitiveness of SADC products thus contribute to SADC's ultimate goal of achieving economic growth, alleviating poverty and enhancing the standard and quality of the life of its people.

Dr Tomaz A Salomão
Executive Secretary, SADC

Board of Directors

Mr. Riundja Ali Kaakunga (Othy)
Chairman

Mrs Masego Beatrice Marobela
Vice Chairman

Mrs Maureen Primrose Mutasa
Chief Executive Officer
(Executive Director)

Mr. Stuart Carstens
Member

Mr. Cyprian Tlhako Mokhoro
Member

Mr. Ali Hassan Mavere Tukai
Member

Dr. Oswald Simbarashe Chiyamakobvu
Member

Mr. Vicki Mbuya Kanama
Member

Mrs Christine Eve Gadzikwa
Member

Ms Verily Molatdei
Member

Board of Directors/Committees Meetings Attendance

Board Meetings

During the period under review, the SADCAS Board of Directors held five (5) meetings, 2 of which were special meetings. The records of attendance to these meetings are shown in Table 1.

Table1 – Record of attendance to Board meetings held during the 2009/10 financial year

Name	Status	Meeting Dates				
		2009-04-21 (Special)	2009-06-12	2009-11-06	2010-02-19	2010-03-23 (Special)
Mr Riundja Ali Kaakunga (Othy) *Chairman*	Non Executive Director	✓	✓	✓	✓	✓
Mrs Masego Beatrice Marobela *Vice Chairman*	Non Executive Director	✓	✓	✓	✓	✓
Mr Stuart Heldrey Carstens	Non Executive Director	✓	✗	✓	✓	✓
Mr Cyprian Tlhako Mokhoro	Non Executive Director	✓	✓	✓	✓	✓
Mr Ali Hassan Mavere Tukai	Non Executive Director	✓	✓	✓	✓	✓
Dr Oswald Simbarashe Chinyamakobvu	Non Executive Director	✓	✗	✓	✓	✗
Mr Mataa Mukelebai	Non Executive Director *Expired on 2009-04-21*	✓	—	—	—	—
Mr Viki Mbuya Kanama	Non Executive Director *Appointed on 2009-04-21*	—	✓	✓	✓	✓
Mrs Christine Eve Gadzikwa	Non Executive Director *Appointed on 2009-04-21*	—	✓	✓	✓	✓
Ms Verily Molatedi	Non Executive Director *Appointed on 2009-06-12*	—	—	✓	✗	✓
Mrs Maureen Primrose Mutasa	Executive Director	✓	✓	✓	✓	✓

Finance and Audit Committee Meetings

During the period under review, the Finance and Audit Committee (FAC) met four (4) times to assist the Board in discharging its responsibilities relating to budget preparation, expenditure control and financial reporting, compliance with established policies, plans and procedures, safeguarding assets and maintenance of sound and adequate internal control system and ethical conduct. The records of attendance to these meetings are shown in Table 2.

Table 2 - Record of attendance to FAC meetings held during the 2009/10 financial year

Name	Status	Meeting Dates			
		2009-06-10	2009-11-05	2010-02-04	2010-03-23 (Special)
Mr Stuart Heldrey Carstens (Chairman)	Non Executive Director	✓	✓	✓	✓
Mr Cyprian Tlhako Mokhorov	Non Executive Director	✓	✓	✓	✓
Ms Verily Molatedi	Non Executive Director *Appointed on 2009-06-12*	—	✓	✓	✓
Mr Steven Bruce Sidney	Non Executive Director *Appointed on 2009-06-12*	—	✓	✓	✓

Human Resources and Remuneration Committee Meetings

During the period under review, the Human Resources and Remuneration Committee (HRRC) met three (3) times to assist the Board in discharging its responsibilities of developing and implementing a comprehensive human resources and remuneration policy and strategy so as to ensure that SADCAS is able to attract, develop and retain the best possible skills required to support credible services to its clients. The records of attendance to these meetings are shown in Table 3.

Table 3 – Record of attendance to HRRC meetings held during the 2009/10 financial year

Name	Status	Meeting Dates		
		2009-06-11	2010-11-05	2010-02-18
Mrs Masego Beatrice Marobela (Chairman)	Non Executive Director	✓	✓	✓
Mr Ali Hassan Mavere Tukai	Non Executive Director	✓	✓	✓
Mr Stuart Heldrey Carstens	Non Executive Director	✗	✓	✓
Mrs Maureen Primrose Mutasa	Executive Director	✓	✓	✓

General Information

Bankers

First National Bank of Botswana
Ground Floor, Capitol Building
Plot 1108, Main Mall
Private Bag BO 52
Gaborone, Botswana
Tel: +267 395 9422
Fax: +267 391 2596

Auditors

PricewaterhouseCoopers
Plot 50731
Fairgrounds Office Park
Gaborone
P O Box 294
Gaborone, Botswana
Tel: +267 395 2011
Fax: +267 397 3901

Company Secretary

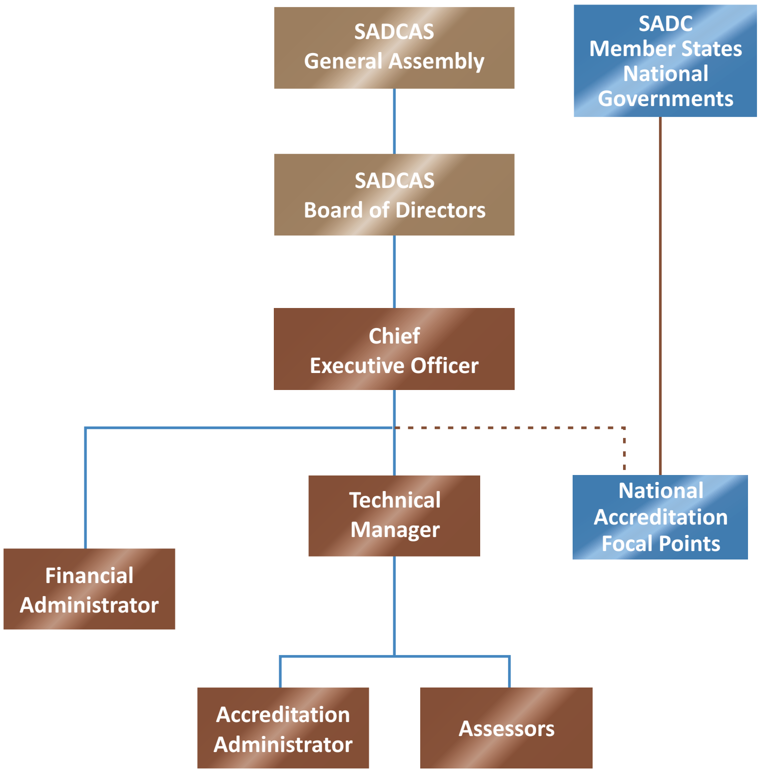
UPT Secretarial Services (Proprietary) Limited
1st Floor, Time Square
Plot 134 Independence Avenue
Gaborone
P O Box 46699 Village
Gaborone, Botswana
Tel: +267 390 6855
Fax: +267 390 6860

SADCAS Registration Number – 2005/6912

SADCAS Registered Office

Plot 50676, First Floor Block B
BIFM/Fairgrounds Office Park
Gaborone
P O Box 00320
Gaborone, Botswana
Tel: +267 313 2909/ 313 2910
Fax: +267 313 2922
Mobile: +267 7125 0042

Organizational Structure



SADCAS Management and Staff

SADCAS Staff
From left to right: Ms Jeanne Ranorovelo, Ms Linda Dirorimwe, Mrs Maureen P. Mutasa and Mrs Laureen Gudo

National Accreditation Focal Points


Mr. Carmo dos Santos

NAFP - Angola
Instituto Angolano de Normalizaçao and Qualidade
Ministerio de Industria
Rua Cerqueira Lukoki, No 25, 7º Andar
P O Box 3709 or P O Box 594, Luanda, Angola
Tel: + 244 222 337294
Fax: + 244 222 396 745


Mr. Goitseone Seitshiro

NAFP - Botswana
Ministry of Trade and Industry
Department of Industrial Affairs
Plot 50369 Tholo House, Fairgrounds Office Park
P/Bag 0014, Gaborone, Botswana
Tel: + 267 395 7406
Fax: + 267 397 2910


Mr. Viki Mbuya Kanama

NAFP - Democratic Republic of Congo
Office Conglais de Controle
98 Avenue du Port, Kinshasa Gombe 243
BP 8614-8806, Kinshasa 1
Democratic Republic of Congo
Tel:+243 89 892 2727


Mr. Azael Motjoka Makara

NAFP - Lesotho
Ministry of Trade and Industry, Cooperatives
and Marketing
1st Floor LNDC - Trade House
Kingsway Road
P O Box 74, Maseru 100, Lesotho
Tel: + 266 22317454
Fax: + 266 22310326


