

2020/2021

ANNUAL REPORT

Assuring technical
competence through
accreditation





TABLE OF CONTENTS

CLICK ON PAGE NUMBER TO NAVIGATE

ACRONYMS AND ABBREVIATIONS	4
VISION, MISSION, MANDATE, COMPANY VALUES AND VALUE PROPOSITION	6
CORPORATE PROFILE	7
BOARD OF DIRECTORS	10
BOARD OF DIRECTORS' MEETINGS ATTENDANCE	11
GENERAL INFORMATION	12
ORGANIZATIONAL STRUCTURE	16
MANAGEMENT AND STAFF	18
NATIONAL ACCREDITATION FOCAL POINTS	20
CHAIRMAN'S STATEMENT	22
PERFORMANCE AT A GLANCE	23
CHIEF EXECUTIVE OFFICER'S REPORT	24
REPORT OF THE HUMAN RESOURCES AND REMUNERATION COMMITTEE	36
REPORT OF THE FINANCE, RISK AND AUDIT COMMITTEE	39
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021	43
Directors Responsibilities and Approval	44
Independent Auditor's Report	45
Statement of Financial Position as at 31 March 2021	48
Statement of Comprehensive Income	49
Statement of Changes in Equity	51
Statement of Cash Flows	52
Accounting Policies	53
Notes to Financial Statements	58

ACRONYMS AND ABBREVIATIONS

AAC	Accreditation Approvals Committee
AC	Advisory Committee
AfCFTA	African Continental Free Trade Area
AFRAC	African Accreditation Cooperation
AGM	Annual General Meeting
BP	Board Procedure
BWP	Botswana Pula
CASCO	Committee on Conformity Assessment
CBAS – MS	Management Systems Certification Bodies Accreditation Scheme
CBAS – Prod	Product Certification Bodies Accreditation Scheme
CBAS - Pers	Personnel Certification Bodies Accreditation Scheme
CEO	Chief Executive Officer
CLAS	Calibration Laboratories Accreditation Scheme
CMT	Committee of Ministers responsible for Trade/Industry
CPD	Continuous Professional Development
DRC	Democratic Republic of Congo
EMS	Environmental Management Systems
FRAC	Finance, Risk and Audit Committee
FSMS	Food Safety Management Systems
GA	General Assembly
GCP	Good Clinical Practice
GLP	Good Laboratory Practice
HR	Human Resources
HRRC	Human Resources and Remuneration Committee
IAF	International Accreditation Forum
IBAS	Inspection Bodies Accreditation Scheme
ICT	Information Communication Technology
IEC	International Electro-technical Commission
IESBA Code	International Ethics Standards Board of Accountants Code of Ethics for Professional Accountants
IFRIC	International Financial Reporting Interpretations Committee

ACRONYMS AND ABBREVIATIONS

IFRS	International Financial Reporting Standards
ILAC	International Laboratory Accreditation Cooperation
ISO	International Organization for Standardization
ISO CASCO	ISO Committee on Conformity Assessment
LMAS	Legal Metrology Accreditation Scheme
MIAS	Medical Imaging Accreditation Scheme
MLA	Multi-lateral Agreement
MLAS	Medical Laboratories Accreditation Scheme
MOU	Memorandum of Understanding
MRA	Mutual Recognition Arrangement
MV & MU	Method Validation and Measurement Uncertainty
NAFP	National Accreditation Focal Point
OHSMS	Occupational Health and Safety Management Systems
PM	Policy Manual
PR	Public Relations
PT	Proficiency Testing
QMS	Quality Management Systems
SADC	Southern African Development Community
SADCA	Southern African Development Community Cooperation in Accreditation
SADCAS	Southern African Development Community Accreditation Service
SME	Small and Medium Enterprise
SRLA	SADC Regional Laboratory Association
TBT	Technical Barriers to Trade
TLAS	Testing Laboratories Accreditation Scheme
TS	Technical Specification
VLAS	Veterinary Laboratories Accreditation Scheme
WAD	World Accreditation Day
WHO	World Health Organization



SADCAS VISION

SADCAS vision is to be a sustainable accreditation body at the cutting edge of credible accreditation service delivery.



SADCAS MISSION

SADCAS mission is to provide credible, cost effective, accreditation services for SADC Member States aimed at supporting 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

SADCAS draws its mandate from Article 15 B of the Technical Barriers to Trade (TBT) Annex to the Southern African Development Community (SADC) Protocol on Trade. The SADC Accreditation Service (SADCAS) is recognized by the SADC Council of Ministers as a subsidiarity institution of SADC. The relationship between SADCAS and SADC is formalized through a Memorandum of Understanding (MOU) on general cooperation. The objects, powers and rules for the operation of SADCAS are set out in the Constitution of SADCAS Ltd lodged with the Registrar of Companies, Botswana.

SADCAS COMPANY VALUES

SADCAS in its service provision upholds the following seven (7) core values:

Excellence	We strive for excellence in service delivery.
Impartiality	We are organized and operate so as to safeguard objectivity and impartiality of our services.
Transparency	We are dedicated to provide complete transparency in our work by communicating effectively with our clients.
Non-discrimination	We treat our clients fairly and in an equitable manner.
Integrity	We act with honesty and integrity.
Innovation	We generate new ideas and utilize creative approaches to problems for continuous improvement.
Diversity	We respect the diversity of our clients and ensure balance of interest in representation.

SADCAS VALUE PROPOSITION

- DELIVERING CONFIDENCE
- ASSURING COMPETENCY

CORPORATE PROFILE

The Southern African Development Community Accreditation Services (SADCAS) is a multi-economy accreditation body established in terms of Article 15 B of the Technical Barriers to Trade (TBT) Annex to the SADC Protocol on Trade with the primary purpose of ensuring that conformity assessment service providers operating in those SADC Member States which do not have national accreditation bodies are subject to an oversight by an authoritative body. SADCAS services the accreditation needs of 14 countries namely: Angola; Botswana; Comoros; Democratic Republic of Congo (DRC); Eswatini; Lesotho; Madagascar; Malawi; Mozambique; Namibia; Seychelles; Tanzania; Zambia; and Zimbabwe. By assuring technical competency through accreditation, SADCAS plays a key role towards the achievement of SADC goals in industrial development, infrastructural development, trade facilitation and in the protection of health, safety and the environment.

SADCAS is registered as a not for profit company limited by guarantee under the Botswana Companies Act, 2003 (Act No. 32 of 2004). SADCAS is a subsidiarity institution of SADC. The relationship between SADCAS and SADC is formalized through a Memorandum of Understanding (MOU) on General Cooperation. SADCAS Headquarters are situated at Gaborone, Botswana.

Governance

SADCAS is governed by a General Assembly (GA) which comprises of:

- Subscribers to the Memorandum and Articles of Association;
- Members of the Board of Directors;
- 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** is responsible for the overall management of the accreditation process. The **Corporate Services Unit** provides support services to internal and external business interests and is responsible for Information Communication Technology (ICT), marketing and public relations, business development and administration of training services. The **Finance and Administration Unit** is responsible for financial management, human resources management and general administration of the company.

In order to achieve its mandate and in line with international best practice, accreditation assessments are undertaken, on behalf of SADCAS, by a pool of registered assessors who make recommendations for accreditation decision by the SADCAS Accreditation Approvals Committee (AAC). Advisory Committees (AC) advise SADCAS on technical matters.

National Accreditation Focal Points (NAFPs) established in SADC Member States using the services of SADCAS serve as the administrative link between SADCAS and clients/potential clients in Member States and are mainly responsible for promoting accreditation and marketing SADCAS service offering in their respective countries. SADCAS is a lean organization staffed by a team of highly qualified and experienced personnel.

SADCAS SERVICES

SADCAS Services

SADCAS provides accreditation services and training in accreditation associated activities.



ACCREDITATION SERVICES

SADCAS offers accreditation schemes for:

- Calibration laboratories in accordance with ISO/IEC 17025 (CLAS);
- Testing laboratories in accordance with ISO/IEC 17025 (TLAS);
- Veterinary laboratories in accordance with ISO/IEC 17025 (VLAS);
- Legal Metrology in accordance with ISO/IEC 17025 (LMAS);
- Medical laboratories in accordance with ISO 15189 (MLAS);
- Management systems certification bodies in accordance with ISO/IEC 17021-1 (CBAS-MS);
- Inspection bodies in accordance with ISO/IEC 17020 (IBAS);
- Product certification bodies in accordance with ISO/IEC 17065 (CBAS - Prod); and
- Personnel certification bodies in accordance with ISO/IEC 17024 (CBAS-Pers).

SADCAS will broaden its scope of accreditation as needs arise.

SADCAS is signatory to the African Accreditation Cooperation (AFRAC) and the International Laboratory Accreditation (ILAC) Mutual Recognition Arrangements (MRA) for the testing and calibration laboratories accreditation schemes in accordance with ISO/IEC 17025 achieved in November 2015, and medical testing in accordance with ISO 15189 and inspection in accordance with ISO/IEC 17020 achieved in October 2017. SADCAS is also signatory to the AFRAC MRA and the International Accreditation Forum's Multi-Lateral Arrangement (IAF MLA) under the Main scope Management Systems Sub-scopes:

- Quality Management Systems ISO/IEC 17021-3 (ISO 9001) achieved on 9 November 2019.
- Environmental Management Systems ISO/IEC 17021-2 (ISO 14001) achieved on 19 June 2020.
- Occupational Health and Safety Management Systems ISO/IEC TS 17021-10 (ISO 45001) achieved on 19 June 2020.
- Food Safety Management Systems ISO/TS 22003 (ISO 22000) achieved October 2021.

Hence the accreditation certificates issued by SADCAS for testing/calibration/medical laboratories, inspection bodies and management systems certification bodies' accreditation schemes are internationally recognized.



TRAINING SERVICES

SADCAS offers training on accreditation related courses. Training can be conducted in-house or as open courses and can be face to face or online.

SADCAS offers the following training courses:

- One - day awareness on the various key accreditation standards. The objective of the one-day awareness training courses is to create awareness on the benefits and importance of accreditation and the requirements of the respective accreditation standards.
- Five - day requirements, implementation and internal auditing on the key accreditation standards whose objective is to provide an insight into the respective system standards requirements, implementation as well as to guide conformity assessment bodies' personnel on how to prepare and carry out an internal audit so as to monitor compliance with the system standard.
- Three - day requirements and implementation of the key accreditation standards whose objective is to provide an insight into the respective system standards requirements and implementation thereof.
- Three - day internal auditing courses whose objective is to impart internal auditing knowledge and skills so that conformity assessment bodies are able to monitor compliance with the respective key accreditation standards.
- Five - day Method Validation and Measurement Uncertainty covers statistical fundamentals and advanced concepts of statistical techniques that are used in both method validation/verification and in calculating measurement uncertainty of test results.

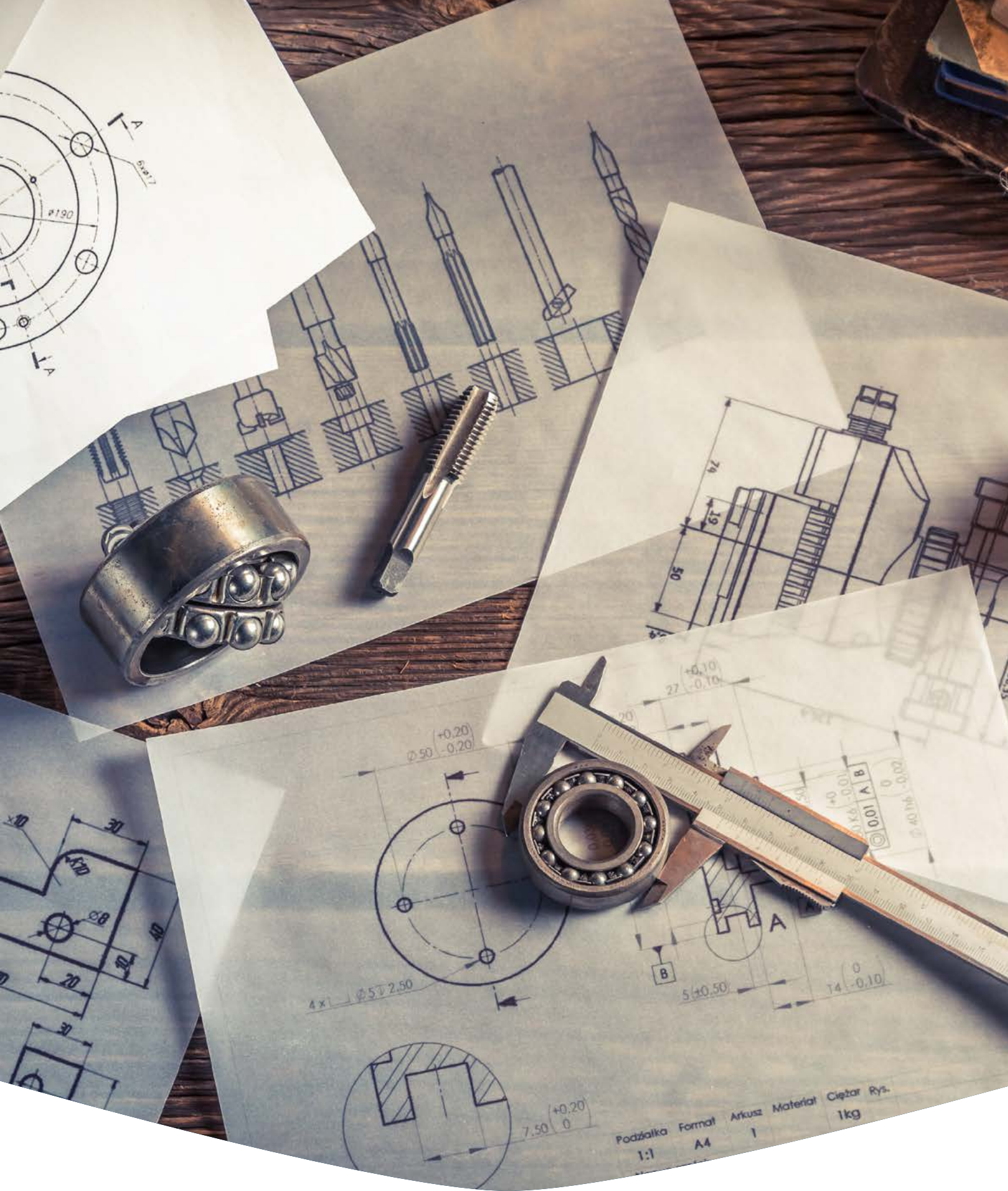
Besides the above courses, SADCAS can also offer other accreditation related courses depending on needs. The training courses are conducted on behalf of SADCAS by a pool of qualified and registered trainers who have hands on and up to date experience on accreditation matters. The training courses are designed to create awareness on the benefits and importance of accreditation and to promote an understanding of the requirements of the key accreditation standards. In order not to compromise its impartiality principles and status in training service delivery, SADCAS does not give specific advice for the development of an organization's operations. Furthermore, the training delivered or facilitated by SADCAS are not a pre-condition of accreditation neither do they guarantee accreditation by SADCAS.



SADCAS REGIONAL AND INTERNATIONAL CONNECTIONS

SADCAS is

- A full member of the International Laboratory Accreditation Cooperation (ILAC).
- A signatory member of the International Accreditation Forum (IAF).
- An arrangement member of the African Accreditation Cooperation (AFRAC).
- An arrangement member of SADC Cooperation in Accreditation (SADCA).





