

# 2020

Annual Report



**NBFIRA**

Non-Bank Financial  
Institutions Regulatory  
Authority



# 2020

Annual Report

## Mandate

The Regulatory Authority derives its mandate to regulate and supervise the Non-Bank Financial Institutions (NBFIs) from Section 4 of the NBFIRA Act, 2016 (CAP 46:08).

The principal objective of the Regulatory Authority is to foster the following:-

- Safety and soundness of the NBFIs;
- The highest standards of conduct of business by the NBFIs;
- Fairness, efficiency and orderliness of the NBFIs;
- Stability of the financial system; and
- Reduction and deterrence of financial crime.

### VISION, MISSION AND VALUES

To support its fundamental and principal objective, the Regulatory Authority subscribes to the following vision, mission and values statement in order to embrace a culture of a high performance organization.

#### VISION

- To be an efficient and effective regulatory and supervisory authority in line with international best practices.

#### MISSION

- To regulate and supervise the Non-Bank Financial Institutions for the purpose of contributing towards financial stability.

#### VALUES

**Integrity:** Adherence to the highest ethical standards.

**Transparency:** Openness and frankness in operations.

**Fairness:** Consistent promotion of equal treatment in dealings with all stakeholders.

**Accountability:** Responsibility to stakeholders.

**Diligence:** Thoroughness and persistence in the execution of duties.



## Preamble

“ The Non-Bank Financial Institutions Regulatory Authority (**NBFIRA**), also known as **the Regulatory Authority** is required, under Section 34 of the NBFIRA Act, 2016 (CAP 46:08), to publish an Annual Report for its financial year.

**The 2020 Annual Report** is published in fulfilment of the statutory requirements, and highlights **the Regulatory Authority's** financial and operational performance for the financial year 2019/20. Financial performance of regulated entities is however largely based on the audited financial statements for the calendar year ended December 31, 2019. Information for the period ended March 31, 2020 and historical data is reported for purposes of emphasis of developments pertaining to the review period.

”

# Abbreviations used in the Annual Report

<b>AML/CFT/CFP</b>	Anti-Money Laundering/ Countering the Financing of Terrorism/ Countering the Financing of Proliferation
<b>BDC</b>	Botswana Development Corporation
<b>BSEL</b>	Botswana Stock Exchange Limited
<b>CISNA</b>	Committee of Insurance, Securities and Non-Banking Authorities
<b>CIU</b>	Collective Investment Undertakings
<b>CLI</b>	Credit Life Insurance
<b>CMI</b>	Capital Market Intermediaries
<b>CSDB</b>	Central Securities Depository (Botswana) Pty Limited
<b>ESAAMLG</b>	Eastern and Southern Africa Anti-Money Laundering Group
<b>FATF</b>	Financial Action Task Force
<b>GDP</b>	Gross Domestic Product
<b>IAIS</b>	International Association of Insurance Supervisors
<b>ICRG</b>	International Cooperation Review Group
<b>ICVC</b>	Investment Company with Variable Capital
<b>IFRS</b>	International Financial Reporting Standards
<b>IFSC</b>	International Financial Services Centre
<b>IIB</b>	Insurance Institute of Botswana
<b>IMF</b>	International Monetary Fund
<b>IOPS</b>	International Organisation of Pension Supervisors
<b>IOSCO</b>	International Organisation of Securities Commissions
<b>IT</b>	Information Technology
<b>KYC</b>	Know – Your - Customer
<b>MANCO</b>	Management Company
<b>ML/TF/PF</b>	Money Laundering/Terrorism Financing/Proliferation Financing
<b>MVAF</b>	Motor Vehicle Accident Fund
<b>NRA</b>	National Risk Assessment
<b>NBFI</b>	Non-Bank Financial Institution
<b>NBFIRA</b>	Non-Bank Financial Institutions Regulatory Authority
<b>SADC</b>	Southern African Development Community
<b>SIBs</b>	Securities Infrastructure Businesses
<b>SME</b>	Small and Medium Enterprises
<b>RF</b>	Retirement Funds
<b>RBSS</b>	Risk Based Supervisory System

# Glossary of terms

## **Asset Manager:**

means a person who, under an agreement with another person, applies assets of the other person by way of investment, whether the asset manager makes those investments in its own name or not but does not include a custodian or a trustee.

## **Administrator of a pension or provident fund:**

means a person who provides administration or similar services to the fund.

## **Beneficiary Fund:**

means a fund which is established with the objective of receiving, administering, investing and paying benefits on behalf of beneficiaries.

## **Central Securities Depository:**

means a facility for the deposit, clearing or settlement of securities transactions, whether physically, electronically or otherwise.

## **Collective Investment Undertaking:**

means an arrangement, where the principal object of which is the collective investment of its funds in real or personal property of whatever kind, including securities and other liquid financial assets, with the aim of giving its members, or section-holders the benefit of the result of the management of funds and spreading investment risk and the units of which are at the request of holders, purchased, directly or indirectly out of those undertakings assets. A collective investment undertaking can be constituted as a section trust or as an investment company with variable capital whose articles provide that the actual value of the paid up share capital of the company shall at all times be equal to the net asset value of the company and the shares of the company shall have no par value.

## **Custodian:**

means a person who holds property of another person for safekeeping.

## **Finance and Leasing Company:**

means a body corporate that provides loans, advances or leasing products, but does not include a bank or a deposit taking institution.

## **Financial Group:**

means a group of companies under common control comprised of one or more prudentially regulated non-bank financial institutions and their subsidiaries.

## Glossary of terms (continued)

### Financial Services Laws:

means any of the following- NBFIRA Act, Insurance Industry Act, Financial Intelligence Act, International Insurance Act, Retirement Funds Act, Part XVI of the Income Tax Act, insofar as it relates to NBFIs, Securities Act, Collective Investments Undertakings Act, a law that declares itself to be a financial services laws for the purposes of this definition or such legislation as the Minister may, by order, prescribe.

### Friendly Society:

means an association of persons established with no share capital for the purpose of aiding members of the association or their dependents, being an association that does not employ a person whose main occupation is canvassing for members of, or collecting contributions or subscriptions for, the association.

### Insurance Agent:

means a person who solicits applications for insurance for an insurer.

### Insurance Broker:

means a person who arranges insurance otherwise than as agent of the insurer.

### Insurer:

means a person who undertakes liabilities by way of insurance (including general insurance, life insurance and reinsurance), whether or not as a member of an association of underwriters.

### International Insurance Firm:

means an undertaking which carries on international insurance business and includes an insurance manager, a principal insurance representative and an insurance agent.

### Investment Advisor:

means a person who gives other people investment advice or recommendations (including about holding and disposing of investments) in relation to securities or other assets.

### Management Company for a Collective Investment Undertaking:

means an incorporated body responsible for the establishment, promotion, management and administration of a collective investment undertaking.

### Member of the Insurance Industry:

means an insurance surveyor, a risk manager, a loss assessor, a loss adjuster or a claims settlement agent.

**Micro Lender:**

means a person who advances loans to persons, where the loans do not exceed a prescribed amount, but does not include a person licensed in terms of the Banking Act or the Building Societies Act.

**Pension Fund:**

means any fund the principal objective of which is to provide for the payment of a pension to a person, who has been a member of the fund, on his retirement.

**Provident Fund:**

means any fund which is not a pension fund where a lump sum payment is made at retirement.

**Risk Based Supervisory Model:**

means a forward looking approach designed to assist the regulator to allocate its resources more effectively, prioritizing supervision to those firms presenting greatest risk.

**Securities Broker/Dealer:**

means a person who carries on the business of buying and selling securities on behalf of other persons or a person who regularly buys or sells securities on his own behalf otherwise than through a licensed securities dealer.

**Securities Exchange:**

means a market, exchange, place or facility that provides for bringing together, on a regular basis, buyers and sellers of securities to negotiate or conclude sales of securities.

**Trustee of a Collective Investment Undertaking:**

means a person acting as a trustee of a section trust.

**Trustee of a Pension or Provident Fund:**

means a person acting as a trustee of a pension or provident fund.

**Umbrella Funds:**

means a fund which is established for the benefit of employees of different small employers to facilitate cost savings and pooled investments.

**Umbrella Act:**

means the Non-Bank Financial Institutions Regulatory Authority Act (2016).

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# The regulatory framework for the NBFi sector

The legislative framework governing the operations of both *the Regulatory Authority* and the regulated NBFIs is known as the “financial services laws”. The NBFIRA Act (2016) is the umbrella act of the financial services laws for regulation of the NBFi sector. The NBFIRA Act (2016) prescribes the operations, responsibilities and accountabilities of *the Regulatory Authority*, including corporate governance, staffing, finances, and reporting to stakeholders. It also provides a comprehensive licensing regime for supervised entities and provides *the Regulatory Authority* with powers to remedy imprudent practices, unethical conduct, and contraventions of the law.

The regulated NBFIs and activities in Table 1 below are listed in Section 2 of the NBFIRA Act (2016).

**Table 1: Financial Services Laws and Their Application to the Regulated NBFIs**

The Umbrella Act - The Non-Bank Financial Institutions Regulatory Authority Act, 2016 (Cap 46:08)		
Name of Industry Act	Supporting Rules and Regulations	Types of NBFIs
<b>Insurance Industry</b>		
The Insurance Industry Act (2015).	Insurance Industry Regulations (2019);	Re-insurer; Insurer; Insurance Broker;
The International Insurance Act (2005).	Insurance Prudential Rules (2012).	Insurance Corporate Agent and Representatives (natural persons) International Insurance Firm  Medical Aid Funds
<b>Retirement Funds Industry</b>		
Retirement Funds Act (2014). Part IV of the Income Tax Act.	Retirement Funds Regulations (2016) Pensions Administrative Rules, 2012;	Retirement Funds; Trustees of Retirement Funds; and Retirement Fund Administrators
Financial Intelligence Act of 2019	Financial Intelligence Act Regulations	All NBFIs

Capital Markets Industry		
Securities Act (2014)	NBFIRA Commodities Exchange Licensing Regulations (2008);	The operator of a securities exchange;
Income Tax Act Part XVI.	Securities (Institutions Licensing) Regulations (2017)	A person operating a central securities depository (CSD);and
The Collective Investment Undertaking Act (2001).	Securities (Persons Operating a securities infrastructure business) regulations (2017)	A securities Dealer/Broker International Financial Services Centre (IFSC) Accredited NBFIs
	NBFIRA Market Intermediaries Licensing Rules(2012);	A trustee of a collective investment undertaking;
	NBFIRA Securities Business Corporate Governance Rules (2012) CIU Regulations;	A collective investment undertaking that is an investment company with variable capital;
	NBFIRA Market Intermediaries 'Conduct of Business Rules (2012)	A person operating a collective investment undertaking other than one described above;
	NBFIRA Persons Operating a Securities Infrastructure Business Rules (2012)	A custodian; Management Company for a collective investment undertaking (MANCO); An Asset Manager; and Investment Advisor.
Lending Activities Industry		
	Micro Lending Regulations (2012)	Micro Lenders; Finance or Leasing Companies Pawnshops

**Note:** Other laws applicable to all NBFIs include, inter alia, the Companies Act, the Income Tax Act, the Financial Intelligence Act, Competition Act, Financial Reporting Act and their supporting regulations.

# Chairperson's Statement



During the financial year ended March 31, 2020, the Non-Bank Financial Institutions Regulatory Authority (*the Regulatory Authority*) continued to enforce the legal regulatory framework promulgated by Parliament and the supporting Regulations prescribed by the Ministry of Finance and Economic Development (MFED) to regulate and supervise non-bank financial institutions.

In the endeavor to be responsive, transparent and effective in delivery of its mandate, the Management continually engaged and sought strategic leadership of the Board of Directors to review and enhance supervisory tools to improve effectiveness of supervisory and oversight function, to foster financial safety and soundness, fairness, efficiency and orderliness of market conduct; and development of the non-bank financial sector and thus contributing to the stability of the financial system as a whole.

The last quarter of the financial year-ended March 31, 2020, coincided with the global outbreak of the Covid-19 pandemic. However, locally, the impact of Covid-19 and the response thereof commenced after the financial year-end, with

a national lockdown beginning on April 2, 2020. As a result, this Annual Report covers the operations and supervisory activities for the 12 months ended March 31, 2020 and, therefore, excludes information on the impact of Covid-19 pandemic and the policy responses thereof.

It is against this background that I present the Non-Bank Financial Institutions Regulatory Authority's (NBFIRA) Annual Report for the year ended March 31, 2020. The Annual Report is published in accordance with the provisions of Section 34 of the NBFIRA Act (2016). Key highlights of the operations and supervisory activities of NBFIRA for the 12 months' period are presented in four broad categories, namely,

- (a) **Strategy and Risk Management;**
- (b) **Corporate and Legal Services;**
- (c) **Regulatory, Supervisory and Oversight; and**
- (d) **Audited Financial Statements:**

**(a) Strategy and Risk Management**

2019/20 marks the fourth year of the implementation of *the Regulatory Authority's* strategic plan covering the calendar years 2016 – 2021. The Board continued to drive the strategic objectives of building

capacity to achieve the mandate of *the Regulatory Authority* through a risk based supervisory approach which is more pre-emptive and proactive in identifying and mitigating emerging financial stability risks. To that end, *the Regulatory Authority* conducts annual reviews of the strategy to align it to the prevailing macro-economic and operational environment. The annual strategic plan review was undertaken in October 2019 and the key adjustment to the plan was the addition of the initiative to “**Develop and Implement Ethics Policy**” to enhance attainment of the objective of “**Improving Stakeholder Confidence**” by emphasising transparency and openness in *the Regulatory Authority's* relations with stakeholders.

The Board of Directors provides strategic oversight over the risk management function of *the Regulatory Authority*. The enterprise risk management is embedded in the strategic planning, objectives setting, budgeting and performance management processes to ensure effective execution of the corporate strategic plan, projects and any other business or activity. *The Regulatory Authority* also continuously monitors emerging

## Chairperson's Statement (continued)

risks and issues and updates its risk profile accordingly.

### (b) Corporate and Legal Services

The Board carries out its oversight role guided by the NBFIRA Act (2016), the King IV Report on the Code of Corporate Governance as well as the Board Charter and the Board Committees' Terms of Reference. The Board has the overall responsibility for risk governance and assurance. In a quest to improve the statutory framework, **the Regulatory Authority** collaborated with Government to ensure the alignment of the framework to the international best practices. The commencement of the NBFIRA Act, 2016, raised a need to review industry specific Acts or to have some promulgated by Parliament. As a result, the Insurance Industry Act, 2015 and its supporting Regulations commenced with effect from May 17, 2019, and the Insurance Industry Act, 1987, was repealed. In the non-bank lending sector, the industry specific legislation was drafted and licensing/exemption guidelines were issued to the market in March 2020. In addition, following the Financial Action Task Force's (FATF's) decision to place Botswana under an enhanced

monitoring process in October 2018, the revised Financial Intelligence Act, 2019 and its supporting Regulations commenced on September 4, 2019.

The Terms of Reference for the three Board Committees were reviewed, in line with best practice in corporate governance. The Licensing & Enforcement Committee (**LEC**) was renamed the Regulatory and Enforcement Committee (**REC**) to reflect the strategic nature of the Committee. The Committee's oversight responsibilities are overarching and encompass regulatory oversight rather than just licensing. In addition, work commenced on the improvement of the supervisory tools outlined in the Chief Executive Officer's Report. Furthermore, the scope of the Finance and Audit Committee (**FAC**) was expanded to include overseeing tendering and procurement and as a result was renamed the Finance, Audit and Tender Committee (**FATC**.)

**The Regulatory Authority** maintained affiliations to various local, regional and international standard setting bodies in the regulation of the financial services sector and to adopt and benchmark on best practices. This has enabled **the Regulatory Authority** to keep abreast

of the latest developments in the regulation of the financial services sector. As at March 31, 2020, **the Regulatory Authority** had entered into 17 Memoranda of Understanding with both local, regional and international organisations.

The staff establishment of **the Regulatory Authority** was increased by six posts to 100 at the end of the financial year 2019/2020 compared to 94 in the prior year. The additional resources were required for the establishment of a fully-fledged Anti-Money Laundering/Counter Financing of Terrorism (**AML/CFT**) Department. By year-end March 31, 2020, 97 staff were in post compared to 87 in the previous year. For the 12 months ended March 31, 2020, staff turnover was low at 3 percent compared to 8 percent in 2018/19 and 99 percent of the posts were localised.

**The Regulatory Authority** was able to maintain the Information Technology (**IT**) infrastructure with minimal disruption and security breaches. However, a consultancy was carried out to conduct IT systems penetration testing and vulnerability assessment in order to ensure its security both internally and externally. The project also evaluated the effectiveness of the deployed security measures. Based on the findings, **the Regulatory**

**Authority** put measures in place to address identified deficiencies.

### (c) Regulatory, Supervisory and Oversight Function

The Financial Stability Council (FSC) meeting of August 6, 2019 approved “A Macro Prudential Policy Framework for Botswana” to promote a coordinated approach for attainment of financial system stability and directed financial regulators, including NBFIRA to present the framework to respective boards of directors for consideration and adoption. The paper is scheduled for Board deliberations in the next financial year and applies to all financial institutions and markets; and other financial intermediaries in Botswana. A full report, will therefore be included in the next annual report of *the Regulatory Authority*. In the interim, the Regulatory Authority has started contributing to the work of the FSC in the recent bi-annual publications of the national financial stability report.

In 2019, the pace of global economic activity was weak. In particular, momentum in the manufacturing sector weakened substantially. This was against the background of rising

trade and geopolitical tensions which increased uncertainty about the future of the global trade and international cooperation more generally. As a result, this took a toll on business confidence, investment decisions, and global trade. To counter this, there was a notable shift toward accommodative monetary policy – through both action and communication - to cushion the impact of the tensions on financial market sentiment and economic activity. Generally, the service sector remained resilient and thus supported employment growth. The domestic economy was not spared as Real GDP registered a slower growth rate of 3.0 percent in 2019, compared to a faster expansion of 4.5 percent in 2018. Subsequently, and with the global outbreak of Covid-19 pandemic, the outlook turned more bleak and requires close monitoring of macroeconomic activity and the authorities’ policy responses.

The domestic Non-Bank Financial Institutions (NBFIs) were profitable during the review period. Profits before tax excluding retirement funds income were P1.7 billion during the year ended December 31, 2019, compared to P 1.4 billion in the prior year. The return on assets ratio increased to 6 percent

in 2019 from 5 percent in 2018. The NBFIs sector registered a 4 percent increase in assets from P121 billion in the prior year to P126 billion in 2019. At this level, the NBFIs sector maintained its dominance of the domestic financial system at 54 percent market share, albeit one percent lower than in the prior year.

Retirement Funds assets increased by 8 percent from P82 billion in 2018 to P89 billion in 2019 (based on audited figures for financial year ends during the period January 1 – December 31). Retirement funds continued to dominate the NBFIs sector with a market share of 70 percent in 2019 compared to 68 percent in 2018. However, the significant growth in retirement funds was not seen across the aggregate NBFIs sector where overall assets grew by only 4 percent. The NBFIs sector capital position increased by 10 percent from P6.8 billion in 2018 to P7.5 billion in 2019. The liquidity position also increased as evidenced by a significant 14 percent reduction in liabilities from P24 billion in 2018 to P21 billion in 2019. Overall, the NBFIs sector was assessed to be stable and financially sound.

Subsequent to the year-end audits, management accounts of

## Chairperson’s Statement (continued)

Retirement Funds as at December 31, 2019 recorded an increase to P93 billion compared with P78 billion in the corresponding period in 2018. This was attributed to an upsurge in investment income from P2.5 billion in 2018 to P7.0 billion in 2019, due to good performance in the global financial markets. While employment creation continued to be a challenge, total contributions to the retirement funds by both the employees and the employers increased by 6.8 percent from P4.3 billion in 2018 to P4.6 billion in 2019,

partly, as a result of civil service salary increments. The **offshore/onshore** asset allocation split was **61/39** percent in 2019 compared to **59/41** percent in 2018, as a result of flight to safety of the US dollar and a search of higher yield in offshore investments.

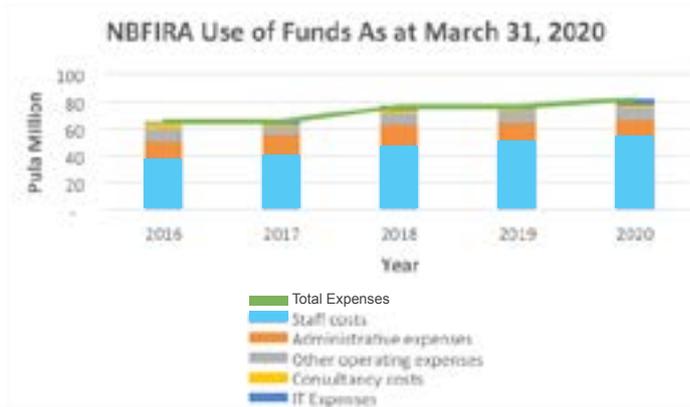
### (d) NBFIRA Audited Financial Statements

**The Regulatory Authority** recorded a surplus of P6.4 million in the 2019/20 financial year representing

a sizeable increase from P 2.5 million recorded in the prior year. This was partly due to 11 percent increase in total revenues to P87.7 million in the year 2019/20 from P78.7 million in 2018/19, due to a better than expected financial performance by the regulated entities as well as additional and new licensees in the NBFi sector. In the strive for financial sustainability, **the Regulatory Authority** continued to rely on supervisory levies as the main source of revenues as shown in the chart below:



Total expenditure for 2019/20 financial year was higher at P81.8 million compared to P77.4 million in the previous year. The major contributing factor to higher operational expenses was staff costs as **the Regulatory Authority** achieved near full staff capacity in its establishment. Software licensing fees also increased as the ICT was improved for operational efficiency.



**The Regulatory Authority** remains a going concern, based on strong balance sheet with positive cash flows. In 2019/20 the current assets were P20.7 million as compared to current liabilities of P9.0 million. However, the outlook for 2020/21 is less optimistic given the expected negative impact of the Covid-19 pandemic and the response actions taken since April 2020. In particular, NBFIs’ ability to underwrite new business was seriously inhibited due to lockdown and constrained disposable incomes.

**Acknowledgements**

I take this opportunity, on my behalf, and on behalf of the Board, Management and staff of NBFIRA to pledge our support and readiness to serve under Honourable Dr. Thapelo

Matsheka, Minister of Finance and Economic Development. The change gave us the privilege and honour to have served under two Ministers of Finance and Economic Development during the year-ended March 31, 2020. I thank Honourable Mr. Kenneth Matambo for the confidence and support he provided me and my fellow Board members all those years.

I also appreciate fellow board members who diligently and passionately steered the affairs of **the Regulatory Authority** for the period ended March 31, 2020. During the 2019/20 financial year, Ms. Agnes T. Khunwana retired from the Board of Directors after serving a four-year term. During her period of service, Ms. Khunwana also served in two Sub-Committees of the

Board as a member of the Human Resources Committee (**HRC**) and Chairperson of the Finance, Audit and Tender Committee (**FATC**). Her wealth of experience in finance and leadership contributed immensely to the efficient establishment and deliberations of the said Board Sub-Committees and I am indebted to her for the contributions made. Furthermore, I wish to recognise the immense contribution and leadership of Mr. Oaitse M. Ramasedi whose role as Chief Executive Officer and consequently as an ex-officio member of the Board of Directors ended on February 29, 2020. We at NBFIRA unanimously thank Mr. Ramasedi, and wish him success in his future endeavors. Finally, let me take this opportunity to welcome Mr. Oduetse A. Motshidisi in his appointment to the NBFIRA Chief Executive Officer post with effect from September 1, 2020.

It will be remiss not to extend my gratitude to the regulated entities who continue to cooperate with **the Regulatory Authority** in the execution of its mandate.

**Motlalepula V. Kabomo (Ms)**  
**CHAIRPERSON**

## Board of Directors



a.

**Ms. Motlalepula Kabomo**  
(Chairperson)



b.

**Ms. Hilda Hlanti**



c.

**Dr. L.S. Senatla**  
Member (ex officio member from  
Bank of Botswana)



d.

Ms. Ivy Ramalohanye



e.

Mr. Keletsositse Olebile

## Board of Directors



f.

Ms. Ludo Tema



g.

Ms. Patrinah Masalela  
(ex officio member from Ministry of Finance and  
Economic Development)



h.

Ms. Lerang Lephole



i.

Mr. Oduetse Motshidisi  
Chief Executive Officer and (ex officio member)



# Corporate Governance

## Composition and Role of the Board of Directors

The Board of Directors is established in terms of Section 5 of the NBFIRA Act, 2016 and is the governing body of **the Regulatory Authority**. The Board sets the overall tone of corporate governance through policy making and the general administration of **the Regulatory Authority**.

The Board is guided by the NBFIRA Act, the King IV Code of Corporate Governance, as well as **the Regulatory Authority's** Board Charter and the Board Committee Terms of Reference.

The membership of the Board is as follows:

Table 2: Board of Directors

Board Member	Nature of Membership	Date of Appointment	Term
Ms. Motlalepula Kabomo	Chairperson	01/11/2017	4 years
Dr. Lesedi Senatla	Board Member (Bank of Botswana Representative)	01/09/2017	4 years
Ms. Patrinah Masalela	Board Member (MFED Representative)	01/09/2017	4 years
Ms. Ludo Tema	Board Member	15/05/2019 (reappointment)	4 years
Ms. Ivy M Ramalohanye	Board Member	01/10/2017	4 years
Mr. Keletsositse Olebile	Board Member	01/10/2017	4 years
Ms. Hilda Hlanti	Board Member	01/05/2018	4 years
Mr. Sriram Gade	Acting CEO	01/03/2020	6 months

Table 3: Outgoing Board of Directors

Board Member	Nature of Membership	Date of Appointment	Date of Termination
Ms. Agnes Khunwana	Board Member	01/10/2015	30/09/2019
Mr. Oaitse Ramasedi	Board Member (Ex Officio)	07/04/2016	29/02/2020

## Corporate Governance (continued)

### Committees of the Board

The Board of the **Regulatory Authority** has, in terms of Section 15 of the NBFIRA Act, established three sub-committees to assist the Board in carrying out its oversight role. The committees are the Finance, Audit and Tender Committee, the Human Resources Committee, and the Regulatory and Enforcement Committee.

### Finance, Audit and Tender Committee (formerly called Finance and Audit Committee)

The Finance, Audit and Tender Committee provides guidance to the Board pertaining to matters of the effectiveness of the internal control systems in place, compliance with the relevant legislative requirements, implementation of risk management

and oversight of the procurement function in line with the delegated responsibilities. This ensures that the **Regulatory Authority** is in a sound financial position and remains a going concern. The membership of the Finance and Audit Committee for the financial year 2019/20 was as follows:

Table 4: Finance, Audit and Tender Committee

Name	Position
Ms. Agnes Khunwana	Chairperson*
Mr. Keletsositse Olebile	Chairperson**
Ms. Patrinah Masalela	Member
Ms. Motlalepula Kabomo	Member

\*the Chairperson resigned from the Board before the end of the financial year, leaving the position vacant.

\*\*Mr Olebile was appointed effective from 28/02/2020

### Human Resource Committee

The Human Resource Committee provides the Board with advice on the **Regulatory Authority's** human resources strategy and relevant policies, manpower plans and remuneration. The Committee further recommends to the Board for appointment of executive management positions to the **Regulatory Authority**. The membership of the Human Resources Committee for the financial year 2019/20 was as follows:

Table 5: Human Resource Committee

Name	Position
Dr. Lesedi Senatla	Chairperson
Ms. Patrinah Masalela	Member
Ms. Ludo Tema	Member
Ms. Ivy M Ramalohlanye	Member
Ms. Hilda Hlanti	Member

## Regulatory and Enforcement Committee (formerly called Licensing and Enforcement Committee)

The Regulatory and Enforcement Committee is responsible for providing oversight and advice on the licensing, regulation and enforcement pertaining to NBFIRA regulated entities in line with the NBFIRA Act, Financial Services Laws and other applicable legislation. The membership of the Regulatory and Enforcement Committee for the financial year 2019/20 was as follows:

**Table 6: Regulatory and Enforcement Committee**

Name	Position
Ms. Ludo Tema	Chairperson
Ms. Hilda Hlanti	Member
Dr. Lesedi Senatla	Member
Mr. Keletsositse Olebile	Member

## Board and Committee Meetings

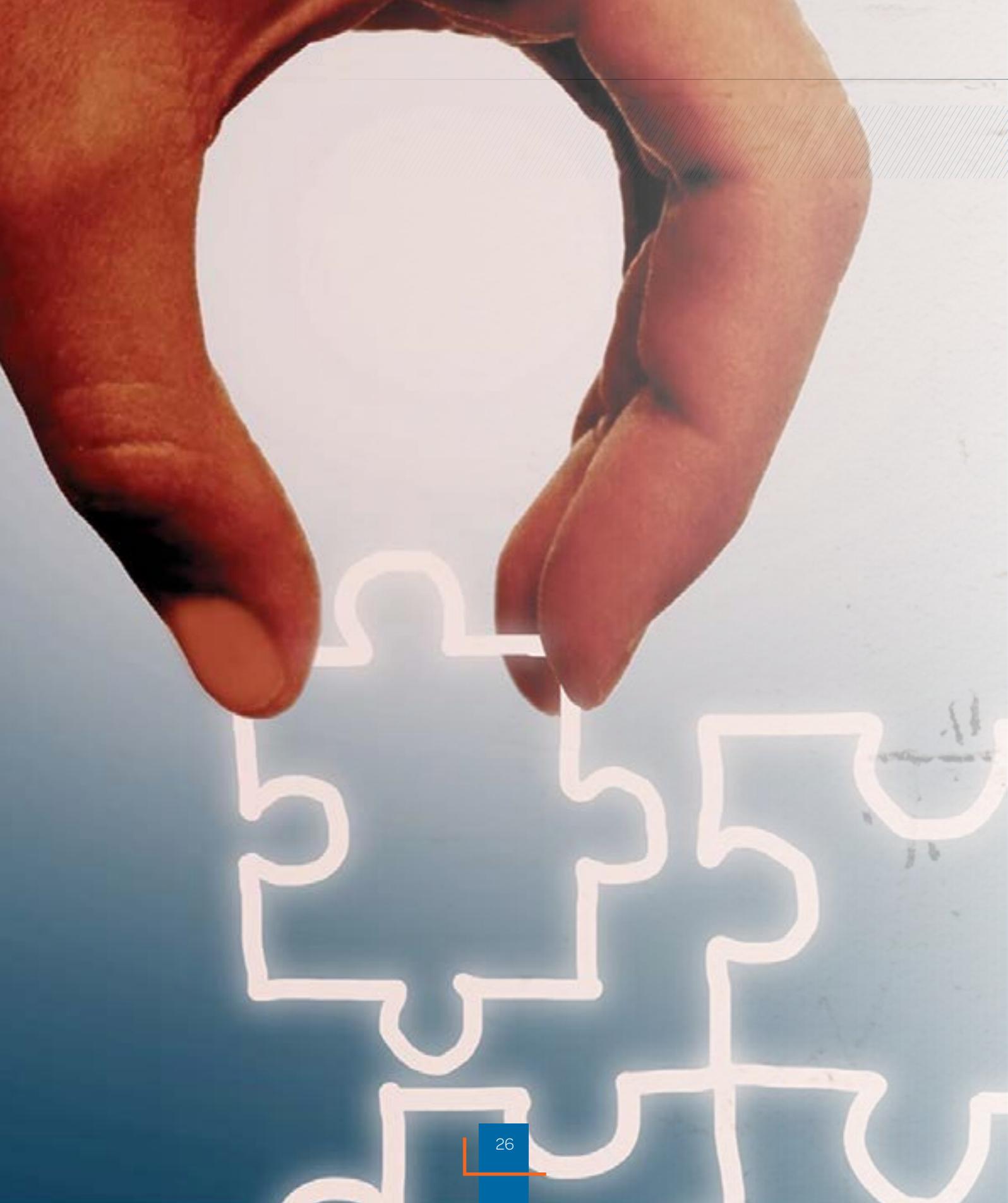
The Board meets at least four times annually in accordance with Section 13(2) of the NBFIRA Act, to discuss matters relating to, amongst other things, strategy and performance, financial position, risk management, human resource matters, sustainability and governance.

The Board committees also meet at least four times annually in accordance with the committees' respective terms of reference to assist the Board in effectively carrying out its mandate.

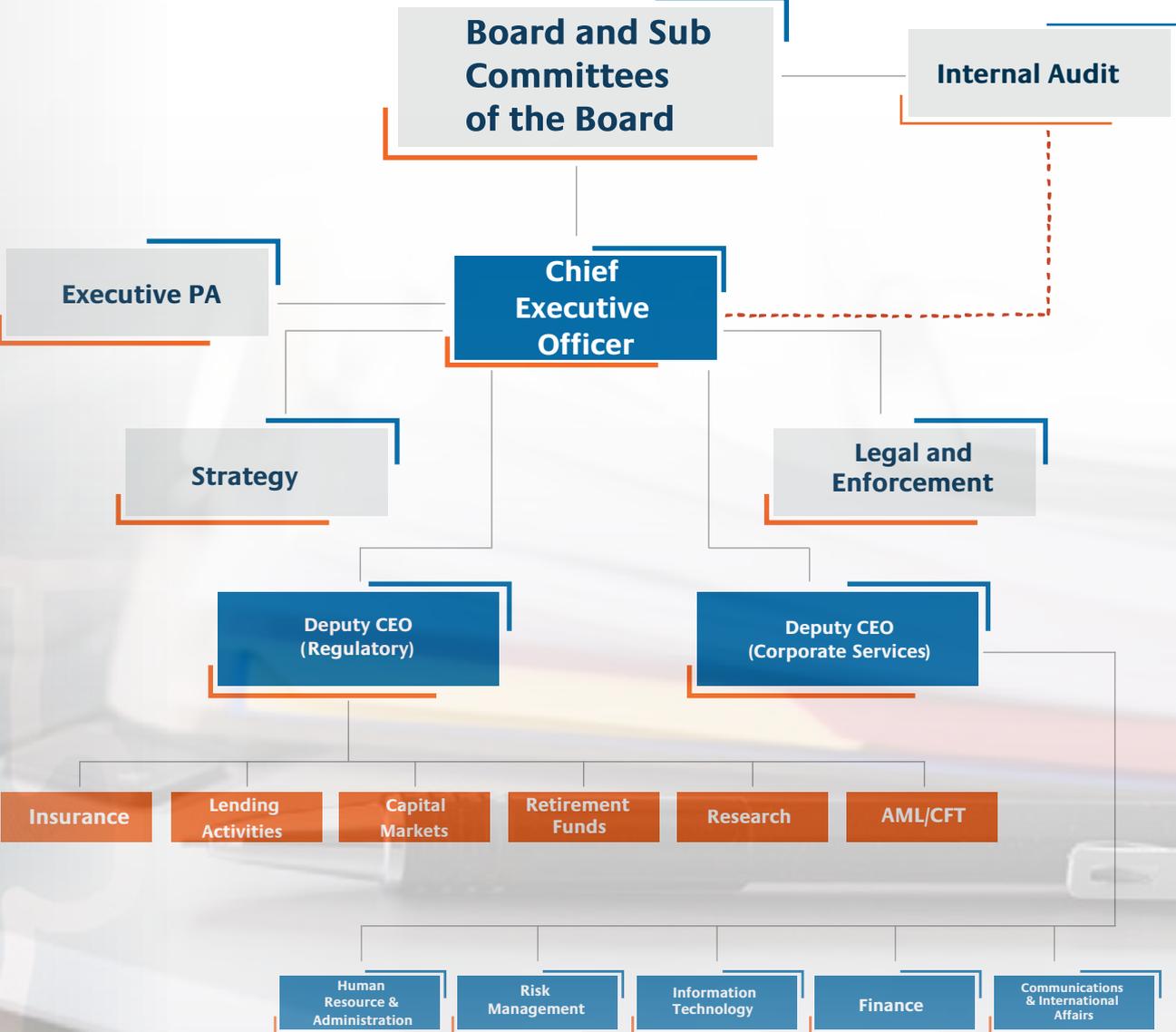
Table 7 below shows the number of meetings held during the year 2019/2020.

**Table 7: Number of Board and Committee Meetings**

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Total
Main Board	20 June 2019	28 August 2019	28 November 2019	27 February 2020	4
Finance, Audit & Tender Committee	23 May 2019	14 August 2019	14 November 2019	6 February 2020	4
Human Resource Committee	7 May 2019	6 August 2019	18 November 2019 28 November 2019	5 February 2020	5
Regulatory & Enforcement Committee	13 June 2019	8 August 2019	14 November 2019	15 January 2020 6 February 2020	5



# Organisational Structure



# Chief Executive Officer's Report



## Implementing the Strategy

The financial year ended March 31, 2020 saw continued emphasis on the implementation of the 2016 – 2021 five-year strategic plan, which is focused on supporting the perspectives of Regulatory and Stakeholder; Business Process; Learning and Growth; and Financial, in order to achieve **the Regulatory Authority's mandate**. During the year, the strategic objectives were fine-tuned taking into account the emerging operational environment in order to drive **the Regulatory Authority's** vision of being “an efficient and effective regulatory and supervisory authority in line with international best practices”. The aim is to promote financial soundness and good market conduct of the NBFIs sector and thus improving safety and stakeholder confidence. In addition, **the Regulatory Authority** continued to exert effort to promote fairness, orderliness and transparency of the markets. To that end, an ethics policy to enhance market conduct was developed and will be independently managed by a third party service provider. The

AML/CFT function continued to be capacitated to effectively deter financial crimes so that the country can meet the Financial Action Task Force (FATF) requirements.

## Driving the Regulatory and Supervisory Mandate

The Management continued to review the supervisory tools to align them to international best practice and the changing legal framework. Furthermore, IT policies and procedures were reviewed in order to align IT functionality to the current trends and standards. In a broader context, **the Regulatory Authority** collaborated with the Financial Stability Council Secretariat in the development of “**A Macro Prudential Policy Framework for Botswana**” and its approval by the Financial Stability Council in August 2019.