Mr. Séraphin Andrianantanarivo

NAFP - Madagascar
Bureau de Normes de Madagascar
6 Bis, Rue Rainandriamampandry
Soariano
BP 1316 , Antananarivo 101
Madagascar
Tel: + 261 22 279 70


Mr. Isaac Mondole Damaziel Chirwa

NAFP - Malawi
Malawi Bureau of Standards
Moirs Road, Kristwick
P O Box 946, Blantyre
Malawi
Tel: +265 1 870 488/ +265 1 984 056
Fax: +265 1 870 756


Mr. Chankar Bheekhun

NAFP - Mauritius
Ministry of Industry, Science and Research
MAURITAS
6th Floor Air Mauritius Centre
President John Kennedy Street
Port Louis, Mauritius
Tel: + 230 2107100/ 2110128 (D)
Fax: + 230 2106101


Mrs Guilhermina Nhampulo

NAFP - Mozambique
National Institute of Standardization and Quality (INNOQ)
1179 - 25 de Setembro 2nd Floor
P O Box 2983, Maputo, Mozambique
Tel: + 258 21 303822/ 21 303823
Fax: + 258 21 304206


Mr. Nicky Sindano Iitula

NAFP - Namibia
Ministry of Trade and Industry
Brendam Simbwaye Square, Block B
Corner Unland & Goether Street
P Bag 13340 , Windhoek, Namibia
Tel: + 264 6128 37229
Fax: + 264 6122 2576


Mrs Amy Quatre

NAFP - Seychelles
Seychelles Bureau of Standards
Providence Industrial Estate Victoria
P O Box 953, Mahé, Seychelles
Tel:+248 380 402
Fax:+248 373 826


Mr. Henson N Dlamini

NAFP - Swaziland
Ministry of Commerce, Industry and
Trade Standardization and Quality Section
Gwamile Street
Deputy Prime Ministers
P O Box 451, Mbabane,Swaziland
Tel:+268 404 7510/ 404 7509/ 404 3201
Fax:+268 404 3055


Ms Stella Mrosso

NAFP - Tanzania
Tanzania Bureau of Standards
Sam Nujoma/Morogoro Road Ubungo
P O Box 9524
Dar- Es – Salaam, Tanzania
Tel: +255 22 245 0206/ 22 245 0298
Fax: + 255 22 245 0959


Mr. Njebe Nteema Muzandu)

NAFP - Zambia
Zambia Bureau of Standards
Lechwe House, Freedom Way
P O Box 50259, Lusaka
Zambia
Tel: + 260 211 231 385
Fax: + 260 211 284 283


Mr. Christopher Ngwenya

NAFP - Zimbabwe
Ministry of Trade and Commerce
13^{th} Floor Mukwati Building
Corner Livingstone Ave/Fourth Street
P Bag 7708, Causeway, Harare
Zimbabwe
Tel: + 263 4 702 735/ 707 540/ 792 567
Fax: + 263 4 707 540

Chairman's Statement

Mr. Riundja Ali Kaakunga (Othy)

It is my pleasure and honour to present to you the second published annual report for SADCAS covering the financial year 1 April 2009 up to 31 March 2010. I can once again report that significant developments have taken place in SADCAS over the period since the last annual report.

The period under review started off with the launch of SADCAS on 23 April 2009 at the Grand Palm Hotel in Gaborone, Botswana during which a Memorandum of Understanding (MoU) on general cooperation was signed between the Southern African Development Community (SADC) represented by the SADC Executive Secretary, Dr Tomaz Salomão and SADCAS represented by me as the chairman of the Board. The MoU formalizes the operational relationship between SADC and SADCAS.

SADCAS now has a compliment of four (4) staff following the recruitment of the Financial Administrator Mrs Laureen Gudo who took up her position in SADCAS on 2 November 2009 and is responsible for the financial, human resources and general administration of SADCAS. The other SADCAS' staff members have settled well in their jobs and have been undergoing training as part of the SADCAS staff continuous professional development program.

Marketing and promotional activities continued with more courtesy calls being made to stakeholders in the SADC member states that will be serviced by SADCAS. Missions to member states that will utilize SADCAS services and which started in February 2009 were completed in July 2009 except for Madagascar pending decision on its membership in SADC. Judged by the extent of reach out, levels and size of stakeholders' attendance, visits to potential clients, and the objectives met, the missions were very successful. The SADCAS newsletter, the Pioneer which is published in March, July and November continues to be a good source of information on the developments in SADCAS. As part of its marketing and promotional strategy, SADCAS brochures and pamphlets were published in English, French and Portuguese and are being circulated widely to stakeholders by SADCAS and through the network of NAFPs. Press releases and advertisements placed in the various media have all contributed to increased awareness on the importance and benefits of accreditation and SADCAS' service offerings. In November 2009, SADCAS published its first annual report which was adopted at the 5th SADCAS Annual general Meeting. The SADCAS website went live on the worldwide web in December 2009 following extensive work by SADCAS management and staff to ensure its usefulness.

The SADCAS trademark which forms the core of the SADCAS accreditation mark and was registered in Botswana in 2008, was registered in Mozambique and Mauritius during the period under review. Registration is well underway in all the other countries that will be serviced by SADCAS. Registration of SADCAS trademark is key in order to protect it against misuse.

Chairman's Statement

On international and regional participation, SADCAS was, in August 2009 admitted as a member of the International Accreditation Forum (IAF) in the category of "Special Recognition Organization Observer" having been admitted as an affiliate member of the International Laboratory Accreditation Cooperation in November 2008. SADCAS membership in the SADC Cooperation in Accreditation (SADCA) was formalized in the category of ordinary member. SADCAS is actively participating in regional and international accreditation fora and commemorated 2009 World Accreditation Day on 9 June 2009.

Various new National Accreditation Focal Points (NAFPs) appointments were made by member states to either support the existing officers or as replacements. As part of their continuous development, NAFPs attended the workshop on World Trade, Conformity Assessment Bodies and Accreditation Requirements which was successfully organized by SADCA. Implementation of national action plans in support of SADCAS' goals is underway by the NAFPs and monitored closely for progress by SADCAS. A general improvement was noted in the implementation of national action plans over the period. The NAFP from the Democratic Republic of Congo, Mr Viki Mbuya Kanama received the 2010 NAFP award in recognition of his efforts over the period in pursuing SADCAS goals.

During the period under review four assessors from Namibia, Mauritius, Malawi and Tanzania were qualified and registered to undertake assessments on behalf of SADCAS. A further seven (7) assessors underwent mentorship program with the South African National Accreditation System (SANAS) under the sponsorship of PTB Germany. A further group of about 60 experts successfully completed the Technical Assessor/Lead Assessor courses held under the auspices of the SADC/EU SQAM project.

The SADCAS Quality Management System (QMS) prioritized documentation (Policy manual, procedures, forms etc.) have been published and are available on the SADCAS website. Thanks to the Norwegian Accreditation body (NA) and the South African National Accreditation System (SANAS) for their assistance in ensuring compliance with ISO/IEC 17011. In order to kick start SADCAS accreditation services, a Twinning Partnership Arrangement was signed on 3 December 2009 with SANAS. The ultimate goal of this arrangement is to ensure that SADCAS becomes signatory to the ILAC Mutual Recognition Arrangement and the IAF Multilateral Arrangement.

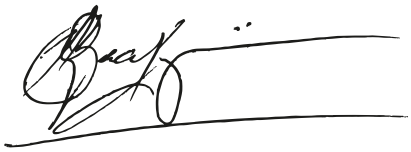
During the period under review SADCAS undertook four (4) training courses. By the end of the financial year SADCAS had six (6) accreditation applications on hand.

Turning to governance issues during the period under review, the SADCAS Board of Directors met five times in April 2009, June 2009, November 2009, February 2010 and March 2010. Various aspects were discussed including diplomatic status which is still being pursued with the host government. The SADCAS Finance and Audit Committee which is chaired by Mr Stuart Carstens met four times in June 2009, November 2009, February 2010 and March 2010. On the other hand, the SADCAS Human Resources and Remuneration Committee chaired by Mrs Masego Marobela met three (3) times in June 2009, November 2009 and February 2010. The Accreditation Approvals Committee did not meet during the period under review as there were no applications for consideration. In an effort to update members on developments in corporate governance, the SADCAS Board attended a one day seminar held on 17 February 2010.