BOARD OF DIRECTORS

From left to right

1

**Mrs Maureen
Primrose Mutasa**
Chief Executive Officer

2

**Mr Emmanuel
Jinda**
Member

3

**Ms Verily
Kearoma Molatedi**
Vice Chairman

4

**Mr Steven
Bruce Sidney**
Chairman

5

**Mr Davlin Moyenda
Damaziel Chokazinga**
Member

6

**Dr Lineo Lomkhosi
Mkhonta-Gama**
Member

7

**Mr Alfredo
Filipe Siteo**
Member

8

**Mrs Mmatlala
Dube**
Member

BOARD OF DIRECTORS' MEETINGS ATTENDANCE

During the 2020/21 financial year, the SADCAS Board of Directors held five meetings. The records of attendance to these meetings are shown in Table 1.

Table 1 – Record of Attendance to Board Meetings Held during the 2020/21 Financial Year

Name	Status	Meeting Dates				
		2020-05-14	2020-09-03	2020-11-19	2021-02-18	2021-03-17
Mr Steven Bruce Sidney Chairman	Non-Executive Director	✓	✓	✓	✓	✓
Ms Verily Kearoma Molatedi Vice Chairman	Non-Executive Director	✓	✓	✓	✓	✓
Mr Emmanuel Jinda	Non-Executive Director	✓	✓	✓	✓	✓
Mr Alfredo Filipe Siteo	Non-Executive Director	✓	✓	✓	✓	✓
Mr Davlin Moyenda Damaziel Chokazinga	Non-Executive Director	✓	✓	✓	✓	✓
Mrs Mmatlala Dube	Non-Executive Director	✓	✓	✓	✓	✓
Dr Lomkhosi Lineo Mkhonta - Gama	Non-Executive Director	✓	✓	✓	Apology	✓
Mrs Maureen Primrose Mutasa	Executive Director	✓	✓	✓	✓	✓

The overall attendance for Board meetings held during the year was 98%.

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

BancABC

ABC House
Plot 62433
Fairgrounds Office Park
Private Bag 00303
Gaborone

Tel: +267 367 4300

Fax: +267 390 1583

Auditors

Baker Tilly Certified Auditors
Plot 205 Independence Avenue, Main Mall
Gaborone, Botswana

Tel: +267 391 6650/391 6659

Company Secretary

UPT Secretarial Services (Proprietary) Limited
Plot 465, Mathangwane Road
Extension 4
P O Box 46699, Village
Gaborone, Botswana

Tel: +267 390 2274

Fax: 267 395 3753

SADCAS Registration Number

UIN BW00000969150

SADCAS Registered Office

Plot 50369 Unit 3A, Second Floor, Tholo Office Park
Fairgrounds
Gaborone
P O Box 00320
Gaborone, Botswana

Tel: +267 313 2909/ 313 2910/318 8644/318 8646

Fax: +267 313 2922

Mobile: +267 7125 0042

Email: info@sadcas.org

Website: www.sadcas.org

NATIONAL ACCREDITATION FOCAL POINTS OFFICES

ANGOLA

Mr Joaquim Jose Pequeno

Ministerio de Industria
Angolan Institute of Accreditation (IAAC)
Rua Cerqueira Lukoki
No 25, 7° Andar
P.O Box 3709 / 594
Luanda, Angola

Tel: + 244 222 711 414

Mobile: +244 936 756 374

Fax: + 244 222 396 745

Email: kimpeq2000@gmail.com

BOTSWANA

Mr Edward Mmatli

Ministry of Investment, Trade and Industry
Department of Industrial Affairs
Plot 54380 Central Business District
P/Bag 0014
Gaborone, Botswana

Tel: +267 395 7406

Mobile: +267 71583465

Fax: +267 397 2910

Email: eemmatli@gov.bw | edmmatli@gmail.com

GENERAL INFORMATION

COMOROS

Mr Boinali Mohamed

Ministère de l'Economie, des Investissements, de l'Energie, chargé de l'Intégration Economique, du Tourisme et de l'Artisanat
Direction Générale de l'Industrie
Moroni Grand Comores

Tel: + 269 7738705

Mobile: + 269 3350974

Email: boinamed@hotmail.com

DEMOCRATIC REPUBLIC OF CONGO

Mrs Apauline Matata Feza

Office Congolais de Contrôle
70, Avenue Moero
Lubumbashi, Haut Katanga
Democratic Republic of Congo

Mobile: + 243 82 202 8345

Email: matatafezap@yahoo.fr

ESWATINI

Mrs Sybil Sthembiso Dlamini

Ministry of Commerce, Industry and Trade
Regulatory & Quality Infrastructure
Development Department
Gwamile Street, Deputy Prime Ministers
P O Box 451
Mbabane, Eswatini

Tel: +268 2404 7509

Mobile: +268 7611 7929

Fax: +268 2404 4711/+268 2404 3055

Email: sybilsthembis02000@gmail.com

LESOTHO

Mr Motjoka Azael Makara

Ministry of Trade and Industry
3rd Floor, Ministry of Trade House, Phase II
LNDC Block, Kingsway Road
P O Box 747
Maseru 100, Lesotho

Tel: +266 223 22113

Mobile: +266 590 93332

Fax: +266 223 10326

Email: azaelmakaram@yahoo.co.uk

MADAGASCAR

Mr Séraphin Andrianantarivo Razafimahafaly A

Bureau de Normes de Madagascar
6, bis Rue Rainandriamampandry
Antananarivo 101, Madagascar
BP 1316 Antananarivo 101

Tel: +261 22 279 70

Mobile: +261 32 02 205 00/34 02 205 00

Email: seraphin@bnm.mg

seraphin.razafimahafaly@gmail.com

nafp.madagascar@gmail.com

MALAWI

Mr Masautso Ngamwane

Malawi Bureau of Standards
Malawi Bureau of Standards Moirs Road, Kristwick
P O Box 946
Blantyre, Malawi

Tel: +265 1 870 488 **Fax:** +265 1 870 756

Mobile: +265 888 523 987 / 993 194 257

Email: masangamwane@mbsmw.org

GENERAL INFORMATION

MOZAMBIQUE

Mrs Guihermina Nhampulo

National Institute of Standardization and Quality (INNOQ)
Av. Moçambique, Parcela 7168/D1/7|Bairro do Zimpeto
P O Box 2983
Maputo, Mozambique
Tel: +258 21 344600
Mobile: +258 82 4649260
Fax: +258 21 304206
Email: gnhampulo@gmail.com

NAMIBIA

Mr Peter Toivo Munyandi

Ministry of Industrialization, Trade & SME Development
C/O Dr Kenneth Kaunda and Goethe Street
Private Bag 13340
Windhoek, Namibia
Tel: +264 61 283 7111
Mobile: +264 81 4330935
Fax: +264 61 259 676
Email: munyandi@mti.gov.na

SEYCHELLES

Dr Sreekala Nair

Seychelles Bureau of Standards
Providence Industrial Estate
P O Box 953
Victoria, Mahe, Seychelles
Tel: +248 4380400/ +248 4380407
Mobile: +248 2527153
Fax: +248 4373 826
Email: mltc-sbs@email.sc

TANZANIA

Ms Stella Emmanuel Mrosso

Tanzania Bureau of Standards
P O Box 9524
Dar es Salaam, Tanzania
Tel: +255 222 450 206/ +255 756 590 360
Fax: +255 222 450 959
Email: smrossocoll@yahoo.com
stella.mrosso@tbstz.org

ZAMBIA

Mr Hans Yamba

Ministry of Commerce, Trade and Industry
10th Floor, New Government Complex
Nasser Road, Kamwala
P O Box 31968
Lusaka, Zambia
Tel: +260 211 226 954
Mobile: +260 976 240 313 / 954 042558
969 993895
Fax: +260 211 226 954
Email: hansyamba@yahoo.co.uk
hansyamba@gmail.com
Hans.Yamba@mcti.gov.zm

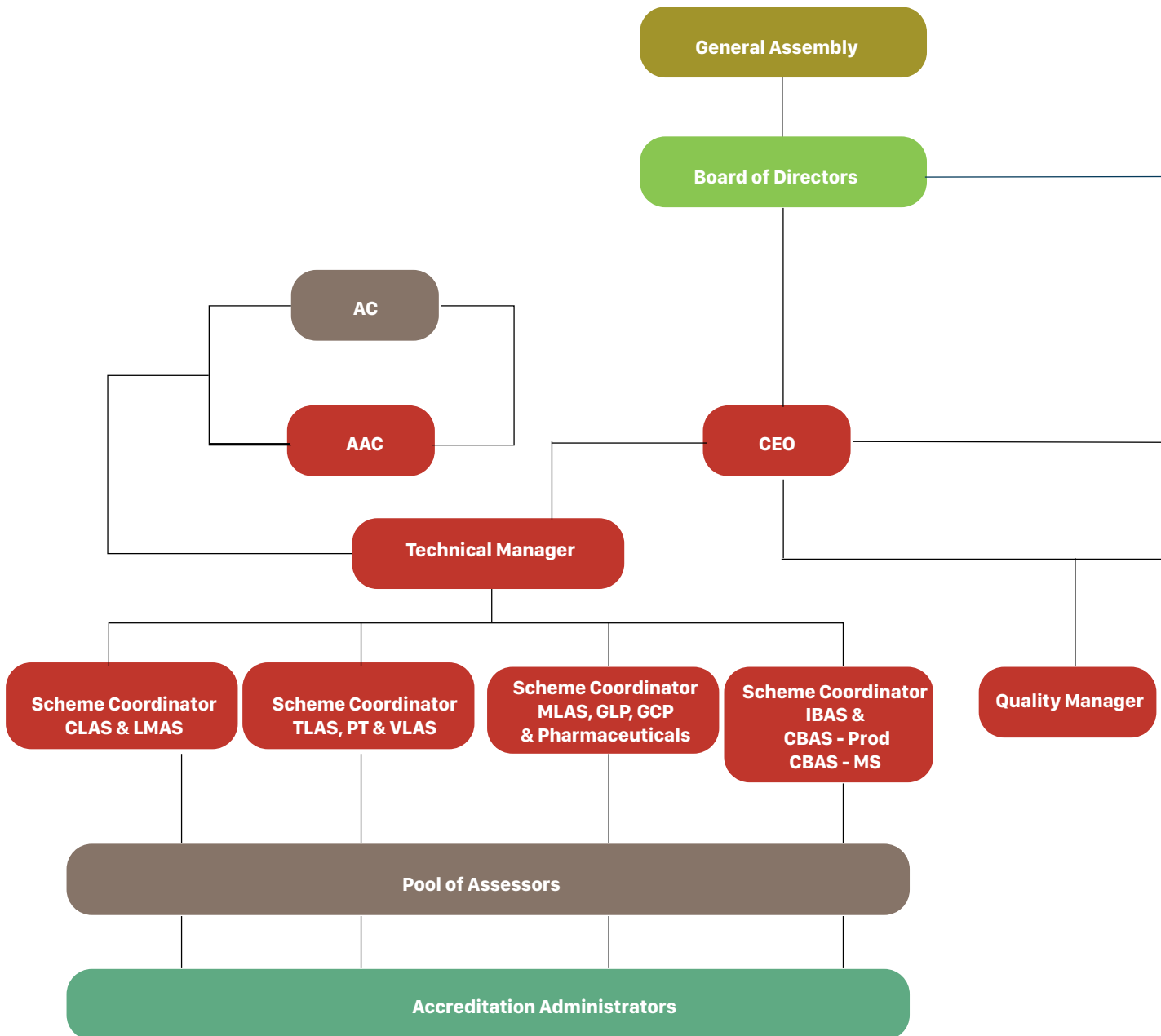
ZIMBABWE

Ms Riyana Chibanda

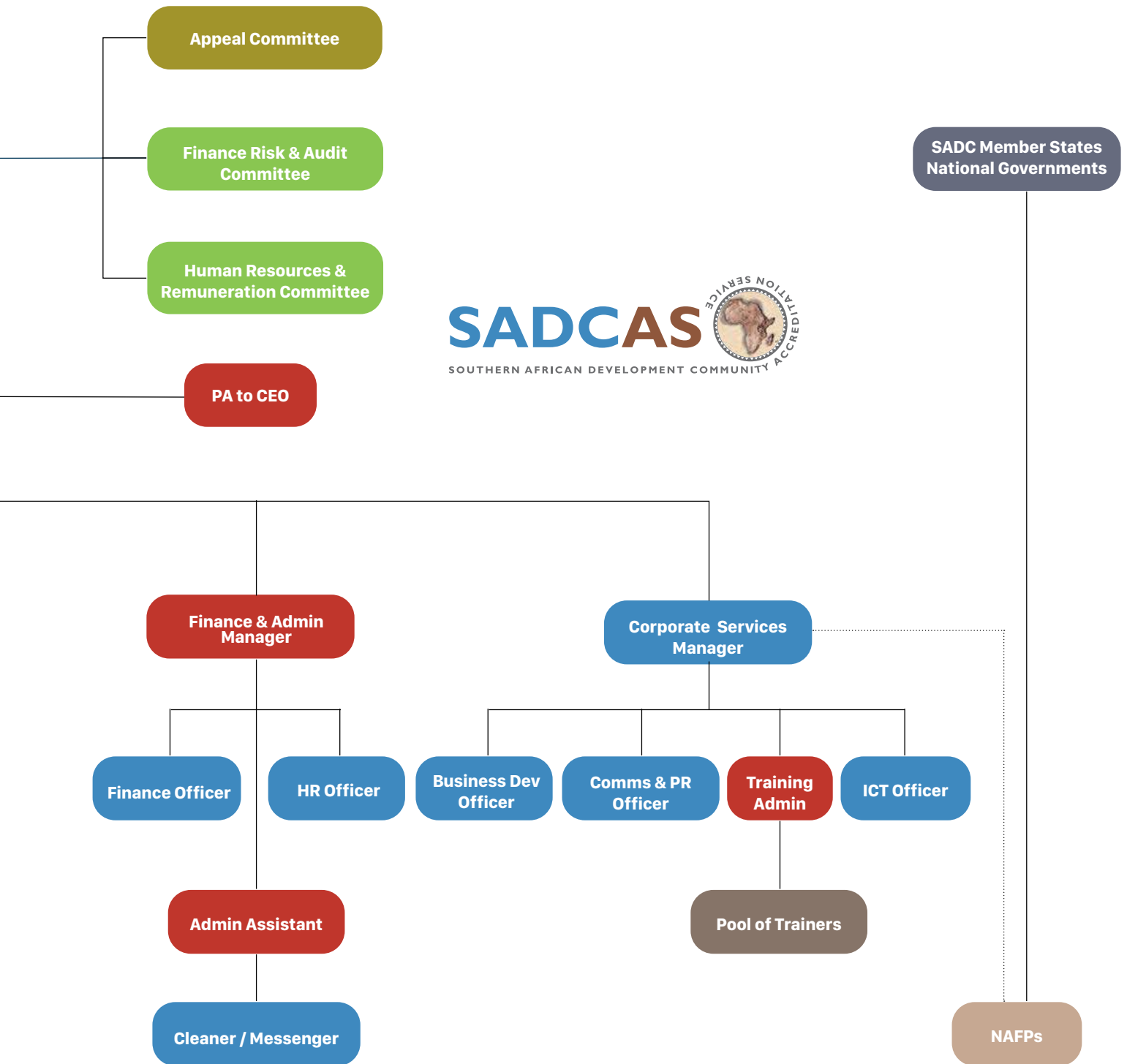
Ministry of Industry and International Trade
Mukwati Building
Corner Livingstone Ave/Fourth Street
P Bag 7708, Causeway
Harare, Zimbabwe
Tel: +263 4 702 733
Mobile: +263 774 648 850
Fax: +263 4 793 461
Email: rchibanda2011@gmail.com