Prudential regulations for insurers were developed and released to the market. In the capital markets, the oversight of the Botswana Stock Exchange as a self-regulatory organisation (SRO) commenced in March 2020 and a Directive was

issued to issuers of unlisted bonds, under the BSE Memorandum, requiring them to register the bonds with the Central Securities Depository of Botswana (**CSDB**). This was meant to dematerialise the securities and to promote automated trading and digital record keeping. Companies operating under the auspices of the Botswana International Financial Services Centre (**IFSC**) companies, were re-assigned to sector specific Departments in order to avoid supervisory arbitrage and risks that arise from grey area supervisory responsibilities. In addition, a public notice to provide guidance on the understanding, interpretation and application of provisions of Regulation 35 (9) of the Retirement Regulations was issued. This provision allows members to make withdrawals of a maximum of 25 percent of the preserved retirement benefits prior to reaching retirement age, subject to the approval of the Board of Trustees of the Fund and payment of tax where applicable. In implementing the Retirement Funds Act, 2014 and its supporting Regulations, **the Regulatory Authority** had with effect from September 1, 2019, revised the validity period of the

## Chief Executive Officer's Report (continued)

Retirement Funds Administrators license renewal from annual to three-year period.

The global outbreak of Covid-19 pandemic towards the end of the 2019/20 financial year has raised concern regarding the financial markets' resilience and impact on investment returns. To monitor the situation, **the Regulatory Authority**, has on March 24, 2020, issued a Circular which required the Retirement Funds to submit updates on a regular basis to facilitate proactive policy response. In addition, licensing guidelines were issued to the non-bank lending sector in March 2020.

Furthermore, the Regulatory Impact Assessment (**RIA**) methodology was piloted in collaboration with the Ministry of Investment, Trade and Industry (**MITI**) to develop a framework for assessment of policy and/or regulatory intervention.

The report and adoption of the methodology is scheduled for the next financial year.

Table 9 on page 42 presents a high-level overview of corporate performance against the targets as set out in the strategic plan. **The Regulatory Authority** has overall attained its strategic objectives for the year.

### The Risk Based Supervisory Model

The Risk Based Supervisory (**RBS**) approach remained the cornerstone of the supervisory activities in order to foster the safety and financial soundness of the NBFIs and thus ensuring the overall stability of the financial system. The RBS model assists in decision making to deploy resources to entities identified to be of relative systemic importance for effective monitoring and proactive assessment and

mitigation of emerging risks to the financial system. In that regard, **the Regulatory Authority** contributed to the assessments of emerging vulnerabilities and bi-annual publication of the national financial stability report by the Financial Stability Council. Furthermore, NBFIs were monitored and assisted in understanding the provisions of the amended Financial Intelligence Act, 2019, with the objective of effectively deterring financial crimes and the financing of terrorist activities.

### Compliance and Enforcement Activities

Supervisory tools were utilised to monitor compliance to the regulatory requirements and where necessary, enforcement actions ensued, which included, amongst others, imposition of punitive administrative penalties, litigations and intrusive supervision through the appointment of statutory managers. Furthermore,

*the Regulatory Authority* continued to supervise non-bank financial institutions specified by Part 4 of the FIA Act, 2019 for compliance with the requirements to assess customer AML/CFT/CFP risks, through customer due diligence, profiling, monitoring and reporting of suspicious transactions.

*The Regulatory Authority* continued to leverage on available information technology applications to improve operational efficiency and almost all processes are executed through IT systems. *The Regulatory Authority* has identified the need to upgrade the Risk Based Supervisory System (RBSS) to enhance information retrieval and automation of compliance processes to improve offsite analysis and the risk rating process. Funds were secured for the project which is expected to be implemented in the next financial year. On the other hand, the Enterprise Resource Planning (ERP) System for human resources and finance functions, together with Board Management System served

the purposes effectively. The latter was also utilised to serve Management Committees, including the Executive, Management Tender and other Committees.

### Capacity Building and Human Capital Development

Following the completion of a consultancy to assist with the revision of the organisational structure to ensure that it supports both prudential and market conduct supervision as well as improving operational efficiency, a decision was made to defer implementation to the financial year 2020/21. This was to allow for the development of the 2021-2026 strategic plan and to accommodate transition in organisational leadership following the retirement of the CEO in February 2020. In the interim, *the Regulatory Authority* continued the drive to recruit and build organisational capacity, improve employee engagement and promote a culture of high performance.

The establishment was increased by six positions for the newly established AML/CFT Department. *The Regulatory Authority* ended the year 2019/20 with 97 staff members in post compared to a headcount of 87 in the previous year, and against an approved establishment of 100 (94 in the prior year). During the financial year, staff attrition was 3 percent compared to 8 percent in the previous year. At this level, the attrition rate was below *the Regulatory Authority's* threshold level of 5 percent. Both long-term (part time basis) and short-term training were undertaken to improve and augment academic and regulatory skills, respectively and the utilisation rate of the training and travel budget was at 96 percent as competing programmes for capacity building were accessed. The ratio of staff costs to total operating costs was 66 percent up to March 2020 which is in line with expenditure patterns for similar regional regulators. The five-year trend for *the Regulatory Authority* is as shown in the chart below.

# Chief Executive Officer's Report (continued)



## Stakeholder Engagement and International Affairs

**The Regulatory Authority** continued to raise its profile and close identified communication gaps with emphasis on stakeholder engagement through various activities including media relations,

public awareness and financial education initiatives, adaptation of communications and public relations to improve service delivery. In addition, there were efforts to enhance consumer

protection through development of the ethics policy.

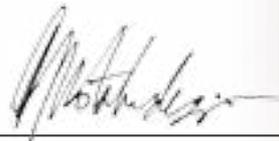
In February 2020, **the Regulatory Authority** hosted the Committee of Insurance, Securities and Non-Banking Authorities (CISNA)

Strategic Planning and Performance Review meeting in Gaborone. As a member of International Standard Setting Bodies, **the Regulatory Authority** continued to participate in the relevant technical committees. While these engagements expose the staff to best regulatory practices, they also ensure that **the Regulatory Authority** participates in multilateral agreements. One additional Memorandum of Understanding (MoU) was signed with National Credit Regulator (NCR) of South Africa on December 18, 2019, resulting in a total of 17 MoUs between **the Regulatory Authority** and other domestic and international organisations.

### Acknowledgements

I wish to thank the Board for the strategic leadership and commitment in guiding the Management to discharge the statutory and operational responsibilities of **the Regulatory Authority**. Equally important, let me acknowledge all NBFIs for continued engagement and cooperation during the review period. Their collective conduct and performance has contributed a great deal to the overall stability of the

financial sector in Botswana. Lastly, I wish to commend the Management team and Staff for continued dedication and contributions towards fulfilling **the Regulatory Authority's** mandate. Your proactive efforts in addressing business matters is exemplary and an inspiration to not only the Board of NBFIRA but the entire country.



**Mr. Oduetse A. Motshidisi**  
**CHIEF EXECUTIVE OFFICER**

## Executive Management team



**Mr. Oduetse Motshidisi**  
Chief Executive Officer



**Mr. Sriram Gade**  
Deputy Chief Executive Officer  
(Regulatory)



**Mr. Mao Segage**  
Deputy Chief Executive Officer (Corporate Services)



**Ms. Ghadie Seromelo**  
Chief Internal Audit Executive



**Ms. Ditshetsa Makepe**  
Director - Legal and Enforcement



**Ms. Juliana White**  
Director - Capital Markets

## Executive Management team



**Ms. Ntema Modongo**  
Director - Lending Activities



**Ms. Matlakala Raphaka**  
Director - Insurance



**Mr. Phineas Sesinyi**  
Acting Director - Retirement Funds

## Senior Management team



**Ms. Motsisi Mongati**  
Head, Anti-Money Laundering and Countering  
Financing of Terrorism (AML/CFT)

**Mr. Elvis Ncaagae**  
Head of Finance

**Mr. Dumedisang Dumedisang**  
Head of Human Resources and  
Administration

## Senior Management team



**Mr. Patrick Rampha**  
Head of Information Technology



**Ms. Boa Chombah**  
Head of Communications  
and International Affairs



**Mr. Wabo Bungile**  
Head of Risk Management

## Exco Complies to Covid -19 Protocols

The Global Outbreak of Covid -19 begun to disrupt Botswana's macroeconomic activity in April 2020 as Government policy response included lockdowns and social distancing amongst others



**Ms. Gakepeo Masike**  
Head of Strategy Management



**Ms. Oakantse Modisa**  
Head of Research

## Senior Management team



**Mr. Kaelo Radira**  
Deputy Director-Legal and Enforcement



**Ms. Mojadi Kwerepe**  
Deputy Director- Capital Markets



**Ms. Angelina Mpe**  
Deputy Director-Legal and Enforcement



**Ms. Veronica Namate**  
Deputy Director-Insurance

**Mr Mothusi Kebalefetse**  
Deputy Director- Lending Activities

# Strategy Management

*The Regulatory Authority* ensures effective and efficient discharge of its mandate through the consistent development, implementation and review of its Strategic Plans. *The Regulatory Authority* is committed to implementation of its strategic plans through regular reviews and quarterly reporting of performance to the Board of Directors.

The year 2020/21 marks the final year of the implementation of *the Regulatory Authority's* strategic plan 2016 – 2021

In positioning itself to respond to and address the challenges posed by the ever evolving and changing environment in which *the Regulatory Authority* operates, management reviewed the strategic plan in October 2019. The current Strategic objectives were deemed relevant and sufficient in assisting *the Regulatory Authority* to achieve its mandate for the remaining strategic planning period. New initiatives arising from the Strategy review identified the development of ethics policy as key.

Key changes to the Strategic Plan following the review are as reflected in Table 8 below:

**Table 8: Changes to the Strategic Plan during the Year 2020/21**

Current Objective	Status	Initiative	Rationale
1.Promote Financial Soundness and Good Market Conduct	Same	Same	The objective remains relevant
2.Improve Stakeholder Confidence	Same	New addition: <b>Develop and Implement Ethics Policy</b>	The objective remains relevant
3.Effectively deter Financial Crime	Same	Same	The objective remains relevant
4. Improve Operational Efficiency	Same	Same	The objective remains relevant
5.Remain adaptable and responsive to regulatory environment & changes	Same	Same	The objective remains relevant
6. Improve Stakeholder Awareness	Same	Same	The objective remains relevant
7. Build Organisational capacity and capability	Same	Same	The objective remains relevant
8.Improve Employee Engagement	Same	Same	The objective remains relevant
9.Inculcate a High performance culture	Same	Same	The objective remains relevant
10. Achieve Financial Sustainability	Same	Same	The objective remains relevant

# Summary of Performance

Table 9: *The Regulatory Authority's* performance against the targets as set in the strategic plan.

Perspective (Weight)	Strategic Objective	Measure	Initiative	Performance Update	Performance status
REGULATORY & STAKEHOLDER (30 Percent)	Promote Financial Soundness and Good Market Conduct	Percent Compliance to Supervisory Guidelines and Plan  Percent Entities (Systemically Important*) Complying	Develop and Implement Supervisory Framework for SIFI's  Develop methodology to supervise high risk and other entities	<p><b>The Regulatory Authority</b> has identified a total of 30 entities as Systematically Important Financial Institutions of which 82 Percent were found to be complying with regulations.</p> <p><b>The Regulatory Authority</b> devoted a significant amount of time in developing a supervisory framework for SIFI's. The aim of which is to ensure a systematic application of supervisory intervention in a timely, consistent and equitable manner.</p> <p>Enshrined in the framework will be resolution timeframes and requirements for all sectors to enable <b>the Regulatory Authority</b> to also monitor its own response times against set standards</p>	
	Improve Stakeholder Confidence	Stakeholder Confidence Index	1. Conduct Surveys 2. Implementation of recommendations from the Surveys	<p><b>The Regulatory Authority</b> last Stakeholder Confidence survey was for the Insurance industry which was done in 2017 and an execution plan was drawn to address issues arising from the survey. <b>The Regulatory Authority</b> continues to monitor implementation of issues arising from past surveys undertaken in other sectors.</p>	

	Effectively Deter Financial Crime	Percent Entities Complying(High Risk Entities)	Develop and Implement an AML/CFT Risk Based Approach	<b>The Regulatory Authority</b> conducted a total of 17 inspections during the period and all 17 entities had deficiencies. The entities were directed to address the deficiencies within the set deadlines. However, 9 out of the entities failed to address the deficiencies with the given deadlines. The entities were referred to Legal and Compliance.	
	Remain Adaptable and Responsive to Regulatory Environment and Changes	1.Percent Compliance to Applicable Standards 2.Percent Compliance to action plan(amendments to regulatory frameworks and addressing deficiencies to standards	1.Annual review of the Regulatory Framework to Identify Gaps 2.Annual Review of Alignment to International Standards to identify Gaps 3.Draft Action Plan to make amendment to regulatory framework and addressing deficiencies to standards	<b>The Regulations Authority</b> continues to ensure it is adaptable and responsive regulatory standards and the environment through continuous review of regulatory frameworks and compliance to applicable international standards. To this end the compliance levels to international standards stands at an acceptable level.	
BUSINESS PROCESSES (25 Percent)	Improve Operational Efficiency	Percent Average Adherence to Service Standards	1. Identify and implement business process improvement opportunities 2. Quarterly Service Delivery Reports	<b>The Regulatory Authority</b> continues to monitor adherence to set service standards and performance against the set standards is reported to the Board of Directors on a quarterly basis. These are reviewed to improve operational efficiency.	
	Improve Stakeholder Awareness	Percent Stakeholder Awareness Index	1.Conduct Stakeholder Awareness Surveys 2.Implement Consumer Financial Literacy Strategy	In an effort to improve stakeholder awareness <b>the Regulatory Authority</b> continues to participates in and conduct various events and awareness initiatives ranging from media interviews, responses to the media enquiries and television advertisements	

## Summary of Performance (continued)

Perspective (Weight)	Strategic Objective	Measure	Initiative	Performance Update	Performance status
LEARNING & GROWTH (30 Percent)	Build Organisational Capacity and Capability	Percent Employees with requisite skills and competencies	<ol style="list-style-type: none"> <li>1. Review and develop fit for purpose Organisational Design</li> <li>2. Review and Implement Talent Management Strategy</li> <li>3. Development and Implementation of Succession Plans</li> </ol>	<b>The Regulatory Authority</b> this financial year embarked on an Organisational Structure Review Project which is aimed at addressing issues of building organisational capacity as well as ensure alignment of Structure to strategy. To this end the project is near completion with the expected implementation in 2021/2	
	Improve Employee Engagement	Employee Engagement Level	1. Implement Human Capital Strategies (Review General Conditions of Employment, Wellness Policy, Training Policy, etc.)	<b>The Regulatory Authority</b> continues to participate in the annual Best Company to work for Survey. Through feedback obtained from the surveys management has been able to come up with policies, programmes that continues to improve and strengthen employee participation in the Organisational performance.	
	Inculcate a High Performance Culture	Percent of employees rated level 2 and above *	<ol style="list-style-type: none"> <li>1. To develop and Implement a Rewards Policy (revisit existing draft)</li> <li>2. Review the existing PMS and Implement</li> </ol>	<b>The Regulatory Authority</b> continues to implement and strengthened a high performance culture through a number of initiatives such as Best Company to Work For survey, Organisational Structure review	

Perspective (Weight)	Strategic Objective	Measure	Initiative	Performance Update	Performance status
FINANCIAL (15 Percent)	Achieve Financial Sustainability	Percent Cost to Income Ratio-	1.Engage Government for sustainable and predictable funding model  2.Prudent Cost Management	<i>The Regulatory Authority's</i> effort of achieving financial sustainability is on the right track with a number of effective engagements done with Ministry of Finance and Economic Development and regulated entities	

LEGEND

80 - 100

65 - 79

0 - 64

Unrated

# Risk Management

In line with its commitment to good governance, **the Regulatory Authority** has established the Enterprise Risk Management function to facilitate and coordinate risk management activities with a view to proactively maximise on opportunities and minimise risks to achievement of **the Regulatory Authority's** mandate and strategic objectives. During the period under review, the Board of Directors reviewed and approved the Enterprise Risk Management Framework and Risk Appetite Statement to improve the effectiveness of management of risks within **the Regulatory Authority**. Key risk areas were identified and risk appetite levels were set for each area being strategic, operational, financial, compliance, reputational, supervisory and regulatory. Further, the Board of Directors approved the Business Continuity Policy, which formalised the implementation of a holistic Business Continuity Management Programme.

**The Regulatory Authority** has embedded enterprise risk management into strategy planning, objective setting, budgeting and performance management to ensure effective execution of the corporate strategic plan, projects and any other business or operational

plans. **The Regulatory Authority** also continuously monitors emerging risks and issues and updates its risk profile accordingly.

Risk management is the responsibility of everyone within **the Regulatory Authority** and various mechanisms have been put in place to increase the level of risk awareness and

understanding at all levels of **the Regulatory Authority** such as; awareness campaigns, newsletters, training and education sessions. The Board of Directors provide oversight over risk management.

Strategic Objective	Tier One risk category	Tier two risk category	Zero
Improve operational efficiency	Operational	Cyber-security	←

## KEY RISKS

*The Regulatory Authority's* top strategic risks are aligned to its mandate and strategic objectives. The table below shows key risks, risk appetite, existing controls and *the Regulatory Authority's* response to the identified risk. The risks identified cut across different risk categories and sub categories.

Table 10: Top Risks

Risk Appetite			Risk Title	Risk Level	Existing Controls	Management Response
Low	Moderate	High				
			Cyber-attack  <b>Description</b> Cyber-attack risk relates to the possibility of disruption or damage to <i>the Regulatory Authority's</i> computer system through a virus, malware, a hacker, phishing or through other means. Attacks may come from inside or outside the organisation. <i>The Regulatory Authority</i> has automated its processes, and cyber-attacks may lead to non-availability of IT systems, resulting in business interruptions and financial loss to <i>the Regulatory Authority</i> .	Critical	1. Firewall 2. Anti-virus systems 3. Security policies 4. Security awareness 5. Security updates and patches 6. Currently using the latest operating systems 7. Periodical Vulnerability Assessment and Penetration Testing	1. Review of security and IT policies  2. Enhancement of IT security awareness of staff.

# Risk Management (continued)

Strategic Objective	Tier One risk category	Tier two risk category	Risk Appetite				Risk Title	Risk Level	Existing Controls	Management Response
			Zero	Low	Moderate	High				
Improve Operational Efficiency	Operational	Physical Security and Safety		←			Outbreak of a Pandemic Disease (Corona virus)  <b>Description</b> Possible infection and transmission of the virus to staff members and stakeholders	Critical	1. Sanitizers and masks 2. Awareness and information sharing 3. Working remotely 4. Reduction in number of staff 5. Social distancing (use of virtual platforms for meetings) 6. Staff counselling 7. Restriction of local & International travel 8. Use of digital and telephonic platforms for communication and integration with external stakeholders	
Achieve Financial Stability	Financial	Liquidity		←			Lack of predictable funding  <b>Description</b> The risk that <i>the Regulatory Authority</i> may have significant cuts to proposed supervisory levies and requested subvention due to uncertainties around financial performance of regulated entities which may threaten the ability to meet present and future financial obligations.	High	1. Austerity measure 2. Stakeholder engagement (Ministry & Industry) 3. Adherence budget limit (Limits inbuilt in the ERP system) 4. Statutory reserve 5. Risk based budgeting 6. Alignment of budget to strategy	1. Review statutory instrument formulas. 2. Mid-term budget review.
Improve Operational Efficiency	Operational	Data Management		←			Data Governance  <b>Description</b> The risk that <i>the Regulatory Authority</i> may fail to manage availability, usability, integrity and security of data in its systems	High	1. Systems (ERP and RBSS)	1. Enhancement of data collection on RBSS. 2. Improve the RBSS for additional data requirements 3. Improve data reporting & presentation
Effectively deter financial crime	Supervisory	Prudential & Market Conduct		←			Failure to deter financial Crime in the NBFI sector  <b>Description</b> This risk pertains to the illegally gained proceeds being legitimized through placement, layering and integration in the financial system through the NBFI sector, and such "dirty funds" being ultimately utilized to fund terrorist activities. <i>The Regulatory Authority</i> is charged with the responsibility of the reduction and deterrence of financial crime within the Non-Bank financial system.	High	1. Risk Based Manual 2. AML Inspections 3. AML /CFT Resourcing of department 4. AML Controller approval 5. Training 6. AML Guidelines 7. AML awareness programmes to NBFIs 8. Analytical tools 9. Information tools 10. Continuous review of regulatory tools 11. Capacity building 12. Implementation of the ICRG action plan by NBFIRA	1. Technical assistance from IMF to enhance the Risk Based Assessment Manual and the risk assessment tool to enhance supervision

Strategic Objective	Tier One risk category	Tier two risk category	Risk Appetite				Risk Title	Risk Level	Existing Controls	Management Response
			Zero	Low	Moderate	High				
Promote Financial Soundness and Good Market Conduct	Supervisory	Prudential & Market Conduct		←→			Ineffective supervision of NBFIs.  <b>Description</b> The risk of <i>the Regulatory Authority</i> failing to effectively and efficiently supervise non-bank financial institutions.	High	<ol style="list-style-type: none"> <li>1. legal framework</li> <li>2. RBSS system</li> <li>3. Recruitment for vacancies</li> <li>4. Inspections (on/ offsite)</li> <li>5. Risk based supervision (Offsite monitoring &amp; inspections)</li> <li>6. Issuance of guidelines &amp; Directives</li> <li>7. Regulatory training</li> <li>8. Legal and enforcement manual</li> </ol>	<ol style="list-style-type: none"> <li>1. Review of organisational structure (resource allocation)</li> <li>2. Development of regulatory framework for SIFs.</li> </ol>
Build Organizational Capacity and Capability	Operational	People		←→			Loss of a key person  <b>Description</b> Inability of <i>the Regulatory Authority</i> to attract and retain specific individuals whose knowledge, creativity, inspiration, reputation, and/or skills are critical to the viability or growth of the Authority.	High	<ol style="list-style-type: none"> <li>1. Implementation of employee engagement survey recommendations</li> <li>2. Conditions of service &amp; HR Policies</li> <li>3. Acting appointments</li> <li>4. Management Development Programme</li> <li>5. Exit interviews</li> <li>6. Participation in employee engagement surveys</li> </ol>	<ol style="list-style-type: none"> <li>1. Succession planning</li> <li>2. Talent management</li> <li>3. Coaching and mentoring</li> </ol>

Table 11 *The Regulatory Authority's* tolerance in the different risk appetite ranges

Risk Appetite	Definition
Zero	<i>The Regulatory Authority</i> is not willing to accept risks, threats, opportunities under any circumstances. Measures will be taken to eliminate the risk.
Low	<i>The Regulatory Authority</i> is unwilling to knowingly take risks in this area and is committed to sustaining a strong management and control system to minimise exposure.
Moderate	<i>The Regulatory Authority</i> is willing to expose itself to measured risk in this area, when the risk taken is based on a favourable cost/benefit analysis. The Authority recognises that trade-off decisions must be made to optimise meeting business objectives against minimising exposure.
High	<i>The Regulatory Authority</i> is willing to expose itself to more risk in this area, and is able to tolerate a degree of loss or failure. The Authority recognises that occasional failure is to be expected as it seeks certain type's service improvement opportunities.

## Risk appetite statement

The risk appetite articulates the level of risk **the Regulatory Authority** is willing to accept in pursuit of its strategic and operational objectives. All strategic and operational decisions are taken within the Board approved risk tolerance levels. Performance against the risk tolerance levels is monitored and any breaches are escalated to the Board of Directors.

### Business continuity

**The Regulatory Authority** has a robust Business Continuity Management Programme (BCMP) in place to meet its statutory obligations and support its vision, values and strategic objectives. **The Regulatory Authority** is committed to ensuring minimal disruption to provision of mission critical services following a disruptive event/disaster. The BCMP ensures a holistic management of business continuity across the Authority.

Business Continuity provides a consolidated and organised coordination of the recovery of mission critical business functions in managing and supporting the

business recovery in the event of an office building disruption, disaster and or extended service outages caused by factors beyond **the Regulatory Authority's** control. It also guides restoration of operations to the widest extent possible within a minimum time-frame. This was a critical development especially during the challenges presented by the extreme social distancing as directed by Government in efforts to control and contain the spread of COVID-19.

### Ethics Policy

**The Regulatory Authority** is committed to the highest standards of ethical, moral and business conduct. **The Regulatory Authority** has begun the process of implementing a Ethics Policy, which will be referred to as an "Ethics Hot Line" to report any unethical behaviour, theft, fraud/corruption, intimidation, harassment and dishonesty by employees and service providers. The platform will be managed by a Deloitte subsidiary called "Tip-Offs Anonymous".



**ETHICS HOTLINE**  
"Be Part Of The Solution!"

Free - call: **16133**  
NBFIRA@tip-offs.com  
www.tip-offs.com  
P. O. Box 448, Gaborone

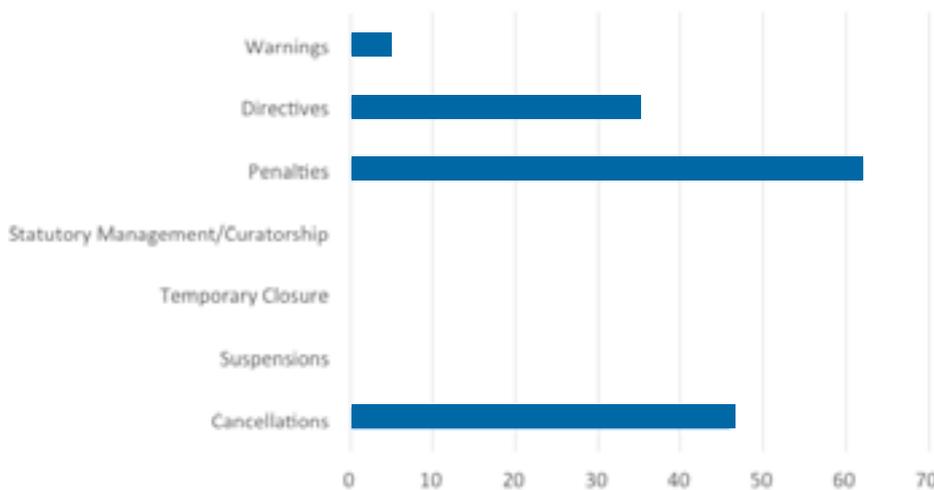
# Legal and Enforcement

**The Regulatory Authority** ensures strict compliance to the NBFIRA Act (2016), Financial Services Laws and other applicable legislation.

The powers bestowed on **the Regulatory Authority** to enforce include:

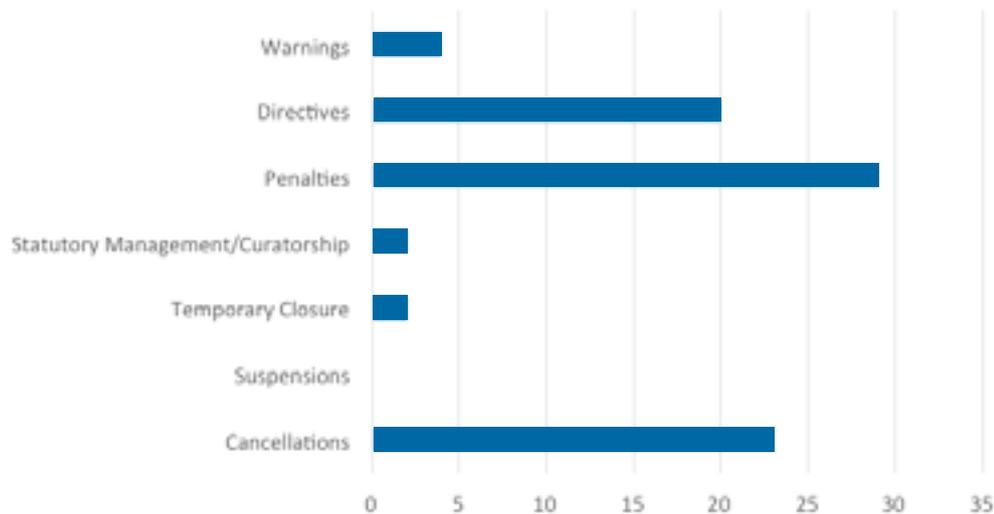
- Request of information and production of such records or documents as required;
- Issuance of directives;
- Imposition of administrative penalties
- Suspension of licences;
- Cancellation of licences;
- Disqualification of controllers;
- Temporary closure and freezing of accounts;
- Appointment statutory managers;
- Winding up of entity.

Figure 1: The number of enforcement actions taken during the financial year 2018/19 against contravening NBFIs:



## Legal and Enforcement (continued)

Figure 2: The number of enforcement actions taken during the financial year 2019/20 against contravening NBFIs:



During the period under review, **the Regulatory Authority** issued four warnings and 20 directives. This was a slight decrease from the 2018/2019 period which recorded five warnings and 35 directives respectively. Penalties and cancellations issued reduced significantly from the previous reporting period. Penalties reduced from 62 to 29 and cancellations reduced from 46 to 23 in the current period. The reduction was due to shift in strategic approach to enforcement matters, where the Authority increased consultations with regulated entities prior to issuing penalties and cancellations.

Two entities were temporarily closed, and two were placed under Statutory Management during the period under review, whereas there were no instances of temporary closure and statutory management in the previous period.

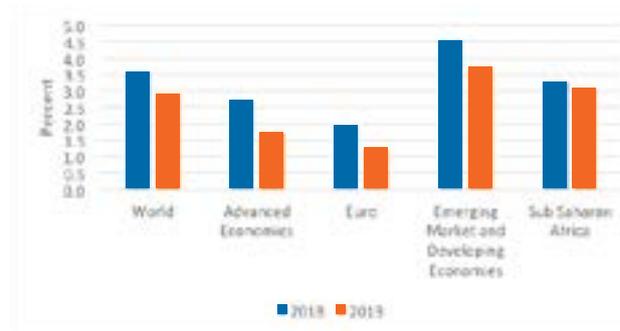
## Macro Economic and Financial Markets Environment

*The Regulatory Authority*, through the Research Department, seeks to conduct market intelligence within the NBFIs sector. This is achieved by tracking recent developments in the economy, and most importantly, in the financial sector, for the purpose of informing policy formulation, review and implementation, thus facilitate strategic and operational decision making for supervision and regulation of the non-bank financial sector.

### Global Economic overview

Global economic growth continued to decline in 2019 as result of geopolitical tensions in major economies, especially between China and United States of America. Gross Domestic Product for advanced economies declined from 2.7 percent in 2018 to 1.7 percent in 2019. In the Euro area economic growth fell undermined largely by subdued economic growth together with uncertainties surrounding the Brexit; GDP fell from 1.9 percent in 2018 to 1.2 percent in 2019. Emerging and developing economies registered a fall in economic growth from 4.5 percent in 2018 to 3.7 percent in 2019. The Sub-Saharan region GDP contracted in 2018 to 3.1 percent in 2019.

Figure 3: Global Real GDP Growth for Year - ending December 31, 2019(%)

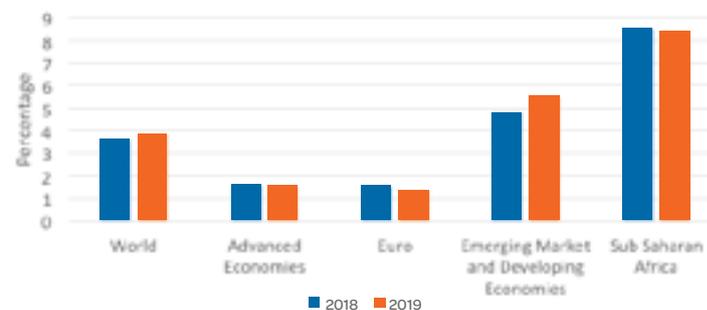


Overall global economic activity decreased from 3.6 percent to 2.9 percent 2019 from 3.6 percent in 2018.

### Global Inflation

Global inflation increased by 0.2 percent from 3.6 percent in 2018 to 3.8 percent in 2019. Emerging markets and developing economies and Sub Saharan Africa also registered an increase in the inflation rate from 4.8 percent in 2018 to 5.5 percent in 2019 and 7.8 percent in 2018 to 9.4 percent in 2019, respectively. Advanced economies registered a decrease in inflation from 1.6 percent in 2018 to 1.5 percent in 2019. In the Euro area inflation fell from 1.5 percent in 2018 to 1.3 percent in 2019. Lower Inflation was due to subdued consumer demand and declining international oil prices.

Figure 4: Global Inflation for the Year-ending December 31, 2019 (%)

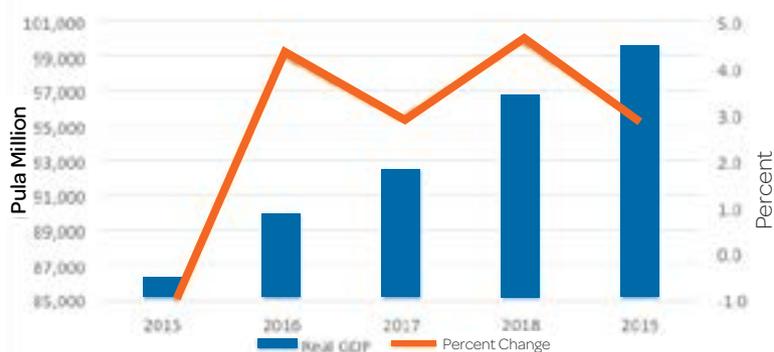


## Macro Economic and Financial Markets Environment (continued)

### Domestic Real GDP

Domestic Real GDP registered a slower growth of 2.9 percent in 2019, compared to a faster expansion of 4.6 percent in 2018. The contraction in the mining and non-mining output were attributable to the lower demand for commodities. The global mining output registered a contraction of 3.9 percent in 2019 compared to 7.6 percent expansion recorded in 2018, due to weaker performance of the diamond, soda ash, copper and coal subsectors. The non-mining sector, on the other hand, registered a slower growth rate of 3.8 percent in 2019 against the 4.1 percent recorded in 2018, due

Figure 5: Domestic Real GDP Growth for Year - ending December 31, 2019



to slower growth in manufacturing, construction, transport and communications and social and personal services sectors. The overall sector was however, cushioned by

acceleration in the trade, hotels and restaurants sectors. Nominal GDP fell to 3.6 percent in 2019 from 5.7 percent in 2018.

### Domestic Inflation, Interest Rates and Credit Developments

Domestic inflation decreased from 3.5 percent in 2018 to 2.2 percent in 2019 and was below the Bank of Botswana monetary policy objective range of 3-6 percent. Factors that contributed to the inflation level are domestic demand pressures which were influenced by moderate increase in personal incomes and modest increase in foreign prices. The Bank of Botswana reduced the Bank Rate by 25 basis points from 5 percent at end of 2018 to 4.75 percent at the end of 2019. The prime lending rate also fell by 25 basis points from 6.5 percent to 6.25 percent, in the same period. Growth in commercial bank credit remained high at 7.6 percent in 2019, and almost at 7.7 percent in 2018. The stagnant credit growth was mainly due to a reduced demand for credit facilities by some companies, more especially those in the diamond cutting and polishing industry.

Figure 6: Domestic Inflation and Interest Rates for the Year Ending December 31, 2019

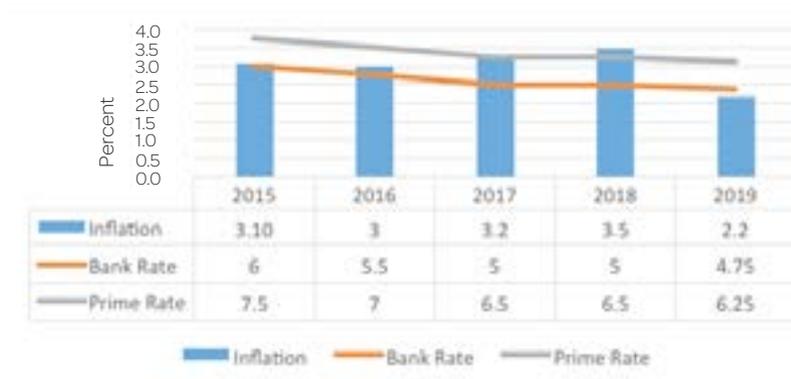


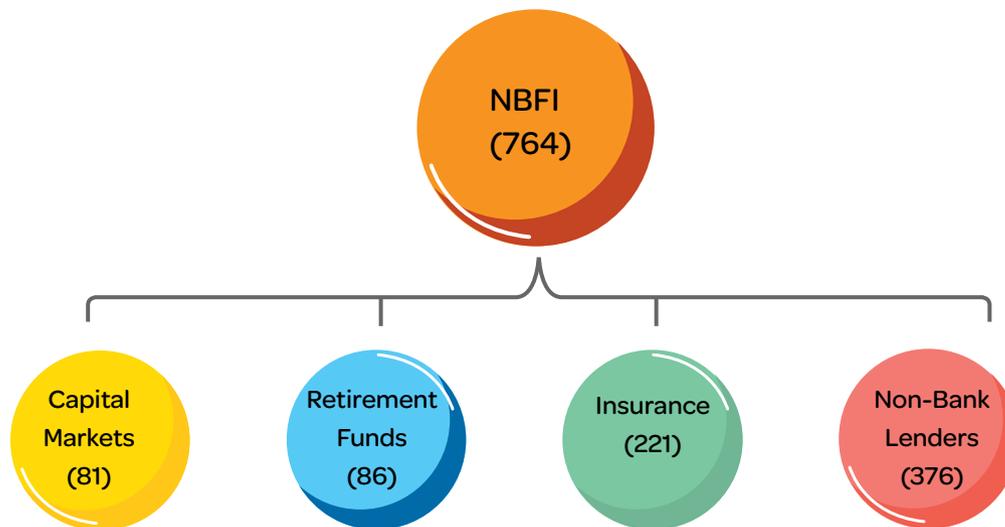
Table 12: Selected Botswana Annual Macro-Economic Indicators for the Year ending December 31, 2019

Indicator	2018	2019
<b>Gross Domestic Product (GDP) in Millions of Pula</b>		
Real GDP (P' Million)	96,533*	99,396
Percent Annual Growth	4.6	2.9
Nominal GDP (P' Million)	190,365*	197,269
Percent Annual Growth	5.7	3.6
<b>Inflation (Percent Annual Growth)</b>		
CPI (End of Period)	3.5	2.2
CPI (Average)	3.2*	2.8
<b>Interest Rates (Percent )</b>		
Bank Rate	5	4.75
Prime Rate	6.5	6.25

Note: \*: the 2018 figures have been revised

## Performance of the NBFIs Sector

### Structure of the Non-Bank Financial Institutions by Industry



The NBFIs sector recorded an increase of 2.3 percent in active entities from 747 in 2018 to 764 in 2019. This was primarily due to the number of non-bank lenders which increased by 10 percent from 342 in 2018 to 376 in 2019. Retirement funds also registered one player ending the year at 86. The other industries showed a decline in the number of entities, with Capital markets decreasing by 3.6 percent from 84 to 81 while insurance decreased by 6.4 percent from 236 to 221, in 2018 and 2019, respectively.