Regarding Board and Board Committees' membership, Mrs Christine Eve Gadzikwa and Mr Viki Mbuya Kanama who were elected at the last Annual General Meeting joined the Board. Ms Verily Molatedi was co-opted onto the SADCAS Board in June 2009 and also serves on the Finance and Audit Committee. Ms Molatedi brings to the Board financial expertise and was elected at the 5th SADCAS Annual General Meeting to serve for a year-term. Mr Stuart Heldrey Carstens who has served on the Board since its establishment was re-elected to serve for a second term. Dr Oswald Simbarashe Chinyamakobvu retired from the Board having served two (2) terms as a SADCAS Board member. I would like to record my sincere thanks to Dr Chinyamakobvu for his commitment, objectivity and quality of judgement through his period as a SADCAS Board member.

SADCAS your own conceived multi-economy accreditation body, the first in the world is now operational. With the launch of the SADC Free Trade Areas, SADCAS is poised to play a key role in delivering confidence and assuring technical competence of conformity assessment bodies operating in SADC member states thus facilitate trade. In being able to deliver so much progress in the short period of SADCAS establishment I must congratulate the SADCAS team, including NAFPs under the leadership of Maureen Mutasa the SADCAS Chief executive Officer, for their hard work and dedication as well as to thank them for the achievements made over the period under review. Congratulations also and thanks to all SADCAS Board members, General Assembly members and our partners for these achievements. I must also pay special tribute to our donors, especially the Norwegian Agency for Development Cooperation (NORAD) for their confidence in us as evidenced by their continued support. Finally I would like to thank the SADC Secretariat for their unwavering support and solidarity.

I look forward to a future of sustainable growth of SADCAS in pursuance of SADC's accreditation goals.



Riundja Ali Kaakunga (Othy)
Chairman SADCAS Board of Directors

Chief Executive Officer's Review of 2009/10 Year

Mrs Maureen P Mutasa

The past financial year beginning 1 April 2009 up to 31 March 2010 has seen some further significant developments in SADCAS since its incorporation in December 2005 and set up in 2008. Most of the developments relate to the operationalization of SADCAS, capacity development as well as promotion of accreditation and marketing of SADCAS service offerings throughout the SADC region.

Mr Tor Christian Hildan

The year started off with the launch of SADCAS on 23 April 2009 at the Grand Palm Hotel, Gaborone Botswana at a ceremony attended by over 200 dignitaries and graced by Honourable Daniel Neo Moroka the then Botswana Minister of Trade and Industry who was the guest of honour and His Excellency Mr Tor Christian Hildan, Ambassador of the Kingdom of Norway in South Africa. A Memorandum of Understanding (MOU) on general cooperation between SADC represented by Dr Tomaz Salomão the SADC Executive Secretary and SADCAS represented by Mr Riundja Ali Kaakunga the Chairman of the SADCAS Board of Directors was signed during the launch ceremony. SADCAS' launch marked a major milestone in the young history of SADCAS' existence and set the pace for further developments in SADCAS during the period under review.

Developments in Operations

During the period under review, the SADCAS Policy Manual which gives an overview of the organization and describes the key elements of the SADCAS Quality Management System (QMS) was drafted, finalized and approved by the SADCAS Board of Directors in November 2009. Assistance in coming up with the Policy Manual was provided by the Norwegian Accreditation Body (NA) and the South African National Accreditation System (SANAS) who undertook gap analyses on the documentation before its finalization to ensure compliance with ISO/IEC 17011, the international standard which SADCAS has to comply with in order to achieve international recognition of its accreditation programmes. The SADCAS Policy Manual thus provides the springboard for quality service delivery. The manual, together with other prioritized procedures, forms, templates and guidance documents are available on the SADCAS website. Drafting of procedures, forms etc is ongoing. A number of administrative documents including the Financial and Accounting Policies and Procedures, administrative procedures and forms, Staff Conditions of Service were also finalized and approved during the period under review.

In order to manage and coordinate the very elaborate accreditation administration process, an electronic software package (EDNA) was provided and installed on the SADCAS network as part of a technical skills transfer agreement signed between SADCAS and NA on 30 March 2009.

The SADCAS/SANAS Twinning Partnership Arrangement (TPA) designed to help kick start SADCAS accreditation services was signed on 3 December 2009 in Pretoria, South Africa. The objective of the Arrangement is to ensure that SADCAS has established the necessary infrastructure for the handling of accreditation applications, assessment of conformity assessment bodies and surveillance assessment of accredited bodies by using a technically recognized quality management system. The ultimate goal of the TPA is to ensure that SADCAS becomes signatory to the International Laboratory Accreditation Cooperation's Mutual Recognition Arrangement (ILAC MRA) and the International Accreditation Forum's Multilateral Arrangement (IAF MLA).

By 31 March 2010 SADCAS had successfully undertaken four (4) training courses and had six (6) accreditation applications on hand.

SADCAS/SANAS TPA signing ceremony

The training courses were held in Seychelles and Botswana and covered ISO/IEC 17025 for testing laboratories and ISO/IEC 17021 for management systems certification bodies (Refer to Figure 1). Four of the accreditation applications fall under the calibration laboratories accreditation programme whilst the other two fall under the testing laboratories accreditation programme (Refer to Figure2).


Participants at the ISO/IEC 17021 training course held at Botswana Bureau of Standards

Figure 1 - Training Courses Breakdown

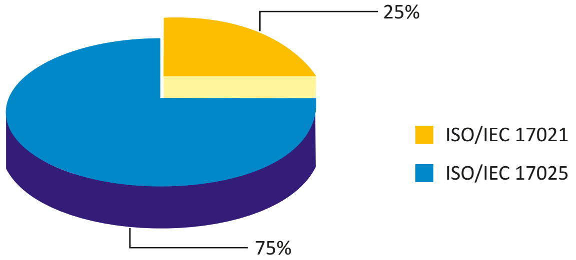
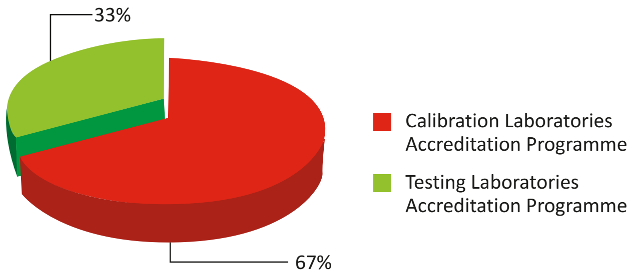


Figure 2 - Accreditation Applications Breakdown



Capacity Development

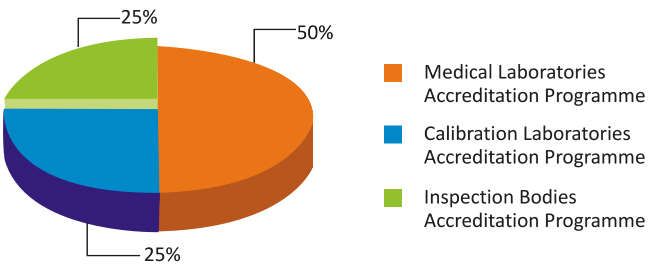

Laureen Gudo

The SADCAS staff compliment increased to four (4) during the period under review following the recruitment of Mrs Laureen Rutendo Gudo, the Financial Administrator in November 2009. Mrs Gudo a chartered accountant with over 9 years' experience, three of which she was with an international auditing firm, is responsible for the financial, human resources and general administration of SADCAS.

As part of capacity development programme, all staff attended various training programmes during the period under review including attachments at SANAS an internationally recognized accreditation body, technical assessor and lead assessor courses, training course on world trade, conformity assessment and accreditation requirements and the ILAC/IAF marketing and communications workshop.

Four experts from Namibia, Mauritius, Malawi and Tanzania were qualified and registered as technical assessors during the financial year (Refer to Figure 3). A further seven (7) experts trained under the PTB Germany sponsored programme participated in assessments under the mentorship of experienced SANAS assessors. Eighty (80) experts went through the technical assessor course, thirty (30) of whom proceeded to do the lead assessor course under the auspices of the SADC/EU project on standardization, quality assurance, accreditation and metrology (SQAM). The experts, who successfully completed the technical/lead assessor courses are now participating in the mentorship programme following which, if qualified, will be considered for registration as SADCAS assessors. The trained experts were identified from each of the SADC countries based on prescribed criteria for nomination and went through a rigorous selection process again based on prescribed selection criteria. The assessor training program is designed to ensure competency of assessors who undertake assessments on behalf of SADCAS.

Figure 3 - Breakdown of Registered Assessors According to Accreditation Programme



National Accreditation Focal Points

During the period under review there were some movements in National Accreditation Focal Points (NAFPs) officers in Botswana, Malawi and Namibia whilst the Democratic Republic of Congo (DRC) appointed a second officer to compliment the first officer due to increased work and noting the vastness of the coverage area in DRC. The NAFP-Namibia position remains vacant up to now following the resignation of Mr Nicky Iitula. Mr Goitseone Seitshiro replaced Mr Dennis Juta as the NAFP-Botswana whilst Mr Chirwa replaced Mr Davlin Chokazinga as the NAFP-Malawi. Mrs Feza Matata was appointed as the second NAFP for DRC. All the NAFPs except Malawi participated at the world trade, conformity assessment bodies and accreditation requirements course held in November 2009 and which was also attended by SADCAS staff, Board members and SADCA Committee members. The training course was organized by SADCA. Following on from the 4 days' workshop was a one day ILAC/IAF marketing and communications workshop.