ORGANIZATIONAL STRUCTURE



ORGANIZATIONAL STRUCTURE



MANAGEMENT AND STAFF



Mrs Tsitsi Mazibuko

Accreditation Administrator

Ms Tsholofelo Segomotso Kobe

Administrative Assistant

Mr Victor Mundembe

Scheme Coordinator
CLAS, IBAS, LMAS,
CBAS-MS and
CBAS-Prod

Mrs Pinkie Malebe

Technical Manager

Mrs Laureen Rutendo Gudo

Finance and Administration Manager

Mr Otladisa Lechina

Intern Accreditation Administrator

Mr Xavier Mugari

Quality Manager

Mrs Eva Muronda

Scheme Coordinator
MLAS, GLP, GCP and
Pharmaceuticals

Mrs Maureen Primrose Mutasa

Chief Executive Officer

Mr Mogae Molaoa

Training Administrator

Mrs Varsah Gungoa

Scheme Coordinator
TLAS, PT and VLAS

Mrs Matshidiso Ramosweu

Accreditation Administrator



NATIONAL ACCREDITATION FOCAL POINTS



**Mr Joaquim
Jose Pequeno**
NAFP-Angola



**Mr Edward
Mmatli**
NAFP-Botswana



**Mr Boinali
Mohamed**
NAFP-Comoros



**Mrs Apauline
Matata Feza**
Democratic
Republic of Congo



**Mrs Sybil Sthembiso
Dlamini**
NAFP- Eswatini



**Mr Azael Motjoka
Makara**
NAFP-Lesotho



**Mr Séraphin
Andrianantarivo
Razafimahafaly**
NAFP-Madagascar



**Mr Masautso
Ngamwane**
NAFP-Malawi



**Mrs Guilhermina
Nhampulo**
NAFP-Mozambique



**Mr Peter Toivo
Munyandi**
NAFP-Namibia



**Dr Sreekala
Nair**
NAFP-Seychelles



**Ms Stella
Mrosso**
NAFP-Tanzania



**Mr Hans
Yamba**
NAFP-Zambia



**Ms Riyana
Chibanda**
NAFP-Zimbabwe





CHAIRMAN'S STATEMENT

Mr Steven Bruce Sidney
Chair SADCAS Board of Directors

Following the pronouncement by the World Health Organization (WHO) of COVID-19 as a global pandemic in March 2020, the year beginning 1 April 2020 to 31 March 2021 marked the beginning of a challenging financial year not only for SADCAS, but the whole world. Due to this outbreak and subsequent travel restrictions established by national governments in the SADC Member States serviced by SADCAS, service provision (accreditation and training) was adversely impacted in many different ways and so was financial performance. In response to the lockdowns and in an effort to ensure business continuity during the pandemic, SADCAS introduced and adopted remote assessment technique as well as online training. I am therefore pleased to report that despite the challenges of the operating environment, SADCAS prevailed and posted what I believe are very good results under the circumstances.

Through the use of remote assessment technique, SADCAS' business continues to grow in terms of field and scope of accreditation and sectorial coverage, albeit at a slower rate mainly due to the COVID-19 pandemic. Operating income on the other hand shrunk by 20% mainly because of training income which was 73% below target. Accreditation services constituted 94% of the operating income with the rest being income from training services. In June 2020, SADCAS extended its international recognition in the International Accreditation Forum Multilateral Recognition Arrangement (IAF MLA) to the sub-scopes Environmental Management Systems EMS) and Occupational Health and Safety Management Systems under the Main Scope Management Systems Certification (ISO/IEC 17021-1). With funding from Afreximbank, SADCAS continues to work towards international recognition of its product certification scheme as well as Food Safety Management Systems (FSMS) certification, the latter of which was subsequently achieved in October 2021. Despite the pandemic, efforts in developing new accreditation areas such as medical imaging and legal metrology continued. The pool of assessors continued to grow as a few trainee assessors were mentored during remote assessments.

Regarding the governance of SADCAS, I am delighted to report that the Constitution which was approved at the 15th AGM held in March 2020, was subsequently registered on 16 April 2020. The SADCAS Board of Directors held five (5) meetings in May, September and November 2020, and February and March 2021. During the meetings the Board considered and approved the various operational plans; audited financial statements for the year ended 31 March 2020; and the revised Staff Conditions of Service. During the Board meetings, the Chief Executive Officer (CEO) reported on the activities of SADCAS thus enabling the Board to monitor progress on the implementation of the 2020/21 annual implementation and activity plans, which helped focus Board discussions on pertinent and strategic issues. In particular, the Board discussed measures to ensure business continuity under the COVID-19 pandemic which necessitated a revision of the 2020/21

budget, and the associated annual implementation and activity plans, and risk profiles. Subsequent to its revision, the budget was also reviewed at every Board meeting. The Board continued to monitor implementation of the ISO/IEC 17025:2017 transition policy of which 98% of the laboratories that were accredited to the 2005 version of the standard managed to transition within the extended deadline. The Board also held a strategic planning session on 20 August 2020 to review the SADCAS financial model and to discuss measures to improve Government contributions' inflows. The Board Committees namely the Finance, Risk and Audit Committee (FRAC); and the Human Resources and Remuneration Committee (HRRC) each met four times to discuss matters relating to their scopes with the HRRC focused on the revision of the SADCAS Staff Conditions of Service which were approved by the Board following a thorough consideration of the financial impact of the proposed changes. The revised Staff Conditions of Service became effective from 1 April 2021. As no appeals were received on accreditation decisions, the Board did not have the need to constitute an Appeal Committee.

On Board membership, Ms Verily Molatedi who was initially appointed to serve on the Board in 2009 and provided expertise on financial matters and chaired the FRAC, retired from the SADCAS Board at the 16th Annual General Meeting held on 17 March 2021. All the other Board members were elected to serve on the Board under the new Constitution.

The COVID-19 pandemic has persisted for much longer than originally anticipated with the region at the tail end of the 3rd wave. The region now faces the threat of a 4th wave anticipated in November 2021. With this threat and coupled to the slow vaccination programmes in most of the countries serviced by SADCAS it would be amiss not to anticipate difficult times ahead. Despite these challenges we recognize that SADCAS has a lot of work to do. Although we have leveraged on our technical capabilities through remote assessments and online training, we must strengthen our capacity for business continuity under the current operating environment. The dynamism and responsiveness demonstrated by the SADCAS Management, staff and assessors in such a challenging operating environment is encouraging and gives us hope of prevailing during these difficult times.

I have no doubt that SADCAS will continue to make good progress in service delivery and eagerly look forward to the future.

Steven Bruce Sidney
Chairman SADCAS Board of Directors

PERFORMANCE AT A GLANCE

FINANCIAL HIGHLIGHTS

	2020/21 (BWP MILLION)	2019/20 (BWP MILLION)
Total income	15.6	18.9
Operating Income	10.5	13.1
Accreditation	9.9	11.3
Training	0.6	1.8
Government funding	5.0	5.2
Other Income	0.1	0.6
Total expenses	15.8	18.9
Cost of Sales	2.3	6.2
Accreditation	2.1	5.1
Training	0.2	1.1
Operating expenses	13.1	12.7
Government Dependency	33%	29%

STRATEGIC PREMIUM HIGHLIGHTS

ACCREDITATION APPLICATIONS 50 new accreditation applications invoiced 20 re-assessment applications received and handled	ASSESSMENTS UNDERTAKEN A total of 153 assessments undertaken as follows: 30 Initial assessments 20 Re-assessment 99 Periodic assessments 4 other assessments	ACCREDITATIONS 30 new facilities accredited 5 scope extensions outside those already accredited 13 renewals of accreditation 8 scope extension within same scope 2 accreditations withdrawn By 31 March 2021 SADCAS had issued 197 accreditation certificates to 162 accredited facilities in 13 SADC Member States and 2 non-SADC countries Ghana and Cote d'Ivoire
TRAINING 6 training courses held 102 delegates trained	ASSESSORS/ TECHNICAL EXPERTS 11 assessors mentored 13 assessors monitored 5 Assessors registered 8 Technical Experts registered	ACCREDITATION APPROVALS COMMITTEE (AAC) MEMBERS 4 staff mentored 2 AAC members monitored
STAFF RECRUITED 2 Accreditation Administrators recruited	WEBSITE 25,791 users/visitors 36,573 sessions/visits	CUSTOMER SATISFACTION 98% rated SADCAS overall accreditation services from good to excellent with 83% rating from very good to excellent

BUSINESS HIGHLIGHTS

Introduced remote technique in assessments initially for periodic assessments and then later for initial assessments and re-assessments



LAUNCHED ONLINE TRAINING



↑19%

GROWTH IN NEW ACCREDITATIONS

OPERATIONAL INCOME

SHRUNK BY

↓20%

OVER 2019/20 FIGURES

DUE TO COVID-19 PANDEMIC

EXTENDED SCOPE OF SERVICES TO COVID-19 TESTING



EXTENDED SIGNATORY STATUS IN IAF MLA TO SUB-SCOPES

- > EMS
- > OHSMS



CHIEF EXECUTIVE OFFICER'S REPORT

Mrs Maureen Primrose Mutasa
 Chief Executive Officer

April 2020 marked the beginning of the 4th year of the SADCAS strategic period 2017 to 2022 a time when the WHO had just pronounced COVID-19 as a global pandemic. The region has not been spared at all by the pandemic which has persisted for much longer than originally anticipated impacting on the economies, society at large and changing the way we work and the way we live. Due to this outbreak and subsequent travel restrictions established by national governments in the SADC Member States serviced by SADCAS, service provision was adversely impacted in many different ways including financial performance. In response to the lockdowns and in an effort to ensure business continuity during the pandemic, SADCAS introduced and adopted remote assessment technique as well as online training and staff had to work remotely from home.

This report covers the period 1 April 2020 up to 31 March 2021 and summarizes the achievements in each of the eight (8) key result areas agreed for the 2020/21 financial year namely:

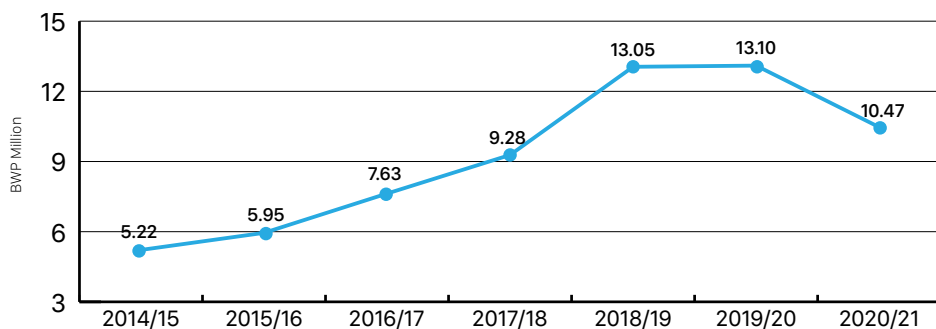
- Ensure sustainability of SADCAS beyond 2017
- Continue to promote the benefits and value of accreditation, the international arrangements and market SADCAS services and at the same time promoting an understanding of the SADCAS fee structure.
- Ensure continued credibility of SADCAS services.
- Improve cost effectiveness of processes and enhance service delivery.
- Prioritize and develop new accreditation schemes based on current demand and anticipated demand.
- Maintain international recognition for the TLAS, VLAS, CLAS, MLAS, IBAS, LMAS and CBAS-MS. Extend scope of international recognition under CBAS-MS and work towards international recognition of all the CBAS -Prod.

- Develop, recruit and retain our most important asset the intellectual capital, skills, knowledge and expertise of staff, assessors and trainers so as to deliver world class accreditation services.
- Continue to strengthen the effectiveness of National Accreditation Focal Points (NAFPs).

Ensure sustainability of SADCAS beyond 2017

Total income for the year ended 31 March 2021 was BWP 15,6 million comprising of operating income of BWP 10.5 million, government contributions amounting to BWP 5 million including funds received in previous periods transferred from capital grant and other income amounting to BWP 0.08 million which includes interest (BWP 0.016 million, bad debts recovered and disposal of fixed assets BWP 0.065 million). Income from accreditation services of BWP 9.9 million constituted 94% of operating income whilst training income of BWP 0.6 million constituted 6%. Total expenses for the financial year under review were BWP 15.8 million with cost of sales being BWP 2.3 million i.e. 15%, operating expenses BWP 13.1 million (83%) and the rest being foreign currency exchange losses. Operating income shrunk by 20% over the 2019/20 financial year due to the delays in EDF 11 project on building capacity of laboratories from the key developmental sectors and delayed introduction of remote assessment technique at Initial assessment stage whilst SADCAS was closely monitoring developments at international level and acceptability of the said technique. Albeit the shrinkage in the operational income, SADCAS business continues to grow steadily in numbers and also in terms of field and scope of accreditation, and geographical and sector coverage. Government dependency increased to 33% due to the shrinkage in operating income. Refer to Figures 1, 2, 3 and 4