### Importance and Role of the Non-Bank Financial Institutions Sector (NBFIs) In Botswana

During the year ended December 31, 2019, the NBFIs sector assets increased to P126 billion compared to P121 billion in the prior year. At this level the NBFIs sector remained dominant with a market share of 54 percent of the financial system assets. All business sectors recorded positive growth rates in assets, save for the Capital Markets sector. whose

assets contracted by 74 percent. The fall in the Capital Markets industry assets is attributable to the restructuring at Botswana Insurance Fund Management who following deregistration from the life insurance sector and migration to the investment sector in 2019 had to remove clients' assets from its balance sheet; as per the regulatory requirements for investment institutions. Reinsurers continued to record the higher annual asset growth rate, albeit from a lower base, viz., 28 percent in 2019 compared to 55 percent in 2018. The NBFi sector remained dominated by the Retirement Funds whose market share of NBFi sector assets constituted 70 percent in 2019 compared to 68 percent in 2018. Refer to Table 13

**Figure 7: Assets of the NBFi Sector**



The NBFi sector remained dominant with an asset market share of 54 percent of the financial system. Refer to Table 13 below.

## Performance of the NBFIs Sector (continued)

Table 13: Structure of the Botswana Financial System as at December 31, 2019

Financial Institution	Number of Institutions	Assets in P'Million 2018	Assets in P'Million 2019	Percentage of Total Assets	Annual Percentage change
Banking Sector *1	13	98,814	107,510	46.0	8.8
Commercial Banks	10	91,331	98,685	42.3	8.1
Statutory Banks *2	2	3,466	4,184	1.8	20.7
Building Societies	1	4,017	4,641	2.0	15.5
Non-Bank Sector	428	121,093	126,047	54.0	4.1
Life Insurance	8	16,222	17,183	7.4	5.9
General Insurance	12	1,980	2,270	1.0	14.6
Re-Insurer	3	394	505	0.2	28.2
AUM for Retail & Private *3	n/a	8,034	8,863	3.8	10.3
Retirement Funds *4	86	81,819	88,573	37.9	8.3
Capital Markets *5	37	6,314	1,621	0.7	-74.3
Micro Lenders (Top 64) *6	64	4,852	5,437	2.3	12.1
Others (Estimate) *7	218	1,478	1,595	0.7	4.5
<b>Grand Total *1</b>	<b>441</b>	<b>219,860</b>	<b>233,543</b>	<b>100</b>	<b>6.2</b>

Note 1 The banking sector assets and subsequently the financial system assets excludes the Bank of Botswana, CEDA, MVAf, BDC, SACCOS and the IFSC. These are detailed below.

Financial Institution	P'Million 2018	P'Million 2019	Year – on -Year Percent change
Bank of Botswana (the central bank)	72,150	65,990	-8.5
Botswana Development Corporation	2,812	3,603	28.1
Motor Vehicle Accident Fund *8	3,764	4,086	8.5
SACCOS and IFSC (estimate)	0.6	0.6	0
Citizen Empowerment and Development Agency (CEDA)	2,106	2,295	8.9
<b>Total</b>	<b>80,833</b>	<b>75,973</b>	<b>-6.0</b>

Note 2	Botswana Savings Bank (P2,527 million in 2018 and P3,133 million in 2019) and National Development Bank (P939 million in 2018 and P1,051 million in 2019). The Botswana Building Society Limited was privatized in 2018.
Note 3	Assets managed by Investment Institutions on behalf of retail and private clients.
Note 4	As per audited records of the Retirement Funds for year ending December 31.
Note 5	Capital markets reflect own company assets for Securities brokers (4), Stock exchange (1), Central Depository (1), Asset managers (19) and Mancos (8) but excludes IFSC Companies (2).
Note 6	Includes top 64 Micro lenders by loan portfolio value.
Note 7	Other –includes Medical Aid Funds (P1,065 million in 2018 and P 1,129 million in 2019); Insurance Brokers (P413 million in 2018 and P466 million in 2019).

### Financial Soundness and Stability of the NBF Sector

In 2019 the non-bank financial sector assets grew by 4 percent and it was outpaced by 9 percent growth for the banking sector. However, at 54 percent market share of the overall financial sector assets the sector continued to dominate the financial system underscoring its importance in financial intermediation. In turn, the penetration ratio of the sector is very critical for financial stability monitoring as its risks and vulnerabilities may have significant impact on the financial stability of the economy. Table 14 below show penetration ratios for select non- bank financial institution. The Covid-19 outbreak is likely to raise medical aid claims but as the business sector remains very small relative to other sectors, and penetration ratio of below one, the financial vulnerability is limited.

**Table 14: Penetration Ratios of Key NBFIs as per audited Statements for Year –end December 31,**

Business Sector	Penetration Ratio (Percent)				
	2019	2018	2017	2016	2015
Insurance <sup>1</sup>	3.3	2.0	2.9	3.0	2.9
Retirement Funds <sup>2</sup>	50.7	44.3	43.8	43.1	44.9
Medical Aids <sup>3</sup>	0.54	0.52	0.52	0.56	0.57

#### Footnotes

1. Calculated as gross written premiums as a percent of Nominal/Real GDP
2. Calculated as retirement funds assets as percent of Nominal/Real GDP
3. Calculated as medical aid funds as a percent of Nominal/Real GDP

## Performance of the NBFIs Sector (continued)

The total assets and liabilities of businesses operating in the NBFi sector (excluding retirement funds and other) decreased by 8 percent to P29 billion from P31 billion in 2018 and 14 percent to P21 billion in 2019 from P24 billion in 2018, respectively. Capital positions on the other hand, increased by 11 percent from P7 billion in the previous review period to P7.5 billion in 2019. Over the past 12 months Retirement Funds, Medical Aids and other industries recorded a significant increase in the capital to assets ratio, to 28 percent in 2019 from 8 percent recorded in the previous year. This increase is attributable to a contraction in the assets levels. Lending Activities' capital ratio also increased from 38 percent in 2018 to 41 percent in 2019, while the Insurance industry recorded an unchanged ratio of 22 percent from the previous year.

Figure 8: Structure of the Financial Position of NBFIs for the year ending December 31, 2019



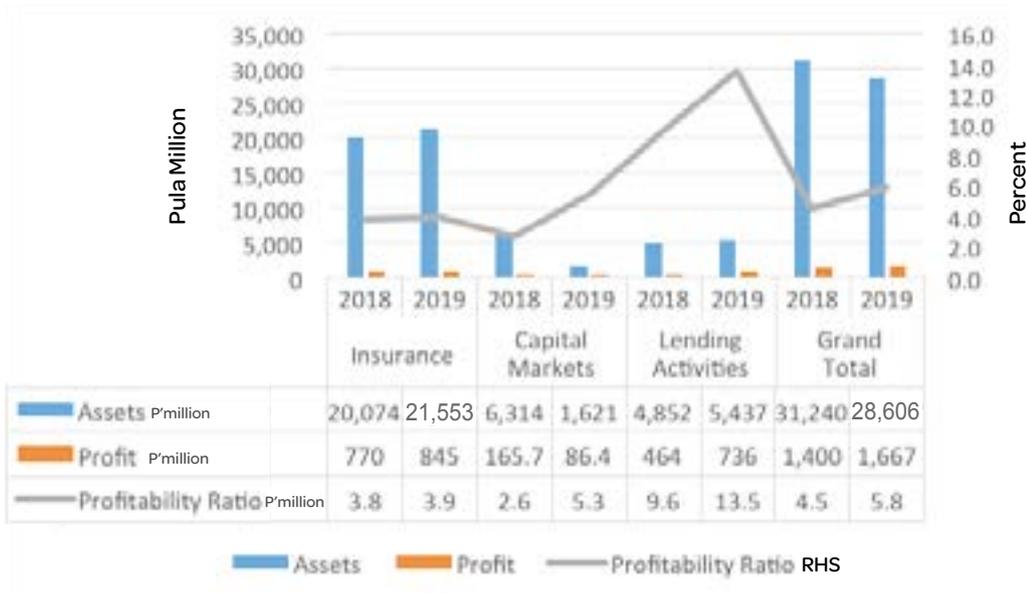
Note; Insurance figures includes Medical Aids and Brokers

Chart above shows both capital levels and capital to assets ratios of insurers, capital market players and lending institutions over the 5-year period. Capital level grew by 10.5 percent in 2019 from P6.8 million in 2018 to P7.5 million in 2019. The NBFi sector remained well capitalised and recorded an increase in the capital ratio (capital to assets) from 22 percent in 2018 to 26 percent in 2019. The increasing capital ratios point to financial soundness of the sector. However, this ratio is only indicative and the actual capital adequacy is prescribed in the industry specific statutes of the different industries and business sectors.

### Profitability of the NBFIs sector

The NBFIs sector was profitable in 2019 and registered an increase in profit before tax from P1.4 billion in 2018 to P1.7 billion in 2019. This was attributed to increases in profits of the Insurance and Lending industries. The return on assets increased from 4.5 percent in 2018 to 5.8 percent in 2019 (see Figure 9 below).

Figure 9: Profitability ratios



Note; Insurance figures includes Medical Aids and Brokers



Insurance

**The Regulatory Authority** through the Insurance Department is mandated with the licensing and regulatory oversight responsibility for insurers, reinsurers, medical aid funds and insurance intermediaries (brokers and corporate agents). The oversight powers for **the Regulatory Authority** are derived from the NBFIRA Act (2016), the Insurance Industry Act (2015) and the International Insurance Act (2005) and other supporting financial laws. The Authority remains committed to ensuring the Stability, Soundness & Safety of the Insurance Sector.

### Industry Overview

As at the close of the reporting year, the insurance industry

comprises a total of 221 insurance entities of which 193 were insurance intermediaries licensed to carry out intermediary services.

Furthermore, the number of medical aid funds has not changed from the prior year and still remains at five. In addition, during the reporting year, there were 2978 representatives reported as at March 31 2020.

### Licensing

During the period under review, the Authority did not register or deregister any insurer or medical aid fund. The number of registered insurance entities dropped by 6.4 percent from 236 in the prior year to 221 in the reporting period. The reason for this is that in the twelve month ending

March 31, 2020, the insurance sector recorded a 7 percent net reduction in the number of licensed insurance intermediaries from 208 to 193. A total of eighteen new licenses were issued out of which 12 were corporate agents and six being insurance brokers. However, the increase in new licenses did not result in a rise in the number of licensed entities due to withdrawals and dissolutions resulting in cancellations of licenses of 24 insurance corporate agents and nine insurance brokers. The composition of the insurance industry is illustrated in the table below.

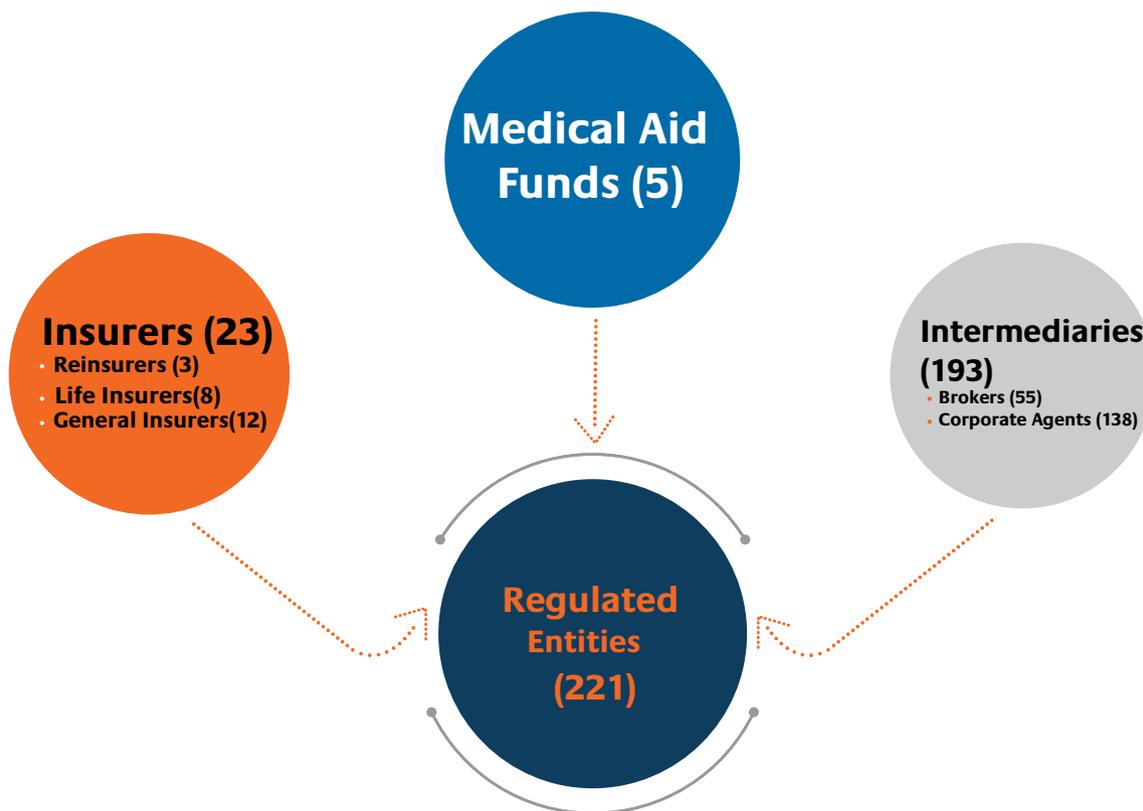
Table 15: Number of licenses in the financial year as at March 31, 2020

Type of NBF1	2019	New licenses	Cancelations/dissolutions	2020	Percent Change
<b>Insurers</b>					
Reinsurers	3	-	-	3	-
Life Insurers	8	-	-	8	-
General Insurers	12	-	-	12	-
<b>Sub Total</b>	<b>23</b>	<b>0</b>	<b>-</b>	<b>23</b>	<b>-</b>
Medical Aids Funds	5	0	-	5	-
<b>Intermediaries</b>					
Insurance Brokers	58	6	9	55	-5
Corporate Insurance Agents	150	12	24	138	-8
<b>Sub Total</b>	<b>208</b>	<b>18</b>	<b>33</b>	<b>193</b>	<b>-7</b>
<b>Grand Total</b>	<b>236</b>	<b>18</b>	<b>33</b>	<b>221</b>	<b>-6</b>

Table 15 above shows that insurance sector has experienced a reduction in numbers for both insurance brokers and insurance corporate agents as indicated by 5 percent and 8 percent fall in insurance brokers and agents, respectively. This has resulted in an overall fall in insurance entities by 6 percent.

The following is a summarised structure of the insurance industry under supervision of NBFIRA.

Figure 10: Structure of the Insurance Industry as at March 31, 2020.



### Regulatory Developments

During the period under review, important regulatory developments included the commencement of the new Insurance Industry Act 2015 and its supporting regulations. The Act commenced in May 2019 following the approval of the regulations and was later followed by the implementation of the Policyholder Protection Rules (PPR). The PPR's objective is to enhance the protection of policyholders and foster greater transparency and accountability of industry players. It brought about requirements for improved conduct of business, more disclosures and freedom of choice among others and to facilitate the policyholders

awareness of their rights and obligations under the policy.

### Supervisory Developments

The Authority issued an information letter NBFIRA 9/6/10 on 11 June 2019. The purpose of this letter was to inform insurers and insurance intermediaries of the implementation dates of the newly promulgated Insurance Industry Act 2015.

### Financial Overview of the Insurance Sector; Segmentation between General and Life

Life insurance continues to dominate the insurance industry in

the share of assets and gross written premium under-written during the year ending December 31, 2019. The market share of industry assets and Gross Written Premiums for the Life Insurers were 86 percent and 72 percent respectively. The latter was a slight decline from 74 percent registered in 2018 depicting that consumer preferences for life insurance products continues to dominate non-life products but at a slight decreasing rate. Total liabilities of the Life insurers accounted for around 72 percent of the total insurance industry assets for the year ending December 31, 2019. This is a significant reduction from the 81 percent recorded in the previous review period.

Figure 11: Abridged Statement of Financial Position of the Insurance Industry



Market Impact Assessment

The contribution of the insurance sector to the GDP remained high by regional standards but was unchanged at 3.5 percent as overall gross written premiums remain steadily at P5.4 billion for two consecutive years in 2018 and 2019. In addition, the total asset base of for the insurance sector (reinsurers and insurers) increased slightly from P19 billion in 2018 to P19.4billion in the year under review.

Figure 12: Market Share of Gross Written Premium (percent)

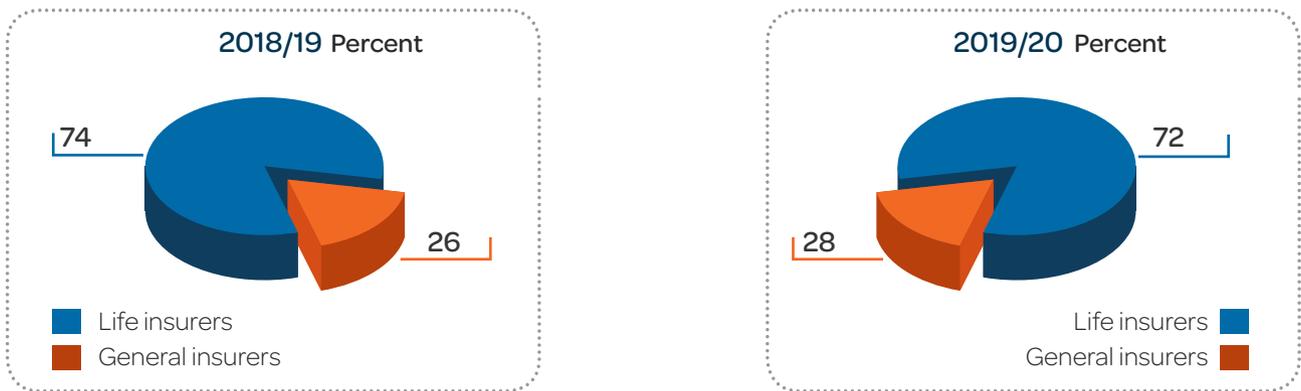
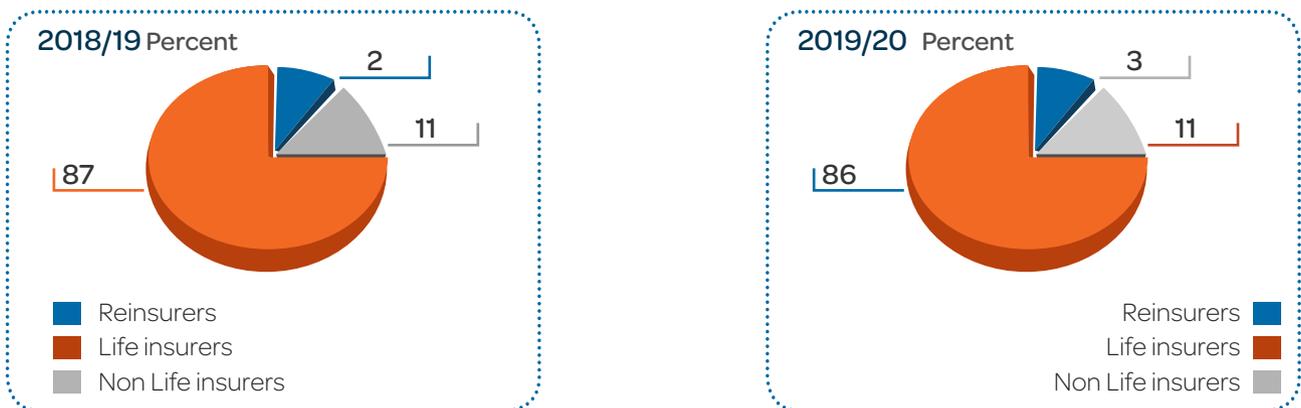


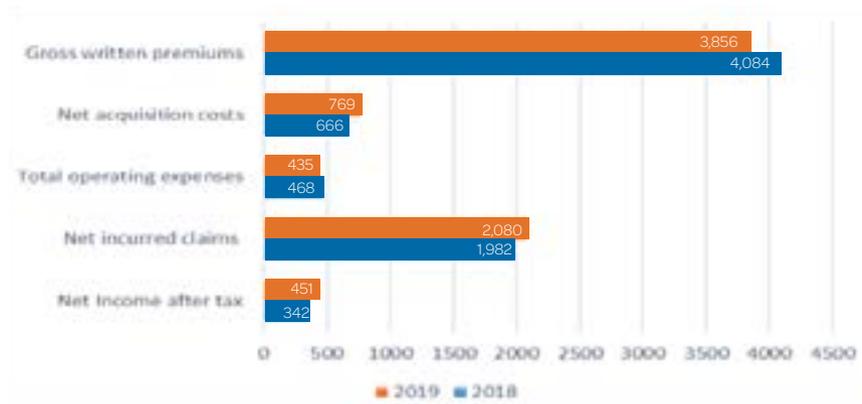
Figure 13: Split of Asset for the Insurance Industry



## Life Insurance

The Life insurance sector generated a total gross written premium of P3.9 billion in 2019 compared to P4.1 billion in 2018 which is 4.9 percent decline from the prior year. Income after tax for the life sector during the calendar year is reported at P451 million, being an increase of 31.9 percent from P342 million in the previous reporting period.

Figure 14: Abridged Statement of Comprehensive Income for Life Insurance Sector (P Million)



Year	Net Income after Tax	Net Incurred Claims	Total Operating Expenses	Net acquisition Costs	Gross Written Premiums
2018	342	1,982	468	666	4,084
2019	451	2,080	435	769	3,856

## Breakdown of Gross Written Premium of Life Insurers

The underwriting results show that Life and Annuity continues to claim the bulk of gross written premium year on year and the percentage composition still remains very high as it continues to account for over 99.9 percent of Gross Written Premium for the year. The Gross Written Premium compares with industry total of P5.4 billion, in turn the sector remains dominant with a market share of 74 percent in 2019 compared to 72 percent in 2018. A significant annual growth rate of 84.8 percent was recorded in the permanent health business where as life and annuity recorded a 6.6 percent increase from the prior year. Refer to Table 16 below. Figure 15 below shows split of gross written premium for the life insurance business for the reporting year.

Figure 15: Gross Written Premium by Class of Business for Life Insurance- 2019

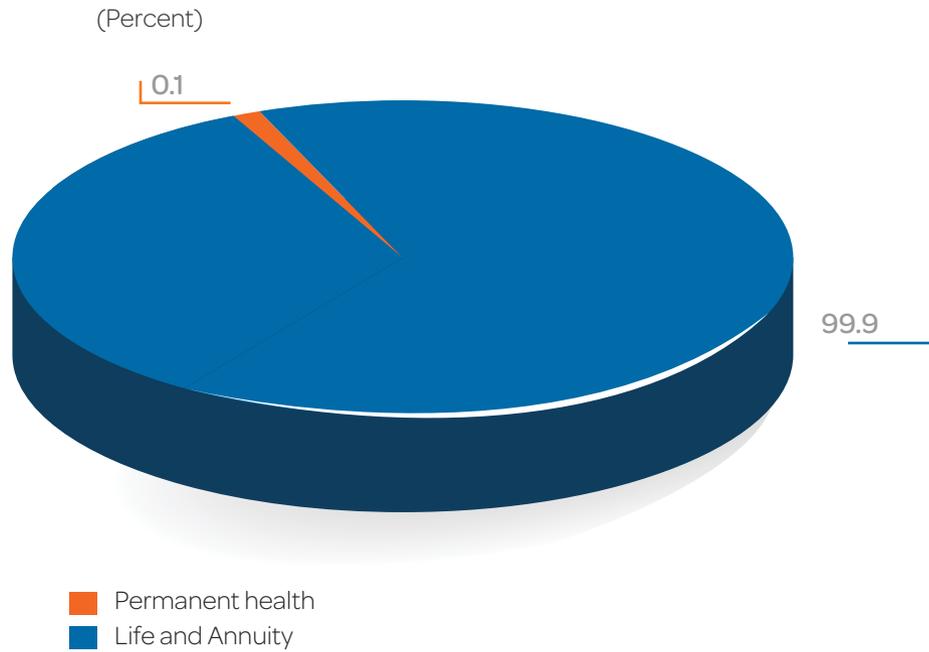


Table 16: Gross Written Premium of Life Insurers per Class (P'000)

Class	2019	Percent Share for 2019	2018	Percent Change
Life and Annuity	3,850,511	99.87	4,080,945	6.6
Permanent Health	5,542	0.13	2,999	84.8
<b>TOTAL</b>	<b>3,856,053</b>	<b>100</b>	<b>4,083,944</b>	<b>6.6</b>

## Life Insurance Financial Position

The total assets held by Life insurance companies as at the end of the current financial year has increased by 5.8 percent from P16.2 billion in 2018 to P17.2 billion. Total liabilities constituted 84.0 percent of total assets as at March 31, 2020 while capital and reserves accounted for 16.0 percent of total assets compared to 15.9 percent in the prior year. Figure 16 below depicts the compressed statement of financial position for the life insurance sector as at March 31, 2020.

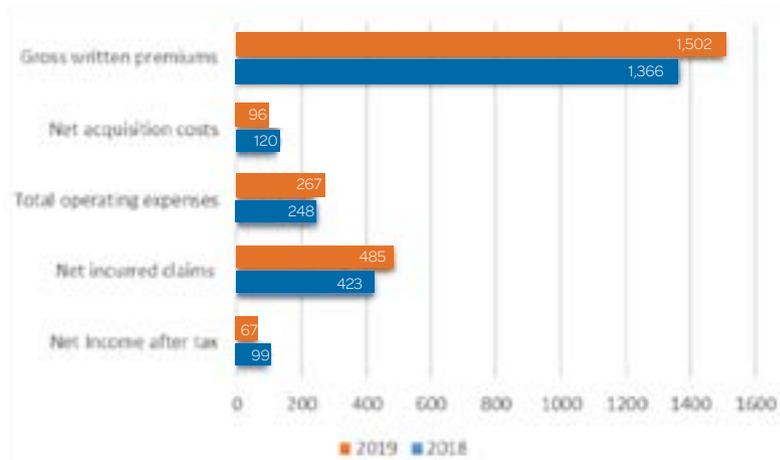
Figure 16: Abridged Statement of Financial Position for the Life Insurance Sector



## General Insurance

During the period under review, a total of P1.5 billion was generated as gross written premium for the general insurance sector being a 7 percent growth from the P1.4 billion recorded in the prior year. Net profit before tax decreased sharply to P 98 million in 2019 from P111 million registered in the prior year representing a 11.7 percent decline. Profit after Tax for the year also declined sharply from P99 million in 2018 to P67 million in the prior year. The significant fall of 32.3 percent is mainly attributable to a number of underwriting losses made during the period under review. This is also a result in the overall underwriting income falling from P44.4 million to P32.9 million representing a 25.9 percent decline from the prior year. Investment income registered an increase of 19.7 percent from P37.2 million in 2018 to P44.6 million in the current year. Net incurred claims also recorded an increase of 14.7 percent from the prior year.

Figure 17: Abridged Statement of Comprehensive Income for General Insurance Sector (P Million)

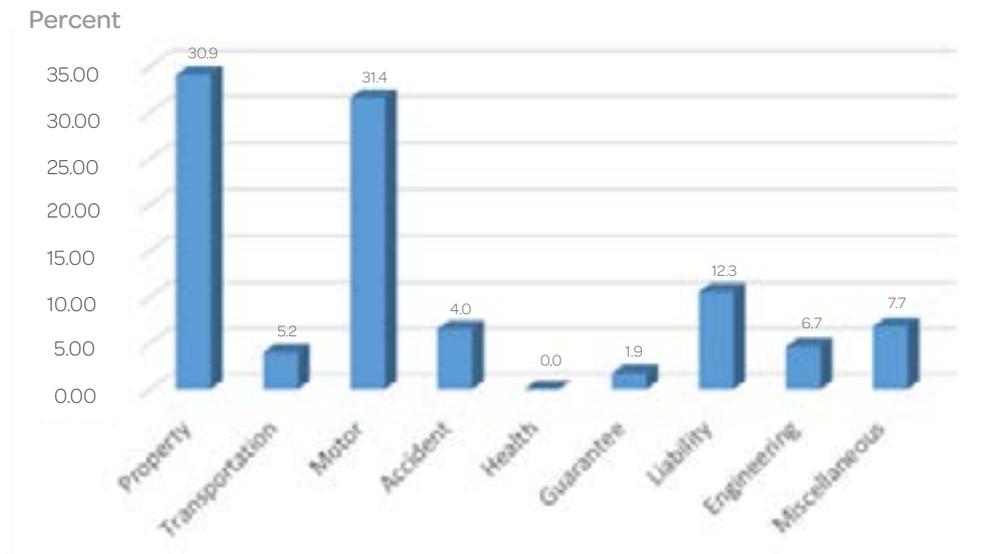


Year	Net Income after tax	Net incurred claims	Total operating expenses	Net acquisition costs	Gross written premiums
2018	99	423	248	120	1,366
2019	67	485	267	96	1,502

**Gross Written Premium by Class of Business for General Insurance**

During the year motor dominated the share of gross written premiums for the first time in the past decade at 31.4 percent share followed by property and liability with 30.9 percent and 12.3 percent respectively with the rest falling below the 10 percent share. In the previous year property accounted for 35 percent which means it has only dropped by less than 4 percent from the previous year while motor declined by 0.6 percent from 32 percent in the previous year. The market share of gross written premium by individual classes is presented in Figure 18 below:

Figure 18: Gross Written Premium by Class of Business for General Insurance



Class of Insurance	Total	Percent Share
Property	463,730	30.9
Transportation	77,438	5.2
Motor	471,820	31.4
Accident	60,503	4.0
Health	165	0.0
Guarantee	28,818	1.9
Liability	183,982	12.3
Engineering	100,002	6.7
Miscellaneous	114,871	7.7
<b>TOTAL</b>	<b>1,501,328</b>	<b>100.0</b>

### Statement of Financial Position

During the period under review, total asset of the non-life insurers increased marginally from P2 billion in the prior period to P2.3 billion in the current review period. As at the end of the period, the total liabilities accounted for 66 percent of the total assets whereas total capital and reserves comprised 34 percent of the total assets. This is represented in Figure 19 below.

Figure 19: Abridged Statement of Financial Position for Non-Life Sector



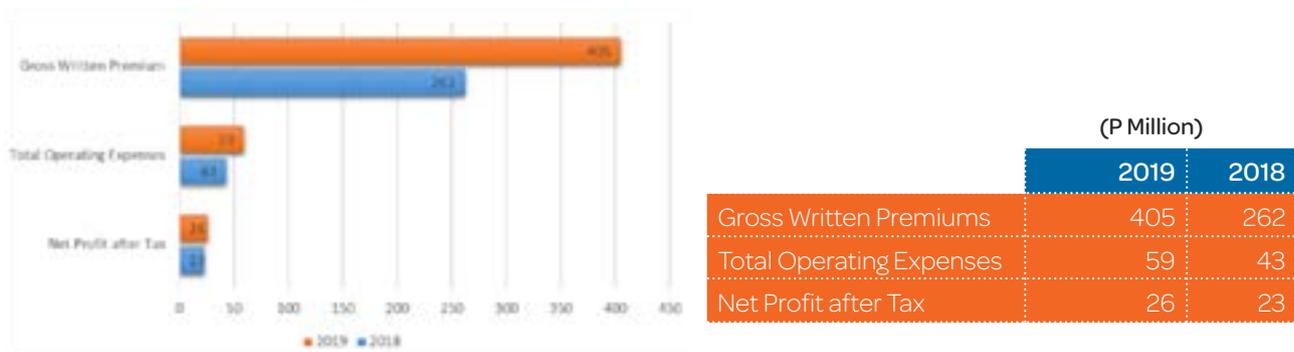
### Reinsurers

As at March 31, 2020 all the three reinsurers in Botswana were licensed to carry out the business as non-life reinsurers. However, the Insurance Industry Act 2015 which commenced in May 2019 allows reinsurers to do both life and non-life business. Reinsurers generated a total gross written premium of P405 million in 2019 compared

to P262 million in the prior year, which is a healthy increase of 54 percent. This indicates that the local reinsurers continued to grow in capacity to absorb more risk. Reinsurers retroceded a total premium of P167 million which is an increase of 69 percent from P99 million recorded in the prior year and this is attributable to growing capacity by local reinsurers. The profit after tax increased by 15

percent from P22.8 million in 2019 to P26.2 million. This is a result of an upward movement experienced in underwriting results depicted by a jump from an underwriting loss of P14 million to an underwriting profit of P29 million, an increase of 307 percent. The Figure 20 below shows a compressed statement of comprehensive income for reinsurers:

Figure 20: Abridged Statement of Comprehensive Income for Reinsurers (P Million)

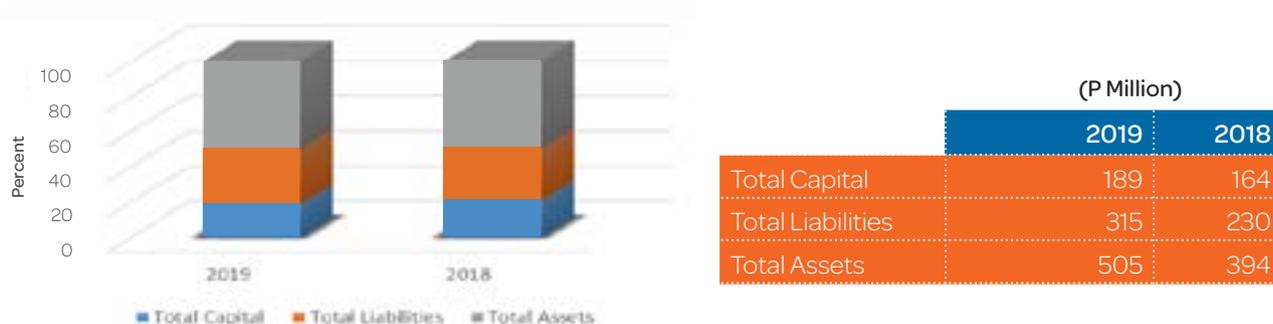


During the period under review, the total asset base of reinsurers increased by 28.2 percent from P394 million in 2018 to P505 million in the current year. The increase in total asset base of reinsurers demonstrates increasing underwriting capacity of the local reinsurance market. Reinsurers' total liabilities experienced a 46 percent

increase from P230 million in 2018 to P315 million during the current reporting period. Reserves fell sharply by 60 percent from P66.3 million in 2018 to P26.3 million during the current review period, while retained earnings increased nearly six fold from P2.4 million in 2018 to P16.7 million during the current review period. The proportion

of total liabilities to total assets increased from 58 percent in 2018 to 63 percent in the current review period while the proportion of capital to total assets fell from 42 percent in 2018 to 37.5 percent during the current review period. Figure 21 below shows a condensed statement of financial position for reinsurers.

Figure 21: Abridged Statement of Financial Position for Reinsurers



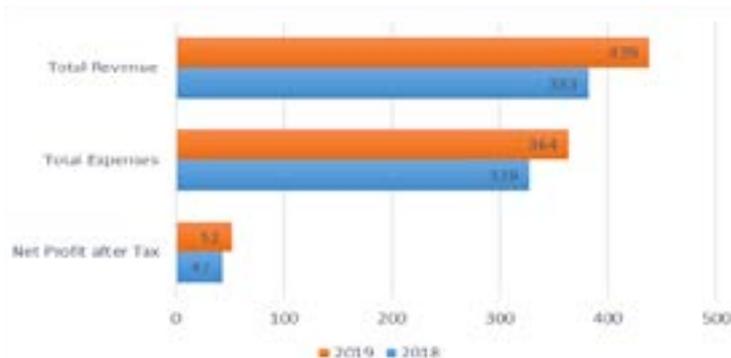
**Insurance Intermediaries**

During the period under review, total revenue generated by insurance brokers increased from P382.5 million in 2018 to P438.7 million. The constitution of this Total Revenue includes commission earned and other revenue at 82.4 percent and 17.6 percent respectively. Additional

revenue, which is mainly income earned from other sources has remained the same at P77 million during the review period as in the prior year. Total expenses on the other hand increased by 12.4 percent from P324 million in 2018 to P364 million in the current year which resulted in profit for the year increasing from P42.7 million

recorded in the prior year to P51.7 million in the year under review. At the time of publication, the reporting on the financial performance of insurance brokers is based on 41 out of fifty-five licensed insurance brokers who submitted their audited financial reports. Six had not yet completed their reporting period and eight failed to submit their audited financial statements.

**Figure 22: Abridged Statement of Comprehensive Income for Insurance Brokers (P Million)**



	Net Profit after Tax	Total Expenses	Total Revenue
2018	43	328	383
2019	52	364	439

The total assets base of insurance brokers recorded an increase from P413 million in 2018 to P466 million as reported during the period under review representing a 11 percent increase from the prior year. The Assets exceeded liabilities by P184 million. Figure 23 below shows a condensed statement of financial position for insurance brokers.

Figure 23: Abridged Statement of Financial Position for Insurance Brokers



	(P Million)	
	2019	2018
Total Capital	189	161
Total Liabilities	281	256
Total Assets	470	416

### Capital Requirements

The Insurance Industry Act (2015) which commenced in May 2019 requires that Insurance entities maintain a minimum capital requirement of P5 million for general insurers and P10 million for life insurers/reinsurers. Insurance intermediaries are also required to maintain a minimum statutory capital of at least P100 000 and

P30,000 for insurance brokers and Corporate Agents respectively. A life insurer is considered financially sound when its assets exceed its liabilities whereas a short term insurer is considered to be financially sound when its solvency ratio is 125 percent or more. However, with the alignment of the Insurance Industry Act and the risk based supervision approach, a more risk based capital will be required for all regulated

entities. During the year under review, the financial performance showed that insurance players maintained a good level of capital adequacy and solvency except for a few which fell below the expected levels. However, all those that were below the required levels corrected their situation except a few which are subject to NBFIRA regulatory intervention.