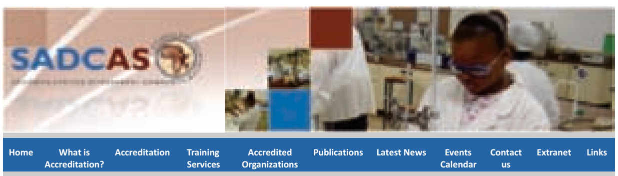
Participants at the world trade, conformity assessment bodies and accreditation requirements and ILAC/IAF marketing and communications workshop held in November 2009

A general improvement was noted in national action plan implementation by the NAFPs with estimate realization ranging from 35 to 88 % and an average of 64%. Mr Viki Mbuya Kanama the NAFP for DRC received the 2010 NAFP Award for effectively progressing the implementation of the DRC's action plan on accreditation, contributing towards SADCAS goals and timeously and regularly submitting quarterly reports. The award was presented during the 5th SADCAS Annual General Meeting held on 24 March 2010 in Mbabane, Swaziland. The NAFP-Zimbabwe and NAFP- Swaziland were the first and second runners up respectively for the 2010 NAFP Award. NAFPs play the key role of being the administrative link between SADCAS and clients/potential clients in member states that are serviced by SADCAS and were established and are supported by members states' respective governments. NAFPs are also responsible for the promotion of accreditation and marketing of SADCAS service offerings within their respective countries.

Mr Kanama receiving his Award from Chairman and Vice Chairman of SADCAS Board of Directors

Marketing and Promotion

Being a fairly new organization SADCAS continued with its thrust of promoting the benefits and importance of accreditation and marketing of SADCAS service offerings throughout the SADC region. In order to do so, a number of promotional materials were produced during the period under review. A SADCAS corporate brochure, an NAFP Award brochure and various pamphlets were published in English, French and Portuguese the three official languages in the SADC region. These materials were circulated widely to stakeholders and continue to be circulated through the network of NAFPs and also directly to stakeholders by SADCAS office in Gaborone. Three editions of the SADCAS newsletter the Pioneer (March 2009, July 2009 and November 2009) were issued during the period under review. The Pioneer which is electronic and is also circulated to stakeholders through the network of NAFPs continues to be a good source of information on developments not only in SADCAS but on international and regional developments in accreditation matters. In December 2009 the SADCAS website went live on the worldwide web amidst much excitement of SADCAS management and staff who worked very hard to ensure that the website would be useful. With a modern and fresh look the SADCAS website www.sadcas.org has eleven (11) windows , the " Home" page and windows on "What is SADCAS", " Accreditation", 'Training Services", "Accredited Organizations", "Publications", "Latest News", "Events Calendar", Contact Us", "Extranet" and "Links". Visitations from the month of launch up to now show an increasing interest in the SADCAS website not only from the SADC region but worldwide.



Southern African Development Community Accreditation Service (SADCAS)
http://www.sadcas.org/

SADCAS published its very first annual report which was circulated widely to stakeholders. Various advertisements and press releases were published in the media and radio interviews on aspects of accreditation and SADCAS were held all contributing towards increased awareness in the SADC region of accreditation and SADCAS service offerings. Missions to member states which started in February 2009 as part of the SADCAS promotion and marketing strategy were completed during the 2009/10 financial year. During the period under review a further seven (7) missions were undertaken to Swaziland (6 to 7 April 2009), Mauritius (28 to 29 April 2009), DRC (6 to 7 May 2009), Mozambique (1 to 2 June 2009), Seychelles (15 to 17 June 2009), Zambia (13 to 15 July 2009) and Angola (20 to 23 July 2009) bringing the total number of completed missions to 13. Missions to member states involved meetings with NAFPs and their respective supervisors, courtesy calls on the respective countries' Ministers responsible for trade/industry, meetings with senior government officials from various ministries and regulators, and visits to conformity assessment service providers. The missions to SADC member states were very well coordinated and arranged thanks to the network of NAFPs and SADCA Committee members. Judged by the extent of outreach, levels and size of stakeholders' attendance and objectives met the missions were very successful.

Stakeholder meeting in Maputo, Mozambique

Hand over of IT equipment to NAFP-Mozambique

More courtesy calls were made to stakeholders in member states including government officials, regional organizations such as the World Health Organization (WHO) in Botswana and the WHO regional office in Harare, Zimbabwe. Courtesy calls were also made to conformity assessment service providers throughout the period. Presentations were made at national, regional and international workshops and conferences to update stakeholders of developments in SADCAS and to promote accreditation and market SADCAS.

Courtesy call to WHO regional office, Harare, Zimbabwe

The registration of the SADCAS trademark (name and logo) which forms the core of the SADCAS accreditation mark progressed well. During the period under review, the trademark was registered in Mozambique and Mauritius. The registration process is well underway in Angola having issued an interim registration certificate. The registration of the SADCAS trademark in DRC, Seychelles and Zambia is underway whilst registration in Lesotho, Malawi, Namibia, Swaziland, Tanzania and Zimbabwe which is being done through the African Regional Intellectual Property Organization (ARIPO) is expected to be completed during the 2010/11 financial year. Registration of the SADCAS trademark in all the countries that will be serviced by SADCAS is paramount in order to protect it against misuse.

Regional and International Interactions

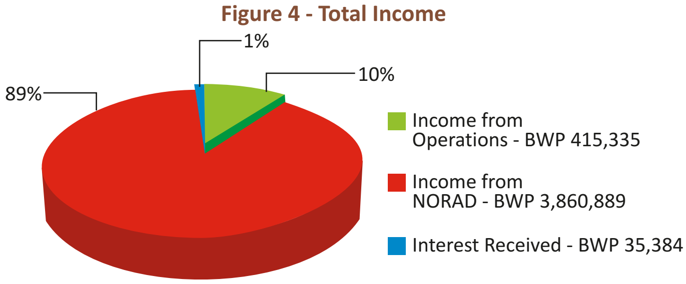
During the period under review SADCAS participated at various regional meetings. At the inaugural meeting of the SADC Cooperation in Accreditation (SADCA) Executive Committee held in September 2009 in Gaborone, Botswana, the SADCAS Chief Executive Officer was appointed as a member of the Executive Committee. SADCAS membership in SADCA was formalized in the category of ordinary member. SADCAS also participated at the 14th annual meeting of SADCA held on 26 March 2010 in Mbabane, Swaziland. At continental level SADCAS participated at a meeting held in Vancouver, Canada in conjunction with the ILAC/IAF annual meetings to discuss the establishment of an African cooperation in accreditation. This was the second such meeting to be held.

At international level and in August 2009, SADCAS was admitted as a member of the IAF in the category "Special Recognition Organization – Observer'. This membership category gives time for further developments to take place in SADCAS before acquiring full membership. SADCAS was admitted as an affiliate member of ILAC in November 2008. SADCAS attended the ILAC/IAF annual meetings held in Vancouver, Canada from 12 to 20 October and the Technical Committee meetings held in Rio de Janeiro, Brazil from 13 to 21 March 2010. To celebrate world accreditation day on 9 June 2010 SADCAS published a press release which was widely publicized through various media.

Financial Review

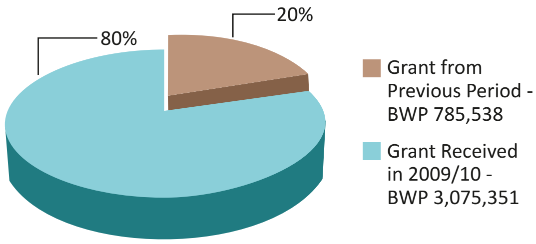
During the period under review, SADCAS received a total income of BWP 4,311,608 of which BWP 3,860,889 was grant income from NORAD, BWP 415,335 was income from operations and BWP 35, 384 was interest received (Refer to Figure 4).

Figure 4 - Total Income



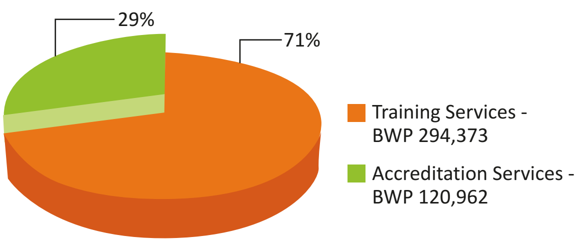
Of the total grant income of BWP 3,860,889, BWP 3,075,351 (80%) was received during the 2009/10 financial year whilst BWP 785,538 (20%) were funds received in previous financial periods but carried over and utilized during the period under review (Refer to Figure 5).