Figure 1 - Trends in Operating Income over the Past 7 Years



CHIEF EXECUTIVE OFFICER'S REPORT

Figure 2 - Trends in Operating income over the Past 7 Years

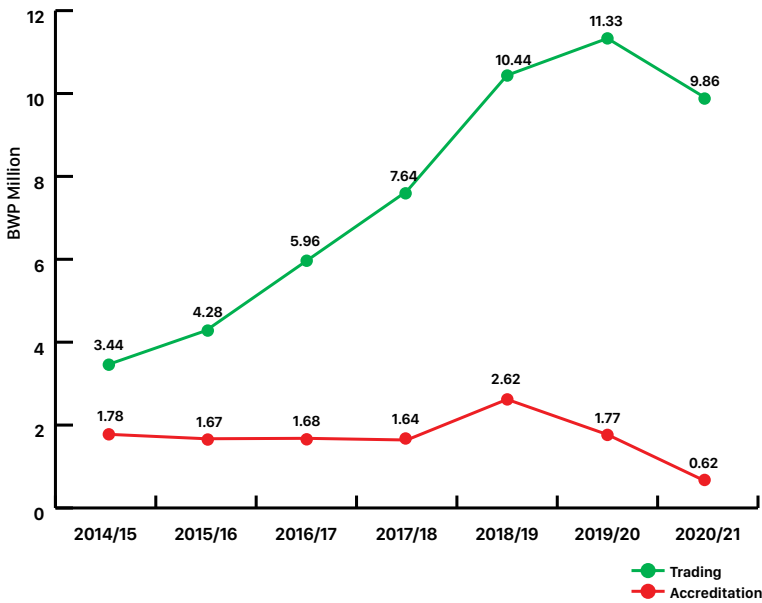


Figure 3 - Breakdown of Operational Income for the Financial Year 2020/21

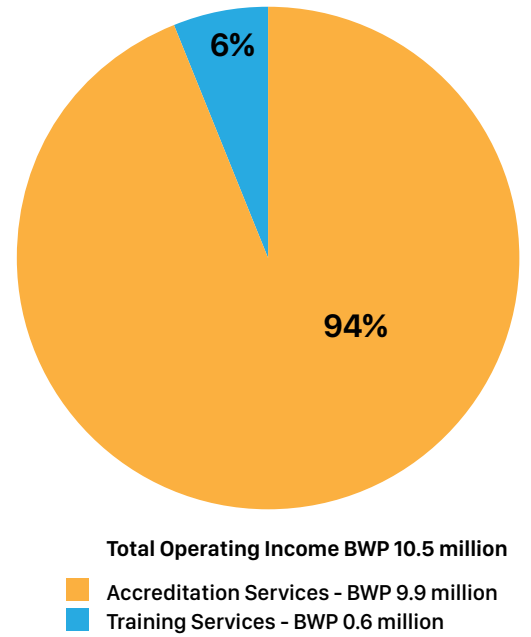
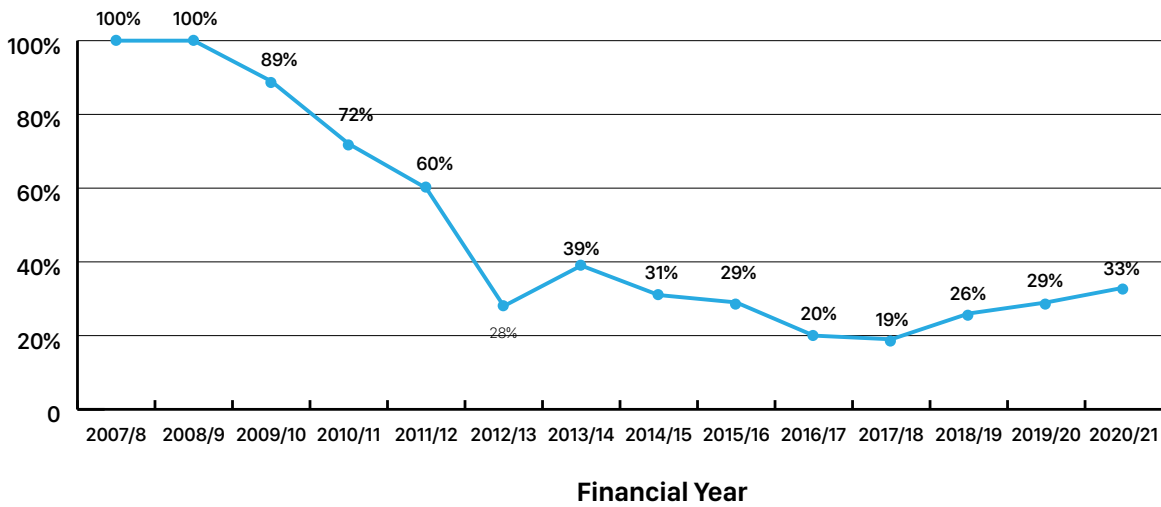


Figure 4 - Government /Donor Dependency



CHIEF EXECUTIVE OFFICER'S REPORT

Continue to Promote the Benefits of Accreditation and the International Arrangements and Market SADCAS Services

SADCAS' thrust continued to be on promoting the benefits and importance of accreditation and marketing SADCAS' services. Activities were however rather limited due to the COVID-19 pandemic with a number of activities being deferred to the 2021/22 financial year.

- 68 targeted marketing visits were undertaken in the SADC Member States serviced by SADCAS.
- 47 presentations were made to stakeholders at national, regional and international meetings/workshops/seminars by SADCAS and NAFPS.
- Three (3) editions of the Pioneer i.e. March, July and November 2020 and the 12th SADCAS 2019/20 annual report were published and distributed through the NAFPS network.
- By 31 March 2021 nine (9) promotional flags had been issued to accredited facilities.
- All revised promotional materials were translated into French and Portuguese, designed, produced and uploaded on website.
- A total of 23 articles and 27 announcements on the accredited facilities, published accreditation documents as well as developments in SADCAS and accreditation regionally,

continentally and internationally were uploaded on the SADCAS website.

- The SADCAS website was maintained throughout the period of review with new articles being posted under latest news, announcements flashed on the home page and the directory of accredited facilities being updated to include newly accredited facilities and revised certificates and schedules of accreditation. Website visitation statistics continue to increase with total number of users/visitors being 25,791 and total number of sessions/visits being 36,573 i.e. 63% and 55% over the previous financial year statistics. Refer to Figure 5.
- The theme for 2020 World Accreditation Day (WAD) was **"Accreditation: Improving Food Safety"** and celebrations in the region were held amidst the 1st wave of the COVID-19 pandemic. Activities ranged from circulation of press releases in the various national media, circulation of posting of WAD video on social media, television interviews to high level visit to an accredited laboratory.

SADCAS efforts in promoting accreditation and continue to bear fruit as the numbers of enquiries handled, applications under process and accreditations continued to grow despite the pandemic. A total of 118 enquiries were handled during the period under review of which NAFPS handled 25 [Botswana (2); DRC (5); Eswatini (8); Malawi (5); Seychelles (4) and Zimbabwe (1)] whilst SADCAS Office handled 93 the latter being 60% more the number of enquiries handled in the previous financial year. Refer to Figure 6.

Figure 5 - Website Statistics - Number of Users vs Sessions

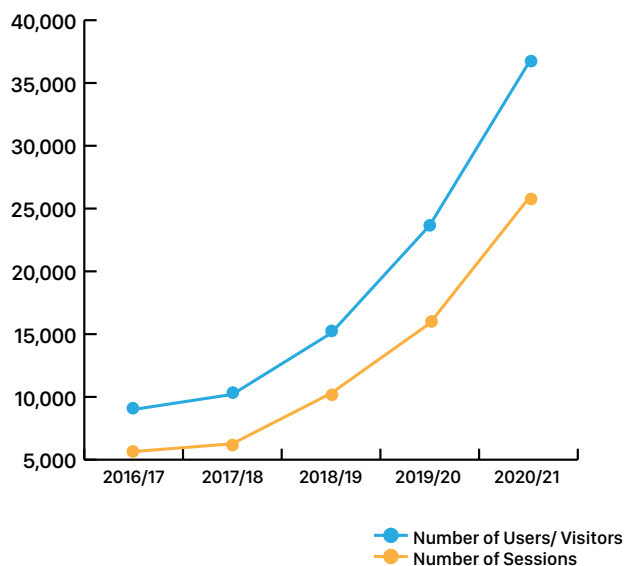
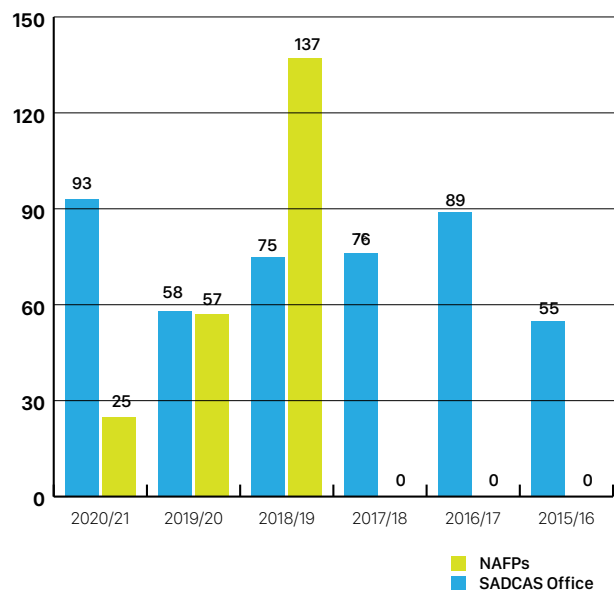


Figure 6 - Enquiries Received by SADCAS and NAFPS



CHIEF EXECUTIVE OFFICER'S REPORT

Ensure Continued Credibility of SADCAS Services.



Environmental Management Systems ISO/IEC 17021-2 (ISO 14001).



Occupational Health and Safety Management Systems ISO/IEC TS 17021-10 (ISO 45001).

SADCAS successfully extended the scope of international recognition under the main scope Management Systems Certification (ISO/IEC 17021-1) to sub-scopes:

Advisory Committees are a fundamental and vital component of operating a technically relevant and credible accreditation system. By the end of the financial year, SADCAS had established eight (8) Advisory Committees (AC) to advise SADCAS on technical matters with one new AC established during the period under review namely Advisory Committee for the Legal Metrology Accreditation Scheme (AC.08) which comprises of 14 members from 11 SADC Member States. During the period under review all the eight (8) Advisory Committees (ACs) met in September/November 2020 with AC.08 holding its first meeting on 31 March 2021. The previously established ACs advanced their work whilst the new AC identified the areas where SADCAS needs supporting technical documents. All these meetings were held virtually hence the high

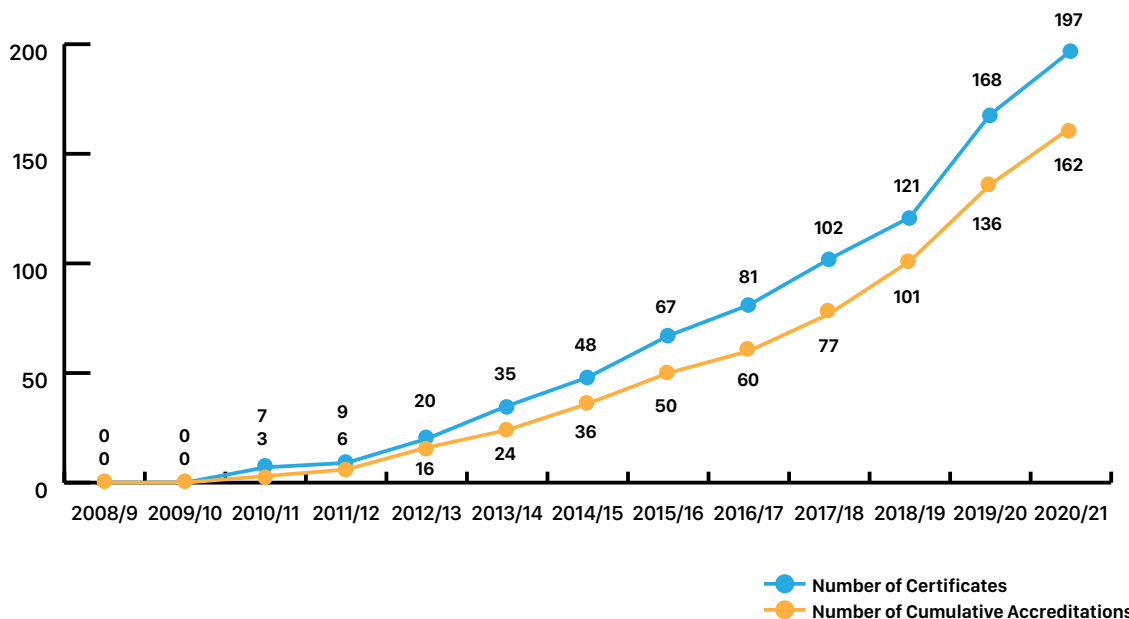
attendance levels witnessed to the AC meetings.

Improve cost effectiveness of processes and enhance service delivery

The SADCAS QMS documents were continuously reviewed, revised and published throughout the period under review to improve cost effectiveness of processes and enhance delivery of service. A total of 13 QMS documents and 5 forms were developed/ revised, published and uploaded on the SADCAS network/website.

A total of 153 assessments were undertaken of which 150 were conducted remotely. By 31 March 2021, SADCAS had issued 197 accreditation certificates to 162 accredited facilities in 13 SADC Member States and 2 non-SADC countries Ghana and Côte d'Ivoire representing a 19% growth in new accreditations during the year and 17% growth in all accreditations including scope extensions. During the year under review, SADCAS accredited 30 new facilities, granted eight (8) scope extensions to existing accredited scopes, and five (5) new extensions outside those already accredited scopes. A total of 13 accreditations were renewed during the period under review. Two (2) facilities' accreditations were withdrawn during the year citing impact of COVID-19 pandemic on activities. Refer to Figures 7, 8 and 9.

Figure 7 - Cumulative Number of Accreditations up to 31 March 2021



CHIEF EXECUTIVE OFFICER'S REPORT

Figure 8 - Accreditations by country

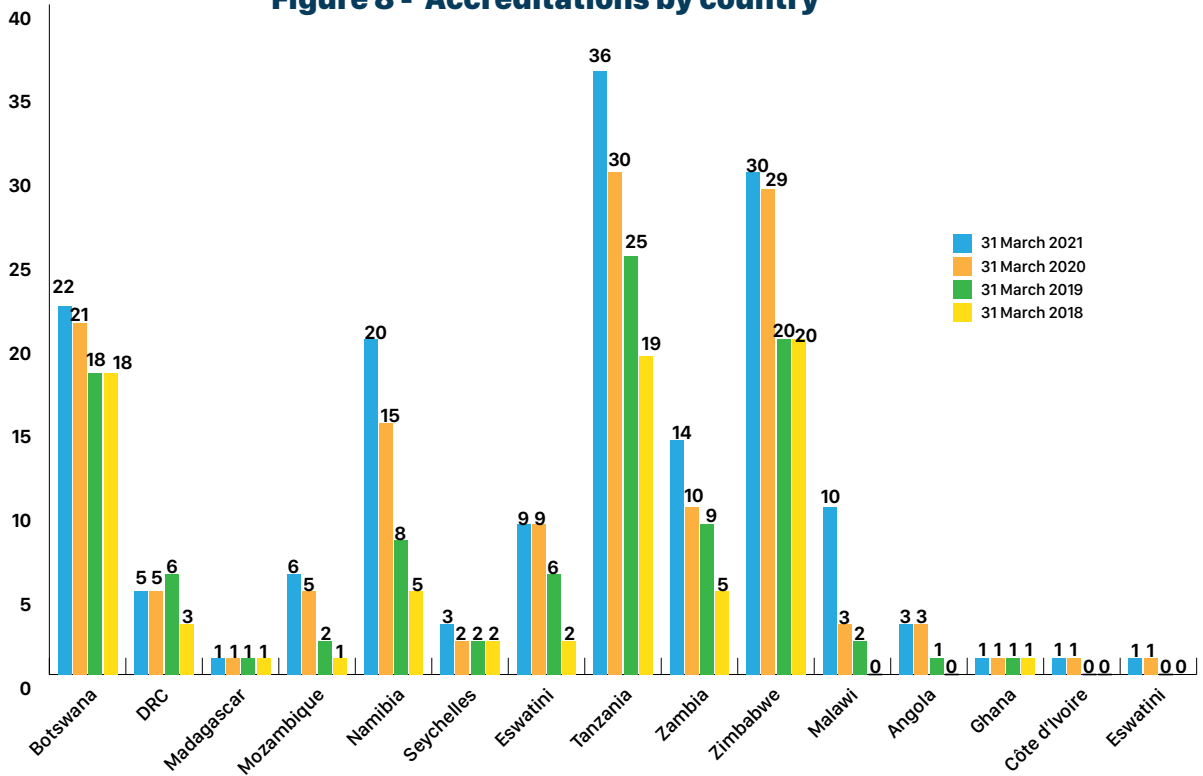
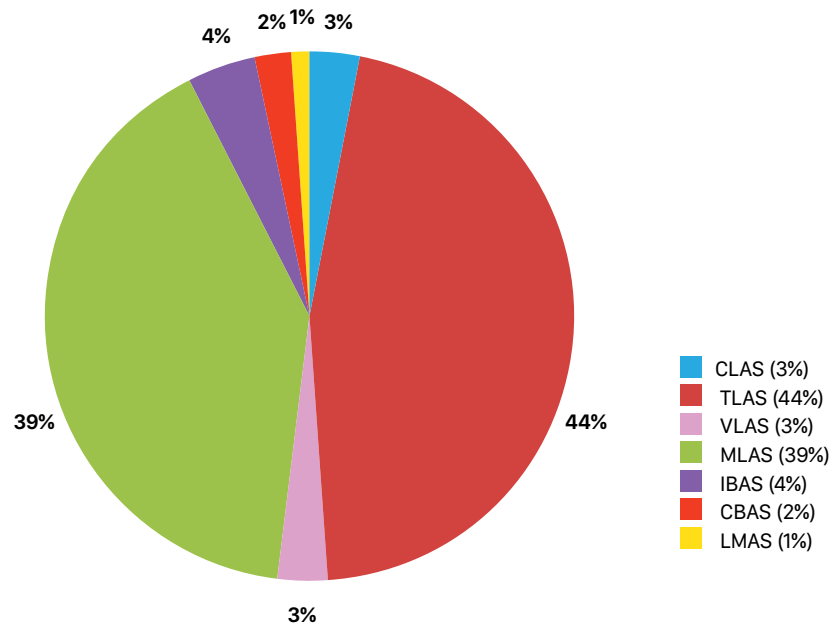