### Medical Aid Funds

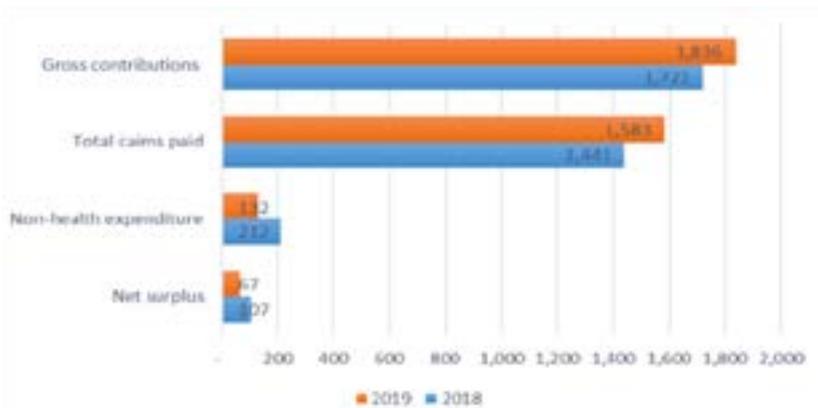
The Medical Aid Funds are classified as non-bank financial institutions regulated and supervised under the NBFIRA Act 2016 and hence the need for the development of the regulatory framework of the sector. The development of the Medical Aid Funds regulations is not yet complete and they continue to be regulated as per the conditions set in their exemption letters whilst awaiting the conclusion of industry specific legislation for the sector. The principal membership of

the Medical Aid Funds stood at 142,783 in 2019, compared to 139,953 reported during the prior year. The sector also recorded an overall total membership base of 340,200, which is 14.6 percent of the population. This is a 3.5 percent increase from the 328, 788 insured last year. At the time of publication, the reported figures are based on four registered medical aid funds as one has not submitted.

Medical Aid Funds recorded an increase of 6.6 percent in total contributions from P1.72 billion

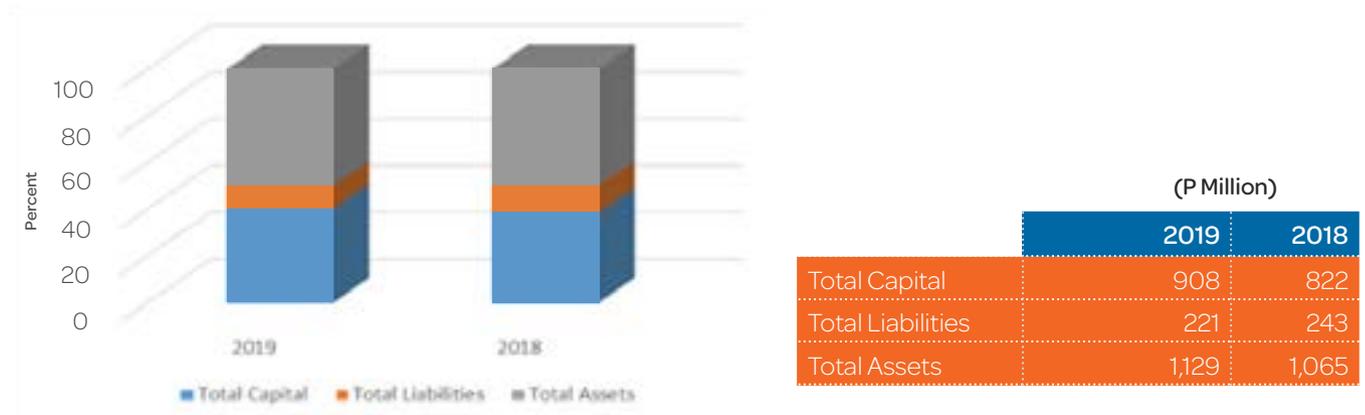
in 2018 to P1.84 billion reported in the current review period. An upward trend was also experienced in medical claims which grew from P1.44 billion in 2018 to P1.58 billion during the current review period representing an increase of 9.9 percent. Net surplus for the industry continues to experience a downward trend as it fell from P107 million in 2018 to P67 million in the current review period. The downward trend was due to the reduction in net income from contributions and the marginal increase in non-health expenditure.

Figure 24: Abridged Statement of Comprehensive Income for Medical Aid Funds (P Million)



Total assets for the medical aid industry remains the same at P1.1 billion in the current review period relative to 2018. Total liabilities accounted for 20 percent of the total assets of the industry in 2019 compared to 23.3 percent in the prior year. Capital and reserves accounted for 80.4 percent of the total assets in 2019 compared to 77.2 percent in the prior year.

Figure 25: Abridged Statement of Financial Position for Medical Aid Funds





Retirement Funds

## Retirement Funds

**The Regulatory Authority**, regulates and supervises Retirement Funds and Fund Administrators through the Retirement Funds Department in terms of the NBFIRA Act (2016); the Retirement Funds Act (2014) and the Regulations of 2016, Administrative Rules as well as other relevant financial services laws.

### Licensing Status

The number of licensed Retirement Funds during the year under review

increased by 1.2 percent from 81 entities recorded in the prior year to 82 entities. The slight increase in number is due to the licensing of four new standalone retirement funds which included two External Funds, a Preservation Fund and an Individual Retirement Fund (Retirement Annuity Fund) and transfer of three stand alone funds to umbrella funds. The above-mentioned licensed Retirement

Funds include, six Umbrella Funds, which in totality registered 320 sub-funds as at March 31, 2020 from 307 recorded in March 31, 2019.

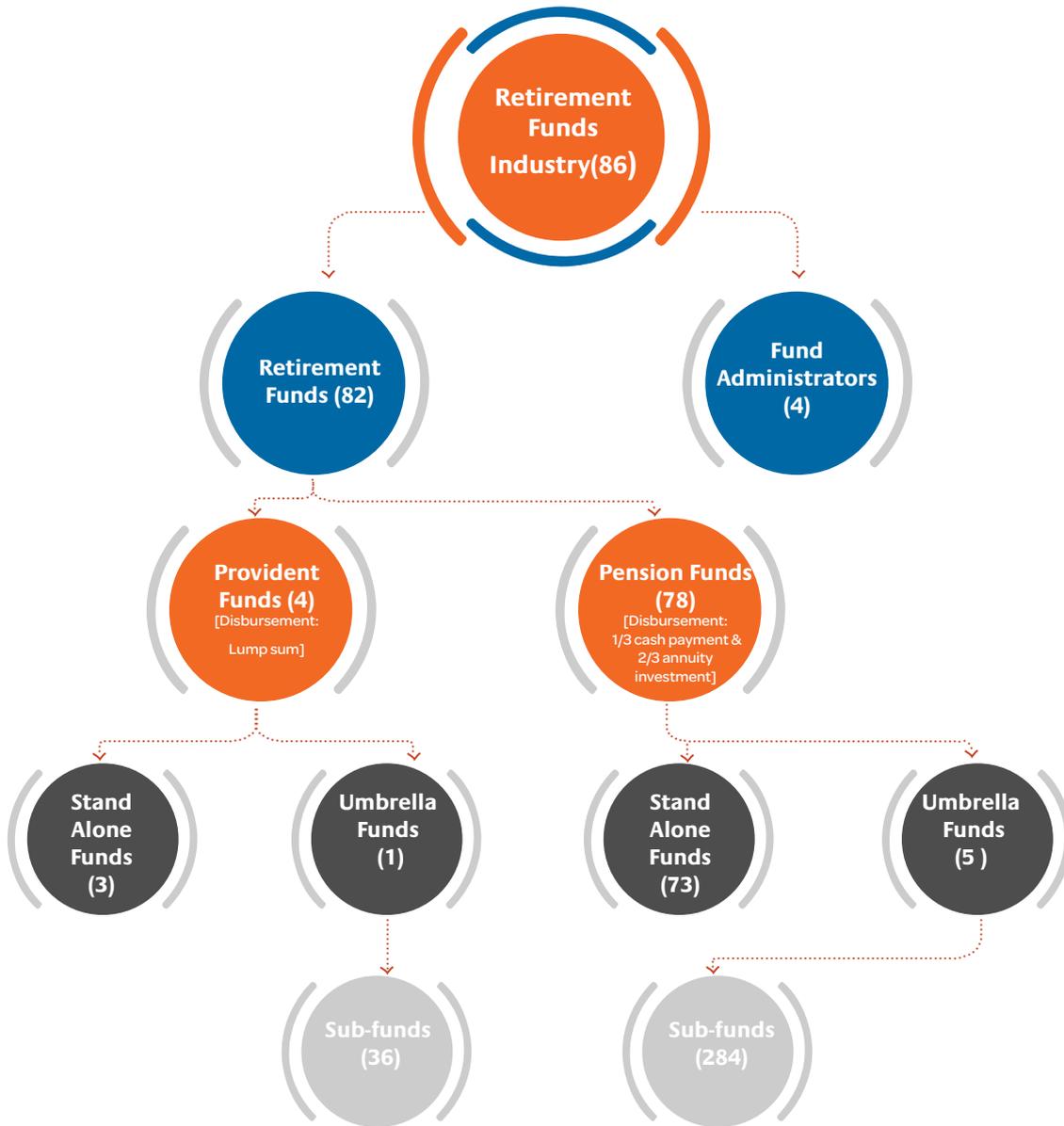
As at March 31, 2020, there were four licensed retirement fund administrators, which remained unchanged from the figure reported in the previous year.

The total number of industry players and the structure of the retirement funds is illustrated in Table 17 and Figure 26 below.

**Table 17: Number of Licensed Entities of Retirement Funds Sector as at March 31, 2020**

Funds	March 2019	New Licenses	Dissolution/ Voluntary Withdrawals	Transfers Out to Umbrella Funds	March 2020	Percent Change
Stand Alone Funds	75	4	0	3	76	1.3
Umbrella Funds	6	0	0	-	6	0
<b>Sub-total</b>	<b>81</b>	<b>4</b>	<b>0</b>	<b>3</b>	<b>82</b>	<b>1.2</b>
Fund Administrators	4	0	0	-	4	0
Sub Funds of Umbrella Funds	307	13	0	-	320	4.2

Figure 26: Retirement Funds Structure



### Membership Status

As at December 2019, the total membership of Retirement Funds was 264,591, which represents an increase of 0.6 percent compared to the previous year figure of 263,097 as shown in Table 18 below. This was due to an increase in the number of standalone funds and sub-funds under umbrella

funds which grew by 1.3 percent and 4.2 percent respectively during the review period. During the year under review, Active members figures decreased by 0.8 percent while deferred membership status increased by 14.5 percent. The increase in deferred members could be attributable to retrenchments and business closure of some

participating employers. The total membership comprised 230,588 active members, 21,310 deferred members and 12,693 pensioners. The proportion of active members to total membership was 87 percent while the ratio of pensioners to total membership was 5 percent which was unchanged from the previous year.

**Table 18: Membership Statistics**

Membership Status	2019	2018	Percent Change
Active	230,588	232,439	(0.8)
Deferred	21,310	18,607	14.5
Pensioners	12,693	12,051	5.3
<b>Total*</b>	<b>264,591</b>	<b>263,097</b>	<b>0.6</b>

Note \* Total membership is slightly overstated as it includes deferred members who may still be active members, as well as members who are active in more than one fund.

Figure 27: Membership Statistics as at December 31, 2019

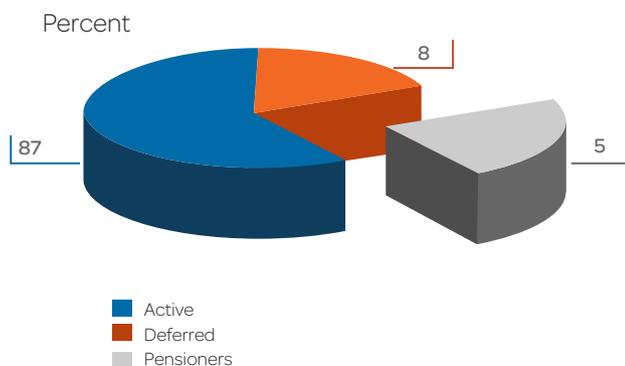


Figure 28: Membership Statistics as at December 31, 2018

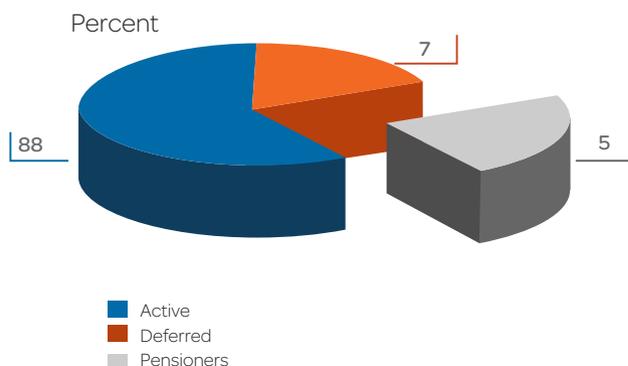


Figure 27 and 28 above illustrate the proportion of active members (those who are still contributing or having contributions made on their behalf), deferred members (members who are no longer contributing but have preserved pension rights from prior employers) and pensioners (those receiving pension) to total membership.

### Market Performance

The Retirement Funds Sector recorded an increase of 69 percent in total income from P6.9 billion in 2018 to P11.8 billion in 2019. The top five retirement funds accounted for P10.5 billion of the industry total income. This was attributed to an upsurge in investment income by 179 percent from P2.5 billion in 2018 to P7.0 billion in the current year, due to good performance in the global equities and bond markets

during the period under review. However, total contributions by both the employees/members and the employers increased slightly by 6.8 percent from P4.3 billion in 2018 to P4.6 billion in the period under review. This was as a result of increases in additional voluntary contributions made by some fund members.

During the review period, total expenditure for retirement funds was P3.7 billion (2018: P4.5 billion)

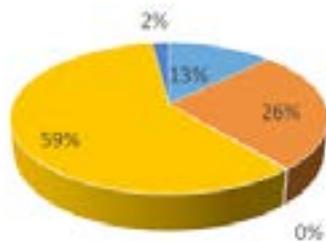
which is a decrease of 17 percent from the previous year. Benefit payments made to members and beneficiaries declined by 22 percent from P3.8 billion in 2018 to P3.0 billion in 2019 (see table 19 below). The decrease was due to the reduction of transfers, liquidations and dissolutions during the period under review.

Table 19: Abridged Income /Expenditure statements for the period ended December 31

Income	Amount P Million) 2019	Amount(P Million) 2018	Percent Change
Members Contributions	1,500	1,130	32.7
Employer Contributions	3,073	3,152	(2.5)
Amounts received on life insurances	18.6	12	55.0
Investment Income	6,968	2,500	178.7
Other Income	240	201	19.4
<b>Total</b>	<b>11,800</b>	<b>6,995</b>	<b>69</b>
Expenditure			
Benefit Payments	2,962	3,794	(21.9)
Administration, Management Expenses and other Fees	767	710	8.0
Insurance Premiums	18	17	5.9
<b>Total</b>	<b>3,747</b>	<b>4,521</b>	<b>(17)</b>

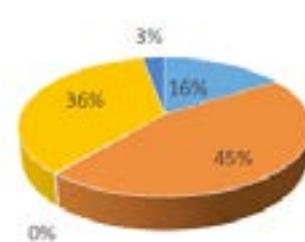
Source: NBFIRA

Figure 29: Sources of Retirement Funds Income for the year ended December 31, 2019



- Members Contributions
- Employer Contributions
- Amounts received on life insurances
- Investment Income
- Other Income

Figure 30: Sources of Retirement Funds Income for the year ended December 31, 2018



- Members Contributions
- Employer Contributions
- Amounts received on life insurances
- Investment Income
- Other Income

Figure 29 and 30 above depicts that investment income account for the largest share in terms of total income received by retirement funds at 59 percent in 2019 compared to a share of 36 percent in the previous year followed closely by employer contributions at 26 percent compared to 35 percent in the prior year.

Figure 31: Retirement Funds Income and Expenses



Figure 31 above depicts a relationship between retirement funds income and expenditure over a two year period (2018-2019)

### Retirement Funds Investment Assets

The Retirement Funds Industry is one of the largest sectors in the non-bank financial institutions sector in terms of asset size and continues to contribute significantly

to the economy of Botswana. The ratio of total assets of retirement funds to GDP was 47 percent as at December 2019, compared to 42 percent in the previous year. Table 20 below shows that the assets held by Retirement Funds as at December 31, 2019 amounted to

P 93 billion being an increase of 17.9 percent from the prior year of P79 billion. This growth is attributable to the strong performance in offshore investment returns, particularly offshore equities and alternative investments.

Table 20: Assets of Retirement Funds Allocation as at December 31

	P (Million) 2019	P (Million) 2018	Percent Change
Botswana Primary Listed Equities	13,155	13,034	0.9
Exchange Traded Funds	737	580	27.0
Botswana Unlisted Equities	2,348	2,114	11.1
Pula Bonds/Commercial Paper	8,987	8,432	6.6
Pula Cash/Near Cash	8,988	6,619	35.8
Botswana Property	1,802	1,494	20.6
<b>Sub-Total Domestic Investments</b>	<b>36,017</b>	<b>32,273</b>	<b>11.6</b>
Offshore Equities	42,939	36,610	17.3
Dual Listed Equities	1,382	1,333	3.7
Offshore Bonds	6,087	5,846	4.1
Offshore Cash/Near Cash	1,083	1,137	(4.8)
Offshore Alternative Investment	5,626	1,773	217.2
<b>Sub-Total Offshore Investments</b>	<b>57,117</b>	<b>46,699</b>	<b>22.3</b>
<b>TOTAL</b>	<b>93,134</b>	<b>78,972</b>	<b>17.9</b>
<b>Offshore/onshore asset split (Percent)</b>	<b>61/39</b>	<b>59/41</b>	<b>-</b>

Figure 32: Percentage Share of Retirement Funds Asset as at December 31, 2019

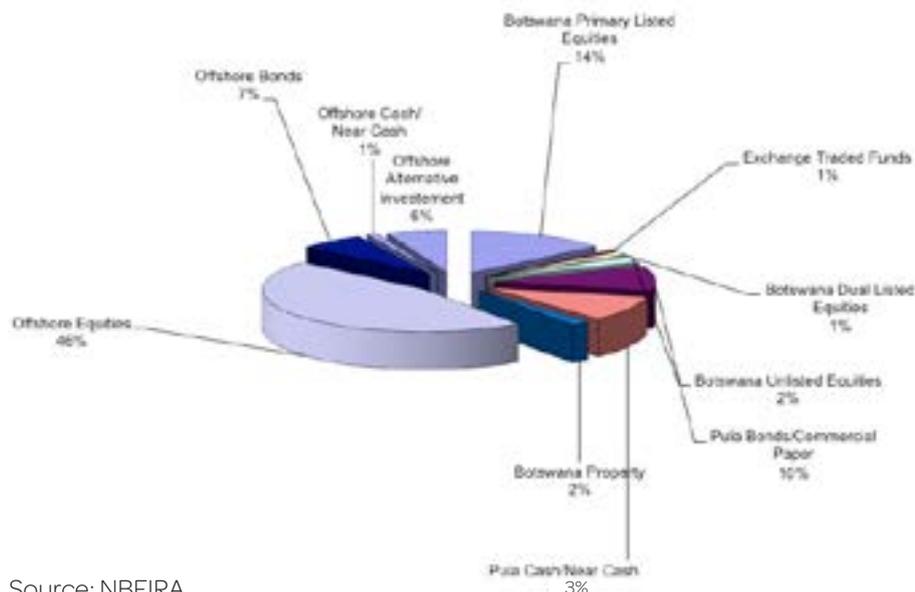


Figure 32 illustrates that offshore equities account for the largest share in terms of total retirement funds investments assets at 46 percent, followed by Botswana listed equities at 14 percent.

Source: NBFIRA

All investment assets classes experienced a positive growth during the period under review save for offshore cash/near cash which recorded a decrease of 4.8 percent. Total equities emerged as the leading asset class amounting to P58 billion, which accounted for 63 percent of the retirement funds assets under management. Total bonds accounted for 16.2 percent of total retirement funds assets during the review period, comprising of domestic bonds of P 9 billion and offshore bonds at P6.1 billion. Cash and near cash accounted for 10.8 percent of invested assets comprising P9.0 billion and an equivalent of P1.1 billion

in foreign cash, while the remaining P8.2 billion or 8.8 percent of total assets were held in Exchange Traded Funds, Local Property and Alternative Investments. This represents a shift in asset allocation for offshore equities and offshore alternatives, with an increase in allocation of Alternative Investments by more than 200 percent in 2019. The increase in offshore equities is congruent with the global market performance. Refer to Table 20 and Figure 32 above.

#### Offshore/Onshore Investment Asset Split

Pension Fund Rule 2 (PFR 2) allows retirement funds to invest not less

than 30 percent of their Pension assets in the domestic market and the balance of the pension assets may be invested offshore. As at December 31, 2019 offshore investments of retirement funds were P57.1 billion or 61 percent of total retirement funds assets while local assets accounted for P36 billion or 39 percent. Comparably, as at December 31, 2018, offshore investments of retirement funds were P 46.7 billion or 59 percent of total retirement funds assets while local investments accounted for P32.3 billion or 41 percent.





「 Capital Markets 」

**The Regulatory Authority** through the Capital Markets Department regulates and supervises securities institutions and collective investment undertakings as mandated by the NBFIRA Act, 2016, the Securities Act, 2014 and the Collective Investment Undertakings (CIU) Act, (CAP56:09). Furthermore, **the Regulatory Authority** provides supervisory oversight on the International Financial Services Centre (IFSC) accredited entities, that undertake business of an NBF nature, in line with Part XVI of the Income Tax Act and Part VIII of the NBFIRA Act, 2016.

**OVERVIEW**

The Capital Markets industry has three categories of players being;

(a). The Securities Infrastructure Businesses (SIBs):

There were two licensed SIBs, being; the Botswana Stock Exchange Limited (BSEL) and the Central Securities Depository Company of Botswana (CSDB).

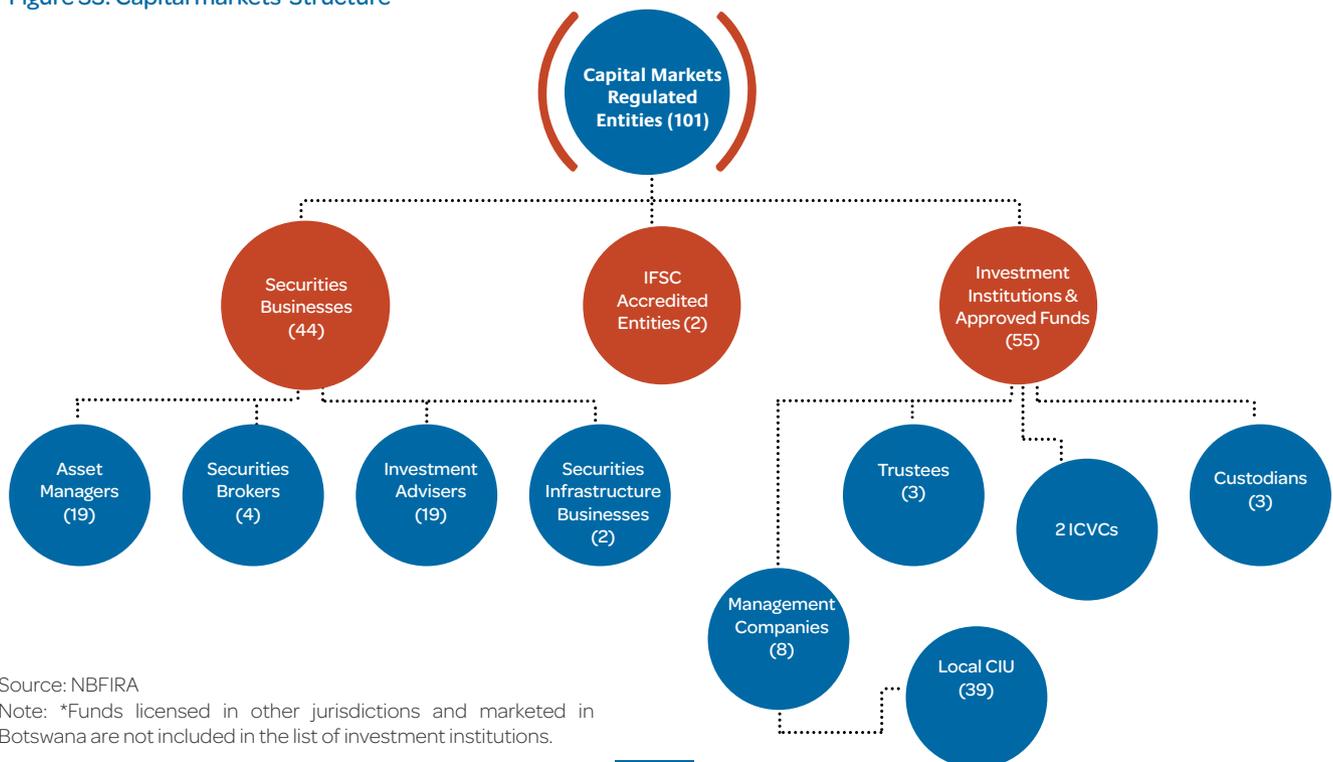
(b). Securities Institutions and Investment Companies (SIIC):

The SIICs comprises four securities brokers, three custodian banks, 19 investment advisors and 19 asset managers. Further, there were

eight MANCOS, two investment companies with variable capital, three trustees for CIUs and 120 investment funds; 39 being locally approved funds while 81 are funds licensed in other jurisdictions, but have been approved to offer their products locally.

(c). IFSC Accredited Entities: There were four IFSC accredited entities during the reporting period. These entities were in various sub-sectors of the NBFIs with two in the Lending Activities Department, one in the Insurance Department and one in the Capital Markets.

Figure 33: Capital markets Structure



Source: NBFIRA

Note: \*Funds licensed in other jurisdictions and marketed in Botswana are not included in the list of investment institutions.

LICENSING STATUS

The number of licensed entities during the year under review increased by 22 percent from 83 reported in the prior year to 101 entities. The 21 percent increase indicated below, takes into account 24 new licenses which were issued, three licenses which were voluntary surrendered by the companies and three other entities migrated to other Regulatory Departments during the period under review.

Table 21: Capital Markets Licenses at March 2020

Capital Markets Industry Players	2019	New License	Withdrawals/ Dissolutions/ Cancellations/ Transfers	2020	Percentage Change
Securities Brokers	4	0	0	4	0
Securities Exchange	1	0	0	1	0
Central Securities Depository	1	0	0	1	0
IFSC accredited entities	4	1	3	2	-50
Asset Managers	21	0	3	19	-9.5
Investment Advisers	18	1	0	19	5.6
Trustees for CIUs	3	0	0	3	0
Custodians	3	0	0	3	0
Market Maker	0	0	0	0	0
Management Companies for CIUs	7	1	0	8	14.2
Investment Companies with Variable Capital	2	0	0	2	0
Local CIU Funds*	19	20	0	39	105
<b>Total</b>	<b>83</b>	<b>24</b>	<b>6</b>	<b>101</b>	<b>22</b>
Funds licensed in other jurisdictions**	81	0	0	81	0

Source: NBFIRA

Notes: \*The 39 locally licensed funds have been included in the list of investment institutions.

\*\* The Externally Licensed CIU Funds have been added in the list of entities but do not count as licensed entities.

### Risk Based Supervision

The Capital Markets Department (CMD) has adopted the Risk Based Supervision approach in performing its function. In this approach, entities have been categorised into two, Systemically Important Entities (SIFIs) and non -Systemically Important Entities. During the year under review, CMD developed a criteria for identifying SIFIs and 10 entities were identified as such as at December 31, 2019 and they were

all compliant with Securities Laws as at December 31, 2019.

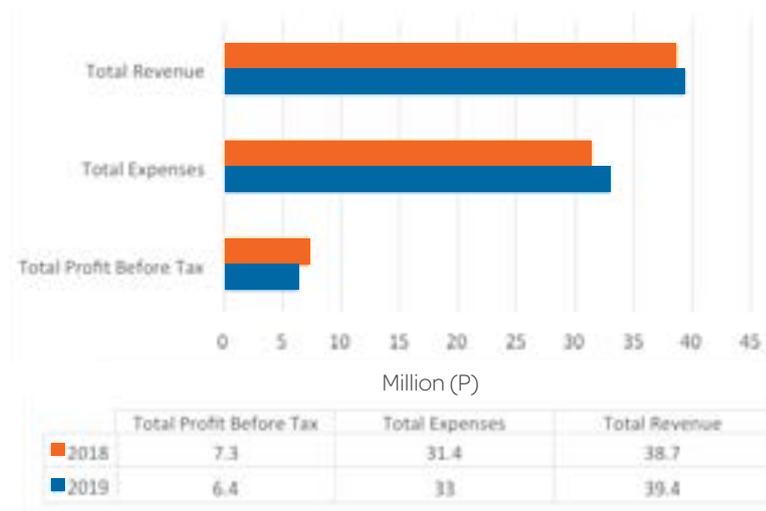
In addition to SIFIs and non-SIFIs, there are entities classified as high-risk entities. The methodology for supervising high-risk entities is based on identified regulatory processes that include the following; off-site analysis, whistle blowing reports, media reports, amongst others.

During the period under review, the ladder of intervention was implemented.

### Financial Performance of Securities Infrastructure Businesses (SIBs)

SIBs performed fairly well during the year under review, ending the year with a total revenue of P39.4 million, which increased by 1.8 percent from P38.7 million in 2018. Total expenses grew by 5.1 percent from P31.4 million in 2018 to P33.0 million in 2019, resulting in Net Profit Before Tax of P6.4 million, representing a decrease of 12.3 percent from P7.3 million in 2018.

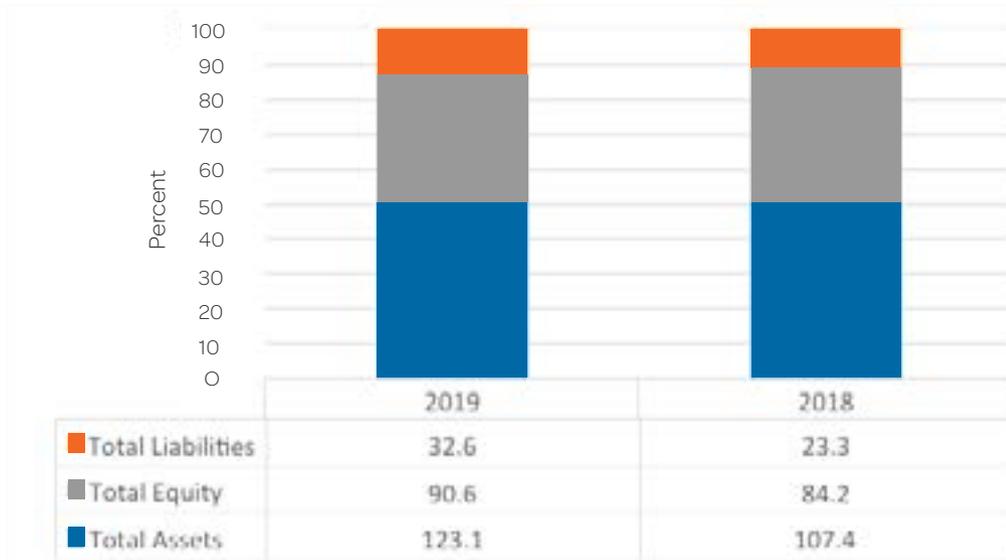
Figure 34: Abridged Statement of Comprehensive Income for SIBs (P Million)



Source: NBFIRA

The SIBs sector maintained a healthy financial position with total assets of P123.1 million, reflecting an increase of 14.6 percent from P107.4 million in 2018. Total equity grew by 7.6 percent from P84.2 million in 2018 to P90.6 million in 2019. Total liabilities recorded the highest increase of 39.9 percent from P23.3 million as at December 31, 2018 to P32.6 million as at December 31, 2019.

Figure 35: Abridged Statement of Financial Position for SIBs as at December 31, 2019 (P Million)



Source: NBFIRA

Assets Under Management (AUM) of Investment Institutions (Assets Managers and Management Companies)  
 The total AUMs increased by 7.5 percent from P46.4 Billion recorded as at December 31, 2018 to P49.9 Billion as at December 31, 2019.

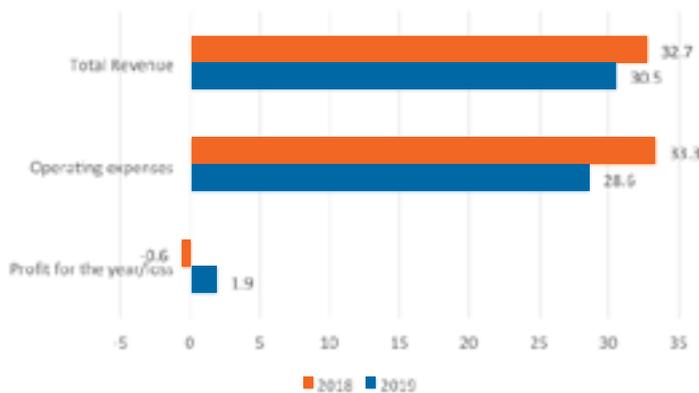
### Financial Performance of Securities Brokers

As at December 31, 2019 there were four brokers under the supervision of Capital Markets Department. Collectively, the brokers recorded a total income of P30.5 million in the

current financial year, indicating a 6.7 percent decrease compared to P32.7 million stated in the previous year. Despite a decrease in total income, the brokers made a collective profit before tax of P1.9 million compared to a loss of (P0.6) million recorded in the previous

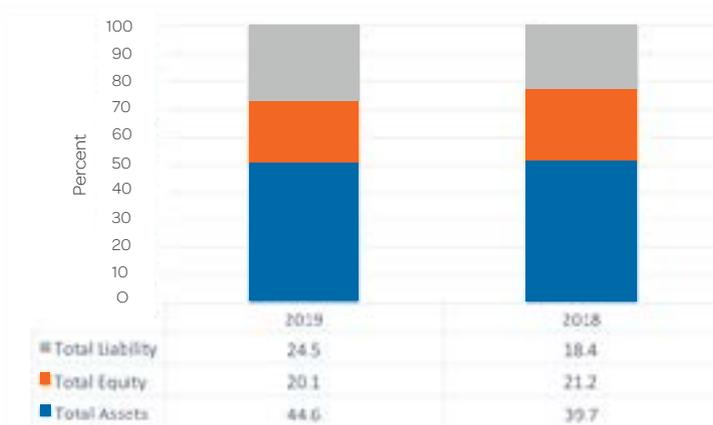
year. The positive performance can also be attributed to the fact that there was a significant decrease, of 14 percent in operating expenses for the year. Operating expenses therefore decreased from P33.3 million in 2018 to P28.6 million in 2019.

Figure 36: Abridged Statement of Comprehensive Income for Securities Brokers (P Million)



As shown in Figure 37 below, Securities brokers ended the year with a healthy balance sheet, recording total assets of P44.6 million, which increased by 12.3 percent from P39.7 million in 2018. Total equity declined by 5.2 percent from P21.2 million in 2018 to P20.1 million in 2019, while total liabilities recorded an increase of 33.2 percent from P18.4 million in 2018 to P24.5 million in 2019.

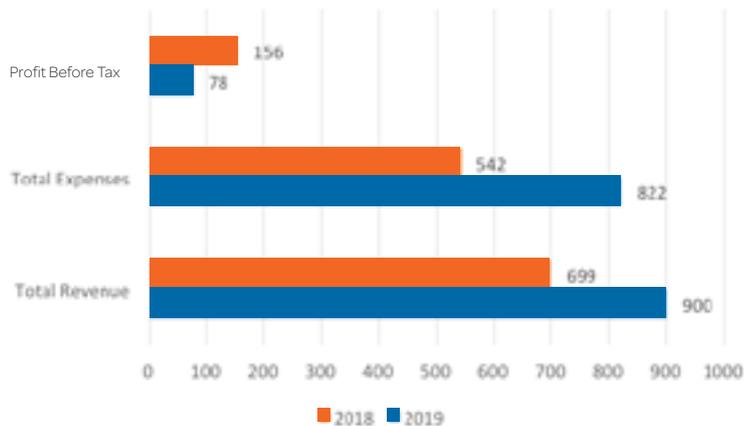
Figure 37: Abridged Statement of Financial Position for Securities Brokers (P Million)



### Financial Performance of Investment Institutions (Asset Managers and Management Companies)

The total revenue for Investment Institutions increased by 28.8 percent from P699 million in 2018 as compared to P900 million in 2019. The total expenses recorded an increase of 52 percent from the previous P542 million in 2018 to P822 million in 2019. Profit before tax decreased from P156 million in 2018 to P78 million in 2019, which was a 50 percent decrease.

Figure 38: Abridged Statement of Comprehensive Income for Investment Institutions as at December 31, 2019 (P Million)



Total assets for Investment institutions dropped by 77 percent from P 6.2 billion in 2018 to P1 billion in 2019. Similarly, total liabilities declined by 75 percent from P 5.8 billion in 2018 to P 1.5 billion in 2019. The combined equity for Investment Institutions declined by 11 percent, from P380 million in 2018 to P338 million in 2019. The significant change on the total assets was due to the restructuring in one of the biggest Asset Managers, which resulted in its assets migrated to the collective investment undertaking.

Figure 39: Abridged Statement of Financial Position for Investment Institutions (P Million)







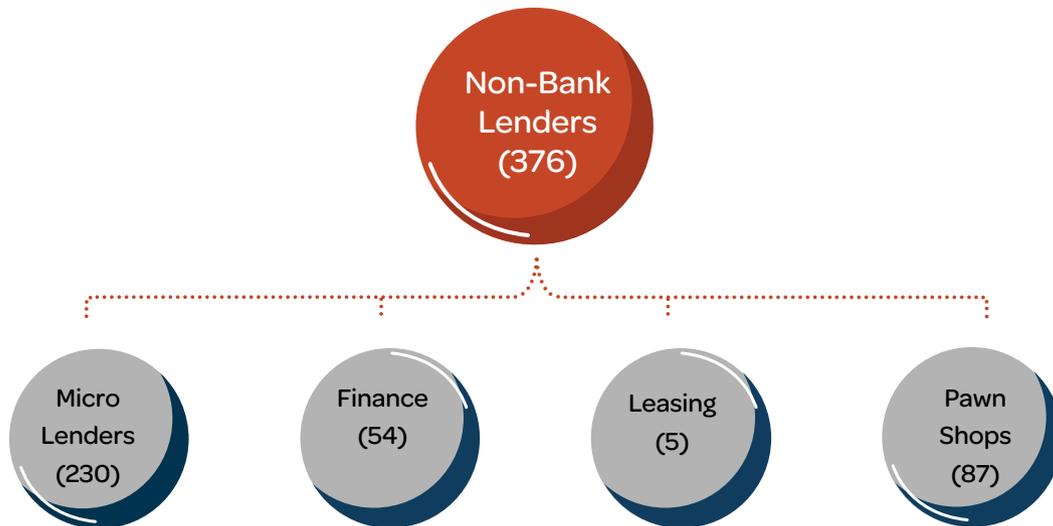
# Lending Activities

**The Regulatory Authority**, through the Lending Activities Department, is responsible for the regulation and supervision of Micro Lenders, Pawnshops, Finance and Leasing entities as mandated by the NBFIRA Act (2016). Furthermore, **the Regulatory Authority** regulates and supervises the Micro Lenders, in accordance

with the Micro Lending Regulations (2012). Systemically Important Entities (SIEs) are further subjected to the Prudential Rules for Systemically Important Entities (2018). Pawnshops, Finance and Leasing companies are granted exemptions to operate pending the promulgation of the industry-specific legislation.