Figure 5 - Breakdown of Grant Income



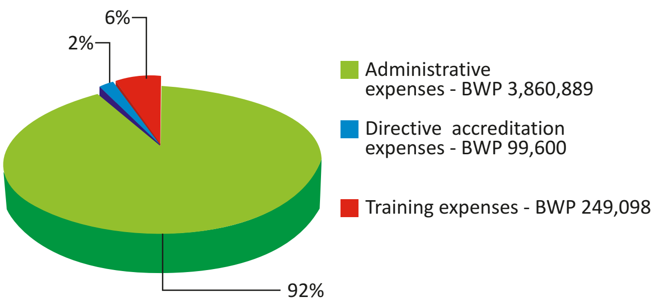
Of the total income of BWP 415,335 generated from operations, BWP 120,962 (29%) was from accreditation applications and initial accreditation fees whilst BWP 294,373 (71%) was generated from training services (Refer to Figure 6).

Figure 6 - Breakdown of Income from Operations



The total expenditure for the year was BWP 4,209,717 comprising of administrative expenses of BWP 3,860,889, direct accreditation expenses of BWP 99,600 training expenses of BWP 249,098 and finance costs of BWP 130 resulting in a surplus of BWP 101,891 for the year (Refer to Figure 7).

Figure 7 - Breakdown of Expenditure



Appreciation

The past financial year 2009/10 has seen some further significant developments in SADCAS. SADCAS is now operational and offering accreditation services as well as training on accreditation related activities. I therefore join the Chairman of the SADCAS Board of Directors in thanking the SADCAS staff for their dedication and hard work which contributed towards the achievement of the SADCAS strategic objectives and delivery in the 2009/10 key result areas. I would also like to thank NORAD and other cooperating partners for their continued support.

Outlook

Looking to the year ahead and in line with our strategy of building a sustainable, leading regionally accepted and internationally recognized multi economy accreditation body our thrust will be to:

Build on and retain our most important asset the intellectual capital, skills, experience, knowledge and expertise of our staff, pool of assessors and trainers;

Continue to develop the SADCAS Quality Management System, the springboard for quality service delivery;

Continue to promote accreditation and market SADCAS service offerings; and

Upgrade SADCAS membership and participate in ILAC and IAF in our journey towards international recognition.

Maureen P Mutasa
Chief Executive Officer

Annual Financial Statements

STATEMENT OF RESPONSIBILITY BY THE BOARD OF DIRECTORS

for the year ended 31 March 2010

The directors of Southern African Development Community Accreditation Service Limited 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 Botswana Companies Act (Companies Act, 2003).

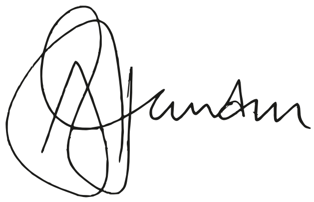
The company maintains systems of internal control which are designed to provide reasonable assurance that the records accurately reflect its transactions and to provide protection against serious misuse or loss of the company assets. The directors are also responsible for the design, implementation, maintenance and monitoring of these systems of internal financial control. Nothing has come to the attention of the directors 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 directors have no reason to believe that the company will not be a going concern in the foreseeable future based on forecasts and available cash resources.

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 Board of Directors.

The financial statements set out on pages 22 to 46 and supplementary information on Annexure I was authorized for issue by the Board of Directors and are signed on its behalf by:

Director



Director

PricewaterhouseCoopers
Plot 50371
Fairground Office Park
Gaborone
P O Box 294
Gaborone, Botswana
Telephone (267) 395 2011
Facsimile (267) 397 3901
www.pwc.com

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SOUTHERN AFRICAN DEVELOPMENT COMMUNITY ACCREDITATION SERVICE LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of Southern African Development Community Accreditation Service Limited, set out on pages 22 to 46, which comprise the statement of financial position as at 31 March 2010, and the statement of comprehensive income, statement of changes in funds and statement of cash flow for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Directors' Responsibility for the Financial Statements

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and in the manner required by the Companies Act of Botswana (Companies Act, 2003).

This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Southern African Development Community Accreditation Service Limited as of 31 March 2010, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

PricewaterhouseCoopers
CERTIFIED PUBLIC ACCOUNTANTS

25 August 2010
GABORONE

Annual Financial Statements

STATEMENT OF COMPREHENSIVE INCOME
for the year ended 31 March 2010

	Notes	2010 P	2009 P Restated
Income	5	**3,811,215**	2,222,402
Direct expenses		**(99,600)**	-
		3,711,615	2,222,402
Other income	6	**215,911**	65,883
Administrative expenses		**(3,860,889)**	(2,288,285)
Operating surplus	7	**66,637**	-
Finance income	8	**35,384**	21,303
Finance costs	8	**(130)**	(228)
Surplus before income tax		**101,891**	21,075
Income tax expense	9	-	-
Comprehensive surplus for the year		**101,891**	21,075

STATEMENT OF FINANCIAL POSITION
as at 31 March 2010

	Notes	2010 P	2009 P Restated	2008 P Restated
ASSETS				
Non-current assets				
Property, plant and equipment	10	684,476	812,778	-
Current assets				
Trade and other receivables	11	147,139	26,176	-
Cash and cash equivalents	12	2,685,225	1,737,109	998,239
		2,832,364	1,763,285	998,239
Total assets		3,516,840	2,576,063	998,239
FUNDS AND LIABILITIES				
Funds and reserves				
Accumulated fund		137,501	35,610	14,535
Non current liabilities				
Capital grants	23	684,476	812,778	-
Current liabilities				
Deferred income	13	2,054,163	1,242,350	616,357
Trade and other payables	14	640,700	485,325	367,347
		2,694,863	1,727,675	983,704
Total funds and liabilities		3,516,840	2,576,063	998,239

STATEMENT OF CHANGES IN FUNDS
for the year ended 31 March 2010

	Accumulated fund P	Total P
Balance at 1 April 2008 as previously stated	630,892	**630,892**
Transferred to deferred income (Note 13)	(616,357)	**(616,357)**
Balance at 1 April 2008 as restated	14,535	**14,535**
Comprehensive income		
Surplus for the year	21,075	**21,075**
Balance at 31 March 2009	35,610	**35,610**
Balance at 1 April 2009	35,610	**35,610**
Comprehensive income		
Surplus for the year	101,891	**101,891**
Balance at 31 March 2010	137,501	**137,501**

STATEMENT OF CASH FLOW
for the year ended 31 March 2010

	Notes	2010 P	2009 P Restated
Cash flows from operating activities			
Cash generated from operations	15	912,862	1,530,573
Interest paid	8	(130)	(228)
Net cash generated from operating activities		912,732	1, 30,345
Cash flows from investing activities			
Purchase of property, plant and equipment	10	(42,334)	(812,778)
Interest received	8	35,384	21,303
Net cash used in investing activities		(6,950)	(791,475)
Cash flows from financing activities:			
Capital grants received during the year	23	42,334	-
Net cash generated from financing activities		42,334	-
Net change in cash and cash equivalents		948,116	738,870
Cash and cash equivalents at beginning of year		1,737,109	998,239
Cash and cash equivalents at end of year	12	2,685,225	1,737,109

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2010

1. General information

Southern African Development Community Accreditation Service Limited is a subsidiarity organization of SADC incorporated in Botswana as a company limited by guarantee that provides accreditation services to laboratories (testing and calibration), certification bodies (management systems/ product / personnel) and inspection bodies.

The financial statements set out on pages 22 to 46 have been approved by the Board of directors on 25 August 2010.

2. Summary of significant accounting policies

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

2.1 Basis of preparation

The financial statements are prepared in accordance with International Financial Reporting Standards (IFRS). The financial statements have been prepared under the historical cost convention as modified by the measurement of certain financial assets and financial liabilities at fair value.

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

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

2.1.1 Adoption of standards in the current financial year

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

IFRS 7, Financial instruments – Disclosures (amendment) – effective 1 January 2009. The amendment requires enhanced disclosures about fair value measurement and liquidity risk.
IAS 36, (Amendment), Impairment of assets: Disclosure of estimates used to determine recoverable amount (effective from 1 January 2009).
IAS 1 (revised 2007) Presentation of Financial Statements (effective from 1 January 2009).

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

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2010

2. Summary of significant accounting policies (continued)

IFRS 2 (Amendment), Share-based Payment: Vesting conditions and cancellations (effective from 1 January 2009).

IAS 27 (Amendment), Measurement of subsidiary held for sale in separate financial statements (effective from 1 January 2009).

IFRIC 15, Agreement for the construction of real estate (effective from 1 January 2009).