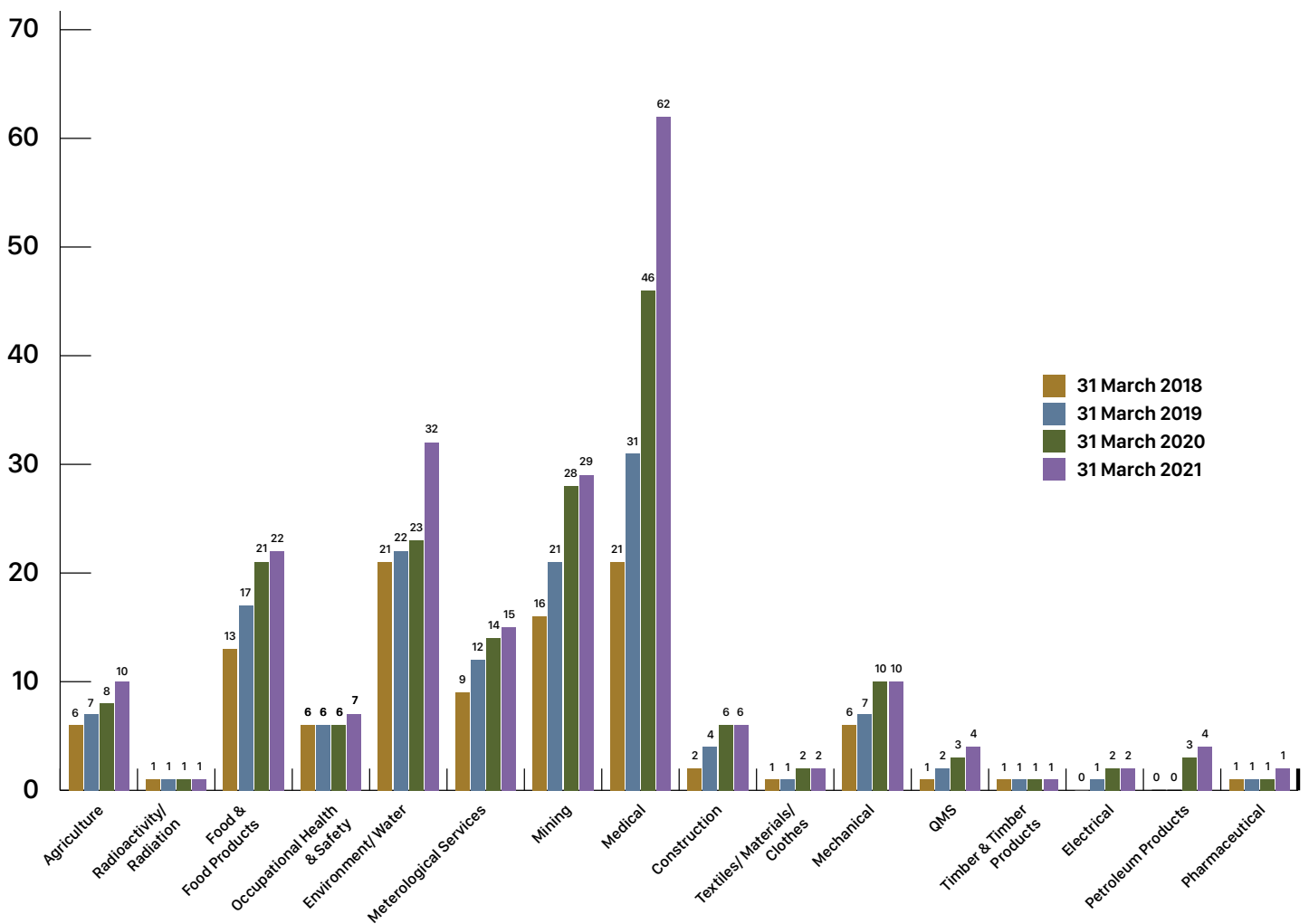
Figure 9 - Accreditations by Field as at 31 March 2021



CHIEF EXECUTIVE OFFICER'S REPORT

The highest growth in accreditations in terms of numbers was witnessed under the medical sector (+16), environment/water (+9) and agriculture (+2). Food and food products, metrological services, mining, QMS, petroleum products, pharmaceuticals and occupational health and safety all grew by one (1) each. Refer to Figure 10.

Figure 10 - Accredited Facilities by Sector



As at 31 March 2021 51 accreditation applications from 8 SADC Member States namely Zimbabwe (4), Tanzania (30), Malawi (2), Namibia (1), Zambia (6), Botswana (5), DRC (2) and Madagascar (1) were at various stages of processing. Three (3) of the applications under process are being handled in French and all of which fall under TLAS. Out of the 51 applications under process six (6) were at Completeness check stage; two (2) at Approval of quotation stage; 25 at Documentation review stage; and 18 at Initial assessment stage; Refer to Figures 11, 12 and 13. At the same time, SADCAS was handling 12 expressed interests in accreditation.

CHIEF EXECUTIVE OFFICER'S REPORT

Figure 11 - Accreditation Applications by Country as at 31 March 2021

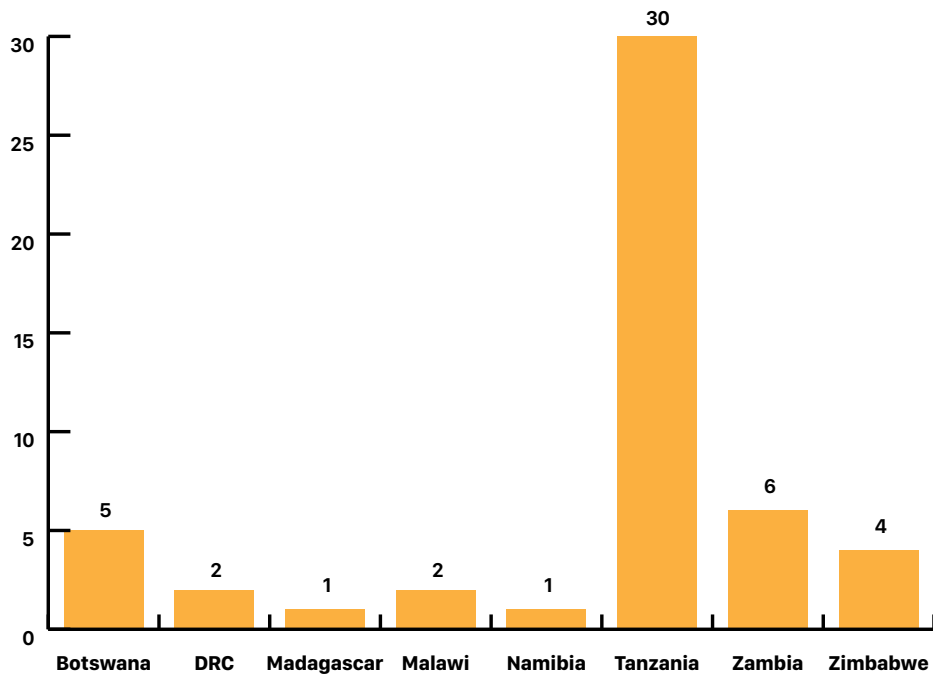
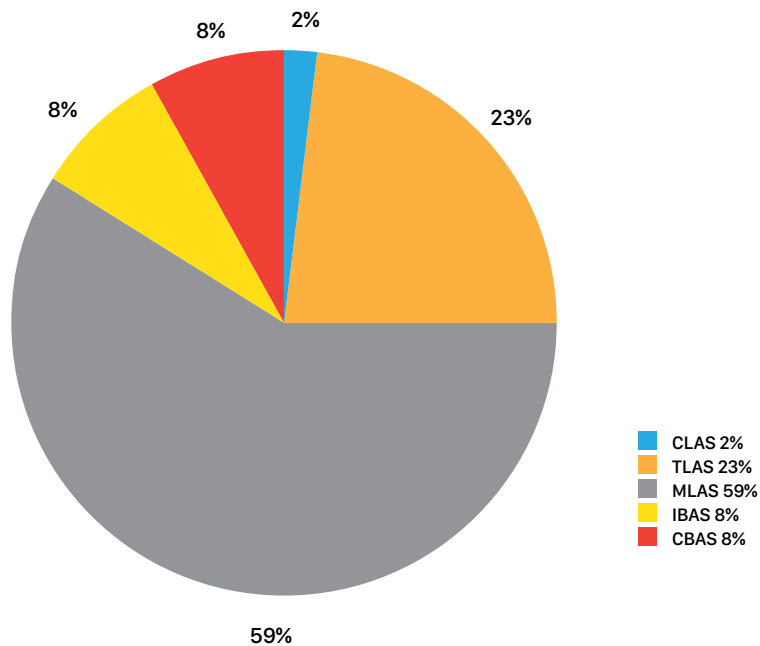
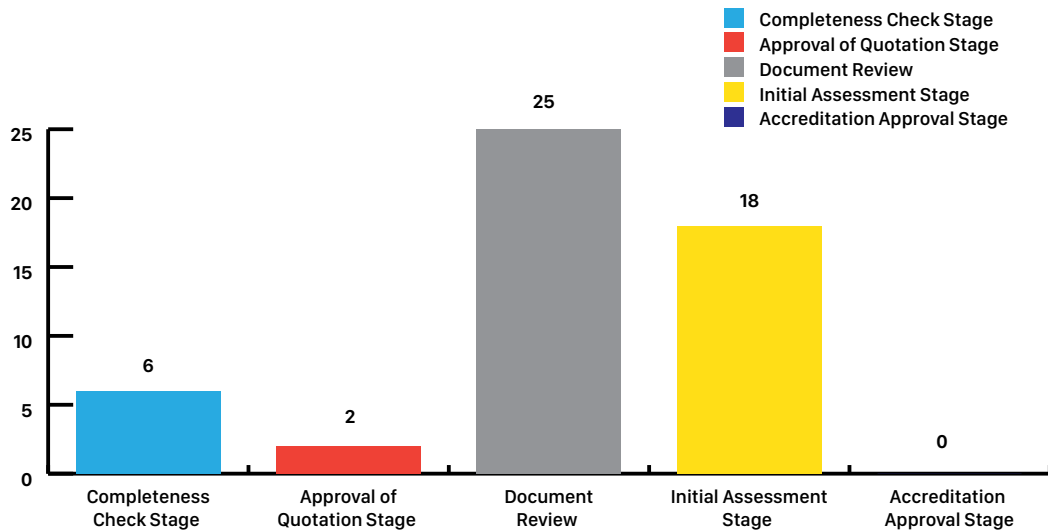


Figure 12 - Accreditation Applications by Field as at 31 March 2021



CHIEF EXECUTIVE OFFICER'S REPORT

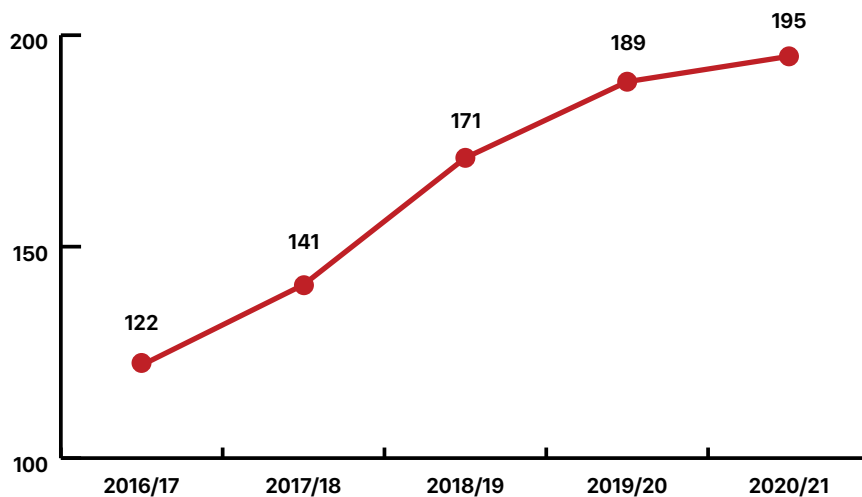
Figure 13 - Applications by Stage of Processing as at 31 March 2021



Following the enforcement of national lockdowns and associated travel restrictions in most of the SADC Member States serviced by SADCAS, all training services were cancelled. Efforts were then directed towards exploration of online training for which a survey was undertaken with the various stakeholders. Based on the positive outcome from the feasibility study, SADCAS launched online training in September 2020. A total of six (6) training courses were held during the period under review of which three (3) were conducted online and a total of 102 delegates participated in the training courses.

The six (6) training courses held during the year were on ISO/IEC 17025 (4), ISO 15189 (1) and ISO/IEC 17020 (1) bringing the cumulative training courses held by standard, to ISO/IEC 17025 (128), ISO 15189 (30), ISO/IEC 17020 (21), ISO/IEC 17021-1 (8), Method Validation & Measurement Uncertainty (MV & MU) (6), ISO/IEC 17065 (1) and other (1). Refer to Figures 14 and 15.