The Lending industry comprises of 376 non-bank lenders, of which 230 are Micro Lenders, 87 are Pawnshops, 54 are Finance Companies and five are Leasing Companies.

Figure 40: Structure of the Non-Bank Lending Activities Industry in 2019/20



\*Four entities conducting both Finance and leasing business

### Licensing Status of Lending Activities

Table 22: The Licensing/ Exemption Status in the Lending Sector

Type of NBFIs	2019	New Licenses/ Exemptions	Withdrawals	2020	Percent Change
Micro Lenders	216	16	2	230	6.5
Pawnshops*	82	7	2	87	6.1
Financing*	39	16	1	54	38.5
Leasing*	5	0	0	5	0.0
<b>Grand Total</b>	<b>342</b>	<b>39</b>	<b>5</b>	<b>376</b>	<b>9.9</b>

Note: \* represent entities which are exempted

During the year under review, **the Regulatory Authority** licensed 16 new entities to operate micro lending business, while two other micro lenders withdrew from the industry. Seven new entrants were granted exemptions to operate Pawnshop business and 16 were granted exemptions to operate Finance business. This resulted in a total of 376 licensed and exempted entities in 2020, representing a 9.9 percent industry growth from the previous year.

### Micro Lending Sector Statement of Financial Position

The below Figure 41 shows that Micro Lending total assets increased by 14.3 percent from P4,852 million in 2018 to P5,544 million in 2019. The increase in total assets was largely attributable to the increase in the total loan book values which increased by 14 percent from P3, 993 million in 2018 to P4, 551 million in 2019, indicating an increase in the demand for loans. Total liabilities increased by 9.8 percent from P3, 049 million in 2018 to P3, 348 million in 2019, while total equity increased by 21.8 percent from P1, 836 million in 2018 to P2, 237 million in 2019.

The Micro Lending industry had 146 320 clients as at December 31, 2019.

Figure 41: Statement of Financial Position (P million)

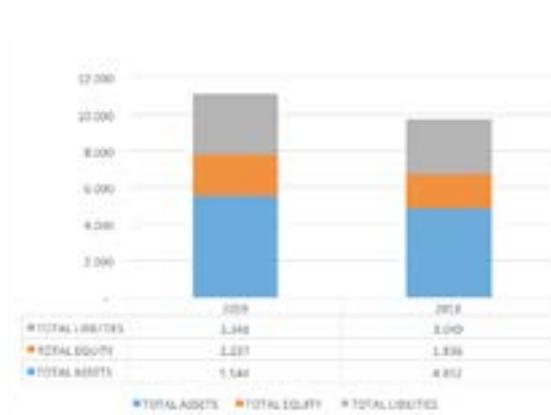
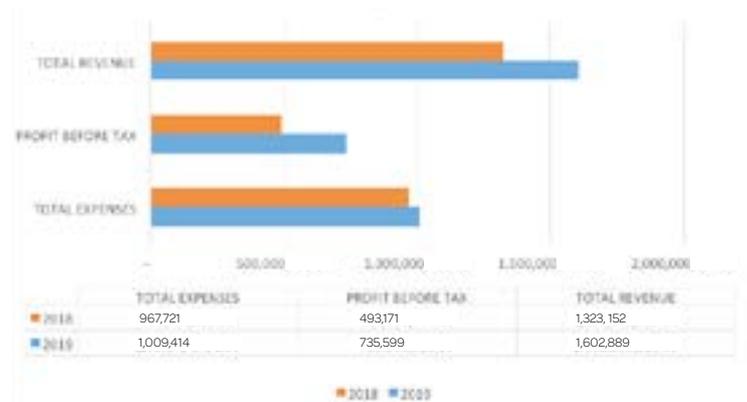


Figure 42: Statement of comprehensive income (P'000)



Note: The 2018 figures were reinstated to broaden the reporting entities from 20 to 64, in order to match the 2019 figures.

Table 23: Portfolio and solvency ratios

RATIO	2019	2018
Portfolio Yield	35	33
Portfolio Value as Percentage of Total Assets	0.82	0.82
Debt-to-Equity	1.48	1.64

The Portfolio Yield increased from 33 percent in 2018 to 35 percent in 2019 while the Portfolio Value as a Percentage of Total Assets remained steady at 0.82 for 2018 and 2019 respectively. This indicates that on average, the loan book value contributes to 82 percent of the total assets, which is in line with the core business of the industry.

The industry remained generally

solvent and profitable. Debt-to-Equity ratio decreased from 1.64 in 2018 to 1.48 in 2019, which indicates that the industry has reduced its reliance on debt financing. This is attributable to the industry's increase in retained earnings.

SIEs are additionally expected to maintain a minimum capital adequacy ratio of 5 percent and a minimum liquidity ratio of 2 percent as per the Prudential Rules

for Systemically Important Entities (2018) 1. All SIEs have met these requirements.

#### Loan Book Values for other Non-Bank Lenders

The loan book values for other non-bank lenders in 2019 were reported as P14.6 million for 15 Pawnshops; P32.5 million for 17 Finance entities; and P56.2 million for one Leasing entity.

1. The Prudential Rules apply to licensed micro lenders with a threshold of at least two of the following: an annual revenue of P200 million, 200 employees, total assets exceeding P50 million, and total liabilities of P50 million. There are five micro lenders who meet this threshold.

An isometric illustration of a laptop with a document emerging from its tray. A large orange key is positioned above the laptop. Several gold coins are scattered around the base of the laptop. A large, semi-transparent orange circle is overlaid on the scene, containing the text 'AML/CFT'.

AML/CFT

## Overview

Botswana promotes and safeguards the integrity of the financial sector through implementation of AML/CFT/CFP legal and institutional frameworks. Accordingly, Botswana continues to strengthen the AML/CFT/CFP system in compliance with its membership obligations of the Eastern and Southern Africa Anti-Money Laundering Group (ESAAMLG). The Group requires members to adopt and implement the Financial Action Task Force (FATF) Standards on combating of ML/TF/PF.

The Anti-Money Laundering (AML/CFT) Department is the specialised organ of **the Regulatory Authority** charged with the responsibility of ensuring that NBFIs comply with the AML/CFT obligations. In addition, the AML Department has the responsibility to supervise and monitor NBFIs for compliance with countering the financing of proliferation (CPF) obligations.

### Legislation, National Strategies and International Standards (Progress from the previous year)

FATF Recommendation 27 requires supervisors of financial institutions to have powers to supervise and monitor affected entities for compliance with AML/CFT/CFP obligations. The powers include having

access to relevant information to conduct comprehensive inspections and issue corrective actions or sanctions for failure to comply with AML/CFT obligations. Countries are required to identify, assess and understand ML/TF/PF risks facing the country, and implement policies and measures to mitigate and manage the risks.

The revised FATF Standards explicitly require supervisors to understand ML/TF/FF risks of their supervised entities, and design and implement RBA to AML/CFT/CFP to regulate, supervise and monitor regulated entities for compliance with AML/CFT/CFP obligations. This is explicitly set out in the FATF Immediate Outcome 3, as follows: “Supervisors appropriately supervise, monitor, and regulate financial institutions... for compliance with AML/CFT/CFP requirements commensurate with their risks”.

As the supervisory authority responsible for NBFIs, **the Regulatory Authority** through its AML/CFT Department has adopted a Risk Based Approach to AML/CFT. This is because FATF Recommendation 26 requires countries to ensure that financial institutions are subject to risk-based regulation and supervision. It also requires that for financial institutions subject to Core Principles, the regulation and

supervision measures that apply to prudential purposes, and which are also relevant to money laundering and terrorist financing, should apply in a similar manner for AML/CFT/CFP purposes”.

During the year under review, the Financial Intelligence Act of 2019 was amended and commenced on September 4, 2019.

The specific AML/CFT/CFP supervisory role of the NBFIRA is now under Section 4(e) of the NBFIRA Act and Section 44 of the Financial Intelligence Act.

The FI Act designates the **the Regulatory Authority** as the AML/CFT/CFP supervisor for NBFIs under its purview, as follows:

- (a). Regulate and supervise specified parties for compliance with the FI Act, including through on-site examinations;
- (b). In consultation with the Financial Intelligence Agency, issue instructions, guidelines or recommendations to help regulated entities comply with the FI Act;

- (c). In cooperation with FIA, develop standards or criteria applicable to the reporting of suspicious transactions that shall take into account other existing and future pertinent national and international standards;
- (d). Maintain statistics concerning compliance measures adopted or implemented by the specified party and sanctions imposed on such specified party; and
- (e). Conduct risk-based supervision of anti-money laundering, counter-financing of an act of terrorism and counter-financing of proliferation of arms of war or NBC weapons.

### Inspections and outcomes compared to the previous year

During the year under review the AML/CFT Department conducted a total of 16 inspections as follows;

Table 24: Inspection statistics by Industry

Year	Insurance	Retirement Funds	Capital Markets	Lending Activities	Total
2019/2020	5	1	3	7	16
2018/2019	5	1	2	1	9

As shown on the table above, seven more inspections were conducted as compared to the prior year. This was due to the increase in the number of staff in the AML/CFT Department.

### Focus on Inspections

**The Regulatory Authority** has categorised specified party obligations under the FI Act into seven categories for easier monitoring and risk/compliance rating purposes. These are governance, risk management systems & controls, training, customer due diligence, transaction monitoring, reporting and record keeping.

From the inspections conducted, **the Regulatory Authority** has noted an improvement in the following areas;

- Training for AMLCOs and general staff
- Reporting goAML registrations and sanctions reporting
- Customer Due Diligence in terms of new clients

On the other hand, **The Regulatory Authority** has noted that a bulk of the entities are still lagging behind in the following areas;

- Risk Management Systems & Controls inadequate or lack of risk assessments, policies, and procedures
- Customer Due Diligence
- Transaction Monitoring

**Table 25: Referrals for enforcement action**

Year	Insurance	Retirement Funds	Capital Markets	Lending Activities	Total
2019/2020	3	0	0	0	3
2018/2019	1	1	1	2	5

Despite the increase in the number of inspections conducted, there were fewer referrals to the LED for non compliance. This is attributed to the improvement in AML/CFT/CFP compliance of nbfis in the current year as compared to the preceding year

**Monitoring: Guidance Notes**

**The Regulatory Authority** issues instructions, guidance notes and other secondary legislation with the view to drive and improve compliance to the primary legislation (FI Act). During the year under review the following guidance notes were issued;

**Guidance Note 1 of 2019:**  
(Documenting an AML/CFT/CFP Policy)

Following a number of monitoring activities, it was found that the majority of NBFIs particularly medium to small entities lacked proper understanding of aspects to be included in their AML/CFT/CFP

governing policies. In this instance, the **Regulatory Authority** issued the policy guidance to address the identified gap. The guidance note provides a document structure, general compliance principles and the obligations under the FI Act. Towards the end of this financial year, the **Regulatory Authority** was in the process of reviewing and enhancing the guidance note and aligning it to the new FI Act. It is expected that the updated guidance note will be issued in the next financial year.

**Guidance Note 1 of 2020:**

(Proliferation and Proliferation Financing) Whilst understanding and implementation of controls against money laundering and terrorism

financing offences gained track in the NBFIs sector, the **Regulatory Authority** noted a lag in equal appreciation of the offences relating to proliferation and its financing. The **Regulatory Authority** recognises that the sector may be vulnerable to being used to finance undesignated manufacturing of weapons through complex transactions and unidentified beneficiaries. It is for this reason, the **Regulatory Authority** issued a guidance note to provide clarity on proliferation and its financing. The guidance note provides a description on the risks and vulnerabilities through which proliferation financing can take place, as well as recommended control measures against it.

## AML/CFT/CFP Awareness Campaign

During the year under review, **Regulatory Authority** conducted awareness workshops in Jwaneng, Maun, Letlhakane and Francistown.

These workshops followed country-wide seminars conducted in the previous financial year with main aim being to sensitise the regulated entities on AML/CFT/CFP in general. The workshops also covered compliance principles, FI Act obligations and receiving feedback on compliance related challenges

## Seminars on Risk Assessment

Following the commencement of the FI Act in 2019, NBIFIRA conducted seminars emanating from new obligations specifically for the specified parties to conduct risk assessment on;

- (a) business relationships and transactions,
- (b) pre-existing products, practices, technologies and delivery mechanisms,
- (c) new products, practices, technologies and delivery mechanisms, prior to their launch, and
- (d) life insurance services.

## goAML Training

The **Regulatory Authority** also conducted training in conjunction with the FIA on goAML reporting system registration. The purpose of this training was for regulated entities to be able to register and adopt the goAML system and eventually improve on their reporting obligations.

## Cooperation with other Legal Enforcement Agencies (LEAs)

During the year under review, the chairmanship of the Botswana AML/CFT Supervisory Forum was conferred upon **Regulatory Authority**. The objectives of the AML/CFT Supervisory Forum are as follows:

- To ensure coordination and consistency in the application of supervisory rules/procedures.
- To influence or give Policy direction with regard to supervision for AML/CFT purposes in the country.
- To promote the exchange of information and discuss emerging issues on AML/CFT;
- To facilitate constant and consistent interaction amongst all supervisory authorities that will create the necessary operational intelligence with regard to preventing compliance and enforcement challenges;
- To encourage effective communication between the Agency and supervisory authorities concerning compliance and enforcement of the FI Act; and
- To provide guidance to supervisory authorities on the interpretation of the FI Act





HUMAN  
RESOURCES  
AND  
ADMINISTRATION

The Department is responsible for leading the human resource development and management activities in order to facilitate the attraction and retention of suitably qualified and productive staff. It is also responsible for overseeing the provision of effective and efficient administration services and thereby contributing to the achievement of *the Regulatory Authority's* mandate.

### Our Staffing

*The Regulatory Authority* closed the year 2019/2020 with a staff compliment of 97 against an approved establishment of 100 compared to 87 in the previous year against a staff establishment of 94. 98.9 percent of positions are localised. The total establishment increased from 94 to 100 as a result of six 6 additional positions for the newly established Anti Money Laundering/Counter Financing of Terrorism (AML/CFT) Department.

Figure 43: Staff compliment as at March 31, 2020



Source: NBFIRA

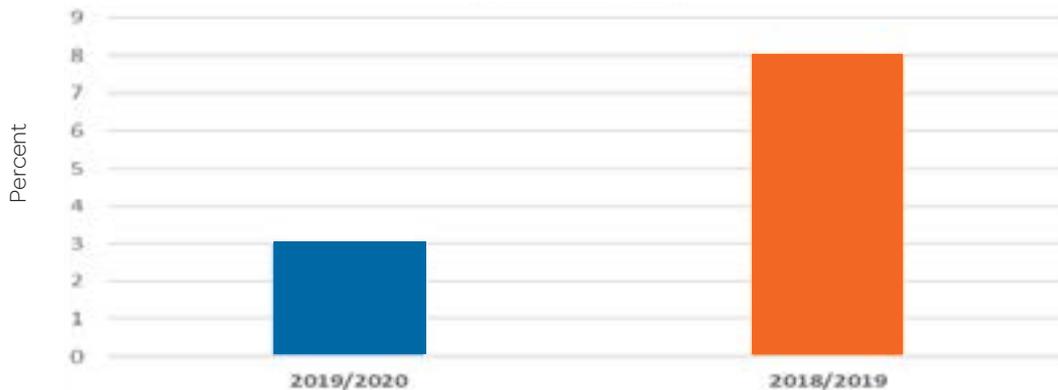
## Changes in Key positions

*The Regulatory Authority* experienced one key employee change toward the end of the year due to the Chief Executive Officer's contract expiring on 29 February 2020.

## Staff Turnover

*The Regulatory Authority* experienced a low staff turnover compared to the previous years. During the year under review, the turnover rate was 3 percent compared to 8 percent reported in the last financial year. This is within the tolerable level of 5 percent.

Figure 44: Staff Turnover



Source: NBFIRA

## Employee Engagement

In its quest to improve employee engagement and inculcate a high performance culture, *the Regulatory Authority* dedicated a 2 year period of 2018 to 2020 towards implementing identified interventions to address problematic survey dimensions emanating from the 2018/2019 survey. The survey identified issues, which resulted in planned interventions to close the gaps. At the end of the financial year, 91 percent of the planned interventions has been completed.

## Employee Wellness Programmes

*The Regulatory Authority* recognises that in order to achieve its mandate the wellness of its employees must

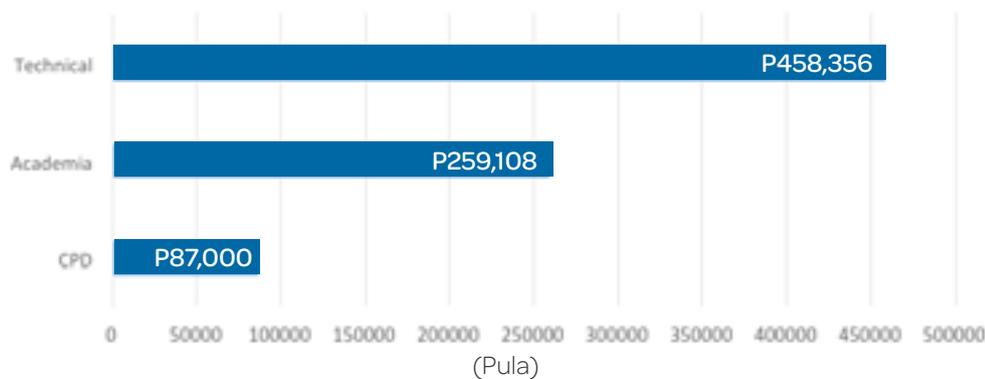
be prioritised. **The Regulatory Authority**, through the Staff Wellness Committee, organises annual activities that impact positively on the physical and psychosocial wellbeing of employees. This is consistent with the sustainable development goal of healthy nation.

### Learning and Development

In optimising the Regulatory Authority’s strategic objective of improving employee and organisational performance, the Board approved a training budget of P1,036,203.85 for the year 2019/20 to invest in staff training with specific reference to satisfying the Continuous Professional Development requirements, aligning Academic qualifications to the requirements of the Schemes of Service and upskilling officers with the skills and competencies required for optimal performance in respective roles.

The chart below indicates the types of training that were received the year under review.

Figure 45: Type and Cost of Training

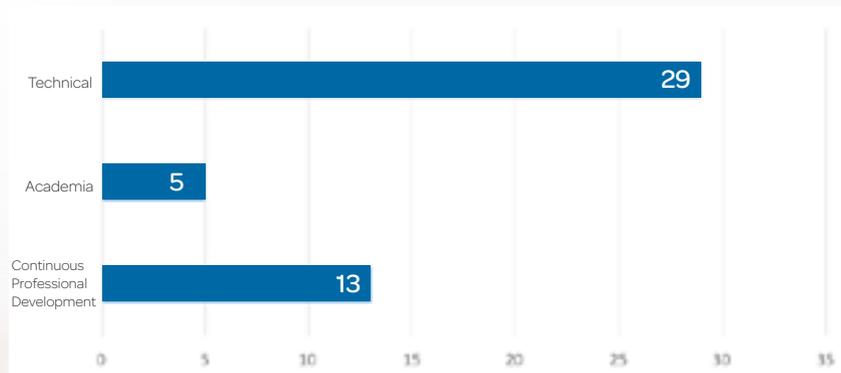


Source: NBFIRA

In light of the limited budget, where feasible, **the Regulatory Authority** opted for in-house and online courses to ensure that a large number of employees are trained at a relatively lower cost. In total, 48 staff members were trained at a cost of P804, 464.

The chart below depicts the number of participants that attended the proposed trainings.

**Figure 46: Number of Staff Trained Per Type of Course**



Wellness

COMMUNICATIONS  
AND INTERNATIONAL  
AFFAIRS

## Communications

It is through the corporate communication strategy that the **Regulatory Authority** continues to implement initiatives designed to meet its communications objectives as per its corporate strategy.

The **Regulatory Authority** within the reporting year continued to engage stakeholders through various initiatives primarily using mass media platforms. Key activities included:

1. Media Relations efforts were strengthened through various initiatives that include media interviews, responses to media enquiries and press releases, in order to enhance information dissemination and understanding of the implementation of **the Regulatory Authority's** mandate.
2. Public awareness and financial education initiatives were primarily enhanced through educational advertisements and informative regulatory notices. These were publicised through print and broadcast media, social media and the corporate website.
3. The Introduction of an Ethics Hotline, in an effort to strengthen corporate governance structures. The Ethics Hotline facility provides a mechanism for the early detection and deterrence of fraud, corruption and unethical behaviour within **the Regulatory Authority** or in the NBFIs it supervises. The facility also provides staff and stakeholders with a secure, impartial and confidential platform to anonymously report unethical conduct. Additionally, this facility will enhance **the Regulatory Authority's** ability to more efficiently identify and address gaps in its internal controls and processes.
4. Benchmarking activities to enhance service delivery.

## Financial Inclusion

**The Regulatory Authority** participates in the National Financial Inclusion Strategy overseen by The Ministry of Investment Trade and Industry. The financial inclusion initiatives enhance **the Regulatory Authority's** role in consumer protection and strengthening consumer confidence, through participation in the priority areas below:

**Priority 3:** Develops accessible risk mitigation products and improves usage of existing products (Coordinated by **the Regulatory Authority**).

**Priority 5:** Promotes Consumer Empowerment and Protection (Coordinated by the Ministry of Investment Trade and Industry's Consumer Protection Unit).

## Financial Education

**The Regulatory Authority's** consumer financial education efforts focused on various aspects relating to the consumer's financial rights and responsibilities in relation to the capital markets, insurance, lending activities, retirement funds industries as well as requirements related to AML/CFT/CFP obligations. This was achieved through the combined

use of print media, radio and television advertisements. The educational messages were also duly shared on **the Regulatory Authority's** online communications platforms.

## International and Regional Collaborations

**The Regulatory Authority** exists in a global financial community where the continuous interfacing of opportunities, challenges and risks for the NBFIs defines the contemporary developments presented. **The Regulatory Authority** has established sound international cooperation which is critical and provides the foundation for an open, fair and sound local NBFIs sector.

**The Regulatory Authority's** participation in regional cooperation and international affairs is largely premised on Memoranda of Understanding. This regional and international cooperation also includes the membership to and participation in fora availed by international standard setting bodies.

## Memoranda of Understanding

A framework for consistent cooperation efforts is ordinarily embodied either in the form of MoUs between institutions or alternatively Multilateral Memoranda of Understanding (MMoU) between member countries of international organisations, with respect to participation on multilateral platforms.

Memoranda of Understanding define the purpose and scope of cooperation between institutions with an emphasis on mutual information sharing and technical assistance.

In the year under review, **the Regulatory Authority**, signed an additional MoU with the National Credit Regulator of South Africa, on December 18, 2019. This brings the **Regulatory Authority's** total number of MoUs to 17.

Table 26: Memoranda of Understanding as at March 31, 2020

Local	SADC Regional	International
Financial Stability Council: other signatories include the Ministry of Finance and Economic Development, Bank of Botswana and Financial Intelligence Agency. (February 26, 2019)	National Credit Regulator South Africa ( December 18, 2019)	Insurance Regulatory Authority, Kenya ( October 9, 2018)
Statistics Botswana (March 15, 2017)	Commissao do Mercado de Capitais (CMC), Angola (April 10, 2014)	Central Bank of the Russian Federation (August 21, 2018)
Botswana Investment and Trade Centre (February 25, 2017)	The Office of the Registrar of Insurance & Retirement Funds ,Swaziland (April 25, 2013)	Retirement Benefits Authority, Kenya (May 28, 2018)
Financial Intelligence Agency (October 5, 2015)	Financial Services Commission, Mauritius (April 19, 2012)	Capital Markets Authority, Kenya (October 2, 2017)
Botswana Accounting Oversight Authority (April 1, 2014)	Financial Services Board ,South Africa (September 18, 2009)	Securities & Exchange Board of India (May 22, 2014)
Botswana Unified Revenue Services (March 31, 2014)	Committee for Insurance, Securities & Non-Banking Authorities (September 18, 2009)	
Bank of Botswana (March 14, 2014)		
Competition Authority Botswana (September 2013)		

## Engaging Local and International stakeholders

During the period under review, **the Regulatory Authority** continued to facilitate information exchange and cooperation with its local and international institutional stakeholders. **The Regulatory Authority** recognises the importance of international cooperation in furthering its regulatory, supervisory and enforcement duties as it contributes to the financial stability of the local economy.

To this end, **the Regulatory Authority** has maintained its posture of proactively engaging its counterparts in reciprocal requests for information exchange and technical assistance from diverse stakeholders including but not limited to international agencies such as the International Monetary Fund and Moody's Rating Agency. **The Regulatory Authority** also hosted a delegation of financial sector regulators and representatives from the Ministry of Finance Zimbabwe on a benchmarking exercise. During the period under review, **The Regulatory Authority** participated in international conferences namely the African Insurance Organisation (AIO) Conference and the International Organisation of Pension Supervisors. Additionally, **the Regulatory Authority** has been actively engaged in developing the NBF component of the national trade in services schedule of commitments protocol for the African Continental Free Trade Area (AfCFTA).

## Membership of International Standard Setting Bodies

**The Regulatory Authority**, through its memberships, has the opportunity to benchmark and ensure that its vision to efficiently and effectively regulate and supervise in line with international best practice is achieved.

Adherence to international standards and best practice strengthens regulatory reforms, cross-border cooperation and assistance, compliance with international standards and reputational profile both domestically and internationally. **The Regulatory Authority** interacts with international standard-setting bodies through various modes including attending conferences and meetings and information sharing.

**The Regulatory Authority** is a member of the following standard setting bodies:

Table 27: Membership in International Organization's as at March 31, 2020.

Standard Setting Body	Purpose and Participation
ESAAMLG	<p><b>Eastern and Southern Africa Anti-Money Laundering Group (ESAAMLG)</b>, is a regional organisation founded to combat money laundering through the implementation of anti-money laundering strategies on member countries.</p> <p>The strategies of ESAAMLG include implementation of the Financial Action Task Force (FATF) recommendations with particular focus on the Eastern and Southern Africa regions</p>
IAIS	<p><b>International Association of Insurance Supervisors (IAIS)</b>, was established in 1994, with a mission to promote effective and globally consistent supervision of the insurance industry in order to develop and maintain fair, safe and stable insurance markets for the benefit and protection of policyholders and to contribute to global financial stability.</p>
IOSCO	<p><b>International Organisation of Securities Commissions (IOSCO)</b>, is the leading international policy forum for securities regulators and is recognised as the global standard-setting body for securities.</p> <p><i>The Regulatory Authority</i> has been an Associate Member of IOSCO since August 2015 and has prioritised attaining full Ordinary membership.</p>
IOPS	<p><b>International Organisation of Pension Supervisors (IOPS)</b> is an independent international body representing those involved in the supervision of private pension arrangements. Formed in July 2004, the major objective of IOPS is to improve the quality and effectiveness of the supervision of private pension systems throughout the world.</p> <p>The <i>Regulatory Authority</i> has been re-elected into the Executive committee of IOPS.</p>
CISNA	<p><b>Committee of Insurance, Securities and Non-Banking Financial Authorities (CISNA)</b>, consists of non-banking financial institutions authorities from the SADC region and reports to the SADC Committee of Ministers of Finance. Its aim is to promote and maintain financial stability and growth in the SADC region through a process of co-operation, exchange of information and engagement between regional regulators.</p> <p>The <i>Regulatory Authority</i> hosted the CISNA Strategic Planning and Performance Review Committee (SPPRC) in February 2020.</p>



INFORMATION  
TECHNOLOGY



The Non-Bank Financial Institutions Regulatory Authority (NBFIRA) is dependent on the Information Technology for the provision of services. The aim is to continually maintain high standard of information technology services in order to keep up with the ever changing user requirements. **The Regulatory Authority** in the current year focused on the support and maintenance of the existing infrastructure and systems as it continues to be the cornerstone of the Non-Bank Financial Institutions Regulatory Authority's operations. **The Regulatory Authority** provides almost all its processes through information technology.

#### IT Infrastructure and Network security

**The Regulatory Authority** has been able to maintain the infrastructure with very minimal disruption and security breaches. However, **the Regulatory Authority** carried out a penetration testing and vulnerability assessment in order to ensure that the deployed systems are secure both internally and externally and also to check the effectiveness of the deployed security measures. Following this report, **the Regulatory Authority** is putting measures in place to address any identified deficiencies and implementing new measures.

#### Management Information Systems

It is very critical that **Regulatory Authority** maintains and enhances its key systems namely the Enterprise Resource Planning (ERP) system and the Risk Based Supervision System (RBSS) to ensure that they remain relevant for their purpose. During the period under review the ERP database was upgraded to improve its functionality and security.

## IT Policies

**The Regulatory Authority** continues to improve the IT management through the review of its IT policies and procedures. During the period under review **the Regulatory Authority** reviewed the existing policies to align them with the current IT trends and standards.

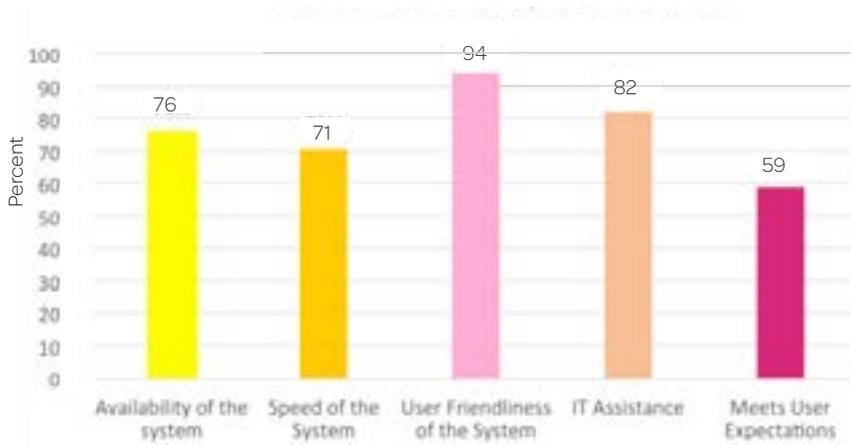
## Internal User Satisfaction Survey

**The Regulatory Authority** carried out an internal user satisfaction survey on its regulatory system (The Risk Based Supervision System) to check if the system still serves its purpose. The survey covered the following dimensions.

- Availability of the system,
- The Speed of the System,
- The User friendliness of the system
- The Support of the System and
- Meeting expectations

The results generally showed that the users are satisfied with the user friendliness of the system at 94 percent however, they require more functionality of the system to meet their requirements as the satisfaction level meeting expectation sits at 59 percent.

Figure 47: Satisfaction Level Per Dimension



*The Regulatory Authority* in the coming financial year will address the challenges that were identified in the external users' survey in the previous year and the ones that were highlighted by the internal users' current survey.



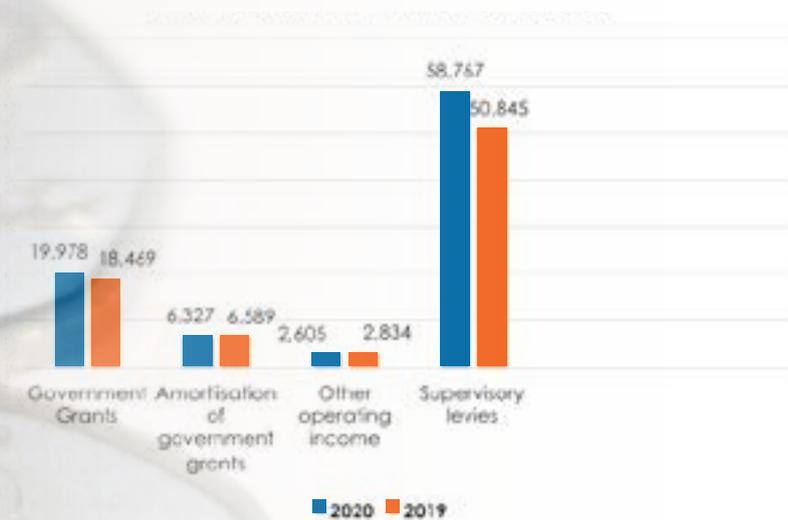
FINANCE

### Financial Performance

*The Regulatory Authority* was financed/funded with Government subvention of P20 million (25 percent) and supervisory levies P58.8 million (75 percent) paid by the regulated entities.

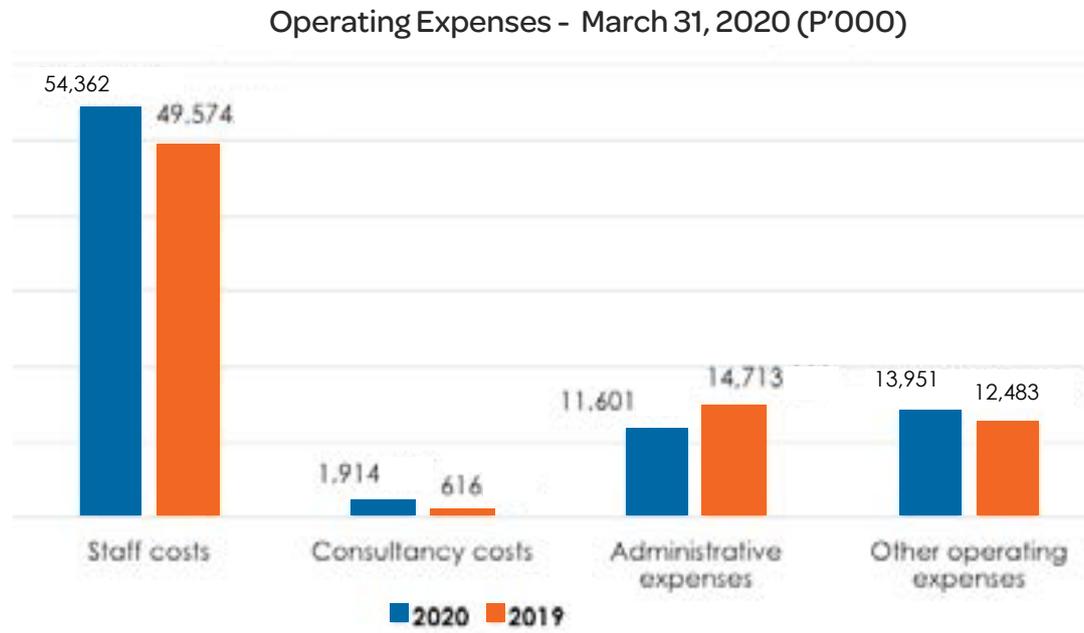
*The Regulatory Authority* recorded surplus of P 6.4 million in 2019/2020 from a surplus of P 2.5million in 2018/2019. This was a result of an increase in total revenue by 11 percent to P87.7 million compared to P78.7 million in the previous year. This was underpinned by inclusion of new sectors in the collection of levies and increased asset base of regulated entities.

Figure 48: NBFIRA Total Income as at March 31, 2020(P'000)



Total expenditure was increased by 6 percent to P81.8 million in 2019/2020, higher than the P77.4 million recorded in the previous financial year. During the year *the Regulatory Authority* incurred total staff costs at P54.4 million compared to P49.6 million in the 2018/2019, reflecting an increase of 6 percent.

Figure 49: Expenses Allocation



*The Regulatory Authority* remains a going concern, considering the strong balance sheet with positive cash flows. The current assets were P20.7 million as compared to current liabilities of P9.1 million.

Figure 50: Current Assets and Current Liabilities March 31, 2020 (P'000)





ANNUAL  
FINANCIAL  
STATEMENTS

# Non-Bank Financial Institutions Regulatory Authority

Annual Financial Statements for the year ended 31 March 2020

## General Information

<b>Country of domicile</b>	Botswana
<b>Nature of operations and principal activities</b>	Safeguard the fairness, stability and efficiency of the non-bank financial sector.
<b>Directors</b>	Ms. M. V. Kabomo (Chairperson) Ms. L. T. Tema Ms. A. T. Khunwana ( Tenure ended: 30 September 2019) Ms. P. Masalela Dr. L. S. Senatla Mr. K. Olebile Ms. I. M. Ramalohlanye Ms. H. D. Hlanti
<b>Chief Executive Officer</b>	Mr. S. Gade (Acting) Mr. O. M. Ramasedi (Tenure ended: 28 February 2020)
<b>Registered office</b>	3rd Floor Exponential Building Plot 54351 Central Business District Off P G Matante Gaborone
<b>Business address</b>	Plot 54351 Central Business District Off PG Matante Gaborone Botswana
<b>Bankers</b>	Stanbic Bank of Botswana Limited
<b>Auditors</b>	Grant Thornton Chartered Accountants A Botswana Member of Grant Thornton International Ltd
<b>Functional currency</b>	Botswana Pula BWP"

## Non-Bank Financial Institutions Regulatory Authority

Annual Financial Statements for the year ended 31 March 2020

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# Non-Bank Financial Institutions Regulatory Authority

Annual Financial Statements for the year ended 31 March 2020

## Board Responsibilities and Approval of the Annual Financial Statements

The directors are required in terms of the Non-Bank Financial Institutions Regulatory Authority Act, 2016 to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the Authority as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Standards. The external auditors are engaged to express an independent opinion on the annual financial statements.

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

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the Authority 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 Authority and all employees are required to maintain the highest ethical standards in ensuring the Authority's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the Authority is on identifying, assessing, managing and monitoring all known forms of risk across the Authority. While operating risk cannot be fully eliminated, the Authority endeavours 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 annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the Authority's cash flow forecast for the year to 31 March 2021 and, in light of this review and the current financial position, they are satisfied that the Authority has or had access to adequate resources to continue in operational existence for the foreseeable future.