IFRIC 13, Customer Loyalty Programmes: Accounting by entities that grant loyalty award credits to customers who buy other goods or services (effective 1 July 2008).

IFRIC 16, Hedges of a Net Investment in a Foreign Operation (effective 1 October 2008).

IFRIC 9, (Amendment), Reassessment of Embedded Derivatives (effective 1 July 2008).

IAS 32 (Amendment), Financial instruments - Presentation and IAS 1 (Amendment), Presentation of financial statements - puttable financial instruments and obligation arising on liquidation (effective from 1 January 2009).

IFRS 1 (Amendment), First time adoption of International Financial Reporting Standards and IAS 27 (Amendment), Consolidated and separate financial statements: Cost of an investments in a subsidiary, jointly controlled entity or associate (effective from 1 January 2009).

IFRS 5, (Amendment) Non current assets held for sale and discontinued operations: Plan to sell the controlling interest in a subsidiary (effective from 1 January 2009).

IAS 1, (Amendment) Presentation of financial Statements: Current/non-current classification of derivatives (effective from 1 January 2009).

IAS 19, (Amendment) Employee benefits: Curtailments and negative past service cost, plan administration costs and Replacement of term 'fall due' (effective from 1 January 2009).

IAS 20, (Amendment) Accounting for Government Grants and Disclosure of Government Assistance: Government loans with a below-market rate of interest (effective from 1 January 2009).

IAS 28, (Amendment), Investment in associates: Required disclosures when investments in associates are accounted for at fair value through profit or loss and Impairment of investment in associate (effective from 1 January 2009).

IAS 31, (Amendment), Interests in joint ventures, Required disclosures when interests in jointly controlled entities are accounted for at fair value through profit or loss (effective from 1 January 2009).

IAS 38, (Amendment), Intangible assets: Advertising and promotional activities and Units of production method of amortization (effective from 1 January 2009).

IAS 23, (Amendment), Borrowing cost: Components of borrowing cost.

IAS 29 (Amendment), Financial reporting in hyperinflationary economies: Description of measurement basis in financial statements (effective from 1 January 2009).

IAS 39, (Amendment), Financial instruments: Reclassification of derivatives into or output of the classification of at fair value through profit or loss, Designating and hedging at segment level (effective from 1 January 2009).

IAS 40, (Amendment), Investment property: Property under construction or development for future use as an investment property (effective from 1 January 2009).

IAS 41, (Amendment), Agriculture: Discount rate for fair value calculations, Additional biological transformation (effective from 1 January 2009).

IAS 16, (Amendment), Property, plant and equipment: Recoverable amount and sale of assets held for rental (effective from 1 January 2009).

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2010

2. Summary of significant accounting policies (continued)

IAS 10, (Amendment), Events after the Reporting period: Dividends declared after the end of the reporting period.
IAS 18, (Amendment), Revenue, Cost of originating a loan.
IAS 34, (Amendment), Interim Financial Reporting: Earnings per share disclosure in interim financial reports.

2.1.2 Adoption of standards in future financial periods

The following new standards, amendments and interpretations to existing standards are mandatory for the company's accounting periods beginning on or after 1 July 2009.

These have not been early adopted by the company.

a) New standards, amendments and interpretations which are relevant to the company's operations

IAS 39, (Amendment), Financial Instruments (effective from 1 July 2009).
IAS 24, (Amendment), Related party disclosures (effective 1 January 2011).
IFRS 9, Financial Instruments (effective 1 January 2013).

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

b) New standards, amendments and interpretations which are not relevant to the company's operations

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

IFRIC 18, Transfer of assets from customers (effective 1 July 2009).
IAS 27 (Revised), Consolidated and Separate Financial Statements (effective from 1 July 2009).
IFRS 1 (Amendment), First time Adoption of International Financial Reporting Standards – Revised (effective from 1 July 2009).
IFRS 3 (Revised), Business Combinations (effective from 1 July 2009).
IFRIC 17, Distribution of non cash assets to owners (effective from 1 July 2009).
IFRIC 19, Extinguishing Financial Liabilities with Equity Instruments (effective 1 July 2010).
IFRIC 14, (Amendment), Pre-payment of a Minimum Funding Requirement (effective 1 January 2011).
IFRS 2 (Amendment), Group cash-settled share-based payment transactions (effective from 1 January 2010).
IAS 32 (Amendment), Classification of rights issues (effective from 1 February 2010).

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2010

2.2 Foreign currency translation

2.2.1 Functional and presentation currency

Items included in the financial statements of the company 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 company'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. 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 recognized in the income statement.

2.3 Property, plant and equipment

Property, plant and equipment are included at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation is calculated on the straight-line method to write off the cost of each asset to their residual values over their estimated useful lives as follows:

Fixtures and fittings	-	10 years
Computer equipment	-	4 years
Office equipment	-	6.67 years

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

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

2.4 Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment. Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2010

2.4 Impairment of non-financial assets (continued)

purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

2.5 Financial assets

2.5.1 Classification

The company classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables, and available for sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

(a) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are classified as held for trading unless they are designated as hedges. Assets in this category are classified as current assets.

(b) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets. The company's loans and receivables comprise 'trade and other receivables' and cash and cash equivalents in the balance sheet.

(c) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date.

2.5.2 Recognition and measurement

Regular purchases and sales of financial assets are recognized on the trade-date – the date on which the company commits to purchase or sell the asset. Investments are initially recognized at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognized at fair value, and transaction costs are expensed in the income statement. Financial assets are derecognized when the rights to receive cash flows from the investments have expired or have been transferred and the company has transferred substantially all risks and rewards of ownership. Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables are carried at amortized cost using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2010

2.5 Financial assets (continued)

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

Changes in the fair value of monetary securities denominated in a foreign currency and classified as available-for-sale are analyzed between translation differences resulting from changes in amortized cost of the security and other changes in the carrying amount of the security. The translation differences on monetary securities are recognized in profit or loss, while translation differences on non-monetary securities are recognized in equity. Changes in the fair value of monetary and non-monetary securities classified as available-for-sale are recognized in equity.

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

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

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the company establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models making maximum use of market inputs and relying as little as possible on entity-specific inputs.

The company assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of equity securities classified as available for sale, a significant or prolonged decline in the fair value of the security below its cost is considered as an indicator that the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognized in profit or loss – is removed from equity and recognized in the income statement. Impairment losses recognized in the income statement on equity instruments are not reversed through the income statement.

There were no financial assets categorized as fair value through profit or loss or available for sale assets at the balance sheet date.

2.5.3 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2010

2.5 Financial assets (continued)

2.5.4 Impairment of financial assets

The company assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. Impairment testing of trade receivables is described in Note 2.6.

2.6 Trade receivables

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganization, and default or delinquency in payments are considered indicators that the trade receivable is impaired.

The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognized in the income statement. 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 income statement.

2.7 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 balance sheet.

2.8 Provisions

Provisions are recognized when the company 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 recognized 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 recognized as interest expense.

2.9 Trade accounts payable

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.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2010

2.9 Trade accounts payable (continued)

Trade accounts payable are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

2.10 Borrowings

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the income statement over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

2.11 Operating leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

2.12 Capital grants

Grant income is recognized at their fair value where there is a reasonable assurance that the grant will be received and the company will comply with all attached conditions.

Capital grants relating to property, plant and equipment are included in non-current liabilities as capital grants and are credited to statement of comprehensive income on a straight-line basis over the expected useful lives of the related assets.

2.13 Revenue recognition

The company recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the company's activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved.

2.13.1 Grant income

Grants and donations are accounted for on confirmation from the donor. Grants received from the Norwegian Agency for Development Cooperation (NORAD) under the respective agreements are recognized at fair value where there is a reasonable assurance that the grant will be received and the company will comply with all attached conditions.

Grants shall be recognized as income over the periods necessary to match them with the related costs which they intend to compensate, on a systematic basis.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2010

2.13 Revenue recognition (continued)

2.13.2 Sale of services

Sale of services are recognized in the accounting period in which the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be provided.

2.13.3 Interest income

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

3. Financial risk management

3.1 Financial risk factors

The company'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 company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the company's financial performance. Risk management is carried out under policies approved by the board of directors.

(I) Market risk

(i) Foreign currency risk

In the ordinary course of business, the company enters into transactions denominated in foreign currencies. In addition the company has assets in foreign currencies which expose it to foreign exchange risk arising from various currency exposures, in particular with regard to the United States dollar and South African Rand. Foreign exchange risk arises from future commercial transactions, recognized assets and liabilities.

At 31 March 2010, if the currency had weakened/strengthened by 5% against the South African Rand with all other variables held constant, post-tax profit for the year would have been P Nil (2009: P2,163) higher /lower, mainly as a result of foreign exchange gains/losses on translation of Rand denominated bank balances .