Figure 14 - Cumulative Number of Training Courses as at 31 March 2021



CHIEF EXECUTIVE OFFICER'S REPORT

Figure 15 - Training Courses by Field as at 31 March 2021

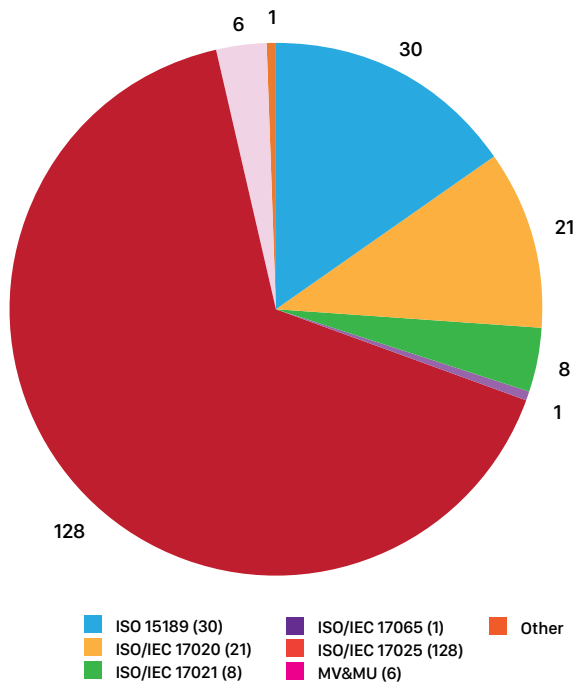
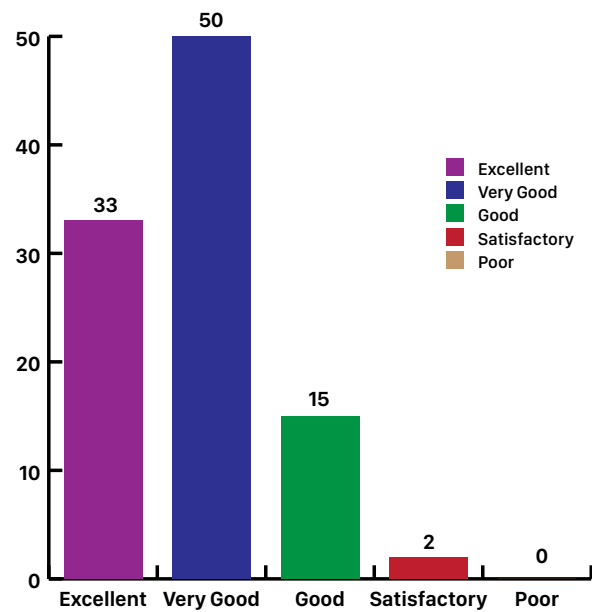
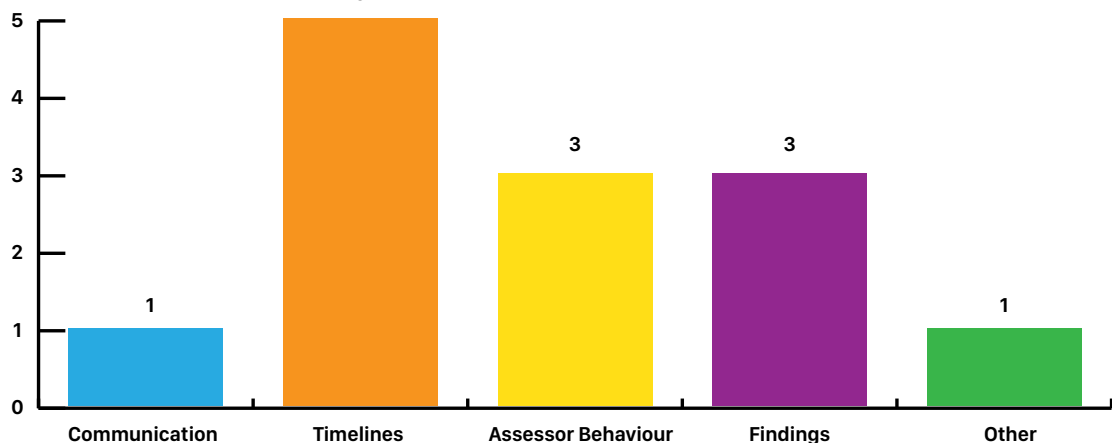


Figure 16 - Overall Satisfaction on Service Received 2020/21 Year



The customer satisfaction survey undertaken during the 2020/21 financial year showed that generally, customers were satisfied with all aspects of the accreditation process. Refer to Figure 16. SADCAS takes seriously the feedback received from clients and has put in place a system that investigates all concerns expressed, identifies corrective action and implements the corrective action for continuous improvement. No complaints were received during the year thus the cumulative number of complaints handled remained at 13 with most of the complaints being on accreditation timelines (5), followed by assessor behavior (3), disputes on findings raised (3), communication (1) and other (1). Refer to Figure 17.

Figure 17 - Nature of Complaints



CHIEF EXECUTIVE OFFICER'S REPORT

Prioritize and develop new accreditation schemes based on current demand and anticipated demand

Development of the Medical Imaging Accreditation Scheme (MIAS) continued with drafting of criteria documents for ultra sound and general X Ray well underway. Exploration of the application of ISO/IEC 17029 in legal metrology verification activities in validation and verification of carbon foot prints such as forestry, greenhouse gas, civil aviation and in verification of claims and declarations was initiated with the half a day workshop to create awareness on the newly published standard.

Maintain international recognition for the TLAS, VLAS, CLAS, MLAS, IBAS, LMAS and CBAS-MS. Extend scope of international recognition under CBAS-MS and work towards international recognition of all the CBAS -Prod.

Apart from extending scope of international recognition under the main scope Management Systems Certification (ISO/IEC 17021-1) to sub-scopes EMS and OHSMS, and with funding from Afreximbank, efforts were focused on processing applications for scope extensions to the sub-scope FSMS of which 2 were under process and 2 under the Main Scope Product Certification ISO/IEC 17065.

During the period under review SADCAS participated in the following regional and international accreditation meetings all of which were held virtually:

- AFRAC mid - term meetings held in June 2020;
- SADCA annual meetings held in August /September 2020
- SADCA meetings held in March 2021
- The 11th AFRAC General Assembly held in September 2020; and
- The 2020 joint annual meetings of the ILAC IAF held in September to November 2020.

SADCAS also actively participated in the revision and development of new documents by IAF, ILAC, AFRAC and SADCA registering above voting threshold values in all organizations. SADCAS through the ISO CASCO National Mirror Committees is also actively involved in the development/revision of key accreditation standards.

Renewal of registration of SADCAS trademark (name and logo) in Lesotho, Malawi, Eswatini, Tanzania, Zimbabwe, Botswana, Seychelles, Zambia and DRC was completed. Registration of SADCAS trademark in Comoros was completed. The SADCAS trademark forms the main part of the accreditation symbol and through registrations is therefore protected.

Develop, Recruit and Retain our Most Important Asset the Intellectual Capital, Skills, Knowledge and Expertise of Staff, Assessors and Trainers so as to Deliver World Class Accreditation Services

As we work towards making SADCAS an employer of choice that attracts and retains talent, the Staff Conditions of Service were overhauled to ensure alignment to legislation and industrial standards. New benefits such as medical insurance, gratuity etc. were added whilst some of the benefits such as relocation and repatriation allowances were improved upon. Communication tools and or allowances were also introduced to allow for all staff, assessors and trainers to work remotely. Staff Continuous Development Programmes were undertaken during the year most of which were undertaken virtually due to the prevailing operating environment.

The pool of assessors who undertake assessments on behalf of SADCAS grew marginally with only one (1) Team Leader and four (4) Technical Assessors registered during the period under review. On the other hand, the pool of Technical Experts grew significantly with eight (8) Technical Experts registered. By 31 March 2021, SADCAS had registered 121 Technical Assessors, 42 Team Leaders and 15 Technical Experts. Mentoring of trainee assessors was hampered due to the COVID-19 pandemic. The pool of assessors is still rather limited to address the geographical and language diversity of the region. Therefore, in line with our strategy to maintain the competitiveness of fees, efforts to train, mentor and qualify more assessors are ongoing. Refer to Figures 18, 19 and 20.

CHIEF EXECUTIVE OFFICER'S REPORT

Figure 18 Registered Active Technical Assessors by Field of Accreditation as at 31 March 2021

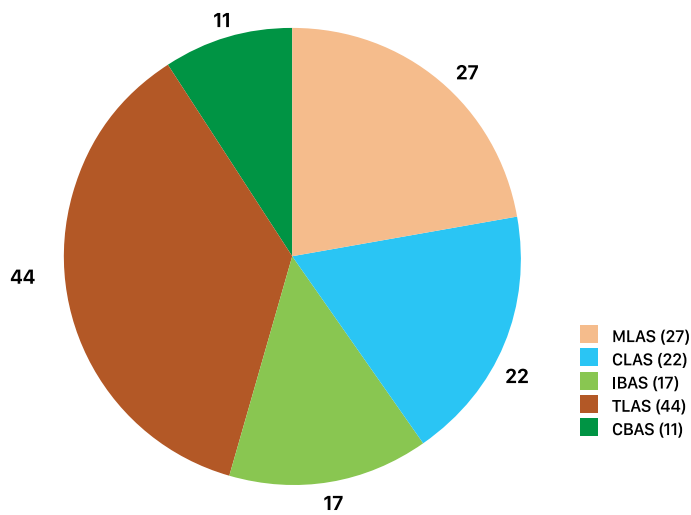


Figure 19 - Breakdown of Active Team Leaders by Field of Accreditation as at 31 March 2021

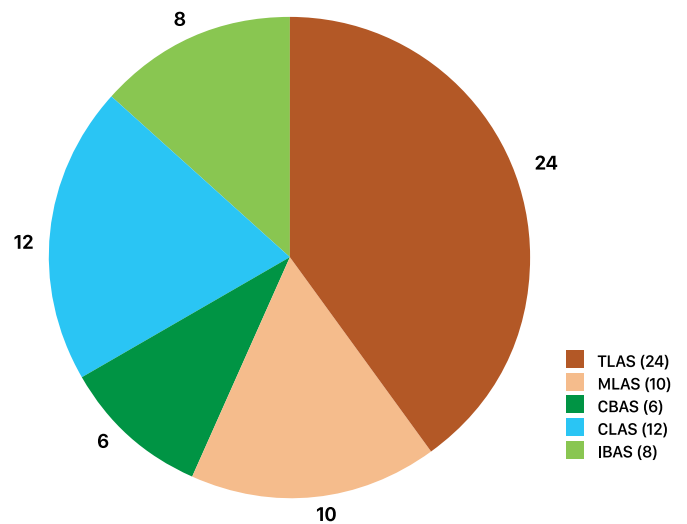
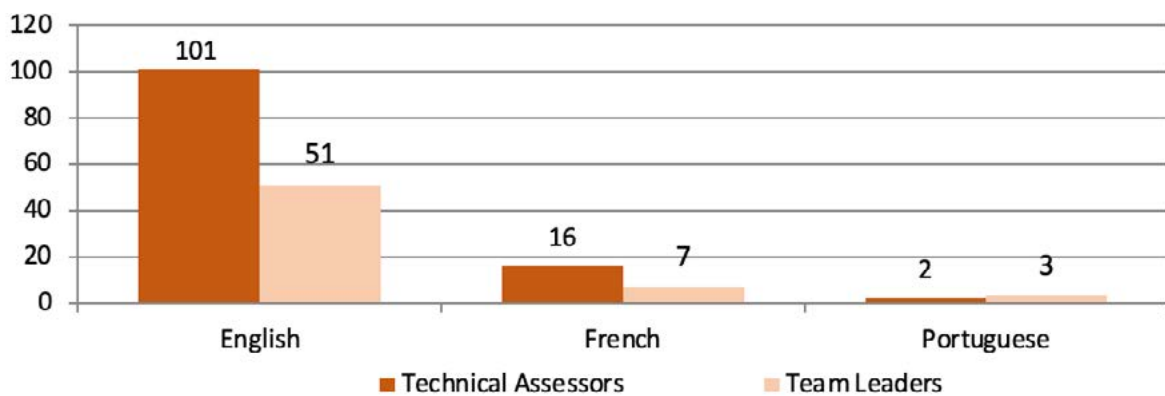


Figure 20 - Breakdown of Active and Non active Assessors by Language Diversity



CHIEF EXECUTIVE OFFICER'S REPORT

The pool of Trainers who conduct training on accreditation matters on behalf of SADCAS increased from 22 to 23 i.e. 5% growth. The Trainers are from ten (10) SADC Member States and cover all the three (3) official languages used in the region.

Continue to strengthen the effectiveness of National Accreditation Focal Points

The NAFPs Eswatini and Malawi scooped the 2021 NAFP Awards with NAFP-Eswatini receiving the Most Effective NAFP Award whilst NAFP-Malawi received the Most Improved NAFP Award. The 14th NAFP Annual meeting was held virtually on 24 November 2020 and was attended by 15 NAFPs and four (4) SADCAS staff. The main output of the meeting was the framework for the 2021/22 marketing plan which formed the basis upon which the 2021/22 Marketing Plan was developed.

Generally, NAFPs continue to function effectively with average estimate realization of 68% for 2020 as most activities were hampered due to the COVID-19 pandemic.

Looking Ahead

When we look back to the past year, we marvel at the achievements made despite the challenges in the operating environment, namely COVID-19 pandemic and the slow inflows of Government contributions towards SADCAS sustainability. The COVID -19 pandemic has now persisted for a longer period than anticipated exacerbated by the slow vaccine rollout in most of the countries serviced by SADCAS. Through the dynamism and responsiveness of SADCAS staff, assessors and trainers and the adaptation to the operating environment by our customers and society at large, the foundation for business continuity has been set. SADCAS will closely follow the ongoing development of

the COVID-19 pandemic in order to take any further action when needed.

Looking ahead and as we approach the final year of the 2017 to 2022 strategic period, with the key challenge of cash resources as the inflow of Government contributions towards SADCAS' operational budget deficit of US\$ 2.38 million has been slow, Governments of SADC Member States serviced by SADCAS have to continue to play their part in ensuring SADCAS growth towards self-sustenance by timeously meeting their financial obligation towards the cost effective multi-economy accreditation body. Break even on operational costs which was set to be achieved in the 2022/23 financial year will take a longer period.

We recognize that SADCAS has a lot of work to do in 2021/22 and beyond in realizing the new SADC 2050 vision. With the confidence in our business, the commitment and dedication towards goal achievement,

I am confident that "Team SADCAS" will continue to make good progress in service delivery and building a sustainable accreditation body at the cutting edge of credible accreditation service delivery in line with our vision.



Maureen P Mutasa (Mrs)
Chief Executive Officer

REPORT OF THE HUMAN RESOURCES AND REMUNERATION COMMITTEE



Mr Emmanuel Jinda
Chairman - HRRC

Roles and Responsibilities of the Human Resources and Remuneration Committee

The Human Resources and Remuneration Committee (HRRC) is pleased to present its report for the financial year ended 31 March 2021. The Committee operates within defined terms of reference as set out in SADCAS BP 02: Terms of Reference of the Human Resources and Remuneration Committee (HRRC) of the SADCAS Board. The main objective of the HRRC is to develop and implement a comprehensive human resources policy and strategy which will ensure that SADCAS is able to attract, develop and retain the best possible skills required to support credible services to its clients.

Membership of the Human Resources and Remuneration Committee

In line with good corporate governance practice, the HRRC comprised of three (3) non-executive directors, Messrs. Emmanuel Jinda, Davlin Moyenda Damaziel Chokazinga and Alfredo Filipe Siteo. Mr Siteo is the Finance, Risk and Audit Committee (FRAC) representative on the HRRC. The Chief Executive Officer attends all the HRRC meetings by invitation.

Attendance at Meetings of the Human Resources and Remuneration Committee

The terms of reference of the HRRC require the Committee to meet at least twice a year. During the year, the HRRC met four (4) times and reported to the Board accordingly. The records of attendance to these meetings are shown in Table 2.