# Non-Bank Financial Institutions Regulatory Authority

Annual Financial Statements for the year ended 31 March 2020

## Board Responsibilities and Approval of the Annual Financial Statements (continued)

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

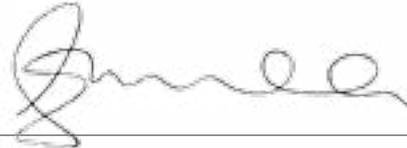
The annual financial statements set out on pages 9 to 38, which have been prepared on the going concern basis, were approved by the board of directors on.....10/09/2020.....and were signed on their behalf by:

Approval of financial statements



Director

Gaborone



Director

# Independent Auditor's Report

## To the members of Non-Bank Financial Institutions Regulatory Authority

### Opinion

We have audited the accompanying annual financial statements of Non-Bank Financial Institutions Regulatory Authority set out on pages 8 to 35, which comprise the statement of financial position as at 31 March 2020, and the statement of profit or loss and other comprehensive income, statement of changes in funds and statement of cash flows for the year then ended, and notes to the annual financial statements, including a summary of significant accounting policies.

In our opinion, the annual financial statements give a true and fair view of, the financial position of Non-Bank Financial Institutions Regulatory Authority as at 31 March 2020, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and in the manner required by the Non-Bank Financial Institutions Regulatory Authority Act, 2016.

### Basis for opinion

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

## Independent Auditor's Report

### Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the annual financial statements of the current period. These matters were addressed in the context of our audit of the annual financial statements as a whole, and in forming our opinion thereon, and the report below is not intended to constitute separate opinions on those key audit matters.

Key audit matter	How the matter was addressed in our audit
<p><b>Recognition of revenue</b></p> <p>The Authority relies on Supervisory levies and Government grants to sustain its activities. The activities include those that are recurrent in nature for administrative purpose and for the remuneration of its employees.</p>	<ul style="list-style-type: none"> <li>• We have performed walkthroughs on the revenue cycle to gain an understanding of when the revenue is recognised.</li> <li>• We obtained the invoice listing from the operating system and determined that income has been appropriately recorded in the general ledger. We selected a sample of invoices raised from each category to verify that the levy has been appropriately recognised in the system and compare the details of the invoice to the information in the Authority's system.</li> <li>• We have reviewed the Authority's credit policy on receivables and assessed that appropriate provision is made on overdue accounts where the recoverability of the balances was doubtful, in line with requirements of IFRS 9, which was adopted by the Authority.</li> </ul>
<p><b>Valuation of the intangible asset</b></p> <p>The Authority has invested significant amount in the development and implementation of its systems namely the Risk Based Supervisory System (RBSS) and Enterprise Resource Planning (ERP). The total amount of intangible assets of the Authority is stated at P 3 126 460 as at the year-end.</p>	<ul style="list-style-type: none"> <li>• Our audit procedure included considering the appropriateness of the assumptions used in the valuation of the intangible assets by management.</li> <li>• We noted that the assumptions used by management were reasonable, consistent with prior year and the accounting policies of the Authority.</li> </ul>

## Other information

The directors are responsible for the other information. The other information comprises the general information and Statement of Director Responsibility, which we obtained prior to the date of this auditor's report, and other sections of the annual report, which are expected to be made available to us after that date. Other information does not include the annual financial statements and our auditor's report thereon.

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

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

## Responsibilities of the directors for the Annual Financial Statements

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

In preparing the annual financial Statements, the directors are responsible for assessing the Authority'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 Authority or to cease operations, or have no realistic alternative but to do so.

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

## Auditor's responsibilities for the audit of the Annual Financial Statements

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can

## Independent Auditor's Report

arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements.

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

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

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.

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

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

### Reporting on Other Legal and Regulatory Requirements

As required by the Non-Bank Financial Institutions Regulatory Authority Act, 2016, we report to you, based on our audit, that:

- all the information and explanation which, to the best of the auditor’s knowledge and belief, were necessary for the performance of the auditor’s duties;
- The accounts and related records of **the Regulatory Authority** have been properly kept  
**The Regulatory Authority** has complied with all the financial provisions of this Act with which it is its duty to comply with: and
- The statement of accounts prepared by the Authority was prepared on a basis consistent with that of the preceding year and represents a true and fair view of the transactions and financial affairs of **the Regulatory Authority**.

GIRANT THORNTON

Chartered Accountants  
Certified Auditor: Sunny Mulakulam (Memb No:20050097)  
Certified Auditor of Public Interest Entity  
Certificate Number: CAP 0034 2020

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## Non-Bank Financial Institutions Regulatory Authority

Annual Financial Statements for the year ended 31 March 2020

### Statement of Profit or Loss and Other Comprehensive Income for the year ended 31 March 2020

Figures in Pula	Note	2020	2019
Government grants	4	19 978 053	18 468 572
Amortisation of governments grants	5	6 326 829	6 588 644
Other operating income	6	2 604 811	2 834 409
Supervisory levies	7	58 766 691	50 845 452
<b>Total revenue</b>		<b>87 676 384</b>	<b>78 737 077</b>
Staff costs	8	(54 361 666)	(49 574 012)
Consultancy costs	9	(1 914 144)	(616 085)
Administrative expenses	10	(11 977 329)	(14 713 390)
Other operating expenses	11	(13 574 714)	(12 483 090)
<b>Total operating expenses</b>		<b>(81 827 853)</b>	<b>(77 386 577)</b>
<b>Operating surplus/(deficit)</b>		<b>5 848 531</b>	<b>1 350 500</b>
Finance income	12	861 701	716 484
Finance costs	13	(278 273)	-
<b>Total operating (deficit)/surplus</b>		<b>6 431 959</b>	<b>2 066 984</b>
Other comprehensive income:			
Items that will not be reclassified to profit or loss:			
Gains on property revaluation		-	442 795
<b>Other comprehensive income for the year net of taxation</b>		<b>-</b>	<b>442 795</b>
<b>Total comprehensive income (loss) for the year</b>		<b>6 431 959</b>	<b>2 509 779</b>

# Non-Bank Financial Institutions Regulatory Authority

Annual Financial Statements for the year ended 31 March 2020

## Statement of Financial Position as at 31 March 2020

Figures in Pula	Note	2020	2019
<b>Assets</b>			
Non-Current Assets			
Property, plant and equipment	14	3 595 084	4 131 511
Right-of-use assets	15	2 497 061	-
Intangible assets	16	3 126 460	8 545 617
		<b>9 218 605</b>	<b>12 677 128</b>
Current Assets			
Trade and other receivables	17	295 660	372 583
Cash and cash equivalents	18	20 384 967	14 175 001
		<b>20 680 627</b>	<b>14 547 584</b>
		<b>29 899 232</b>	<b>27 224 712</b>
<b>Total Assets</b>			
<b>Funds and Liabilities</b>			
<b>Funds</b>			
Revaluation reserve		442 795	442 795
Reserves		2 830 792	2 830 792
Retained income		6 558 700	126 743
		<b>9 832 287</b>	<b>3 400 33</b>
<b>Liabilities</b>			
Non-Current Liabilities			
Government grants	19	10 723 898	15 096 072
African Development Bank Grant	20	255 451	1 788 159
		<b>10 979 349</b>	<b>16 884 231</b>
Current Liabilities			
Trade and other payables	21	2 011 026	2 002 502
Lease liabilities	15	2 793 855	-
Operating lease liability	23	-	140 341
Short term employee benefits	22	4 282 715	4 797 308
		<b>9 087 596</b>	<b>6 940 151</b>
		<b>20 066 945</b>	<b>23 824 382</b>
		<b>29 899 232</b>	<b>27 224 712</b>
<b>Total Liabilities</b>			
<b>Total Funds and Liabilities</b>			

# Non-Bank Financial Institutions Regulatory Authority

Annual Financial Statements for the year ended 31 March 2020

## Statement of Changes in Funds for the year ended 31 March 2020

Figures in Pula	Revaluation reserve	Statutory Reserve	Accumulated loss/gain	Total Funds
<b>Balance at 1 April 2018</b>	-	<b>3 390 792</b>	<b>(2 500 241)</b>	<b>890 551</b>
Deficit for the year	-	-	2 066 984	2 066 984
Other comprehensive income	442 795	-	-	442 795
<b>Surplus for the year</b>	<b>442 795</b>	-	<b>2 066 984</b>	<b>2 509 779</b>
Transfer between reserves	-	(560 000)	560 000	-
<b>Total changes recognised directly in Statement of Funds</b>	<b>-</b>	<b>(560 000)</b>	<b>560 000</b>	<b>-</b>
<b>Balance at 31 March 2019</b>	<b>442 795</b>	<b>2 830 792</b>	<b>126 743</b>	<b>3 400 330</b>
<b>Balance at 1 April 2019</b>	<b>442 795</b>	<b>2 830 792</b>	<b>126 741</b>	<b>3 400 328</b>
Surplus for the year	-	-	6 431 959	6 431 959
<b>Surplus for the year</b>	<b>-</b>	<b>-</b>	<b>6 431 959</b>	<b>6 431 959</b>
<b>Balance at 31 March 2020</b>	<b>442 795</b>	<b>2 830 792</b>	<b>6 558 700</b>	<b>9 832 287</b>

### Statutory Reserve

Section 23 (2) of the Non-Bank Financial Institutions Regulatory Act, 2016, requires that an annual estimate not exceeding 10 per cent (10%) of the total expenditure provided for in the estimates, be provided for as a reserve. The Statutory Reserve provided is adequate for the level of expenditure incurred. The purpose of the reserve is to be utilised for unforeseen regulatory expenditure.

**The Regulatory Authority** believes that based on the current budget, the statutory reserve is adequate and in compliance with section 23(2) of the Non-Bank Financial Institutions Regulatory Act, 2016.

# Non-Bank Financial Institutions Regulatory Authority

Annual Financial Statements for the year ended 31 March 2020

## Statement of Cash Flows for the year ended 31 March 2020

Figures in Pula	Note(s)	2020	2019
<b>Cash flows from operating activities</b>			
Cash generated / ( utilised) in operations	25	8 494 627	1 840 481
Finance costs		(278 273)	-
<b>Net cash from operating activities</b>		<b>8 216 354</b>	<b>1 840 481</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	14	(421 946)	(396 335)
Sale of property, plant and equipment	14	-	88
Interest Income		861 701	716 484
<b>Net cash from investing activities</b>		<b>439 755</b>	<b>320 237</b>
<b>Cash flows from financing activities</b>			
Government grants		421 946	396 338
Payment on lease liabilities		(2 868 089)	-
<b>Net cash from financing activities</b>		<b>(2 446 143)</b>	<b>396 338</b>
<b>Total cash and cash equivalents movement for the year</b>		<b>6 209 966</b>	<b>2 557 056</b>
Cash and cash equivalents at the beginning of the year		14 175 001	11 617 945
<b>Total cash and cash equivalents at end of the year</b>	<b>18</b>	<b>20 384 967</b>	<b>14 175 001</b>

# Non-Bank Financial Institutions Regulatory Authority

Annual Financial Statements for the year ended 31 March 2020

## Accounting Policies

### 1. Significant accounting policies

The annual financial statements have been prepared in accordance with International Financial Reporting Standards. The annual financial statements have been prepared on the historical cost basis, except for certain financial instruments measured at fair value, and incorporate the principal accounting policies set out below. They are presented in Pula.

These accounting policies are consistent with the previous period except for the new standards and interpretations effective and adopted in the current year as set out in note 2.

#### 1.1 Statement of Compliance

The financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) and the Non-Bank Financial Institutions Regulatory Authority Act 2016.

#### 1.2 Significant judgements and sources of estimation uncertainty

The preparation of financial statements in conformity with the International Financial Reporting Standards requires the use of certain critical accounting estimates and judgements concerning the future. Estimates and judgements are continually evaluated and are based on historical factors coupled with expectations about future events that are considered reasonable. In the process of applying the Authority's accounting policies, management has made the following estimates that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next year.

#### Key Areas of estimation and judgement

The key assumption concerning the future and other key sources of estimation uncertainty and judgements at the reporting date, that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year as this involves assessments or decisions that are particularly complex or subjective, are discussed below:

## 1. Significant accounting policies (continued)

### Depreciation charges and residual values

For depreciation purposes, a significant component is defined as equal to or greater than 20% of total cost of the asset and each significant component with different useful lives is depreciated separately. The depreciation methods reflects the pattern in which economic benefits attributable to the assets flow to the entity. The useful lives of these assets can vary depending on a variety of factors, including but not limited to the technological obsolescence, maintenance programs, refurbishments, product life cycles and the intention of management. Residual values of assets are determined by estimating the amount that the entity would currently obtain from the disposal of the asset already of age and in the condition expected at the end of its useful life. The estimation of the useful life and residual values of an asset is a matter of judgement based on the past experience of the Authority with similar assets and the intention of management. Assessment of the asset condition and usefulness are key assumptions used to determine the assets' useful lives and residual values.

### Supervisory Levies

Where supervisory levies are calculated on information that has not been audited, *the Regulatory Authority* assumes that estimates have been used and will place reliance on the information submitted by the regulated entities as a basis for calculation.

### Impairment testing

The recoverable amounts of cash-generating units and individual assets have been determined based on the higher of value-in-use calculations and fair values less costs to sell. These calculations require the use of estimates and assumptions. It is reasonably possible that the assumption may change which may then impact our estimations and may then require a material adjustment to the carrying value of assets.

The entity reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows for each group of assets. Expected future cash flows used to determine the value in use of assets are inherently uncertain and could materially change over time. They are significantly affected by a number of factors including supply and demand, together with economic factors such as exchange rates, inflation and interest.

# Non-Bank Financial Institutions Regulatory Authority

Annual Financial Statements for the year ended 31 March 2020

## Accounting Policies (continued)

### 1.2 Significant judgements and sources of estimation uncertainty (continued)

#### Provisions

Provisions were raised and management determined an estimate based on the information available.

### 1.3 Intangible assets

An intangible asset is recognised when:

- it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity; and
- the cost of the asset can be measured reliably.

Intangible assets are initially recognised at cost.

Expenditure on research (or on the research phase of an internal project) is recognised as an expense when it is incurred. An intangible asset arising from development (or from the development phase of an internal project) is recognised when:

- it is technically feasible to complete the asset so that it will be available for use or sale.
- there is an intention to complete and use or sell it.
- there is an ability to use or sell it.
- it will generate probable future economic benefits.
- there are available technical, financial and other resources to complete the development and to use or sell the asset.
- the expenditure attributable to the asset during its development can be measured reliably.

The amortisation period and the amortisation method for intangible assets are reviewed every period-end. Amortisation is provided to write down the intangible assets, on a straight line basis, to their residual values as follows:

Item	Average useful life
Risk Based Supervisory System (RBSS)	5 years
Enterprise Resource Planning (ERP)	5 years

## 1.4 Property, plant and equipment

Property, Plant and Equipment is stated at cost, net of accumulated depreciation and / or accumulated impairment losses, if any. All plant and equipment are measured at historical cost less depreciation and impairment losses. Historical costs includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs such as replacement parts and major inspections are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Authority and the cost of the item can be measured reliably. All day-to-day repairs and maintenance are charged to the surplus or deficit during the financial period in which they are incurred.

Motor vehicles is subsequently measured at revalued amount, being the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Revaluations are made with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting year. The assets are revalued every 2-3 years.

When an item of property, plant and equipment is revalued, the gross carrying amount is adjusted consistently with the revaluation of the carrying amount. The accumulated depreciation at that date is adjusted to equal the difference between the gross carrying amount and the carrying amount after taking into account accumulated impairment losses.

When an item of property, plant and equipment is revalued, any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset.

Any increase in an asset's carrying amount, as a result of a revaluation, is recognised in other comprehensive income and accumulated in the revaluation reserve in equity. The increase is recognised in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss.

# Non-Bank Financial Institutions Regulatory Authority

Annual Financial Statements for the year ended 31 March 2020

## Accounting Policies (continued)

### 1.4 Property, plant and equipment (continued)

Any decrease in an asset's carrying amount, as a result of a revaluation, is recognised in profit or loss in the current year. The decrease is recognised in other comprehensive income to the extent of any credit balance existing in the revaluation reserve in respect of that asset. The decrease recognised in other comprehensive income reduces the amount accumulated in the revaluation reserve in equity.

The revaluation reserve related to a specific item of property, plant and equipment is transferred directly to retained income when the asset is derecognised.

The revaluation reserve related to a specific item of property, plant and equipment is transferred directly to retained income as the asset is used. The amount transferred is equal to the difference between depreciation based on the revalued carrying amount and depreciation based on the original cost of the asset, net of deferred tax.

Depreciation is charged so as to write off the cost of the assets over their estimated useful lives on a straight-line basis, to estimated residual values. Where significant parts of an item have different useful lives to the item itself, these parts are depreciated separately over their useful lives. The methods of depreciation, useful lives and residual values are reviewed annually, with the effect of any change in estimates accounted for prospectively. Depreciation is not charged to an asset if its estimated residual value exceeds or is equal to its carrying amount. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale or derecognised.

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

Item	Depreciation method	Average useful life
Leasehold property	Lease term	Lease term
Furniture and fixtures	Straight line	10 years
Motor vehicles	Straight line	5 years
Office equipment	Straight line	6-7 years
Computer equipment	Straight line	3-7 years

## 1.4 Property, plant and equipment (continued)

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.

## 1.5 Impairment of non-financial assets

At each financial reporting date, the Authority reviews the carrying amount of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indications exist, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Authority estimates the recoverable amount of the cash generating section to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating section) is estimated to be less than its carrying amount, its carrying amount is reduced to its recoverable amount. Impairment losses are recognised in the surplus or deficit in those categories consistent with the function of the impaired asset.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating-section) is increased to the revised estimate of its recoverable amount. This is done so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised in the prior years. A reversal of an impairment loss is recognised in the surplus or deficit.

# Non-Bank Financial Institutions Regulatory Authority

Annual Financial Statements for the year ended 31 March 2020

## Accounting Policies (continued)

### 1.6 Revenue from contracts with customers

The Authority recognises revenue from the following major sources:

- supervisory levies
- License fees
- Penalties
- Finance income
- Government Grant

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Authority recognises revenue when it transfers control of a product or service to a customer.

#### The supervisory levies

The supervisory levies and licence fees were promulgated into law through Statutory Instrument No.52 of 2017 of the Republic of Botswana, which was published in the Government Gazette of the 29 March 2019. Supervisory levies are charged and are payable in two equal portions, on or before the 30th April and 31st October of each financial year. Registered non-bank financial institutions are required to pay levies on an annual basis in terms of the Non-Bank Financial Institutions Regulatory Authority Act

2016. Supervisory levies are recognised at point in time. **The Regulatory Authority** may, on application, waive payment of some or all of a supervisory levy, penalty levy or a fee. The levies are fixed in nature and there are no separate performance obligations identified.

#### License fees

License fees are recognised on licensing of the relevant supervised entities and are recognised at the point in time. Some classes of regulated entities are charged annual licence fees, such fees are recognised by the Authority as revenue.

## 1.6 Revenue from contracts with customers (continued)

### Penalties

Penalties are recognised in the surplus or deficit on penalizing those regulated entities that have defaulted in meeting the necessary regulatory guidelines.

### Finance income

Revenue is recognised as interest accrues (using the effective interest method). Finance income is recognised in the surplus or deficit.

### Government Grant

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income over the period necessary to match the grant on a systematic basis to the costs that it is intended to compensate. Where the grant relates to the purchase of an asset, it is recognised as capital grant in the statement of financial position and released to the statement of comprehensive income in equal amounts over the expected useful life of the related asset. Where the Authority receives a nonmonetary grant, the asset and the grant are recorded at nominal amounts and released to the total surplus or deficit over the expected useful life of the relevant asset by equal annual installments.

## 1.7 Translation of foreign currencies

### Foreign currency transactions

Transactions in foreign currencies are initially recorded at the functional currency rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the reporting date.

# Non-Bank Financial Institutions Regulatory Authority

Annual Financial Statements for the year ended 31 March 2020

## Accounting Policies (continued)

### 1.7 Translation of foreign currencies (continued)

#### Foreign currency transactions

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Foreign exchange translation gains or losses arising on the settlement of monetary items or on translating monetary items or on translating monetary items at rates different from those used when translating at initial recognition during the period or in the financial statements are taken to the statement of comprehensive income in the period they arise.

### 1.8 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. *The Regulatory Authority* had no eligible assets or borrowing costs for the period reported.

### 1.9 Employee benefits

#### Pension

*The Regulatory Authority* operates a defined contribution scheme for the employees. Payments to the scheme are charged as an expense to the statement of comprehensive income as they fall due

*The Regulatory Authority* provides for gratuity benefits for employees on fixed term contracts in line with the Employment Act Chapter 47:01 and the relevant employment contracts. Gratuity expenses are recognised immediately, to the extent that the benefits are amortised on a straight-line basis over the period of service,

## 1.9 Employee benefits (continued)

### Pension

until the benefits become payable. The charge is made to expenses in the statement of comprehensive income and a separate provision in the statement of financial position.

### Leave pay provision

The Regulatory Authority recognises, in full, employee's right to annual leave entitlement in respect of past service. The recognition is made each year and is calculated based on accrued leave days not taken during the year. The charge is made to expenses in the statement of comprehensive income and a separate provision in the statement of financial position.

## 1.10 Government grants

Government grants are recognised when there is reasonable assurance that:

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

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

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

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

# Non-Bank Financial Institutions Regulatory Authority

Annual Financial Statements for the year ended 31 March 2020

## Accounting Policies (continued)

Grants relating to the acquisition of property, plant and equipment are credited to the income statement on a straight line basis over the expected useful lives of the related assets. The related costs are shown at cost less accumulated depreciation. When an asset financed through grants is disposed of, the total unamortised portion of the grant relating to the asset is recognised in profit and loss in the year of disposal.

### 1.11 Financial instruments

Financial instruments held by the Authority are classified in accordance with the provisions of IFRS 9 Financial Instruments. Broadly, the classification possibilities, which are adopted by the Authority, as applicable, are as follows:

Financial assets which are debt instruments:

- Amortised cost. ( This category applies only when the contractual terms of the instrument give rise, or specified dates, to cash flows that are solely payments of principal and interest on principal and where the instrument is held under a business model whose objective is met by holding the instrument to collect contractual cash flows).

Financial liabilities:

- Amortised cost.

Note 28 Financial instruments and risk management presents the financial instruments held by the Authority based on their specific classifications.

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

The specific accounting policies for the classification, recognition and measurement of each type of financial instrument held by the Authority are presented below:

## 1.11 Financial instruments(continued )

### Trade and other receivables

#### Classification

Trade and other receivables, excluding, when applicable, VAT and prepayments, are classified as financial assets subsequently measured at amortised cost (note 17).

They have been classified in this manner because their contractual terms give rise, on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding, and the Authority's business model is to collect the contractual cash flows on trade and other receivables.

#### Recognition and measurement

Trade and other receivables are recognised when the Authority becomes a party to the contractual provisions of the receivables. They are measured, at initial recognition, at fair value plus transaction costs, if any.

#### **They are subsequently measured at amortised cost.**

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

#### Impairment

The Authority recognises a loss allowance for expected credit losses on trade and other receivables, excluding VAT and prepayments. The amount of expected credit losses is updated at each reporting date.

# Non-Bank Financial Institutions Regulatory Authority

Annual Financial Statements for the year ended 31 March 2020

## Accounting Policies (continued)

The Authority measures the loss allowance for trade and other receivables at an amount equal to lifetime expected credit losses (lifetime ECL), which represents the expected credit losses that will result from all possible default events over the expected life of the receivable.

### Measurement and recognition of expected credit losses

The Authority makes use of a provision matrix as a practical expedient to the determination of expected credit losses on trade and other receivables. The provision matrix is based on historic credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current and forecast direction of conditions at the reporting date, including the time value of money, where appropriate.

The customer base is widespread and does not show significantly different loss patterns for different customer segments. The loss allowance is calculated on a collective basis for all trade and other receivables in totality. Details of the provision matrix is presented in note 17.

An impairment gain or loss is recognised in profit or loss with a corresponding adjustment to the carrying amount of trade and other receivables, through use of a loss allowance account. The impairment loss is included in other operating expenses in profit or loss as a movement in credit loss allowance (note 17).

### Write off policy

The Authority writes off a receivable when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Receivables written off may still be subject to enforcement activities under the Authority recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

## 1.11 Financial instruments (continued)

### Credit risk

Details of credit risk are included in the trade and other receivables note (note 17) and the financial instruments and risk management note (note 28).

### Derecognition

Refer to the derecognition section of the accounting policy for the policies and processes related to derecognition.

Any gains or losses arising on the derecognition of trade and other receivables is included in profit or loss in the derecognition gains (losses) on financial assets at amortised cost line item.

### Trade and other payables

#### Classification

Trade and other payables (note 21), excluding VAT and amounts received in advance, are classified as financial liabilities subsequently measured at amortised cost.

#### Recognition and measurement

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

# Non-Bank Financial Institutions Regulatory Authority

Annual Financial Statements for the year ended 31 March 2020

## Accounting Policies (continued)

### 1.11 Financial instruments (continued)

#### Recognition and measurement

They are subsequently measured at amortised cost using the effective interest method.

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

Trade and other payables expose the Authority to liquidity risk and possibly to interest rate risk. Refer to note 28 for details of risk exposure and management thereof.

#### Derecognition

Refer to the “derecognition” section of the accounting policy for the policies and processes related to derecognition.

#### Cash and cash equivalents

For the purpose of the cash flow statement, cash and cash equivalents consist of cash, cash deposits on call and short-term fixed deposit accounts in banks. Cash and cash equivalents are subsequently carried at amortised cost. Due to the short-term nature of these, the amortised cost approximates its fair value.

The Authority’s financial assets include cash and cash equivalents and trade and other receivables.

## 1.11 Financial instruments (continued)

### Derecognition

#### Financial assets

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

#### Financial liabilities

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

## 1.12 Provisions

Provisions are recognised when the Authority has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation; and a reliable estimate of the amount can be made. Provisions are measured at the directors' best estimate of expenditure required to settle the obligation at the reporting date, and are discounted to present value where the effect of the time value of money is material.

# Non-Bank Financial Institutions Regulatory Authority

Annual Financial Statements for the year ended 31 March 2020

## Accounting Policies (continued)

### 1.13 Leases

The company assesses whether a contract is, or contains a lease, at the inception of the contract.

A contract is, or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

In order to assess whether a contract is, or contains a lease, management determine whether the asset under consideration is “identified”, which means that the asset is either explicitly or implicitly specified in the contract and that the supplier does not have a substantial right of substitution throughout the period of use. Once management has concluded that the contract deals with an identified asset, the right to control the use thereof is considered. To this end, control over the use of an identified asset only exists when the company has the right to substantially all of the economic benefits from the use of the asset as well as the right to direct the use of the asset.

In circumstances where the determination of whether the contract is or contains a lease requires significant judgement, the relevant disclosures are provided in the significant judgments and sources of estimation uncertainty section of these accounting policies.

### Company as lessee

A lease liability and corresponding right-of-use asset are recognised at the lease commencement date, for all lease agreements for which the company is a lessee, except for short-term leases of 12 months or less, or leases of low value assets. For these leases, the company recognises the lease payments as an operating expense (note ) on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

The various lease and non-lease components of contracts containing leases are accounted for separately, with consideration being allocated to each lease component on the basis of the relative stand-alone prices

### 1.13 Leases (continued)

#### Company as lessee

of the lease components and the aggregate stand-alone price of the non-lease components (where non-lease components exist).

However as an exception to the preceding paragraph, the company has elected not to separate the non-lease components for leases of land and buildings.

Details of leasing arrangements where the company is a lessee are presented in note 15 Leases (company as lessee).

#### Lease liability

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the company uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed lease payments, including in-substance fixed payments, less any lease incentives;
  - variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
  - the amount expected to be payable by the company under residual value guarantees;
  - the exercise price of purchase options, if the company is reasonably certain to exercise the option;
  - lease payments in an optional renewal period if the company is reasonably certain to exercise an extension option;
- and
- penalties for early termination of a lease, if the lease term reflects the exercise of an option to terminate the lease.

# Non-Bank Financial Institutions Regulatory Authority

Annual Financial Statements for the year ended 31 March 2020

## Accounting Policies (continued)

### 1.13 Leases (continued)

#### Lease liability

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability (or right-of-use asset). The related payments are recognised as an expense in the period incurred and are included in operating expenses (note 15).

The lease liability is presented as a separate line item on the Statement of Financial Position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect lease payments made. Interest charged on the lease liability is included in finance costs (note 13).

The company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) when:

- there has been a change to the lease term, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- there has been a change in the assessment of whether the company will exercise a purchase, termination or extension option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- there has been a change to the lease payments due to a change in an index or a rate, in which case the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used);
- there has been a change in expected payment under a residual value guarantee, in which case the lease liability is remeasured by discounting the revised lease payments using the initial discount rate;
- a lease contract has been modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised payments using a

### 1.13 Leases (continued)

revised discount rate.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recognised in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

#### Right-of-use assets

Right-of-use assets are presented as a separate line item on the Statement of Financial Position. Lease payments included in the measurement of the lease liability comprise the following:

- the initial amount of the corresponding lease liability;
- any lease payments made at or before the commencement date;
- any initial direct costs incurred;
- any estimated costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, when the company incurs an obligation to do so, unless these costs are incurred to produce inventories; and
- less any lease incentives received.

Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. However, if a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. Depreciation starts at the commencement date of a lease.

# Non-Bank Financial Institutions Regulatory Authority

Annual Financial Statements for the year ended 31 March 2020

## Accounting Policies (continued)

### 1.13 Leases (continued)

For right-of-use assets which are depreciated over their useful lives, the useful lives are determined consistently with items of the same class of property, plant and equipment. Refer to the accounting policy for property, plant and equipment for details of useful lives.

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting year. If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate. Each part of a right-of-use asset with a cost that is significant in relation to the total cost of the asset is depreciated separately.

The depreciation charge for each year is recognised in profit or loss unless it is included in the carrying amount of another asset.

# Non-Bank Financial Institutions Regulatory Authority

Annual Financial Statements for the year ended 31 March 2020

## Notes to the Annual Financial Statements

### 2. New Standards and Interpretations

#### 2.1 Standards and interpretations effective and adopted in the current year

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

##### IFRS 16 Leases

IFRS 16 Leases is a new standard which replaces IAS 17 Leases, and introduces a single lessee accounting model. The main changes arising from the issue of IFRS 16 which are likely to impact the Authority are as follows:

Authority as lessee:

- Lessees are required to recognise a right-of-use asset and a lease liability for all leases, except short term leases or leases where the underlying asset has a low value, which are expensed on a straight line or other systematic basis.
- The cost of the right-of-use asset includes, where appropriate, the initial amount of the lease liability; lease payments made prior to commencement of the lease less incentives received; initial direct costs of the lessee; and an estimate for any provision for dismantling, restoration and removal related to the underlying asset.
- The lease liability takes into consideration, where appropriate, fixed and variable lease payments; residual value guarantees to be made by the lessee; exercise price of purchase options; and payments of penalties for terminating the lease.
- The right-of-use asset is subsequently measured on the cost model at cost less accumulated depreciation and impairment and adjusted for any re-measurement of the lease liability. However, right-of-use assets are measured at fair value when they meet the definition of investment property and all other investment property is accounted for on the fair value model. If a right-of-use asset relates to a class of property, plant and equipment which is measured on the revaluation model, then that right-of-use asset may be measured on the revaluation model.

# Non-Bank Financial Institutions Regulatory Authority

Annual Financial Statements for the year ended 31 March 2020

## Notes to the Annual Financial Statements (continued)

### 2.1 Standards and interpretations effective and adopted in the current year(continued)

- The lease liability is subsequently increased by interest, reduced by lease payments and re-measured for reassessments or modifications.
- Re-measurements of lease liabilities are affected against right-of-use assets, unless the assets have been reduced to nil, in which case further adjustments are recognised in profit or loss.
- The lease liability is re-measured by discounting revised payments at a revised rate when there is a change in the lease term or a change in the assessment of an option to purchase the underlying asset.
- The lease liability is re-measured by discounting revised lease payments at the original discount rate when there is a change in the amounts expected to be paid in a residual value guarantee or when there is a change in future payments because of a change in index or rate used to determine those payments.
- Certain lease modifications are accounted for as separate leases. When lease modifications which decrease the scope of the lease are not required to be accounted for as separate leases, then the lessee re-measures the lease liability by decreasing the carrying amount of the right of lease asset to reflect the full or partial termination of the lease. Any gain or loss relating to the full or partial termination of the lease is recognised in profit or loss. For all other lease modifications which are not required to be accounted for as separate leases, the lessee re-measures the lease liability by making a corresponding adjustment to the right-of-use asset.

Right-of-use assets and lease liabilities should be presented separately from other assets and liabilities. If not, then the line item in which they are included must be disclosed. This does not apply to right-of-use assets meeting the definition of investment property which must be presented within investment property. IFRS 16 contains different disclosure requirements compared to IAS 17 leases.

Authority as lessor:

- Accounting for leases by lessors remains similar to the provisions of IAS 17 in that leases are classified as either finance leases or operating leases. Lease classification is reassessed only if there has been a modification.

## 2.1 New Standards and Interpretations (continued)

- A modification is required to be accounted for as a separate lease if it both increases the scope of the lease by adding the right to use one or more underlying assets; and the increase in consideration is commensurate to the stand alone price of the increase in scope.
- If a finance lease is modified, and the modification would not qualify as a separate lease, but the lease would have been an operating lease if the modification was in effect from inception, then the modification is accounted for as a separate lease. In addition, the carrying amount of the underlying asset shall be measured as the net investment in the lease immediately before the effective date of the modification. IFRS 9 is applied to all other modifications not required to be treated as a separate lease.
- Modifications to operating leases are required to be accounted for as new leases from the effective date of the modification. Changes have also been made to the disclosure requirements of leases in the lessor's financial statements.

### Sale and leaseback transactions:

- In the event of a sale and leaseback transaction, the requirements of IFRS 15 are applied to consider whether a performance obligation is satisfied to determine whether the transfer of the asset is accounted for as the sale of an asset.
- If the transfer meets the requirements to be recognised as a sale, the seller-lessee must measure the new right-of-use asset at the proportion of the previous carrying amount of the asset that relates to the right-of-use retained. The buyer-lessor accounts for the purchase by applying applicable standards and for the lease by applying IFRS 16

If the fair value of consideration for the sale is not equal to the fair value of the asset, then IFRS 16 requires adjustments to be made to the sale proceeds. When the transfer of the asset is not a sale, then the seller-lessee continues to recognise the transferred asset and recognises a financial liability equal to the transfer proceeds. The buyer-lessor recognises a financial asset equal to the transfer proceeds.

# Non-Bank Financial Institutions Regulatory Authority

Annual Financial Statements for the year ended 31 March 2020

## Notes to the Annual Financial Statements (continued)

### 2.1 New Standards and Interpretations (continued)

The effective date of the standard is for years beginning on or after 1 January 2019.

The company has adopted the standard for the first time in the 2020 annual financial statements. The impact of the standard is not material.

### 2.2 Standards and interpretations not yet effective

The Authority has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the Authority's accounting periods beginning on or after 1 April 2020 or later periods:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
<ul style="list-style-type: none"> <li>Definition of a business - Amendments to IFRS 3</li> </ul>	1 January 2020	Unlikely there will be a material impact

### 3. Changes in accounting policy

The annual financial statements have been prepared in accordance with International Financial Reporting Standards on a basis consistent with the prior year except for the adoption of the following new or revised standards.

### 3. Changes in accounting policy (continued)

#### Application of IFRS 16 Leases

In the current year, the company has adopted IFRS 16 Leases (as issued by the IASB in January 2016) with the date of initial application being 1 April 2019. IFRS 16 replaces IAS 17 Leases, IFRIC 4 Determining whether an Arrangement contains a Lease, SIC-15 Operating Leases - Incentives and SIC 27 - Evaluating the Substance of Transactions Involving the Legal Form of a Lease.

IFRS 16 introduces new or amended requirements with respect to lease accounting. It introduces significant changes to the lessee accounting by removing the distinction between operating and finance leases and requiring the recognition of a right-of-use asset and a lease liability at the lease commencement for all leases, except for short-term leases and leases of low value assets. In contrast to lessee accounting, the requirements for lessor accounting have remained largely unchanged. Details of these new requirements are described in the accounting policy for leases. The impact of the adoption of IFRS 16 on the company's annual financial statements is described below.

The company has applied the practical expedient available in IFRS 16 which provides that for contracts which exist at the initial application date, an entity is not required to reassess whether they contain a lease. This means that the practical expedient allows an entity to apply IFRS 16 to contracts identified by IAS 17 and IFRIC 4 as containing leases; and to not apply IFRS 16 to contracts that were not previously identified by IAS 17 and IFRIC 4 as containing leases.

IFRS 16 has been adopted by applying the modified retrospective approach, whereby the comparative figures are not restated. Instead, cumulative adjustments to retained earnings have been recognised in retained earnings as at 1 April 2019.

#### Leases previously classified as operating leases

The Authority undertook the following at the date of initial application for leases which were previously recognised as operating leases:

# Non-Bank Financial Institutions Regulatory Authority

Annual Financial Statements for the year ended 31 March 2020

## Notes to the Annual Financial Statements (continued)

### 3. Changes in accounting policy (continued)

- recognised a lease liability, measured at the present value of the remaining lease payments, discounted at the Authority's incremental borrowing rate at the date of initial application.
- recognised right-of-use assets measured on a lease by lease basis, at either the carrying amount (as if IFRS 16 applied from commencement date but discounted at the incremental borrowing rate at the date of initial application) or at an amount equal to the lease liability adjusted for accruals or prepayments relating to that lease prior to the date of initial application.

The Authority applied IAS 36 to consider if these right-of-use assets are impaired as at the date of initial application.

The Authority applied the following practical expedients when applying IFRS 16 to leases previously classified as operating leases in terms of IAS 17. Where necessary, they have been applied on a lease by lease basis:

- when a portfolio of leases contained reasonably similar characteristics, the Authority applied a single discount rate to that portfolio;
- leases which were expiring within 12 months of 1 April 2019 were treated as short term leases, with remaining lease payments recognised as an expense on a straight-line basis or another systematic basis which is more representative of the pattern of benefits consumed;
- initial direct costs were excluded from the measurement of right-of-use assets at the date of initial application.
- hindsight was applied where appropriate. This was specifically the case for determining the lease term for leases which contained extension or termination options.