At 31 March 2010, if the currency had weakened/strengthened by 5% against the United States Dollar with all other variables held constant, post-tax profit for the year would have been P987 (2009: P Nil) higher/ lower, mainly as a result of foreign exchange gains/losses on translation of United States Dollar denominated bank balances.

(ii) Cash flow and fair value interest rate risk

Fluctuation in interest rates impact on the value of short-term cash investment and financing activities, giving rise to interest rate risk. The cash is managed to ensure surplus funds are invested in a manner to achieve maximum returns while minimizing risk.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2010

3.1 Financial risk factors (continued)

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

At 31 March 2010, if interest rates on interest-bearing assets had been 1% higher/lower with all other variables held constant, post-tax profit for the year would have been P393 (2009: P1,142) higher/lower, mainly as result of higher/lower interest income on interest-bearing assets.

(iii) Other price risk

The company does not have significant borrowings issued at fixed rates that expose the company to fair value interest rate risk.

(II) Credit risk

Credit risk is managed on a group basis. Credit risk arises from cash and cash equivalents and deposits with banks.

The credit quality of financial assets is disclosed in note 17.2.

(III) 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 company aims to maintain flexibility in funding by keeping committed credit lines available.

The table below analyses the company's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

	Less than 1 year
31 March 2010	**P**
Trade payables	6,088
Other payables and accruals	634,612
	640,700
31 March 2009	
Trade payables	1,397
Other trade payables and accruals	483,928
	485,325

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2010

3.2 Fair value estimation

Financial instruments consist of trade receivables, bank and cash balances and other payables resulting from normal business operations. The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to the short-term nature of trade receivables. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the company for similar financial instruments.

3.3 Capital risk management

Company's objectives when managing capital are to safeguard the company's ability to continue as a going concern in order to provide returns for members and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

Consistent with others in the industry, the company monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including current and non-current borrowings, as shown in the balance sheet) less cash and cash equivalents. Total capital is calculated as equity, as shown in the balance sheet, plus net debt.

The company does not monitor capital on the basis of the gearing ratio.

4. Critical accounting estimates and judgments

The preparation of financial statements in conformity with International Financial Reporting Standards requires the use of certain critical accounting estimates and judgments concerning the future. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the process of applying the company's accounting policies, management has made the following estimates and judgments that have a significant risk of causing material adjustments to the carrying amount of assets and liabilities within next year.

(a) Income taxes

No provision for income tax has been made on the basis that Southern African Development Community Accreditation Service Limited will be granted diplomatic status and consequently the company will be exempt from income tax.

(b) Residual value and useful lives of property, plant and equipment

The company determines the estimated useful lives and related depreciation charges for its plant and equipment. This estimate is based on projections about the continued existence of a market for its products and the ability of the company to penetrate a sufficient portion of that market in order to operate profitably. The company increases the depreciation charge where the useful lives are less than previously estimated, or it will appropriately impair, technically obsolete or non-strategic assets that have been abandoned or identified for sale.

Residual values are based on current estimates of the value of these assets at the end of their useful lives.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2010

4. Critical accounting estimates and judgments (continued)

(c) Impairment loss on debtors

The company reviews its debtors to assess impairment on a continuous basis. In determining whether an impairment loss should be recorded in the income statement, the company makes judgments as to whether there is any observable data indicating that there is measurable decrease in estimated cash flows from debtors. Management uses estimates based on historical loss experience of assets. The assumptions used for estimating the amount and timing of cash flows are reviewed regularly to reduce any differences between loss estimates and actual loss experience.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2010

5. Income

	2010 P	2009 P Restated
Total grant income as previously stated	-	3,727,056
Prior year adjustment - transferred to deferred income	-	(625,993)
Prior year adjustment - transferred to capital grants	-	(878,661)
Grant income as restated	-	2,222,402
Grant income received during the year	3,075,351	-
Transferred from deferred income (Note 13)	657,236	-
Transferred to capital grants (Note 23)	(42,334)	-
Accreditation application fees	4,163	-
Initial accreditation fees	116,799	-
	3,811,215	2,222,402

6. Other income (net)

	2010 P	2009 P Restated
Capital grants amortised during the year (Note 23)	170,636	65,883
Training income	294,373	-
Training expenses	(249,098)	-
	215,911	65,883

7. Operating surplus

	2010 P	2009 P Restated
The following items have been charged in arriving at operating surplus:		
Auditors' remuneration	84,000	66,000
Depreciation	170,636	65,883
Operating lease payable - property	164,538	151,080
Project management cost	391,690	174,492
Repairs and maintenance	1,238	22,030
Staff costs	1,696,502	1,335,668
Staff costs comprise:		
Salaries	1,678,502	1,256,668
Staff training	18,000	-
Subsistence allowance and relocation costs	-	79,000
	1,696,502	1,335,668

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2010

8. Finance income /(costs)

	2010 P	2009 P
Interest income - bank deposits	**35,384**	21,303
Finance income	**35,384**	21,303
Interest expenses - bank overdraft	**(130)**	(228)
Finance costs	**(130)**	(228)
Net finance income	**35,254**	21,075

9. Income tax expense

The company has submitted an application to Government of Botswana in order to obtain diplomatic status on the basis that it is a SADC subsidiarity organization. Once the diplomatic status is granted, the company will be exempt from income tax under Section 3 of the Part (1) of the Second Schedule to the Income Tax Act. Management is confident that such status will be granted. Therefore, no provision has been made for income tax.

10. Property, plant and equipment

	Computer equipment P	Fixtures and fittings P	Office equipment P	Total P
Year ended 31 March 2009				
Additions	500,688	285,217	92,756	878,661
Depreciation	(49,603)	(14,298)	(1,982)	(65,883)
Closing net book amount	451,085	270, 919	90,774	812,778
At 31 March 2009				
Cost	500,688	285,217	92,756	878,661
Accumulated depreciation	(49,603)	(14,298)	(1,982)	(65,883)
Net book amount	451,085	270,919	90,774	812,778
Year ended 31 March 2010				
Opening net book amount	**451,085**	**270,919**	**90,774**	**812, 78**
Additions	**18,332**	**16,953**	**7,049**	**42,334**
Depreciation	**(127,464)**	**(28,663)**	**(14,509)**	**(170,636)**
Closing net book amount	**341,953**	**259,209**	**83,314**	**684,476**
At 31 March 2010				
Cost	**519,020**	**302,170**	**99,805**	**920, 995**
Accumulated depreciation	**(177,067)**	**(42,961)**	**(16,491)**	**(236, 519)**
Net book amount	**341,953**	**259,209**	**83,314**	**684, 476**

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2010

11. Trade and other receivables

	2010 P	2009 P
Trade receivables	120,962	-
Deposits	12,465	12,465
Prepayments	13,712	13,711
	147,139	26,176

The carrying amounts of receivables approximate their fair values due to their short-term nature.

Trade and other receivables are denominated in Botswana Pula.

Trade and other receivable balances do not contain impaired assets.

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

12. Cash and cash equivalents

	2010 P	2009 P
Bank balances	2,684,969	1,735,817
Cash on hand	256	1,292
	2,685,225	1,737,109

The company's cash and cash equivalents include the amounts denominated in following currencies:

	2010 P	2009 P
Botswana Pula	2,663,909	1,690,166
South African Rand	-	45,651
US Dollar	21,060	-
	2,684,969	1,735,817

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2010

13. Deferred income

	2010 P	2009 P Restated	2008 P Restated
Balance at beginning of year as previously reported	**-**	-	
Add: prior year adjustment (Note 22)	**1,242,350**	616,357	-
Balance at beginning of year as restated	**1,242,350**	616,357	-
Grants deferred during the year	**1,469,049**	625,993	616,357
Transferred to income	**(657,236)**	-	-
At end of year	**2,054,163**	1,242,350	616,357

14. Trade and other payables

	2010 P	2009 P
Trade payable	**6,088**	1,397
Other payable and accruals	**634,612**	483,928
	640,700	485,325

15. Cash generated from operations

	2010 P	2009 P Restated
Operating surplus	**66,637**	-
Adjustments for:		
- Transfer from deferred income	**(657,236)**	-
- Capital grants amortized during the year	**(170,636)**	65,883
- Depreciation on property and equipment (Note 10)	**170,636**	65,883
	(590,599)	-
Changes in working capital:		
- Trade and other receivable	**(120,963)**	(26,176)
- Grants deferred during the year	**1,469,049**	1,438,771
- Trade and other payables	**155,375**	117,978
Cash generated from operations	**912,862**	1,530,573

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2010

16. Contingent liabilities

The company has submitted an application to Government of Botswana in order to obtain diplomatic status on the basis that the company is a SADC subsidiarity organization. Once the diplomatic status is granted, the company will be exempt from income tax under Section 3 of the Part (1) of the Second Schedule to the Income Tax Act. Management is confident that such status will be granted. Therefore, no provision has been made for income tax. In the event, the appeal for the diplomatic status is rejected, the company may be liable for income tax and VAT (if the revenue from vatable supplies exceed P 500,000 per annum). Further, the employees will be liable for PAYE and according to the terms of the employment such PAYE taxes should be borne by the company. The amounts relating these respective tax liabilities as at 31 March 2010 are given below.