REPORT OF THE HUMAN RESOURCES AND REMUNERATION COMMITTEE

Table 2 – Record of Attendance to HRRC Meetings Held during the 2020/21 Financial Year

Name	Status	Meeting Dates			
		2020-05-14	2020-09-03	2020-11-19	2021-02-18
Mr Emmanuel Jinda (Chairman)	Non - Executive Director	✓	✓	✓	✓
Mr Alfredo Filipe Siteo	Non - Executive Director	✓	✓	✓	✓
Mr Davlin Moyenda Damaziel Chokazinga	Non - Executive Director	✓	✓	✓	✓
By Invitation Mrs Maureen Primrose Mutasa	SADCAS Chief Executive Officer	✓	✓	✓	✓

The overall attendance for the FRAC meetings held during the year was 100%.

Summary of Activities Undertaken During the Year

During the year under review the following activities, among others, were carried out:

- Set the CEO and Board's performance contracts for the 2020/21 financial year;
- Reviewed Board and staff performance for the 2019/20 financial year;
- Reviewed the HRRC Terms of Reference (BP 02);
- Reviewed the HRRC membership;
- Reviewed the staff conditions of service;
- Monitored progress with 2020/21 recruitments;
- Considered the 2021/22 Human Resources (HR) plan;
- Reviewed Board succession issues; and
- Reviewed BP 07: Part 2 Board of Directors Expertise Matrix;

In all the above activities recommendations were made to the Board.

The staff complement as at 31 March 2021 was 11 and one (1) intern including the Accreditation Administrator and Intern Accreditation Administrator who both took position in SADCAS during the 2020/21 financial year. Following the approval of the 2021/22 HR Plan at the February 2021 Board meetings, the recruitment for five (5) positions namely: Assessor conversant

in Portuguese; Executive Personal Assistant; Communications and Public Relations Officer; and Assessor conversant in French to replace the previous incumbent who was promoted to Scheme Coordinator – Testing, was underway.

In line with best practice, accreditation assessments are undertaken on behalf of SADCAS by a pool of registered assessors. By 31 March 2021, SADCAS had registered 42 Team Leaders, 121 Technical Assessors and 15 Technical Experts. The pool of trainers who conduct training on accreditation matters on behalf of SADCAS increased from 22 to 23 i.e. 5% growth. The trainers are from 10 SADC Member States and cover all the three (3) official languages used in the region.

Revision of The Staff Conditions of Service

The HRRC in an effort to make SADCAS an employer of choice that attracts and retains talent, overhauled the SADCAS Staff Conditions of Service to ensure alignment to legislation and industrial standards. The revised staff conditions of service were thoroughly considered at the August 2020, November 2020 and finally approved at the February 2021 meetings. The new conditions of service came into effect from 1 April 2021.

REPORT OF THE HUMAN RESOURCES AND REMUNERATION COMMITTEE

2021 NAFP certificate of recognition

The HRRC considered the proposed 2021 NAFP Certificate of Recognition awards recipients and made recommendations to the Board. The 2021 awards recipients were:

- 1. Most Effective NAFP** NAFP – Eswatini
- 2. Most Improved NAFP** NAFP – Malawi

The HRRC congratulates both NAFPs on the achievement and encourages all NAFPs to continue to promote accreditation and to market SADCAS service offerings in their respective countries.

Training and Development

SADCAS utilizes the Performance Management System to identify staff development needs which are then incorporated into the annual Staff Training and Development Plan. During the year under review, staff participated in 48% of the planned staff development programmes. A number of the planned programmes were cancelled due to the COVID-19 pandemic and those that staff attended were held virtually.

Eleven (11) assessors were mentored out of a target of 13 this being 85% achievement whilst 13 out of 28 assessors were monitored i.e. 46% achievement due to lack of opportunities for mentoring/monitoring. All mentoring/monitoring was done during remote assessments.

Remuneration

In line with the SADCAS policies and procedures remuneration of non-executive Directors and staff is reviewed annually and the HRRC makes recommendations based on local and regional benchmarks.

The HRRC's remuneration philosophy is aimed at positioning SADCAS to attract, motivate and retain high performing employees through the provision of market related remuneration. The total staff costs for the year were BWP 10,235,343.

The HRRC recommended that the remuneration of non - executive Directors be increased to:

Fee/meeting

Chairman of the Board	US\$ 400
Non - Executive Directors	US\$ 330

SADCAS pays for all the travel and accommodation expenses in respect of Board and committee meetings held face to face; however, during the year all meetings were held virtually.

Director's remuneration was approved by the General Assembly at the 16th Annual General Meeting (AGM) held virtually on 17 March 2021.

Board Performance

The HRRC is also mandated to evaluate on an annual basis the effectiveness of the Board and its members. The Board's performance for the 2020/21 financial year fully met the standards expected in all aspects of governance.

Succession planning

The Board is committed to forward thinking succession planning to ensure SADCAS sustainability and continuity thus reduce disruptions to SADCAS business. The Board ensures that it has robust succession plans that take into consideration the current and future needs at all levels of the organization.

Response to COVID-19 pandemic

Following the pronouncement by the WHO of COVID-19 as a global pandemic in March 2020, measures had to be quickly put in place to safeguard the health and safety of our human capital and at the same time ensure business continuity.



Mr Emmanuel Jinda
Chairman Human Resources
and Remuneration Committee

REPORT OF THE FINANCE, RISK AND AUDIT COMMITTEE



Mrs Mmatlala Dube
 Chair FRAC

Roles and Responsibilities of the Finance, Risk and Audit Committee

The Finance, Risk and Audit Committee (FRAC) is pleased to present its report for the financial year ended 31 March 2021. The Committee operates within defined terms of reference as set out in SADCAS BP 01: Terms of Reference of the Finance, Risk and Audit Committee (FRAC) of the SADCAS Board and the Botswana Companies Act.

Membership of the Finance, Risk and Audit Committee

The FRAC comprises of three independent, non - executive directors with appropriate qualification and experience, nominated by the Board.

Name of Committee Member	Qualifications
Ms Verily Molatedi	BCom; ACCA
Mr Alfredo Filipe Siteo	BSc Econ; PGD Financial Economics
Mrs Mmatlala Dube	FCCA; FCA; MBA; Advanced Diploma in Tax (Botswana)

Attendance at Meetings

The terms of reference of the FRAC require the Committee to meet at least four times a year. The Chief Executive Officer and the Finance and Administration Manager attend meetings by invitation. The Committee has unrestricted access to the external auditors.



REPORT OF THE FINANCE, RISK AND AUDIT COMMITTEE THE FINANCE

During the year under review, the FRAC met four(4) times and reported to the Board accordingly. The records of attendance to these meetings are shown in Table 3 below.

Table 3 - Record of Attendance to FRAC Meetings held during the 2020/21 Financial Year

Name	Status	Meeting Dates			
		2020-05-14	2020-09-03	2020-11-19	2021-02-17
Ms Verily Molatedi (Chairman)	Non - Executive Director	✓	✓	✓	✓
Mr Alfredo Filipe Siteo	Non - Executive Director	✓	✓	✓	✓
Mrs Mmatlala Dube	Non - Executive Director	✓	✓	✓	✓
By Invitation Mrs Maureen Primrose Mutasa	SADCAS Chief Executive Officer	✓	✓	✓	✓
Mrs Laureen Rutendo Gudo	SADCAS Finance and Administration Manager	✓	✓	✓	✓

The overall attendance for the FRAC meetings held during the year was 100%.

Summary of Activities Undertaken During the Year

The main duties of the FRAC as laid out in the terms of reference and the resulting key activities are detailed below:

DUTIES	KEY ACTIVITIES
To review and challenge, where necessary, the actions and judgments of management, in relation to the company's financial statements, operating and financial review, interim reports, preliminary announcements and related formal statements before submission to, and approval by the Board, and before clearance by the external auditor	<ul style="list-style-type: none"> Reviewed the monthly financial reports. Closely monitored the cash resources. Reviewed progress on government and other funding. Reviewed the draft audited financial statements Reviewed the potential impact of COVID-19 on financial performance.
To ensure compliance with all legal requirements	<ul style="list-style-type: none"> Reviewed the tax treatment of grant income. Reviewed compliance with tax and regulatory requirements.
To exercise oversight of the internal financial controls of the company	<ul style="list-style-type: none"> Assessed internal financial controls and concluded that no material breakdowns in the functioning of the internal financial controls were noted during the year under review and that the results of the audit tests conducted indicate that the internal financial controls provided a sound basis for the preparation of financial statements. Reviewed the measures taken to ensure the internal financial control environment remained resilient despite the impact of COVID-19 pandemic on the operating environment. Reviewed the financial policies and procedures.
To consider annually whether there is a need for an internal audit function where no such functions exist	<ul style="list-style-type: none"> Recommended that there is no need for an internal audit function considering the size and operations of the Company
To assess the scope and effectiveness of the systems established by management to identify, assess, manage and monitor financial and non - financial risks	<ul style="list-style-type: none"> Reviewed the company's overall risk profile including a register of all the identified key risks, the likely impact that those risks, their likely impact and the control measures that have been put into place to mitigate the risks identified. Reviewed the impact of the COVID-19 pandemic on the overall risk profile. Reviewed company insurance policies and recommended the insurance broker and insurance company.

REPORT OF THE FINANCE, RISK AND AUDIT COMMITTEE THE FINANCE

Appointment, reappointment and removal of the external auditor; and to approve the terms of engagement for the external auditor

- Reviewed the performance and recommended the re-appointment of the external auditor of the Company who is a registered auditor and who, in the opinion of the FRAC, is independent of the Company.
- Reviewed the fees to be paid to the auditor and the auditor's terms of engagement.
- Ensured that the appointment of the auditor complies with the Companies Act.

To consider budget proposals and make recommendations to the Board

- Approved the SADCAS fees.
- Revised the 2020/21 budget factoring the impact of COVID-19 on the operating targets.
- Reviewed the 2021/22 budget proposals.
- Reviewed progress with Government contributions.
- Monitored performance against the budget.

Annual Financial Statements

The FRAC reviewed the annual financial statements for the year ended 31 March 2021 and ensured that they comply, in all material aspects, with the requirements of the Companies Act and appropriate International Financial Reporting Standards. The Committee therefore recommended the annual financial statements for approval to the Board. The Board subsequently approved the financial statements on 2 September 2021.

Internal Control and Risk Management

The FRAC has been delegated responsibility by the Board for the ongoing monitoring of the scope and effectiveness of the systems established by management to identify, assess, manage and monitor financial and non - financial risks and the effectiveness of the internal controls. The Committee reviewed the company's overall risk profile including a register of all the identified key risks, their likely impact and the control measures that have been put into place to mitigate the risks identified.

During the financial year 2020/21 there was a need to continuously assess the impact of the COVID-19 pandemic on the internal control environment and financial performance.

External Auditors

The FRAC was satisfied that external auditor, Baker Tilly, was independent of the Company. The Committee considered the external auditor's fees and terms of engagement and found them to be acceptable to undertake the financial audit for the year ending 31 March 2021. The FRAC recommended to the Board the engagement of Baker Tilly whose appointment was

ratified by SADCAS General Assembly at its 16th Annual General Meeting held on 17 March 2021.

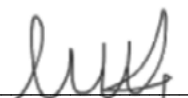
Budgets

In September 2020, the FRAC revised downwards accreditation and training targets, taking into account the adverse impact of COVID-19 pandemic on the operating environment. Throughout the financial year the FRAC closely monitored the budget taking into account the operating environment.

In February 2021, the FRAC reviewed the 2021/22 budget proposals for the final year of the 3rd strategic period and determined that the minimum contribution required from SADC Member States was BWP 4,674,719.

Going Concern

The FRAC assessed that despite a 20% shrinkage in operating income for 2020/21 compared to 2019/20, the going concern assumption is appropriate for these financial statements on the basis that the Company has adequate resources to continue operations. The SADC Member States at the Committee of Ministers responsible for Trade (CMT) meetings in July 2021 re-affirmed their commitment to finance the Company and urged those that had outstanding amounts to pay their contributions by 31 October 2021.



Mmatlala Dube

Chairman Human Resources and Remuneration Committee





81.438 79.609 71.007
98.132 75.008
92.490
44.353 31.056
22.242 99.529 3.844 40.283
26.073 83.712 81.719
69.648
73.963 50.267
59.102

FINANCIAL STATEMENTS

FOR THE YEAR ENDED
31 MARCH 2021

DIRECTORS' RESPONSIBILITIES AND APPROVAL

The Directors are required by the Companies Act (CAP 42:01), to maintain adequate accounting records and are responsible for the content and integrity of the financial statements and related financial information included in this report. It is their responsibility to ensure that the financial statements fairly present the state of affairs of the company as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with the International Financial Reporting Standard for Small and Medium-sized Entities. The external auditors are engaged to express an independent opinion on the financial statements.

The financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgments and estimates.

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

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

The Directors are satisfied that the company has or has access to adequate resources to continue in operational existence for the foreseeable future.

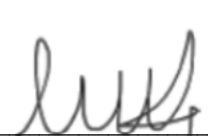
The external auditors are responsible for independently auditing and reporting on the company's financial statements. The financial statements have been examined by the company's external auditors and their report is presented on pages 45-47.

The financial statements set out on pages 48 - 60 which have been prepared on the going concern basis, were approved by the Board of Directors on 02/09/2021 and were signed on its behalf by:

Approval of financial statements



Director



Director

INDEPENDENT AUDITOR'S REPORT



Certified Auditors

Plot 205, Independence Avenue
Main Mall, Gaborone, Botswana

T: +267 3916650, 3916659

enquiries@bakertilly.co.bw
www.bakertilly.co.bw

To the members of Southern African Development Community Accreditation Service Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Southern African Development Community Accreditation Service Limited (the company) set out on pages 48 to 60, which comprise the statement of financial position as at 31 March 2021, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Southern African Development Community Accreditation Service Limited as at 31 March 2021, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act (CAP 42:01).

Basis for opinion

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

Other information

The Directors are responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the financial statements and our auditor's report thereon.

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

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

ADVISORY • AUDIT • TAX • ACCOUNTING

Partners: Samuel N. Njanji CA (Z), FCPA, MBL; Phibion P. Gwatidzo FCPA, FZICA, CA(Z); Carlos Chileshe FCA

Baker Tilly Botswana trading as Baker Tilly is a member of the global network of Baker Tilly International Ltd., the members of which are separate and independent legal entities.

INDEPENDENT AUDITOR'S REPORT

Responsibilities of the directors for the Financial Statements

The Directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act (CAP 42:01), and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the Financial Statements

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

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

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

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

ADVISORY • AUDIT • TAX • ACCOUNTING

Partners: Samuel N. Njanji CA (Z), FCPA, MBL; Phibion P. Gwatidzo FCPA, FZICA, CA(Z); Carlos Chileshe FCA

INDEPENDENT AUDITOR'S REPORT

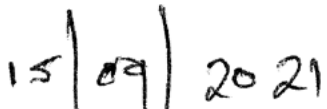
Report on other legal and regulatory requirements

As required by the Companies Act (Cap 42:01) we report to you, based on our audit, that:

- We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- In our opinion proper books of accounts have been kept by the company, so far as appears from our examination of those books and the company's statement of financial position and profit and loss account are in agreement with the books of accounts.