### Impact on financial statements

On transition to IFRS 16, the Authority recognised an additional P5 661 944 of right-of-use assets and P5 802 286 of lease liabilities.

### 3. Changes in accounting policy (continued)

#### Impact on financial statements

When measuring lease liabilities, Authority discounted lease payments using its incremental borrowing rate at 01 May 2019. The weighted average rate applied is 6.09%

#### Reconciliation of previous operating lease commitments to lease liabilities under IFRS 16

	1 April 2019
Operating lease commitment at 31 March 2019 as previously disclosed	6 161 215
Discounted using the incremental borrowing rate at 1 April 2019	(358 929)
<b>Lease liabilities recognised at 1 April 2019</b>	<b>5 802 286</b>

#### 4. Government Grants

Revenue grants	19 978 053	18 468 572
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#### The total grant received from the government are as follows:

Revenue grants	19 978 053	18 468 572
Capital grants	421 947	396 338
	<b>20 400 000</b>	<b>18 864 910</b>

#### 5. Amortisation of governments grants

Amortisation of property, plant and equipment	907 671	1 169 486
Amortisation of intangible assets	5 419 158	5 419 158
	<b>6 326 829</b>	<b>6 588 644</b>

## Non-Bank Financial Institutions Regulatory Authority

Annual Financial Statements for the year ended 31 March 2020

### Notes to the Annual Financial Statements (continued)

#### 6. Other operating income

##### Gains (losses) on disposals, scrappings and settlements

Bad debts recovered		-	17 569
Gain on disposal	14	-	88
Interest and penalties, registration and renewals	16	2 291 500	1 793 776
Other income		313 311	1 022 976
		<b>2 604 811</b>	<b>2 834 409</b>

#### 7. Supervisory levies

Supervisory levies - Capital Markets		146 740	166 750
Supervisory levies - Lending		26 663 610	21 518 019
Supervisory levies - Finance and leasing companies		1 307 520	106 878
Supervisory levies - Insurance		11 770 831	10 493 767
Supervisory levies - Retirement fund and investment institutions		16 350 794	16 320 031
Supervisory levies - Medical Aid		2 527 196	2 240 007
		<b>58 766 691</b>	<b>50 845 452</b>

#### 8. Staff costs

##### Employee costs

Basic salaries		30 332 096	27 521 134
Allowances		17 738 414	16 108 330
Defined contribution plan expense		6 291 156	5 944 548
		<b>54 361 666</b>	<b>49 574 012</b>

#### 9. Consultancy costs

Other consultancy costs		1 914 144	616 085
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## 10. Administrative expenses

Advertising	73 570	54 187
Audit fees	108 622	119 750
Bad debts	965 423	593 009
Bank charges	58 827	54 210
Depreciation	958 373	1 145 963
Amortisation of RBSS and ERP	5 419 158	5 419 159
Insurance	441 263	393 450
Motor vehicle expenses	27 884	27 584
Office expenses	7 224	30 592
Operating lease expenses	-	3 227 026
Printing and stationery	365 617	419 824
Recruitment	126 821	195 127
Telephone and fax	674 946	627 176
Travel	1 422 358	1 356 954
Uniform	773 257	515 331
Utilities	553 986	534 048
	<b>11 977 329</b>	<b>14 713 390</b>

## 11. Other expenses

Board costs	286 882	249 758
Branding and communications	1 371 837	946 877
Cleaning	199 133	193 879
Computer expenses	627 648	627 648
Legal fees	840 707	4 020 833
Repairs and maintenance	389 111	218 251

# Non-Bank Financial Institutions Regulatory Authority

Annual Financial Statements for the year ended 31 March 2020

## Notes to the Annual Financial Statements (continued)

### 11. Other expenses (continued)

License fees	4 141 538	3 124 411
Security	278 332	264 830
Subscriptions	896 717	701 174
Net book value retired - Loss	6 676	90 224
Strategy expenses	313 055	327 491
Training	1 327 835	1 717 714
	<b>10 679 471</b>	<b>12 483 090</b>

### 12. Finance income

#### Interest income

#### Investments in financial assets:

Bank	861 701	716 484
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### 13. Finance costs

Interest expense for leasing arrangements	278 273	-
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## 14. Property, plant and equipment

	2020			2019		
	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
Leasehold property	125 714	(125 714)	-	125 714	(125 714)	-
Furniture and fixtures	4 544 292	(2 633 133)	1 911 159	4 458 204	(2 257 077)	2 201 127
Motor vehicles	522 783	(232 833)	289 950	522 783	(102 136)	420 647
Office equipment	250 836	(248 299)	2 537	250 836	(245 507)	5 329
IT equipment	4 214 489	(2 823 051)	1 391 438	3 878 630	(2 374 222)	1 504 408
<b>Total</b>	<b>9 658 114</b>	<b>(6 063 030)</b>	<b>3 595 084</b>	<b>9 236 167</b>	<b>(5 104 656)</b>	<b>4 131 511</b>

### Reconciliation of property, plant and equipment - 2020

	Opening balance	Additions	Depreciation	Total
Furniture and fixtures	2 201 127	86 088	(376 056)	1 911 159
Motor vehicles	420 647	-	(130 697)	289 950
Office equipment	5 329	-	(2 792)	2 537
IT equipment	1 504 408	335 858	(448 828)	1 391 438
	<b>4 131 511</b>	<b>421 946</b>	<b>(958 373)</b>	<b>3 595 084</b>

### Reconciliation of property, plant and equipment - 2019

	Opening balance	Additions	Revaluations	Depreciation	Impairment loss	Total
Furniture and fixtures	2 648 134	-	-	(447 007)	-	2 201 127
Motor vehicles	139 983	-	442 795	(162 131)	-	420 647
Office equipment	6 937	-	-	(1 608)	-	5 329
IT equipment	1 733 514	396 335	-	(535 217)	(90 224)	1 504 408
	<b>4 528 568</b>	<b>396 335</b>	<b>442 795</b>	<b>(1 145 963)</b>	<b>(90 224)</b>	<b>4 131 511</b>

# Non-Bank Financial Institutions Regulatory Authority

Annual Financial Statements for the year ended 31 March 2020

## Notes to the Annual Financial Statements (continued)

### 14. Property, plant and equipment (continued)

#### Revaluations

The Authority's motor vehicles are stated at revalued amounts, being the fair value at the date of revaluation, less any subsequent accumulated depreciation and accumulated impairment losses. Revaluations are performed every 3 years and in intervening years if the carrying amount of the asset differs materially from their fair value.

The revaluations of the motor vehicles were performed on 31 December 2018 by independent valuers who have appropriate knowledge and experience in the market values of the vehicles.

The carrying value of the revalued assets under the cost model would have been:

Motor vehicles	1	1
<b>Other information</b>		
Fully depreciated property, plant and equipment still in use	1 178 079	984 670

### 15. Right-of-use assets

#### Net carrying amounts of right-of-use assets

The carrying amounts of right-of-use assets are included in the following line items:

Buildings	2 497 061	-
Buildings	5 661 944	-

**15. Right-of-use assets (continued)****Depreciation recognised on right-of-use assets**

Depreciation recognised on each class of right-of-use assets, is presented below. It includes depreciation which has been expensed in the total depreciation charge in profit or loss, as well as depreciation which has been capitalised to the cost of other assets.

Buildings	3 164 883	-
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**Lease liabilities**

The maturity analysis of lease liabilities is as follows:

Within one year	2 874 510	-
	2 874 510	-
Less finance charges component	(80 655)	-
	<b>2 793 855</b>	-
Current liabilities	2 793 855	-

# Non-Bank Financial Institutions Regulatory Authority

Annual Financial Statements for the year ended 31 March 2020

## Notes to the Annual Financial Statements (continued)

### 16. Intangible assets

	2020			2019		
	Cost	Accumulated amortisation	Carrying value	Cost	Accumulated amortisation	Carrying value
Enterprise Resource Planning (ERP)	13 339 605	(10 671 685)	2 667 920	13 339 605	(8 003 764)	5 335 841
Risk Based Supervisory System (RBSS)	13 756 184	(13 297 644)	458 540	13 756 184	(10 546 408)	3 209 776
<b>Total</b>	<b>27 095 789</b>	<b>(23 969 329)</b>	<b>3 126 460</b>	<b>27 095 789</b>	<b>(18 550 172)</b>	<b>8 545 617</b>

#### Reconciliation of intangible assets - 2020

	Opening balance	Amortisation	Total
Enterprise Resource Planning (ERP)	5 335 841	(2 667 921)	2 667 920
Risk Based Supervisory System (RBSS)	3 209 776	(2 751 236)	458 540
	<b>8 545 617</b>	<b>(5 419 157)</b>	<b>3 126 460</b>

#### Reconciliation of intangible assets - 2019

	Opening balance	Amortisation	Total
Enterprise Resource Planning (ERP)	8 003 763	(2 667 922)	5 335 841
Risk Based Supervisory System (RBSS)	5 961 013	(2 751 237)	3 209 776
	<b>13 964 776</b>	<b>(5 419 159)</b>	<b>8 545 617</b>

## 17. Trade and other receivables

### Financial instruments:

Trade receivables	2 907 591	2 023 339
Loss allowance	(2 891 867)	(1 926 444)
Trade receivables at amortised cost	15 724	96 895
Deposits	224 209	224 209
Other receivable	55 727	51 479
<b>Total trade and other receivables</b>	<b>295 660</b>	<b>372 583</b>

### Split between non-current and current portions

Current assets	295 660	372 583
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### Categorisation of trade and other receivables

Trade and other receivables are categorised as follows in accordance with IFRS 9: Financial Instruments:

At amortised cost	295 660	372 583
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### Exposure to credit risk

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

In order to mitigate the risk of financial loss from defaults, the Authority only deals with reputable customers with consistent payment histories. Sufficient collateral or guarantees are also obtained when appropriate. Each customer is analysed individually for creditworthiness before terms and conditions are offered.

# Non-Bank Financial Institutions Regulatory Authority

Annual Financial Statements for the year ended 31 March 2020

## Notes to the Annual Financial Statements (continued)

### 17. Trade and other receivables (continued)

#### Exposure to credit risk

Statistical credit scoring models are used to analyse customers. These models make use of information submitted by the customers as well as external bureau data (where available). Customer credit limits are in place and are reviewed and approved by credit management committees. The exposure to credit risk and the creditworthiness of customers, is continuously monitored.

There have been no significant changes in the credit risk management policies and processes since the prior reporting period. Trade receivables arise from supervisory levies. The customer base is large and widespread, with a result that there is no specific significant concentration of credit risk from these trade receivables.

A loss allowance is recognised for all trade receivables, in accordance with IFRS 9 Financial Instruments, and is monitored at the end of each reporting period. In addition to the loss allowance, trade receivables are written off when there is no reasonable expectation of recovery, for example, when a debtor has been placed under liquidation. Trade receivables which have been written off are not subject to enforcement activities.

The Authority measures the loss allowance for trade receivables by applying the simplified approach which is prescribed by IFRS 9. In accordance with this approach, the loss allowance on trade receivables is determined as the lifetime expected credit losses on trade receivables. These lifetime expected credit losses are estimated using a provision matrix, which is presented below.

The provision matrix has been developed by making use of past default experience of debtors but also incorporates forward looking information and general economic conditions of the industry as at the reporting date.

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

## 17. Trade and other receivables (continued)

	2020	2020	2019	2019
	Estimated	Loss	Estimated	Loss
	gross	allowance	gross	allowance
	carrying	(Lifetime	carrying	(Lifetime
	amount at	expected	amount at	expected
	default	credit loss)	default	credit loss)
<b>Expected credit loss rate:</b>				
Not past due	-	-	30	-
61 - 90 days past due	-	-	850 504	753 639
More than 120 days past due	2 907 591	2 891 867	1 172 805	1 172 805
<b>Total</b>	<b>2 907 591</b>	<b>2 891 867</b>	<b>2 023 339</b>	<b>1 926 444</b>

Reconciliation of loss allowances

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

<b>Opening balance in accordance with IFRS 9</b>	<b>(1 926 444)</b>	<b>(1 785 298)</b>
Amounts recovered	-	17 569
Provision raised on supervisory levy	(965 423)	(593 009)
Amounts written off	-	434 294
<b>Closing balance</b>	<b>(2 891 867)</b>	<b>(1 926 444)</b>
<b>Fair value of trade and other receivables</b>		

The fair value of trade and other receivables approximates their carrying amounts.

## Non-Bank Financial Institutions Regulatory Authority

Annual Financial Statements for the year ended 31 March 2020

### Notes to the Annual Financial Statements (continued)

#### 18. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	3 265	510
Bank balances	20 381 702	14 174 491
	<b>20 384 967</b>	<b>14 175 001</b>

The cash and cash equivalents are earning interest at the floating rate based on a daily bank deposit rates. **The Regulatory Authority** has maintained separate gratuity account to ring-fence the post employment benefits relating to gratuity. Furthermore a separate Supervisory Levies Account is maintained from that of the Government Subvention Account.

#### Credit quality of cash at bank, excluding cash on hand

The credit quality of cash at bank, excluding cash on hand that are neither past due nor impaired can be assessed by reference to historical information about counterparty default rates. Commercial Banks in Botswana are not rated, however, these financial institutions are subsidiaries of rated bank in South Africa.

#### 19. Government grants

Opening balance	15 096 072	19 755 669
Received during the year	421 947	396 338
Amortisation of government grants	(4 794 121)	(5 055 936)
	<b>10 723 898</b>	<b>15 096 071</b>

## 20. African Development Bank Grant

Heading	Figures in Pula	2020	2019
Opening balance		1 788 159	3 320 867
Amortisation of African Development Bank Grants		(1 532 708)	(1 532 711)
		255 451	1 788 156

African Development Bank has provided assistance to the Authority in developing the Risk Based Regulatory System (RBSS)

The Regulatory Authority recognises the assistance received from the African Development Bank as a grant, and upon completion of the model, the grant was capitalised as intangible asset and amortised over the useful lives of the asset.

## 21. Trade and other payables

### Financial instruments:

Trade payables	1 307 913	1 285 108
Other payables	173 334	187 060
Other payables	40 007	-

### Non-financial instruments:

Amounts received in advance	489 772	530 334
	2 011 026	2 002 502

### Fair value of trade and other payables

The fair value of trade and other payables approximates their carrying amounts.

## Non-Bank Financial Institutions Regulatory Authority

Annual Financial Statements for the year ended 31 March 2020

### Notes to the Annual Financial Statements (continued)

#### 22. Short term employee benefits

Reconciliation of short term employee benefits - 2020

	Opening balance	Additions	Utilised during the year	Total
Gratuity accruals	1 862 645	1 188 030	(1 958 948)	1 091 727
Leave accruals	2 934 663	373 793	(117 468)	3 190 988
	<b>4 797 308</b>	<b>1 561 823</b>	<b>(2 076 416)</b>	<b>4 282 715</b>

Reconciliation of short term employee benefits - 2019

	Opening balance	Additions	Utilised during the year	Total
Gratuity accruals	808 028	1 054 617	-	1 862 645
Leave accruals	2 495 128	670 320	(230 785)	2 934 663
	<b>3 303 156</b>	<b>1 724 937</b>	<b>(230 785)</b>	<b>4 797 308</b>

#### 23. Operating lease liability

Current liabilities	-	140 341
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#### 24. Taxation

No provision for taxation is required as the Regulatory Authority is exempt from taxation in terms of the second Schedule of the Income Tax Act (Chapter 52:01).

**25. Cash generated from operations**

Figures in Pula	2020	2019
Surplus before taxation	6 431 959	2 066 984
<b>Adjustments for:</b>		
Depreciation and amortisation	9 542 414	6 565 122
Loss on disposals	-	(88)
Interest income	(861 701)	(716 484)
Finance costs	278 273	-
Net impairments and movements in credit loss allowances	-	90 224
Deferred operating lease	(140 341)	126 362
Movements in provisions	(514 593)	1 494 152
Amortisation of government grants	(6 326 829)	(6 588 643)
<b>Changes in working capital:</b>		
Trade and other receivables	76 923	259 144
Trade and other payables	8 522	(1 456 292)
	<b>8 494 627</b>	<b>1 840 481</b>

**26. Commitments****Operating lease commitments (expense - Only comparatives)**

The Regulatory Authority has entered into a commercial property lease with Exponential Building for a period of three (3) years to February 2021, with an escalation of 6% annually. The future aggregate minimum lease rentals as at 31 March 2019 are as follows:

**Minimum lease payments due**

- within one year	-	2 934 557
- in second to fifth year inclusive	-	2 566 527
	-	<b>5 501 084</b>

# Non-Bank Financial Institutions Regulatory Authority

Annual Financial Statements for the year ended 31 March 2020

## Notes to the Annual Financial Statements (continued)

### 27. Related parties

#### Relationships

The Regulatory Authority was set up by the Non-Bank Financial Institutions Regulatory Authority Act, 2016 and is therefore related to the Government of the Republic of Botswana. Transactions with related parties are in the normal course of business. The following transactions were carried out with related parties

Members of key management:

Mr Ramasedi (Tenure ended on February 28, 2020)  
Mr Segage  
Mr Gade (Acting CEO)  
Ms Seromelo  
Ms Modisa  
Ms Masike  
Ms Makepe  
Mr Dumedisang  
Mr Ncaagae  
Mr Rampha  
Ms Modongo  
Ms White  
Ms Raphaka  
Ms Soko  
Ms Mongati  
Ms Chombah  
Mr Bungile

## 27. Related parties (continued)

### Related party transactions

#### Grants received

Government of the Republic of Botswana	20 400 000	18 864 910
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#### Compensation to directors and other key management

Salary	14 328 781	13 224 166
Gratuity and pension	2 577 168	2 292 770
Other benefits	1 403 695	1 315 560
	<b>18 309 644</b>	<b><u>16 832 496</u></b>

Compensation paid to key personnel of the Authority. The amounts presented comprise 17 executive staff members (2018: 18 executive staff members). Two of the members were on acting appointments.

## 28. Financial instruments and risk management

### Categories of financial instruments

#### Categories of financial assets

2020

	Note	Amortised cost		
Trade and other receivables	17	295 660	295 660	295 660
Cash and cash equivalents	18	20 384 967	20 384 967	20 384 967
		<b><u>20 680 627</u></b>	<b><u>20 680 627</u></b>	<b><u>20 680 627</u></b>

## Non-Bank Financial Institutions Regulatory Authority

Annual Financial Statements for the year ended 31 March 2020

### Notes to the Annual Financial Statements (continued)

#### 28. Financial instruments and risk management (continued)

		Figures in Pula		
			2020	2019
2019				
	Note	Amortised cost	Total	Fair value
Trade and other receivables	17	372 583	372 583	372 583
Cash and cash equivalents	18	14 175 001	14 175 001	14 175 001
		<b>14 547 584</b>	<b>14 547 584</b>	<b>14 547 584</b>

#### Categories of financial liabilities

		Figures in Pula			
			2020	2019	
2020					
	Note	Amortised cost	Leases	Total	Fair value
Trade and other payables	21	1 468 445	-	1 468 445	1 468 445
Lease liabilities	15	-	2 793 855	2 793 855	2 793 855
		<b>1 468 445</b>	<b>2 793 855</b>	<b>4 262 300</b>	<b>4 262 300</b>

		Figures in Pula		
			2020	2019
2019				
	Note	Amortised cost	Total	Fair value
Trade and other payables	21	1 472 167	1 472 167	1 472 167

## 28. Financial instruments and risk management (continued)

### Risk management

Capital includes all funds and reserves as per the face of the statement of financial position. The Authority's objective when managing funds are to safeguard its ability to continue as a going concern in order to perform the mandate for which it was created for. Management is of the view that these objective are being met. During 2019, the Authority did not have borrowings. The Regulatory Authority is supported by the licensed Non-Bank Financial Institutions and the Government of the Republic of Botswana, currently the necessary support is provided to sustain the operations of the Regulatory Authority. The NBFIRA Act stipulates that an annual estimate of the Regulatory Authority's expenditure for a financial year shall include provision for a Statutory Reserve of not more than 10% of the total expenditure provided in the estimate.

Based on the regulatory Authority Act the current statutory reserve is adequate and in line with the provisions of the Act.

### Financial risk management

#### Credit risk

The Regulatory Authority has exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Credit risk is the risk that the regulated and supervised Non-Bank Financial Institutions and other counter parties will not be able or willing to pay or fulfil their obligations in accordance with Non-Bank Financial Institutions Regulatory Authority Act. The Authority uses reputable financial institutions for investing purposes.

All cash and cash equivalents are placed with financial institutions registered in Botswana.

The maximum exposure to credit risk is represented by the carrying amount of accounts receivable and cash and cash equivalents, as shown in the statement of financial position.

# Non-Bank Financial Institutions Regulatory Authority

Annual Financial Statements for the year ended 31 March 2020

## Notes to the Annual Financial Statements (continued)

### 28. Financial instruments and risk management (continued)

#### Concentration of credit

**The Regulatory Authority** is currently funded by the Government of Botswana and the regulated entities through Supervisory Levies and License Fees. **The Regulatory Authority's** credit risk is primarily attributable to its cash and cash equivalents, and receivable from regulated entities. Financial assets that potentially subject the Board to concentration of credit risk consists primarily of cash and cash equivalent as well as accounts receivable. Cash and cash equivalents are placed with reputable financial institutions in the normal trading course. Expenditure and controls have been put in place to manage credit risk. **The Regulatory Authority** has no significant concentration of credit risk as its exposure is spread over a number of counterparties.

**The Regulatory Authority** does not have any significant credit risk exposure to any single counterparty. As at year end there was no significant credit risk, the cash position as at year end was P 20 384 967 (2019: P 14 175 001)

	2020			2019		
	Gross carrying amount	Credit loss allowance	Amortised cost / fair value	Gross carrying amount	Credit loss allowance	Amortised cost/fair value
Trade and other receivables 17	3 187 527	(2 891 867)	295 660	2 299 027	(1 926 444)	372 583
Cash and cash equivalents 18	20 384 967	-	20 384 967	14 175 001	-	14 175 001
	<b>23 572 494</b>	<b>(2 891 867)</b>	<b>20 680 627</b>	<b>16 474 028</b>	<b>(1 926 444)</b>	<b>14 547 584</b>

#### Liquidity risk

The Authority's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, without incurring losses or risking damage to **the Regulatory Authority's** reputation. The ultimate responsibility for liquidity risk management procedures for the management of **the Regulatory Authority's** funding and liquidity management requirements.

## 28. Financial instruments and risk management (continued)

**The Regulatory Authority** manages liquidity risk by maintaining adequate cash and cash equivalents to settle liabilities when they become due, by continuously monitoring forecasts actual cash flows, and by matching the Government Subvention to the maturity profile of the financial liabilities.

The following table summarises the maturity profile of **the Regulatory Authority's** financial liabilities as at 31 March 2020 based on contractual undiscounted payments:

### 2020

	Less than 1 year	Total	Carrying amount
<b>Current liabilities</b>			
Trade and other payables	1 468 445	1 468 445	1 521 256
Lease liabilities	-	-	2 793 855

### 2019

#### Current liabilities

Trade and other payables	21	1 472 167	1 472 167	1 472 167
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#### Interest rate risk

Financial instruments that are sensitive to interest rate risk are bank balances and cash (refer to note 15). Interest rates applicable to these financial instruments compare favourably with those currently available in the market. The following table demonstrates the sensitivity to a reasonable possible change in interest rates at reporting date, with all other variables held constant, of the Regulatory Authority's (deficit)/surplus for the year (through the impact on floating rate financial instruments), funds and reserves at reporting date. The reasonable possible change is based on past trends of interest and expected future changes. The impact was calculated by applying the reasonable changes to the exposures at reporting date, and with reference to the next 12 months. There is no other direct impact on the Regulatory Authority's funds and reserves.

# Non-Bank Financial Institutions Regulatory Authority

Annual Financial Statements for the year ended 31 March 2020

## Notes to the Annual Financial Statements (continued)

### 28. Financial instruments and risk management (continued)

#### Heading

Increase of 0.5% in interest rate	90 515	69 995
Decrease of 2% in interest	(362 059)	(279 981)
	<u>(271 544)</u>	<u>(209 986)</u>

### 29. Events after the reporting period

The impact of the COVID-19 virus on our business continues to evolve. At the date of finalization of the annual financial statements, there were no material events that occurred subsequent to the statement of financial position date that require adjustment to the financial statements. The following material subsequent events however requires disclosure in the financial statements.

On 11 March 2020, the World Health Organization declared the Coronavirus COVID-19 outbreak a global pandemic. This situation continues to advance and is being monitored with various corrective and preventive measures as detailed below:

- > requiring self-isolation quarantine by those potentially affected,
- > implementing social distancing measures, and
- > controlling or closing borders and “locking-down” cities/regions or even entire countries.

## 29. Events after the reporting period (continued)

The pandemic is an extraordinary challenge for humanity and for the economy globally, and at the date of finalization of the financial statements its effects are subject to significant levels of uncertainty. The impact of the coronavirus will be closely monitored and assessed for its impact on the business. The company has undertaken a variety of measures and implemented contingency plans to mitigate the negative impact of the Covid-19 pandemic. The response plan covers operational and credit risk responses to ensure that the company will be able to operate and service clients. Considering the above, management has re-assessed the appropriateness of the use of the going concern assumption in the preparation of these financial statements.

Based on the assessment performed, management is of the view that the significant doubt associated with the current uncertainties related to the Covid-19 virus currently does not result in a material uncertainty related to such events or conditions that may cast significant doubt on the company's ability to continue as a going concern. The directors agrees with this assessment.

# Non-Bank Financial Institutions Regulatory Authority

Annual Financial Statements for the year ended 31 March 2020

## Detailed Income Statement

Figures in Pula	Note(s)	2020	2019
<b>Revenue</b>			
Government grants		19 978 053	18 468 572
<b>Supervisory levies</b>			
		58 766 691	50 845 452
<b>Total revenue</b>			
		<b>78 744 744</b>	<b>69 314 024</b>
<b>Other operating income</b>			
Other income		907 671	1 169 486
Amortisation of Capital Grants		5 419 158	5 419 158
	5	<b>6 326 829</b>	<b>6 588 644</b>
<b>Other operating gains (losses)</b>			
Other operating income		2 604 811	2 834 409
<b>Expenses (Refer to page 38)</b>			
		<b>(81 827 853)</b>	<b>(77 386 577)</b>
<b>Operating surplus</b>			
		5 848 531	1 350 500
Finance income	12	861 701	716 484
Finance costs	13	(278 273)	-
<b>Surplus for the year</b>			
		<b>6 431 959</b>	<b>2 066 984</b>

Figures in Pula	Note(s)	2020	2019
<b>Other operating expenses</b>			
Advertising		(73 570)	(54 187)
Amortisation		(5 419 158)	( 5 419 159)
Auditors remuneration		(108 622)	(119 750)
Bad debts		(965 423)	(593 009)
Bank charges		(58 827)	(54 210)
Cleaning		(199 133)	(193 879)
Branding and communications		(1 371 837)	(946 877)
Cleaning		(627 648)	(627 648)
Consulting and professional fees		(1 914 144)	(616 085)
Consulting and professional fees - legal fees		(840 707)	(4 020 833)
Board fees		(286 882)	(249 758)
Depreciation		(4 123 256)	(1 145 963)
Employee costs		(54 361 666)	(49 574 012)
Office expenses		(7 224)	(30 592)
Recruitment		(126 821)	(195 127)
Strategy expenses		(313 055)	(327 491)
Impairment		-	(90 224)
Insurance		(441 263)	(393 450)
Lease rentals on operating lease		-	(3 227 026)
Motor vehicle expenses		(27 884)	(27 584)
Utilities		(553 986)	(534 048)
Recruitment		(365 617)	(419 824)
Repairs and maintenance		(390 931)	(218 251)
License fees		(4 141 538)	(3 124 411)
Security		(125 725)	(264 830)
Uniform		(791 459)	(515 331)
Subscriptions		(909 610)	(701 174)
Telephone and fax		(674 946)	(627 176)
Training		(1 184 563)	(1 717 714)
Travel		(1 422 358)	(1 356 954)
		<b>(81 827 853)</b>	<b>(77 386 577)</b>

## Appendix 1

### 2019 FINANCIALS FOR LIFE INSURERS

INSURER	ABSA LIFE	BLIL	BONA LIFE	HOLLARD LIFE
PERIOD END	31-Dec	31-Dec	31-Mar	30-Jun
INCOME STATEMENT	(Pula)	(Pula)	(Pula)	(Pula)
Gross Premium Written	230,439,000	2,650,862,000	9,783,000	187,281,799
Premiums Ceded	33,511,000	53,161,000		17,435,151
<b>Net Premiums Written</b>	<b>196,928,000</b>	<b>2,597,701,000</b>	<b>9,783,000</b>	<b>169,846,648</b>
Investment Income	9,546,000	618,631,000	27,430,000	13,677,598
Reinsurance Recoveries	13,546,000	34,580,000		14,467,328
Reinsurance Commission and Rebates	-			3,639,407
Other Income	-	74,737,000		2,549,208
<b>Total Revenue</b>	<b>220,020,000</b>	<b>3,325,649,000</b>	<b>37,213,000</b>	<b>204,180,189</b>
Gross Benefits Paid	59,455,000	1,649,328,000	58,445,000	59,761,878
Change in net policyholder liabilities	20,611,000	583,388,000	(114,712,000)	(20,524,256)
Gross Acquisition Costs	63,308,000	397,221,000	-	94,765,195
Operating Expenses	45,814,000	225,330,000	94,329,000	46,689,613
Reinsurance Commission Paid	-			
Other Costs	-	8,744,000		-
<b>Net incurred claims</b>	<b>45,909,000</b>	<b>1,614,748,000</b>	<b>58,445,000</b>	<b>45,294,550</b>
<b>Net acquisition costs</b>	<b>63,308,000</b>	<b>397,221,000</b>	<b>-</b>	<b>92,215,987</b>
<b>Total Expenses</b>	<b>189,188,000</b>	<b>2,864,011,000</b>	<b>38,062,000</b>	<b>180,692,430</b>
<b>Net Profit Before Taxes</b>	<b>30,832,000</b>	<b>461,638,000</b>	<b>(849,000)</b>	<b>23,487,759</b>
Tax	6,277,000	94,073,000		5,454,163
<b>Net Income After Tax</b>	<b>24,555,000</b>	<b>367,565,000</b>	<b>(849,000)</b>	<b>18,033,596</b>
<b>BALANCE SHEET</b>				
Cash and Equivalents	221,537,000	1,169,235,000	40,053,000	270,326,059
Fixed Assets	4,452,000	654,586,000	81,545,000	2,280,170
Other Current Assets	137,544,000	11,250,726,000	599,510,000	53,105,857
<b>Total Assets</b>	<b>363,533,000</b>	<b>13,074,547,000</b>	<b>721,108,000</b>	<b>325,712,086</b>
Insurance Liabilities	30,131,000	10,444,102,000	707,800,000	161,269,435
Long-term Liabilities	197,509,000	27,392,000		
Other Current Liabilities	13,837,000	573,413,000	5,395,000	24,812,563
<b>Total Liabilities</b>	<b>241,477,000</b>	<b>11,044,907,000</b>	<b>713,195,000</b>	<b>186,081,998</b>
Share Capital	21,370,000	9,772,000	50,000,000	3,490,000
Reserves	-	832,824,000	711,000	130,379,451
Retained Earnings	100,686,000	1,117,044,000	(42,798,000)	5,760,637
<b>Total Capital</b>	<b>122,056,000</b>	<b>2,029,640,000</b>	<b>7,913,000</b>	<b>139,630,088</b>
<b>Total Liabilities &amp; Equity</b>	<b>363,533,000</b>	<b>13,074,547,000</b>	<b>721,108,000</b>	<b>325,712,086</b>

LIBERTY LIFE	METROPOLITAN LIFE	OLD MUTUAL LIFE	WESTERN LIFE INSURANCE BOTSWANA	TOTALS
31-Dec	30-Jun	31-Dec	28-Feb	*****
(Pula)	(Pula)	(Pula)	(Pula)	(Pula)
186,595,343	564,644,000	25,758,209	689,955	3,856,053,306
5,619,589	8,879,000	5,385,451	15,970	124,007,161
<b>180,975,754</b>	<b>555,765,000</b>	<b>31,143,660</b>	<b>673,985</b>	<b>3,742,817,047</b>
4,966,334	77,500,000	1,129,353	3,940	752,884,225
1,498,697	3,854,000	1,082,025	-	69,028,050
-	-	-	-	3,639,407
5,411,227	15,436,000	-	-	98,133,435
<b>192,852,012</b>	<b>652,555,000</b>	<b>33,355,038</b>	<b>677,925</b>	<b>4,666,502,164</b>
28,512,953	279,278,000	12,721,208	-	2,147,502,039
43,512,646	103,006,000	-	1,189,715	616,471,105
66,477,180	147,508,000	1,781,574	49,518	771,110,467
25,257,120	77,576,000	14,454,112	5,160,690	534,610,535
-	-	-	-	-
-	1,991,000	16,104,083	-	26,839,083
<b>27,014,256</b>	<b>275,424,000</b>	<b>11,639,183</b>	<b>-</b>	<b>2,078,473,989</b>
<b>66,477,180</b>	<b>147,508,000</b>	<b>1,781,574</b>	<b>49,518</b>	<b>768,561,259</b>
<b>163,759,899</b>	<b>609,359,000</b>	<b>45,060,977</b>	<b>6,399,923</b>	<b>4,096,533,229</b>
<b>29,092,113</b>	<b>43,196,000</b>	<b>(11,705,939)</b>	<b>(5,722,010)</b>	<b>569,968,923</b>
6,421,194	7,897,000	-	(1,258,320)	118,864,037
<b>22,670,919</b>	<b>35,299,000</b>	<b>(11,705,939)</b>	<b>(4,463,690)</b>	<b>451,104,886</b>
17,808,732	298,959,000	41,228,692	10,039,912	2,069,187,395
243,630,049	1,851,000	184,512	1,108,221	989,636,952
8,440,333	2,055,297,000	17,802,981	1,540,382	14,123,966,553
<b>269,879,114</b>	<b>2,356,107,000</b>	<b>59,216,185</b>	<b>12,688,515</b>	<b>17,182,790,900</b>
180,204,665	1,820,555,000	18,282,461	1,189,715	13,363,534,276
1,176,468	5,284,000	19,199,563	-	250,561,031
20,783,203	164,096,000	11,768,658	962,472	815,067,896
<b>202,164,336</b>	<b>1,989,935,000</b>	<b>49,250,682</b>	<b>2,152,187</b>	<b>14,429,163,203</b>
13,258,347	83,271,000	45,000,000	15,000,000	311,161,347
27,750,970	34,269,000	-	-	1,025,934,421
26,705,461	248,632,000	(35,034,497)	(4,463,672)	1,416,531,929
<b>67,714,778</b>	<b>366,172,000</b>	<b>9,965,503</b>	<b>10,536,328</b>	<b>2,753,627,697</b>
<b>269,879,114</b>	<b>2,356,107,000</b>	<b>59,216,185</b>	<b>12,688,515</b>	<b>17,182,790,900</b>

## Appendix 2

### 2019 FINANCIALS FOR GENERAL INSURERS

INSURER	ALPHA DIRECT	BECI	BIC	LEGAL GUARD	HOLLARD GENERAL	OLD MUTUAL SHORT TERM INSURANCE
PERIOD END	30-Jun	30-Jun	31-Dec	31-Dec	30-Jun	31-Dec
<i>INCOME STATEMENT</i>	(Pula)	(Pula)	(Pula)	(Pula)	(Pula)	(Pula)
Gross Premium Written	47,300,355	20,742,002	404,292,228	41,153,029	457,423,207	191,823,000
Premiums Ceded	16,169,994	7,977,018	159,182,601	-	95,119,057	84,767,000
<b>Net Premiums Written</b>	<b>31,130,361</b>	<b>12,764,984</b>	<b>245,109,627</b>	<b>41,153,029</b>	<b>362,304,150</b>	<b>107,056,000</b>
Change in UPR	3,111,250	(2,328,680)	(62,830,649)	-	(12,653,861)	(5,045,000)
<b>Net Premiums Earned</b>	<b>34,241,611</b>	<b>10,436,304</b>	<b>182,278,978</b>	<b>41,153,029</b>	<b>349,650,289</b>	<b>102,011,000</b>
Gross Incurred Claims	28,924,654	10,224,149	132,697,580	12,204,406	323,909,034	94,370,000
less Reinsurance share of claims	8,863,547	1,372,024	46,288,908	-	123,599,270	32,847,000
<b>Net incurred claims</b>	<b>20,061,107</b>	<b>8,015,188</b>	<b>86,408,672</b>	<b>12,204,406</b>	<b>200,309,764</b>	<b>61,523,000</b>
Gross Acquisition Costs	2,193,784	731,869	62,594,238	2,679,480	84,912,838	26,469,000
less Reinsurance commission	3,995,602	629,252	45,918,858	-	17,844,221	17,748,000
<b>Net acquisition costs</b>	<b>(1,801,818)</b>	<b>102,617</b>	<b>16,675,380</b>	<b>2,679,480</b>	<b>67,068,617</b>	<b>8,721,000</b>
Operating Expenses	16,147,189	13,600,286	56,465,326	22,922,702	79,056,918	18,504,000
<b>Underwriting Expenses</b>	<b>34,406,478</b>	<b>21,847,915</b>	<b>159,549,378</b>	<b>37,806,588</b>	<b>346,435,299</b>	<b>88,748,000</b>
<b>Total Underwriting Income</b>	<b>(164,867)</b>	<b>(11,411,611)</b>	<b>22,729,600</b>	<b>3,346,441</b>	<b>3,214,990</b>	<b>13,263,000</b>
Investments Income	(23,098)	329,507		4,346,925	1,301,185	14,246,559
Other Income	1,171,709	2,784,087	11,557,358	19,257	3,064,461	-
<b>Net Profit Before Taxes</b>	<b>983,744</b>	<b>(8,298,017)</b>	<b>38,633,883</b>	<b>4,666,883</b>	<b>20,526,010</b>	<b>19,290,000</b>
Tax	245,928	2,945,690	7,587,730	-	6,162,508	4,452,000
<b>Net Income After Tax</b>	<b>737,816</b>	<b>(11,243,707)</b>	<b>31,046,153</b>	<b>4,666,883</b>	<b>14,363,502</b>	<b>14,838,000</b>
<b>BALANCE SHEET</b>						
Cash and Equivalents	3,935,722	15,975,382	112,710,311	9,400,030	329,524,802	174,854,000
Fixed Assets	5,241,042	7,409,017	38,803,125	6,034,490	10,583,209	11,255,000
Other Current Assets	26,246,918	11,971,392	481,761,839	41,010,570	346,685,501	99,315,000
<b>Total Assets</b>	<b>35,423,682</b>	<b>35,355,791</b>	<b>633,275,275</b>	<b>56,445,090</b>	<b>686,793,512</b>	<b>285,424,000</b>
Insurance Liabilities	19,443,411	28,341,422	324,596,917	19,716,340	415,143,833	128,851,000
Long-term Liabilities	239,506	-	-	-	2,008,562	-
Other Current Liabilities	2,323,156	3,208,122	111,727,892	5,825,680	49,873,244	55,418,000
<b>Total Liabilities</b>	<b>22,006,073</b>	<b>31,549,544</b>	<b>436,324,809</b>	<b>25,542,020</b>	<b>467,025,639</b>	<b>184,269,000</b>
Share Capital	21,000,000	15,166,471	52,292,654	55,882,400	65,301,700	35,537,000
Reserves	3,424,162	5,104,859	121,207,942	5,445,990	130,936,265	37,535,000
Retained Earnings	(11,006,553)	(16,465,083)	23,449,870	(30,425,320)	23,529,908	28,083,000
<b>Total Capital</b>	<b>13,417,609</b>	<b>3,806,247</b>	<b>196,950,466</b>	<b>30,903,070</b>	<b>219,767,873</b>	<b>101,155,000</b>
<b>Total Liabilities &amp; Equity</b>	<b>35,423,682</b>	<b>35,355,791</b>	<b>633,275,275</b>	<b>56,445,090</b>	<b>686,793,512</b>	<b>285,424,000</b>