Income tax	**P6,641**
PAYE	**P1,751,851**

17. Analysis of financial instruments

17.1 Financial instruments by category

	2010 P	2009 P
Loans and receivables		
Trade and other receivables	**147,139**	26,176
Cash and cash equivalents	**2,685,225**	1,737,109
	2,832,364	1,763,285
Financial liabilities at amortised cost		
Trade and other payables	**640,700**	485,325
	640,700	485,325

17.2 Credit quality of financial assets

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates;

	2010 P	2009 P
Trade and other receivables excluding prepayments - Not rated	**133,427**	12,465
Cash at bank and short-term bank deposits		
First National Bank of Botswana Limited	**2,684,969**	1,690,166
First National Bank of South Africa Limited	**-**	45,651
	2,684,969	1,735,817

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2010

17.2 Credit quality of financial assets (continued)

Credit risk consists mainly of cash deposits, cash equivalents, trade receivables and other receivables. The company maintains deposits and balances only with major banks with high credit standing and limits exposure to any counter-party. The company has deposit with First National Bank of Botswana Limited. There are no credit ratings available in Botswana. First National Bank of Botswana is listed on Botswana Stock Exchange and is a subsidiary of FirstRand Limited Group of South Africa, which is listed in the Johannesburg Stock Exchange. None of the financial assets that are fully performing has been renegotiated during the year.

18. Expenses by nature

	2010 P	2009 P
Advertising, branding and marketing	**384,370**	68,682
Accreditation expenses	**99,600**	-
Auditors' remuneration	**84,000**	66,000
Consulting fees	**93,957**	-
Depreciation (Note 10)	**170,636**	65,883
International participation	**107,436**	24,189
Project management costs	**391,690**	174,492
Policies and procedures	**287,976**	-
Postage, printing and stationery	**47,061**	37,538
Rent	**164,538**	151,080
Staff costs	**1,696,502**	1,335,668
Telephone, fax and internet	**75,255**	47,491
Training costs	**249,098**	-
Travel and subsistence expenses	**169,931**	132,013
Other expenses	**187,537**	185,249
	4,209,587	2,288,285

19. Liability of the members

The company is registered as a company limited by guarantee and therefore the maximum liability of the members is limited to P200 (Two Hundred Pula) per member.

20. Commitments

(a) Capital commitments

There were no capital commitments as at the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2010

20. Commitments (continued)

(b) Operating lease commitments - where the company is the lessee

The company rents office space under cancellable operating sub lease agreements. Rent is renegotiated on an annual basis. The lease expenditure charged to the income statement during the year is disclosed in note 7.

The future minimum lease payments payable under cancellable operating leases are as follows;

	2010 P	2009 P
No later than 1 year	**180,992**	164,538

The company negotiates the lease rental on an annual basis.

21. Post balance sheet events

There were no events that occurred after the balance sheet date which require adjustments to or disclosure in these financial statements.

22. Prior year adjustment and restatement of prior year financial statement

During the year, the company changed its accounting policy to recognize grant income over the periods necessary to match them with the related costs which they intend to compensate, on a systematic basis.

Further, in prior periods, the company recognized the total grant received as income in the year of receipt. The company has revised the accounting policy in line with the IAS 20 to recognize the grants relating to capital assets received as capital grants and to release it to the statement of comprehensive income based on the depreciation charge on the relevant assets.

In accordance with the International Accounting Standard No 8; Accounting Policies, Changes in Accounting Estimates and Errors, change has been accounted for through restatement of the accumulated surplus and capital grants as at 1 April 2009. This has been accounted for retrospectively and the comparative figures have been restated accordingly.

The following adjustments have been made to the opening balances as at 1 April 2008 to reflect the change in the accounting policy.

(a) Amounts of planned expenditure not incurred for the years ended 31 March 2008 and 31 March 2009 amounting to P 616,357 and P 625,993 respectively have been transferred to deferred income.

(b) Capital grants received up to 31 March 2009, net of transfer to statement of comprehensive income amounting to P 878,661 was recognized as capital grants at 1 April 2009 and the accumulated surplus reduced by the same amount.

(c) The amortization of capital based on depreciation charge of the relevant assets amounting to P 65,883 was recognized as income for the year ended 31 March 2009.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2010

22. Prior year adjustment and restatement of prior year financial statement (continued)

Effects on the statement of comprehensive income

	Year ended 31 March 2009 P	Year ended 31 March 2008 P
Total comprehensive surplus as previously reported	1,459,846	630,892
Prior year adjustments: transferred to deferred income (Note 13)	(625,993)	(616,357)
Prior year adjustment: transferred to capital grants (Note 23)	(878,661)	-
Prior year adjustment: amortisation of capital grants (Note 6)	65,883	-
Total comprehensive surplus as restated	21,075	14, 535

Effects on the statement of financial position

	Accumulated surplus P	Deferred income P
Balance as at 1 April 2008 as previously reported	630,892	-
Prior year adjustments: transferred to deferred income in 2008	(616,357)	616,357
Balance as at 1 April 2008 as restated	14,535	616,357
Total comprehensive surplus as restated	21,075	-
Prior year adjustment: transferred to deferred income in 2009	-	625,993
Balance as at 31 March 2009 as restated	35,610	1,242,350

Effects on the grant income

	Year ended 31 March 2009 P	Year ended 31 March 2008 P
Total grant income as previously stated	3,727,056	1,067,703
Prior year adjustment: transferred to deferred income (Note 13)	(625,993)	(616,357)
Prior year adjustment: transferred to capital grants (Note 23)	(878,661)	-
Grant income as restated	2,222,402	451,346

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2010

23. Capital grants

	2010 P	2009 P Restated
Balance at beginning of year as previously reported	-	-
Add: prior year adjustment (Note 22)	812,778	878,661
Balance at beginning of year as restated	812,778	878,661
Capital grants received during the year	42,334	-
Capital grants amortized during the year	(170,636)	(65,883)
At end of year	684,476	812,778

DETAILED STATEMENT OF COMPREHENSIVE INCOME - ANNEXURE 1
for the year ended 31 March 2010

	2010 P	2009 P Restated
Income		
Grant income	**3,075,351**	2,222,402
Transferred from deferred income	**657,236**	-
Tansferred to capital grants	**(42,334)**	-
Accreditation application fees	**4,163**	-
Initial accreditation feees	**116,799**	-
	3,811,215	2,222,402
Direct expenses	**99,600**	-
Accreditation expenses	**99,600**	-
	3,711,615	2,222,402
Other income		
Capital grants amortized during the year	**170,636**	65,883
Training	**294,373**	-
Training costs	**(249,098)**	-
	215,911	65,883
Administrative expenses		
Accounting fee	**32,351**	52,714
Advertising, branding and marketing	**384,370**	68,682
Auditors' remuneration	**84,000**	66,000
Bank charges	**13,892**	7,891
Cleaning	**10,164**	4,103
Computer expenses	**10,120**	-
Consulting fees	**93,957**	-
Courier costs	-	309
Depreciation	**170,636**	65,883
Entertainment	**6,348**	-
Foreign exchange loss	**1,657**	3,752
General expenses	**1,857**	22,613
Insurance	**43,858**	8,972
International participation	**107,436**	24,189
Motor vehicle expenses	-	3,930
Network support	**53,075**	-
Project management costs	**391,690**	174,492
Policies and procedures	**287,976**	-
Postage, printing and stationery	**47,061**	37,538
Professional fee	-	58,935
Rent	**164,538**	151,080
Repairs and maintenance	**1,238**	22,030
Secretarial services	**9,017**	-
Staff costs	**1,678,502**	1,256,668
Staff training	**18,000**	-
Subsistence allowance and relocation costs	-	79,000
Telephone, fax and internet	**75,255**	47,491
Travel and subsistence expenses	**169,931**	132,013
Website maintenance	**3,960**	-
	3,860,889	2,288,285
Operating surplus	**66,637**	-

"This detailed statement of comprehensive income does not form part of the audited financial statements covered by the audit opinion on page 21".

NOTES

Southern African Development Accreditation Service (SADCAS)
Plot 50676, 1st Floor Block B
BIFM/Fairgrounds Office Park
Private Bag 00320, Gaborone, Botswana
Tel: +267 3132909/ 3132910
Mobile: +267 71250042
Fax: +267 3132922
Email: info@sadcas.org
www.sadcas.org