Baker Tilly
Certified Auditors
Practicing Member: Samuel N. Njanji
Certified Auditor: 20140132




Date
Plot 205
Independence Avenue,
Main Mall Gaborone,
Botswana

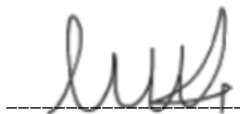
STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2021

	Note(s)	2021 P	2020 P
Assets			
Non-Current Assets			
Property, plant and equipment	2	659,148	714,514
Current Assets			
Trade and other receivables	4	984,631	2,761,008
Current tax receivable		1,342	1,342
Cash and cash equivalents	5	7,387,169	4,843,958
		8,373,142	7,606,308
Total Assets		9,032,290	8,320,822
Equity and Liabilities			
Equity			
Accumulated loss		(1,155,155)	(954,965)
Liabilities			
Non-Current Liabilities			
Capital grant	7	659,147	714,514
Current Liabilities			
Trade and other payables	6	7,506,835	6,173,527
Deferred Income	8	2,021,463	2,387,746
		9,528,298	8,561,273
Total Liabilities		10,187,445	9,275,787
Total Equity and Liabilities		9,032,290	8,320,822

The financial statements and the notes on pages 48 to 60, were approved by the Board of Directors on 2021-09-02 and were signed on its behalf by:



 Director



 Director

STATEMENT COMPREHENSIVE INCOME

	Note(s)	2021 P	2020 P
Revenue	9	15,528,958	18,292,940
Cost of sales			
Direct costs		(2,338,865)	(6,187,315)
Gross profit		13,190,093	12,105,625
Other income			
Interest received		16,059	39,058
Sundry income		65,561	308,522
		81,620	347,580
Expenses (Refer to page 50)		(13,093,604)	(12,762,334)
Operating profit (loss)		178,109	(309,129)
Foreign exchange gain		(378,300)	309,129
Loss for the year		(200,191)	-
Other comprehensive income		-	-
Total Comprehensive income for the year		(200,191)	-

STATEMENT COMPREHENSIVE INCOME

Note(s)	2021 P	2020 P
Operating expenses		
Accounting fees	16,902	18,209
Advisory Committees	500	211,824
Auditors remuneration	70,572	68,700
Bad debts	287,654	46,715
Bank charges	22,673	29,024
Cleaning	25,115	26,847
Consulting and twinning fees	78,033	155,453
Depreciation, amortisation and impairments	116,769	100,492
Employee costs	10,235,343	8,819,866
Entertainment	4,583	8,726
General expenses	16,595	29,426
Governance expenses	148,667	374,360
ICT expenses	173,346	195,527
Insurance	93,500	81,884
Internal audit fees	6,680	-
International participation	77,857	506,994
Levies	22,990	45,236
Loss on disposal of assets	-	7,181.00
Marketing expenses	170,254	175,175
Medical expenses	78,906	-
NAFP annual meeting	6,300	43,156
Operating leases - rentals	590,981	517,031
Peer evaluation	-	260,206
Policies and procedures	22,430	106,682
Printing and stationery	139,180	156,102
Recruitment costs	16,745	-
Registration of ILAC Mark	-	15,538
Repairs and maintenance	6,757	4,238
Secretarial fees	14,750	23,618
Security	14,054	6,373
Staff travel	13,302	44,049
Staff welfare and training	312,994	373,831
Telephone and fax	140,538	101,618
Trademark registration	85,080	112,299.00
Utilities	83,554	95,954
	13,093,604	12,762,334

STATEMENT OF CHANGES IN EQUITY

	Accumulated Deficit P	Total equity P
Balance as at 31 March 2020	(954,964)	(954,964)
Balance at 1 April 2020	(954,964)	(954,964)
Loss for the year	(200,191)	(200,191)
Other comprehensive income	-	-
Total comprehensive loss for the year	(200,191)	(200,191)
Balance at 31 March 2021	(1,155,155)	(1,155,155)

Note(s)

STATEMENT OF CASH FLOWS

	Note(s)	2021 P	2020 P
Cash flows from operating activities			
Cash generated from (used in) operations	10	3,038,281	(1,286,781)
Foreign exchange movements		(378,300)	309,129
Tax received		-	5,947
Net cash from operating activities		2,659,981	(971,705)
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(73,444)	(553,178)
Sale of property, plant and equipment	2	12,041	10,471
Net cash from investing activities		(61,403)	(542,707)
Cash flows from financing activities			
Net movement of other financial liabilities		(55,367)	442,218
Net cash from financing activities		(55,367)	442,218
Total cash movement for the year		2,543,211	(1,072,194)
Cash at the beginning of the year		4,843,958	5,916,152
Total cash at end of year	5	7,387,169	4,843,958

ACCOUNTING POLICIES

1. Basis of preparation and summary of significant accounting policies

The financial statements have been prepared on a going concern basis in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the Companies Act (CAP 42:01). The financial statements have been prepared on the historical cost basis, and incorporate the principal accounting policies set out below. They are presented in Pula.

These accounting policies are consistent with the previous period.

1.1. Significant judgements and sources of estimation uncertainty

Critical judgements in applying accounting policies

Management did not make critical judgements in the application of accounting policies, apart from those involving estimations, which would significantly affect the financial statements.

Key sources of estimation uncertainty

Useful lives of property, plant and equipment

The company reviews the estimated useful lives of property, plant and equipment when changing circumstances indicate that they may have changed since the most recent reporting date.

The financial effect of the reassessment that was performed during the year ended 31 March 2021 is not material in the current and future years.

Impairment testing

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

Trade and receivables

The company assesses its trade receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in profit or loss, the company makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from the financial asset.

The impairment (or loss allowance) for trade receivables is calculated on a portfolio basis, except for individually significant trade receivables which are assessed separately. The impairment test on the portfolio is based on historical loss ratios, adjusted for national and industry-specific economic conditions and other indicators present at the reporting date that correlate with defaults on the portfolio.

1.2. Property, plant and equipment

Property, plant and equipment are tangible assets which the company holds for its own use or for rental to others and which are expected to be used for more than one period.

Property, plant and equipment is initially measured at cost.

Cost includes costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

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

ACCOUNTING POLICIES

1.2 Property, plant and equipment (continued)

Property, plant and equipment is subsequently stated at cost less accumulated depreciation and any accumulated impairment losses, except for land which is stated at cost less any accumulated impairment losses.

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the company.

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

Item	Depreciation method	Average useful life
Furniture and fixtures	Straight line	10 years
Office equipment	Straight line	6.67 years
Computer equipment	Straight line	4 years

When indicators are present that the useful lives and residual values of items of property, plant and equipment have changed since the most recent annual reporting date, they are reassessed. Any changes are accounted for prospectively as a change in accounting estimate.

Impairment tests are performed on property, plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of property, plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in profit or loss to bring the carrying amount in line with the recoverable amount.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising from the derecognition of an item of property, plant and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, is included in profit or loss when the item is derecognised.

1.3. Financial instruments

Initial measurement

Financial instruments are initially measured at the transaction price (including transaction costs except in the initial measurement of financial assets and liabilities that are measured at fair value through profit or loss) unless the arrangement constitutes, in effect, a financing transaction in which case it is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial instruments at amortised cost

These include loans, trade receivables and trade payables. Those debt instruments which meet the criteria in section 11.8(b) of the standard, are subsequently measured at amortised cost using the effective interest method. Debt instruments which are classified as current assets or current liabilities are measured at the undiscounted amount of the cash expected to be received or paid, unless the arrangement effectively constitutes a financing transaction.

At each reporting date, the carrying amounts of assets held in this category are reviewed to determine whether there is any objective evidence of impairment. If there is objective evidence, the recoverable amount is estimated and compared with the carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

Financial instruments at cost

Equity instruments that are not publicly traded and whose fair value cannot otherwise be measured reliably without undue cost or effort are measured at cost less impairment.

ACCOUNTING POLICIES

1.3 Financial instruments (continued)

Financial instruments at fair value

All other financial instruments, including equity instruments that are publicly traded or whose fair value can otherwise be measured reliably, without undue cost or effort, are measured at fair value through profit and loss.

If a reliable measure of fair value is no longer available without undue cost or effort, then the fair value at the last date that such a reliable measure was available is treated as the cost of the instrument. The instrument is then measured at cost less impairment until management are able to measure fair value without undue cost or effort.

Trade and other receivables

Trade receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the trade receivable is impaired. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in profit or loss within operating expenses. When a trade receivable is uncollectable, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against operating expenses in profit or loss.

Trade and other receivables are classified as loans and receivables.

Trade and other payables

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

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently recorded at fair value.

1.4. Tax

Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

The tax liability reflects the effect of the possible outcomes of a review by the tax authorities.

Deferred tax assets and liabilities

A deferred tax liability is recognised for all taxable temporary differences.

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised.

Deferred tax asset is recognised for the carry forward of unused tax losses and unused STC credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused STC credits can be utilised.

ACCOUNTING POLICIES

1.4 Tax (continued)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Tax expenses

Tax expense is recognised in the same component of total comprehensive income or equity as the transaction or other event that resulted in the tax expense.

1.5. Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership to the lessee. All other leases are operating leases.

Operating leases – lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term unless:

- another systematic basis is representative of the time pattern of the benefit from the leased asset, even if the payments are not on that basis.

Any contingent rents are expensed in the period they are incurred.

1.6. Employee benefits

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as leave pay and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

1.7. Provisions and contingencies

Provisions are recognised when the company has an obligation at the reporting date as a result of a past event; it is probable that the company will be required to transfer economic benefits in settlement; and the amount of the obligation can be estimated reliably. Provisions are measured at the present value of the amount 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 the passage of time is recognised as interest expense.

Provisions are not recognised for future operating losses

1.8. Revenue

Revenue is recognised when the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and when specific criteria have been met for each of the company's activities as described below:

Grant Income

Grants are accounted for when received from the donor or Member States. Grants received under the respective agreements are recognised 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 recognised as income over the periods necessary to match them with the related costs which they intend to compensate, on a systematic basis.

ACCOUNTING POLICIES

1.8 Revenue (continued)

Rendering of services – accreditation fees and training income.

Accreditation fees and training income are recognised 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.

Revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable for goods and services provided in the normal course of business, net of trade discounts and volume rebates, and value added tax.

Interest is recognised, in profit or loss, using the effective interest rate method.

1.9. Direct costs

The related cost of providing services recognised as revenue in the current period is included in cost of sales.

1.10. Foreign exchange

Foreign currency transactions

Exchange differences arising on monetary items are recognised in profit or loss in the period in which they arise.

The foreign exchange component of a non-monetary item is recognised consistently with any other gains or losses on those items, in other comprehensive income or in profit or loss.

All transactions in foreign currencies are initially recorded in Pula, using the spot rate at the date of the transaction. Foreign currency monetary items at the reporting date are translated using the closing rate. All exchange differences arising on settlement or translation are recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

2021
P

2020
P

2. Property, plant and equipment

	Cost or revaluation	2021 Accumulated depreciation	Carrying Value	Cost or revaluation	2020 Accumulated depreciation	Carrying value
Furniture and fixtures	836,947	(340,903)	496,044	832,222	(279,887)	552,335
Office equipment	116,501	(87,068)	29,433	133,793	(97,973)	35,820
IT equipment	447,439	(313,768)	133,671	410,489	(284,130)	126,359
	1,400,887	(741,739)	659,148	1,376,504	(661,990)	714,514

Reconciliation of property, plant and equipment - 2021

	Opening balance	Additions	Disposals	Depreciation	Total
Furniture and fixtures	552,335	4,725	-	(61,016)	496,044
Office equipment	35,820	-	-	(6,387)	29,433
IT equipment	126,359	68,719	(12,041)	(49,366)	133,671
	714,514	73,444	(12,041)	(116,769)	659,148

Reconciliation of property, plant and equipment - 2020

	Opening balance	Additions	Disposals	Depreciation	Total
Furniture and fixtures	186,436	423,243	(10,471)	(46,873)	552,335
Office equipment	20,520	21,546	-	(6,246)	35,820
IT equipment	65,343	108,389	-	(47,373)	126,359
	272,299	553,178	(10,471)	(100,492)	714,514

3. Deferred tax

Reconciliation of deferred tax asset / (liability)

Unrecognised deferred tax asset

Calculated tax losses carried forward that have not been recognised as deferred tax assets (before applying the applicable tax rate)

Tax losses available for offset against future taxable income	1,184,560	958,834
Tax losses not recognised as deferred tax assets are analysed as follows:		
Expiry between two and five years	1,184,560	958,834

No deferred tax assets have been recognised for the unutilised tax losses and deductible temporary differences as it is not expected that the company will make sufficient taxable profits to utilise them before they expire.

4. Trade and other receivables

Trade receivables	792,031	2,645,614
Prepayments	57,027	9,369
Deposits	83,181	83,181
VAT	33,540	930
Interest receivable	6,990	1,411
Other receivable	11,862	20,503
	984,631	2,761,008

NOTES TO THE FINANCIAL STATEMENTS

	2021 P	2020 P
5. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Cash on hand	922	987
Bank balances	4,386,247	4,742,971
Short-term deposits	3,000,000	100,000
	7,387,169	4,843,958
6. Trade and other payables		
Trade payables	92,129	360,290
Deposits received	3,392,739	1,199,541
Sundry suppliers	70,572	68,700
Other payables	271,086	215,970
Leave and severance accruals	3,680,309	4,329,025
	7,506,835	6,173,526
7. Capital grants		
At 1 April	714,514	272,296
Capital grants transferred	61,402	542,710
Capital grants amortised during the year	(116,769)	(100,492)
	659,147	714,514
8. Deferred income		
At 01 April	2,387,746	2,576,931
Government contributions received	4,636,582	5,447,437
Transferred to income statement	(4,941,463)	(5,093,912)
Transferred to capital grant	(61,403)	(542,710)
	2,021,462	2,387,746
9. Revenue		
Service revenue	10,470,726	13,098,536
Government funding	4,941,463	5,093,912
Capital grant transfer	116,769	100,492
	15,528,958	18,292,940
10. Cash (used in) generated from operations		
Loss before taxation	(200,191)	-
Adjustments for:		
Depreciation and amortisation	116,769	100,492
Foreign exchange movement	378,300	(309,129)
Changes in working capital:		
Trade and other receivables	1,776,377	(878,045)
Trade and other payables	1,333,309	(10,914)
Deferred income	(366,283)	(189,185)
	3,038,281	(1,286,781)

NOTES TO THE FINANCIAL STATEMENTS

11. Related parties

Relationships
Directors

Refer to directors page (page 10)

12. Going Concern

COVID-19 pandemic

In early January 2020, a viral infection originating in China was traced to a novel strain of the corona virus. The virus has subsequently spread to other parts of the world including the U.S., Europe and Africa and has caused unprecedented disruptions in the global economy as efforts to contain the spread of the virus has intensified. On 11 March 2020 the World Health Organisation officially declared this corona virus outbreak (also referred to as COVID-19) as a pandemic.

The coronavirus outbreak and corresponding new government mandates may have a continued adverse effect on economic and financial market conditions and trigger a period of global economic slowdown. Management has not recorded any financial impact from this subsequent event to the financial statements as of 31 March 2021. Management has monitored developments relating to the coronavirus and successfully executed its operational response based on existing business continuity plans to manage the operations. Management has also followed guidance from global health organizations and relevant government and regulatory authorities, especially with regard to the safety of its employees and efforts to contain the spread of the virus.

The financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The ability of the company to continue as a going concern is dependent on a number of factors. The most significant of these is that the Directors continue to procure funding for the ongoing operations for the company.

13. 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.

Plot 50369, Unit 3A, Second Floor, Tholo Office Park, Fairgrounds
P Bag 00320, Gaborone, Botswana
Tel: 313 2910 Fax: +267 313 2922
Email: info@sadcas.org
Website: www.sadcas.org