Notes \*Sesiro used preliminary figures

PHOENIX	LIBERTY GENERAL	SESIRO	SUNSHINE	BRYTE	WESTERN INSURANCE	TOTALS
31-Dec	31-Dec	31-Dec	30-Jun	31-Dec	28-Feb	*****
(Pula)	(Pula)	(Pula)	(Pula)	(Pula)	(Pula)	(Pula)
14,898,965	2,668,863	148,238,147	14,307,279	148,668,000	10,686,420	1,502,201,495
3,440,959	1,893,530	124,373,698	3,940,444	47,726,000	6,490,740	551,081,041
<b>11,458,006</b>	<b>775,333</b>	<b>23,864,449</b>	<b>10,366,835</b>	<b>100,942,000</b>	<b>4,195,680</b>	<b>951,120,454</b>
(2,340,850)	(331,848)	3,481,408	632,544	10,537,000	(2,275,530)	(70,044,216)
<b>9,117,156</b>	<b>443,485</b>	<b>27,345,857</b>	<b>10,999,379</b>	<b>111,479,000</b>	<b>1,920,150</b>	<b>881,076,238</b>
4,721,823	2,732,240	20,787,093	4,696,478	115,220,000	5,195,587	755,683,044
1,632,647	1,182,267	7,272,285	-	43,987,000	3,125,237	270,170,185
<b>3,831,906</b>	<b>1,549,973</b>	<b>13,514,808</b>	<b>4,696,478</b>	<b>71,233,000</b>	<b>2,070,350</b>	<b>485,418,652</b>
1,413,447	322,269	-	710,212	27,626,000	533,675	210,186,812
(345,944)	411,728	15,710,740	-	11,304,000	871,578	114,088,035
<b>1,759,391</b>	<b>(89,459)</b>	<b>(15,710,740)</b>	<b>710,212</b>	<b>16,322,000</b>	<b>(337,903)</b>	<b>96,098,777</b>
4,155,647	8,322,772	13,030,703	6,673,481	20,899,000	6,763,802	266,541,826
<b>9,746,944</b>	<b>9,783,286</b>	<b>10,834,771</b>	<b>12,080,171</b>	<b>108,454,000</b>	<b>8,496,249</b>	<b>848,189,079</b>
<b>(629,788)</b>	<b>(9,339,801)</b>	<b>16,511,086</b>	<b>(1,080,792)</b>	<b>3,025,000</b>	<b>(6,576,099)</b>	<b>32,887,159</b>
6,027,000	32,364	616,278	3,188,115	9,120,000	4,246	39,189,081
1,007,749	(97,104)	2,943,641	2,104,510	1,600,000	-	26,155,668
<b>410,325</b>	<b>(8,820,627)</b>	<b>22,642,842</b>	<b>1,023,718</b>	<b>13,745,000</b>	<b>(6,571,853)</b>	<b>98,231,908</b>
356,162	1,719,692	3,330,547	287,090	5,786,000	(1,443,535)	31,429,812
<b>54,163</b>	<b>(10,540,319)</b>	<b>19,312,295</b>	<b>736,628</b>	<b>7,959,000</b>	<b>(5,128,318)</b>	<b>66,802,096</b>
12,935,337	721,674	105,941,666	15,888,435	34,652,000	13,730,920	830,270,279
1,736,519	1,875,589	-	3,087,745	6,915,000	925,220	93,865,956
7,365,913	14,293,360	90,908,710	13,772,862	200,316,000	12,306,000	1,345,954,065
<b>22,037,769</b>	<b>16,890,623</b>	<b>196,850,376</b>	<b>32,749,042</b>	<b>241,883,000</b>	<b>26,962,140</b>	<b>2,270,090,300</b>
9,736,210	1,797,279	37,124,855	24,075,007	135,040,000	13,301,650	1,157,167,924
-	-	517,887	-	-	2,765,955	-
3,870,529	3,430,817	85,968,426	213,608	11,977,000	3,788,640	337,625,114
<b>13,606,739</b>	<b>5,228,096</b>	<b>123,611,168</b>	<b>24,288,615</b>	<b>147,017,000</b>	<b>17,090,290</b>	<b>1,497,558,993</b>
12,746,586	9,941,016	8,050,092	5,000,000	19,105,000	15,000,000	315,022,919
567,539	10,843,703	11,557,466	2,682,396	47,504,000	-	376,809,322
(4,883,095)	(9,122,192)	54,481,988	778,031	28,257,000	(5,128,150)	81,549,404
<b>8,431,030</b>	<b>11,662,527</b>	<b>74,089,546</b>	<b>8,460,427</b>	<b>94,866,000</b>	<b>9,871,850</b>	<b>773,381,645</b>
<b>22,037,769</b>	<b>16,890,623</b>	<b>197,700,714</b>	<b>32,749,042</b>	<b>241,883,000</b>	<b>26,962,140</b>	<b>2,270,940,638</b>

## Appendix 3

### 2019 COMBINED SHORT TERM REINSURERS FINANCIAL ANALYSIS

PERIOD	Continental-Re 31-Dec	Emeritus 31-Dec	FMRE 31-Dec	Totals *****
INCOME STATEMENT	(Pula)	(Pula)	(Pula)	(Pula)
Gross Premium Written	209,186,827	36,873,315	159,013,635	405,073,777
Premiums Ceded	81,873,457	16,158,278	69,289,283	167,321,018
<b>Net Premiums Written</b>	<b>127,313,370</b>	<b>20,715,037</b>	<b>89,724,352</b>	<b>237,752,759</b>
Change in UPR	(12,324,898)	(1,835,236)	7,598,837	(6,561,297)
<b>Net Premiums Earned</b>	<b>114,988,472</b>	<b>18,879,801</b>	<b>97,323,189</b>	<b>231,191,462</b>
Gross Incurred Claims	72,080,786	6,709	71,130,019	143,217,514
Less Reinsurance share of claims	33,156,904	-	31,259,395	64,416,299
<b>Net claims</b>	<b>38,923,882</b>	<b>6,854,059</b>	<b>39,870,624</b>	<b>85,648,565</b>
Gross Acquisition Costs	21,286,827	-	48,786,077	70,072,904
Less Reinsurance commission	-	-	23,725,222	23,725,222
Net acquisition costs	21,286,827	10,264,817	25,060,855	56,612,499
Operating Expenses	31,140,453	6,678,433	21,631,223	59,450,109
<b>Underwriting Expenses</b>	<b>91,351,162</b>	<b>23,797,309</b>	<b>86,562,702</b>	<b>201,711,173</b>
<b>Total Underwriting Income</b>	<b>23,637,310</b>	<b>(4,917,508)</b>	<b>10,760,487</b>	<b>29,480,289</b>
Investments Income	(2,746,112)	(586,508)	1,130,936	(2,201,684)
Other Income	-	6,390,259	(777,484)	5,612,775
<b>Net Profit Before Taxes</b>	<b>20,891,198</b>	<b>886,243</b>	<b>11,113,939</b>	<b>32,891,380</b>
Tax	3,821,957	239,938	2,634,204	6,696,099
<b>Net Income After Tax</b>	<b>17,069,241</b>	<b>646,305</b>	<b>8,479,735</b>	<b>26,195,281</b>
				-
<b>BALANCE SHEET</b>				-
Cash and Equivalents	111,093,988	16,747,044	81,888,435	209,729,467
Fixed Assets	8,114,471	172,590	2,431,003	10,718,064
Other Current Assets	183,977,097	15,640,725	84,715,357	284,333,179
<b>Total Assets</b>	<b>303,185,556</b>	<b>32,560,359</b>	<b>169,034,795</b>	<b>504,780,710</b>
Insurance Liabilities	156,780,637	18,337,442	80,247,804	255,365,883
Long-term Liabilities	-	17,735	-	17,735
Other Current Liabilities	18,149,097	894,018	40,987,379	60,030,494
<b>Total Liabilities</b>	<b>174,929,734</b>	<b>19,249,195</b>	<b>121,235,183</b>	<b>315,414,112</b>
Share Capital	116,186,488	7,246,609	22,932,490	146,365,587
Reserves	10,814,128	6,064,555	9,440,293	26,318,976
Retained Earnings	1,255,206	-	15,426,829	16,682,035
<b>Total Capital</b>	<b>128,255,822</b>	<b>13,311,164</b>	<b>47,799,612</b>	<b>189,366,598</b>
<b>Total Liabilities &amp; Equity</b>	<b>303,185,556</b>	<b>32,560,359</b>	<b>169,034,795</b>	<b>504,780,710</b>

## Appendix 4: List of Licensed and Exempted NBFIs by Industry

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## Appendix 4A: List of Medical Aid Funds

ENTITY NAME	CONTACT PERSON	TELEPHONE	POSTAL ADDRESS	EMAIL ADDRESS
Pula Medical Aid Fund	Dr. Khumoetsile Mapitse	3650561	P. O Box 1212 Gaborone	khumoetsilem@pulamed.co.bw
Botswana Public Officers' Medical Aid Scheme	Mr. Thulaganyo Molebatsi	3972418	P O Box 1212 Gaborone	tmolebatsi@bpomas.co.bw
Botsogo Health Plan (Pty) Ltd	Mr Lesego Pule	3624700	P/Bag 00391 Gaborone	lpule@metropolitanbw.com
Botswana Medical Aid Society	Mr. Moraki Mokgosana	3633101	P. O. Box 632, Gaborone	mmokgosana@bomaid.co.bw
Doctors (Pty) Ltd t/a Doctor's Aid Medical Aid Scheme	Dr. Dikgato Derrick Tlhoiwe	3904924	P O BOX 70587,GABORONE	doctorsaidinfo@gmail.com doctorsaid.acc@gmail.com

## Appendix 4B: List of life, General and Reinsurers

### LIST OF LIFE INSURERS

ENTITY NAME	CONTACT PERSON	TELEPHONE	POSTAL ADDRESS	EMAIL ADDRESS
Absa Life Botswana (Pty) Ltd	Ratanang Tsayang	3625911	P O Box 45277, Gaborone	Ratanang.Tsayang@absa.africa
Bona Life Insurance (Pty) Ltd	Paul Masie	3981800	Private Bag 001 ADD, Gaborone	pmasie@bonalife.co.bw
Botswana Life Insurance Limited	Patricia Raditholo	3645100	P/Bag 00296 Gaborone	praditholo@blil.co.bw
Hollard Life Botswana (Pty) Ltd t/a Hollard Life Botswana	Odirile Metsi	3633000	Private Bag BR 203 Gaborone	paulb@hollard.co.bw
Liberty (Botswana) (Pty) Ltd t/a Liberty Life Botswana	Leungo Rasebotsa	3180262	Private Bag 00168, Gaborone	lulu.rasebotsa@libertygroup.co.bw
Metropolitan Life of Botswana Limited	Large Charumbira	3624400	Private Bag 00231 Gaborone	large.charumbira@metropolitan.co.bw
Old Mutual Life Insurance Company (Botswana) (Pty) Ltd	Boikobo Ishepeng	3995700	Private Bag 00347, Gaborone	bitshepeng@oldmutual.co.bw
Western Life Insurance Company Botswana (Pty) Ltd	Marinda Botes	3710619	Private Bag BO 256 Gaborone	marinda.botes@westnat.com

### LIST OF GENERAL INSURERS

ENTITY NAME	CONTACT PERSON	TELEPHONE	POSTAL ADDRESS
Alpha Direct Insurance Company (Pty) Ltd	Khumo Phatshwane	3928264	PO Box 26 ADC, Gaborone
B.I.C.B Limited t/a Bryte Risk Services Botswana	Akanyang Masole	3635000	P.O Box 1221, Gaborone
BIHL Insurance Company Limited t/a Legal Guard	Caroline Phatedi	3634700	P O BOX 405744
Botswana Insurance Company Limited	Newton Jazire	3600500	P.O. BOX 715 GABORONE
Export Credit Insurance & Guarantee Company (Botswana) (Pty) Ltd	Cowell Hbana	3188015	Private Bag BO 279 Gaborone
The Hollard Insurance Company of Botswana (Pty) Ltd	Tebogo Ramsden	3958023	Private Bag BR 203 Gaborone
Liberty General (Botswana) (Pty) Ltd	Goitseone Molaodi	3180262	P. O. 601661 Gaborone
Old Mutual Short-Term Insurance Company Botswana Limited	Kagiso Mooko	3995700	Private Bag 00347, Gaborone
Phoenix of Botswana Assurance Company (Pty) Ltd	Carlson Chiswo	3161322	P O Box 361, MASA CENTRE, NEW CBD, GABORONE
Sesiro Insurance Company (Pty) Ltd	Malebogo Gabonowe	3648838	P O Box 329 Gaborone
Sunshine Insurance Company of Botswana (Pty) Ltd	Vijay Mamidwar	3105137	Private Bag BR15, Gaborone
Western Insurance Botswana (Pty) Ltd	Victor Nnoi	3710617	Private Bag BO 256 Gaborone

## Appendix 4B: List of life, General and Reinsurers

### LIST OF REINSURERS

ENTITY NAME	CONTACT PERSON	TELEPHONE	POSTAL ADDRESS	EMAIL ADDRESS
Continental Reinsurance Company Limited	Thato Hollauf	+267 397 4390	P.O.Box 698 ABG, Sebele, Gaborone, Botswana	thollauf@continental-re.com
Emeritus Reinsurance Company (Pty) Ltd	Patience Marwiro	3121041/2	P.O. Box 404271Gaborone	patiencema@emeritusre.com
FMRE Property & Casualty (Pty) Ltd	Bongai Muhau	+2673934280 /3934287/93/94	P.O Box 47202, Gaborone, Botswana	bmuheu@fmre.co.bw

## Appendix 4C: List of Licensed Retirement Funds

	Name of Fund	Fiscal Year	Members as at 31st Dec 2019	Members as at 31st Dec 2018	Total Assets as at 31st Dec 2019 (Million Pula)
1	Africa 53 Provident Fund	30 <sup>th</sup> Sept	371	388	59.3
2	Air Botswana Pension Fund	31 <sup>st</sup> Mar	340	295	78.8
3	Alexander Forbes Beneficiary Fund	-	-	-	
4	Alexander Forbes Retirement Fund	30 <sup>th</sup> June	35485	32076	1602.0
5	Alexander Forbes Individual Member Retirement Fund	30 <sup>th</sup> Sept	632	632	94.5
6	AON Botswana Staff Pension Fund	31 <sup>st</sup> Dec	183	183	*71.3
7	AON Preservation PF	31 <sup>st</sup> Dec	6003	4176	411.0
8	Apostolic Faith Mission Pension Fund	31 <sup>st</sup> Mar	53	53	*8.0
9	Apex Pension Fund	30 <sup>th</sup> June	36	38	25.8
10	Bank of Botswana Defined Contribution Fund	30 <sup>th</sup> Sept	725	743	847.3
11	Barclays Bank of Botswana Ltd. Staff Pension Fund	31 <sup>st</sup> Dec	2107	2107	*711.0
12	BCL Staff Pension Fund	31 <sup>st</sup> Mar	305	305	*145.4
13	BDO Spencer Staff Pension Fund	30 <sup>th</sup> June	83	64	8.5
14	BOCODOL Staff Pension Fund	31 <sup>st</sup> Mar	167	158	82.0
15	Bolux pension Fund	31 <sup>st</sup> Jan	26	26	*13.4
16	Botswana Agricultural Marketing Board Pension Fund	31 <sup>st</sup> Mar	195	216	25.5
17	Botswana Ash Staff Pension Fund	31 <sup>st</sup> Mar	699	666	157.4
18	Botswana Building Society Defined Contribution Pension Fund	31 <sup>st</sup> Mar	268	269	99.5
19	Botswana Bureau of Standards Staff Pension Fund	31 <sup>st</sup> Mar	149	140	84.3
20	Botswana College of Agriculture Pension Fund	31 <sup>st</sup> Mar	313	390	275.1
21	Botswana Examinations Council Pension Fund	31 <sup>st</sup> Mar	201	200	81.4
22	Botswana Housing Corporation Pension Fund	31 <sup>st</sup> Mar	384	396	111.6
23	Botswana Life Retirement Annuity Fund	31 <sup>st</sup> Dec	-	n/a	1.6
24	Botswana Meat Commission Pension Fund	30 <sup>th</sup> Sept	672	396	*123.7
25	Botswana Medical Aid Society Pension Fund	31 <sup>st</sup> Dec	76	75	45.0
26	Botswana Post Pension Fund	31 <sup>st</sup> Mar	814	785	95.4
27	Botswana Power Corporation Staff Pension Fund	31 <sup>st</sup> Mar	1538	1549	540.1
28	Botswana Public Officers Pension Fund	31 <sup>st</sup> Mar	162,110	155,865	66 520.0
29	Botswana Railways Staff Pension Fund	31 <sup>st</sup> Mar	896	838	365.5
30	Botswana Savings Bank Pension Fund	31 <sup>st</sup> Mar	158	146	36.2
31	Botswana Communications Regulatory Authority Pension Fund	31 <sup>st</sup> Mar	95	95	*42.4

## Appendix 4C: List of Licensed Retirement Funds

	Name of Fund	Fiscal Year	Members as at 31st Dec 2019	Members as at 31st Dec 2018	Total Assets as at 31st Dec 2019 (Million Pula)
32	Botswana Telecommunications Corporation Staff Pension Fund	31 <sup>st</sup> Mar	1442	1403	543.5
33	Botswana Unified Revenue Service Employees Pension Fund	31 <sup>st</sup> Mar	1948	1935	616.1
34	Botswana International University of Science and Technology Staff Pension Fund	31 <sup>st</sup> Mar	279	214	65.2
35	Botswana Vaccine Institute Pension Fund	31 <sup>st</sup> Mar	135	88	48.4
36	Caltex Botswana Pension Fund/ Chevron Pension Fund	31 <sup>st</sup> Dec	27	21	6.4
37	Carrier South Africa Provident Fund-External Fund	-	457	(5 Batswana)	107.2
38	Citizen Entrepreneurial Development Agency Staff Pension Fund	31 <sup>st</sup> Mar	244	240	95.1
39	Civil Aviation of Botswana Pension Fund	31 <sup>st</sup> Mar	907	907	*128.9
40	Debswana Pension Fund	31 <sup>st</sup> Dec	12455	12211	8400.1
41	Deferred Pensioners Pension Fund	31 <sup>st</sup> Mar	5306	4971	674.8
42	Deloitte and Touché Staff Pension Fund	31 <sup>st</sup> Dec	75	73	17.3
43	Engen Botswana Retirement Fund	30 <sup>th</sup> Oct	44	42	18.2
44	Ernst & Young Pension Fund	30 <sup>th</sup> June	36	36	*8.6
45	Fiducia Preservation Retirement Fund	31 <sup>st</sup> Dec	691	110	90.1
46	Fiducia Provident Fund	30 <sup>th</sup> Sep	-	-	-
47	Fiducia Umbrella Pension Fund	30 <sup>th</sup> June	-	1550	-
48	Fincraft Retirement Fund	31 <sup>st</sup> Mar	67	67	*3.1
49	First National Bank of Botswana Pension Fund	31 <sup>st</sup> Dec	216	1926	503.7
50	Free Standing Additional Voluntary Contributions Retirement Fund	30 <sup>th</sup> June	220	176	38.5
51	FSN Retirement Plan	31 <sup>st</sup> Mar	186	173	48.1
52	G4S Staff Pension Fund	30 <sup>th</sup> June	1401	1401	*29.6
53	Glenrand MIB Botswana Pension Fund	30 <sup>th</sup> June	18	18	*11.1
54	Glenrand MIB Orphans Fund	30 <sup>th</sup> June	382	382	*22.4
55	Institute of Development Management Pension Fund	30 <sup>th</sup> Sept	58	58	*9.3
56	J. Haskins & Sons Pension Fund	30 <sup>th</sup> June	30	30	17.9
57	Kgalagadi Breweries Limited Pension Fund	30 <sup>th</sup> Sept	1162	1405	145.1
58	Lenmed Bokamoso Private Hospital Staff Pension Fund	31 <sup>st</sup> Dec	430	351	24.9
59	Lenmed Bokamoso Private Hospital Staff Provident Fund	31 <sup>st</sup> Dec	51	55	5.4

## Appendix 4C: List of Licensed Retirement Funds

	Name of Fund	Fiscal Year	Members as at 31st Dec 2019	Members as at 31st Dec 2018	Total Assets as at 31st Dec 2019 (Million Pula)
60	Local Enterprise Authority Pension Fund	31 <sup>st</sup> Dec	461	460	110.9
61	Majwe Mining Provident Fund	31 <sup>st</sup> Dec	-	-	*23.4
62	Mmila Preservation Fund	31 <sup>st</sup> Dec	-	-	-
63	Mascom Wireless Staff Pension Fund	31 <sup>st</sup> Aug	510	504	197.1
64	Metropolitan Staff Pension Fund	31 <sup>st</sup> Mar	210	211	16.1
65	Metropolitan Staff Provident Fund	31 <sup>st</sup> Mar	202	193	20.8
66	Millennium Retirement Fund	30 <sup>th</sup> Aug	3015	6706	346.7
67	Motor Vehicle Accident Pension Fund	31 <sup>st</sup> Aug	89	89	37.8
68	National Development Bank Staff Pension Fund	31 <sup>st</sup> Mar	232	238	71.4
69	National Food & Technology Research Centre	31 <sup>st</sup> Oct	71	71	*26.8
70	Orange Botswana Pension Fund	31 <sup>st</sup> Dec	284	284	*61.8
71	Puma Energy Staff Pension Fund	31 <sup>st</sup> Dec	48	48	*40.8
73	Scales and Associates Pension Fund	31 <sup>st</sup> Mar	9	16	3.4
74	Sentlhaga Pension Fund	30 <sup>th</sup> June	234	2354	186.1
75	Sefalana Group Staff Pension Fund	30 <sup>th</sup> Sept	4859	4346	269.0
76	Shell Oil Botswana Pension Fund	31 <sup>st</sup> Dec	84	84	*62.9
77	Stanbic Bank Botswana Pension Fund	31 <sup>st</sup> Dec	1062	1083	303.5
78	Standard Chartered Bank Botswana Pension Fund	31 <sup>st</sup> Dec	1141	1302	319.0
79	Total Botswana Pension Fund	31 <sup>st</sup> Dec	14	14	7.5
80	University of Botswana Defined Contribution Staff Pension Fund	31 <sup>st</sup> Mar	1806	1811	2,145.9
81	Water Utilities Corporation Staff Pension Fund	31 <sup>st</sup> Mar	3438	3480	798.7
82	WKA Instrument Pension Fund (External Fund)	-	-	152 (4 Batswana)	38.8

## Appendix 4D: List of Standalone Retirement Funds

GENERAL CONTACT DETAILS OF VARIOUS RETIREMENT FUNDS					
Fund Name	Financial Year end	Physical Address	Postal Address	Telephone	Contact Person
Africa 53 Provident Fund	30-Sep	Plot 203 Independence Avenue, Gaborone	Private Bag 00410, Gaborone, Botswana	3651901/48	Mr Paul Masie
Air Botswana Pension Fund	31-Mar	Air Botswana Head Office, Sir Seretse Khama Airport	P O Box 92, Gaborone, Botswana	3952812/ 3688400	Ms Happy Mphothwe
Alexander Forbes Individual Member Retirement Fund	30-Sep	Plot 203 Independence Avenue, Gaborone	Private Bag 00410, Gaborone, Botswana	3651901	Mr Paul Masie
Alexander Forbes Retirement Fund	30-Jun	Plot 203 Independence Avenue, Gaborone	Private Bag 00410, Gaborone, Botswana	3651901/48	Ms. Nina Kowa
Aon Defined Contribution	31-Dec	Plot 50368, Gaborone Business Park, Showgrounds	P O Box 624, Gaborone, Botswana	3617300	Ms. Goitseone Mabua
Aon Preservation Fund	30-Sep	Plot 50368, Gaborone Business Park, Showgrounds	P O Box 624, Gaborone, Botswana	3617300	Mr Peter Hikhwa
Apex Pension Fund	30-Jun	New Lobatse Road, 14400/1, Gaborone 1751, Botswana	P O Box 1751 Gaborone, Botswana	3617300	Mrs T Mookodi
Bank of Botswana Defined Contribution Staff Pension Fund	30-Sep	Plot 17938, Khama Crescent, Gaborone	Private Bag 154, Gaborone, Botswana	3606000	Mr Daniel Loeto
ABSA Bank of Botswana Limited Pension Fund	31-Dec	Barclays Bank of Botswana, 6th Floor Barclays House, Khama Crescent, Gaborone	P O Box 478, Gaborone, Botswana	363 3951	Ms Wilheminah Ditirwa
Barloworld Botswana Retirement Fund	30-Sep	Plot 50368, Gaborone Business Park, Showgrounds, Gaborone	P O Box 1616, Gaborone, Botswana	3973917	Mr Peter Stevenson
BCL Staff Pension Fund	31-Mar	BCL Mine Site, Selebi-Phikwe	P O Box 3, Selebi-Phikwe, Botswana	2621391	Mr Joseph Seipato

## Appendix 4D: List of Standalone Retirement Funds

GENERAL CONTACT DETAILS OF VARIOUS RETIREMENT FUNDS					
Fund Name Person	Financial Year end	Physical Address	Postal Address	Telephone	Contact
BDO Spencer Staff Pension Fund	30-Jun	BDO House, 28 Kgale Mews, Gaborone International, Finance Park	P O Box 1839, Gaborone, Botswana	390 2779	Mr Chris Bray
BOCODOL Staff Pension Fund	31-Mar	Plot 39972 cnr Western-Bypass	Private Bag Bo 187, Bontleng, Gaborone, Botswana	3181470/ 3646000	Mr Mokeresete Boima
Bolux Group Pension Fund	31-Jan	Plot 127/8 Ramotswa Station Industrial Site	Private Bag X01, Ramotswa, Botswana	3900888	Mr G. Mosinyi
Boswe Construction Pension Fund	31-Mar	C/O AON Botswana , 3rd FI Block A, Fairgrounds Office park, Gaborone	P O Box 1181, Gaborone, Botswana	3181470/ 3646000	Mr Lemogelang Ebineng
Botswana Agricultural Marketing Board Pension Fund	31-Mar	Plot 130 Unit 3&4, Nkwe Square, GIFFP, Gaborone	Private Bag 0053, Gaborone, Botswana	3951341	Seakarea Rabalone
Botswana Ash Limited Staff Pension Fund	31-Mar	Botswana Ash (Pty) Ltd, Private Bag SOW 7 Sowa Town, Botswana	Private Bag SOW 7 Sowa Town, Botswana	621 4243	Mr. Eric Nkolo
Botswana Building Society Defined Contribution Pension Fund	31-Mar	Plot 203 Independence Avenue, Gaborone	Private Bag 00410, Gaborone, Botswana	6214243	Mr Isaac ltheetseng
Botswana Bureau of Standards Staff Pension Fund	31-Mar	Plot 55745, Block 8, Main Airport rd, Gaborone	Private Bag BO 48, Bontleng, Gaborone,	3971396	Mr M. Moitoi

## Appendix 4D: List of Standalone Retirement Funds

### GENERAL CONTACT DETAILS OF VARIOUS RETIREMENT FUNDS

Fund Name	Financial Year end	Physical Address	Postal Address	Telephone	Contact Person
Botswana College of Agriculture Pension Fund	31-Mar	Botswana College of Agriculture, Content Farm, Sebele, Gaborone,	Private Bag 0027, Gaborone, Botswana	3651300	Mr Motsile Sibanda
Botswana Development Cooperation Contributory Staff Pension Fund	30-Jun	Plot 50380 Moedi House, Fairground, Gaborone,	Private Bag 160, Gaborone, Botswana	3651300	Ms Boipelo Gaetswe
Botswana Examinations Council Pension Fund	31-Mar	Plot 54864 K.T. Motsete Road , Gaborone	Private Bag 0070, Gaborone, Botswana	3650700	Mr Jenamiso Carl
Botswana Housing Corporation Staff Pension Fund	31-Mar	Botswana Housing Corporation Head Office Cnr Mmaraka & Station Road Gaborone	P O Box 412, Gaborone, Botswana	360 5220	Mr Sekgele Ramahobo
Botswana Insurance Holding Ltd Pension Fund	31-Dec	Plot 50676, Fairgrounds Office Park, Gaborone	Private Bag 00296, Gaborone, Botswana	3645100	Mr H Ndzinge
Botswana International University of Science And Technology	31-Mar	BIUST Campus, Palapye	Private Bag 16 Palapye	4900117	Ms Gaafele Mochobo
Botswana Meat Commission Pension Fund	30-Sep	Plot 621, Khama 1 Avenue,	P O Box 624, Lobatse Gaborone, Botswana	5430000	Mr Billy M. Mauco
Botswana Medical Aid Society Pension Fund	30-Sep	Plot 50638, Fairgrounds, Gaborone	P O Box 632, Gaborone, Botswana	3184210 /3633100	Ms. G. Kootlole
Botswana Postal Services Pension Fund	31-Mar	Poso House Khama Crescent, Gaborone, Botswana	P O Box 100, Gaborone, Botswana	3953131	Mr Thato Pone

## Appendix 4D: List of Standalone Retirement Funds

### GENERAL CONTACT DETAILS OF VARIOUS RETIREMENT FUNDS

Fund Name Person	Financial Year end	Physical Address	Postal Address	Telephone	Contact
Botswana Power Corporation Staff Pension Fund	31-Mar	Motlakase House, Macheng Way	P O Box 48 , Gaborone, Botswana	3607011	Mrs. Germinah Modimoopele Chairperson
Botswana Public Officers Pension Fund	31-Mar	Plot 203, Independence Avenue, Gaborone	Private Bag 00195, Gaborone, Botswana	3617000	Ms Boitumelo Molefe
Botswana Railways Staff Pension Fund	31-Mar	Along A1, Mahalapye Main Road	Private Bag 0052, Mahalapye, Botswana	4711375	Ms Julia Thekiso
Botswana Savings Bank Pension Fund	31-Mar	Tshomarelo House, Plot 53796, Corner Lekgarapa/Letswai rd	P O Box 1150, Gaborone, Botswana	3670079/ 72110536	Mr A Koontse
Botswana Technology Centre Pension Fund	31-Mar	Plot 50654, Machel dr, Gaborone	Private Bag 0082, Gaborone, Botswana	3188109/ 3607500	Mr M. Molelekwa
Botswana Telecommunication Authority Pension Fund	31-Mar	Plot 206/7 Independence Ave, Gaborone	Private Bag 00495, Gaborone, Botswana	3957755	Mr. David Serojane
Botswana Telecommunications Corporation Limited	31-Mar	B TC Limited, Megaleng House Khama Crescent, Gaborone	P O Box 700 Gaborone, Botswana	3958000	Mrs Naledi Mabena
Botswana Unified Revenue Service Employees Pension Fund	31-Mar	Plot 53976 Kudumatse Road, Gaborone	Private Bag 0013, Gaborone, Botswana	3638000	Ms Grace Siamisang
Botswana Vaccine Institute Pension Fund	31-Mar	Plot 638590, Lejara rd B/hurst, Gaborone	Private Bag 0031, Gaborone, Botswana	3912711	Mr M. Gaonakgang
Breweries Pension Fund	30-Sep	Plot 203 Independence Avenue, Gaborone	Private Bag 00410, Gaborone, Botswana	3634273	Ms Neo Legwaila
Caltex Botswana Pension Fund/Chevron Pension Fund	31-Dec	Plot 1220, Industrial Site, Nkurumah rd, Gaborone	P O Box 47, Gaborone, Botswana	3914777/ 3617300	Ms. Lucrecia Masupe
CCB Benefit	31-Dec	C/O AON Botswana Plot 50368, Gaborone Business Park, Showgrounds	P O Box 624, Gaborone, Botswana	3617300	Mr Lemogelang Ebineng

## Appendix 4D: List of Standalone Retirement Funds

### GENERAL CONTACT DETAILS OF VARIOUS RETIREMENT FUNDS

Fund Name Person	Financial Year end	Physical Address	Postal Address	Telephone	Contact
CEDA Pension Fund	31-Mar	Plot 50368, Gaborone Business Park, Showgrounds, Gaborone	P/Bag 00504, Gaborone, Botswana	3170895/ 3617300	Mr T Kayawe
Civil Aviation Authority of Botswana	31-Mar	Plot 61920 Letsema Office Park, Fairgrounds Gaborone	P.O Box 250, Gaborone, Botswana	3688283	Ms B. Wadikonyana
Compass Botswana Pension Fund	31-Mar	C/O AON Botswana , Plot 50371, Fairground Office Park, Gaborone,	P O Box 624, Gaborone, Botswana	3617300	Mr Lemogelang Ebineng
Coopers and Lybrand Pension	31-Mar	C/O AON Botswana Plot 50371, Fairground Office Park, Gaborone,	P.O. Box 624 Gaborone, Botswana	395 2011/ 3617300	Mr Lemogelang Ebineng
Debswana Pension Fund	31-Dec	Plot 50361, Block D, Carlton House, Fairgrounds	Private Bag 00512 Gaborone, Botswana	3614267	Ms Gosego January
Deferred Pensioners Pension Fund	31-Mar	Plot 50368, Gaborone Business Park, Showgrounds	P O Box 624, Gaborone, Botswana	3617300	Mr Lemogelang Ebineng
Deloitte and Touché Staff Pension Fund	31-Dec	Deloitte Office, Fairgrounds, Gaborone, Botswana	P O Box 778, Gaborone, Botswana	395 1611	Mr. Frederick C. Els
Engen Botswana Retirement Fund	31-Oct	Plot 54026, Western Bypass, Gaborone	P.O Box 867, Gaborone, Botswana	3635300	Ms F. Tswai
Fedics Botswana Pension Fund	31-Oct	Gaborone West, Gaborone, Botswana,	Private Bag BO137, Gaborone, Botswana	392 2597	Mr Lemogelang Ebineng
Fincraft Retirement Fund	31-Dec	Unit 12, Lot 125, Kgale Terrace, Gaborone International Finance Park, Gaborone	Private Bag Bo65, Bontleng, Gaborone, Botswana	3901106/9	Mr Oarabile Tshimologo
First National Bank Botswana Pension Fund	31-Dec	First National Bank Botswana Central Business District First Place, Plot 54362, Gaborone	P O Box 1552, Gaborone, Botswana	370 6022	Mr Tefo Mmopi

## Appendix 4D: List of Standalone Retirement Funds

### GENERAL CONTACT DETAILS OF VARIOUS RETIREMENT FUNDS

Fund Name	Financial Year end	Physical Address	Postal Address	Telephone	Contact Person
Free Standing Additional Voluntary Contributions Retirement Fund	30-Jun	3rd FI Block A, Fairgrounds Office park, Gaborone	Private Bag Br 284, Gaborone, Botswana	3181870/ 3603000	Mr Lemogelang Ebineng
FSN Retirement Plan	31-Mar	American Embassy, Gaborone	P.O Box 90, Gaborone, Botswana	3953982	Mr. Dean Peterson
Glenrand MIB Botswana Pension Fund	30-Jun	Plot 50368, Gaborone Business Park, Showgrounds	P O Box 624, Gaborone, Botswana	3617300	Mr Lemogelang Ebineng
Glenrand MIB Orphans Fund	30-Jun	Plot 50368, Gaborone Business Park, Showgrounds	P O Box 624, Gaborone, Botswana	3617300	Mr Lemogelang Ebineng
Institute of Development Management Pension Fund	30-Sep	Babuto & Tlokweng rd Circle, Gaborone	P O Box 1357, Gaborone, Botswana	3612100	Mr. Siphon Mbebe
J. Haskins & Sons Pension Fund	30-Jun	Sam Nujoma dr, Industrial Site	Light P O Box 1, Francistown, Botswana	3914911	Mr George Haskins
Kgalagadi Breweries Limited Pension Fund	30-Sep	Kgalagadi Breweries Corner Kubu/Mandela Drive Broadhurst Industrial Gaborone	P O Box 706, Gaborone, Botswana	395 3619	Ms Neo Legwaila
Local Enterprise Authority Pension Fund	31-Dec	Local Enterprise Authority 2nd Floor Plot 50676 Block A Fairgrounds Office Park , Gaborone	Private Bag 191, Gaborone, Botswana	3644000	Ms Masego Mookodi
Majwana Umbrella Fund	31-Mar	Plot 50368, Gaborone Business Park, Showgrounds	P O Box 624, Gaborone, Botswana	3617300	Mr Lemogelang Ebineng
Majwe Mining Pension Fund	31-Dec	Plot 503, Jwaneng Industrial Site, Jwaneng Botswana	Private Bag 0012	580 4300	Ms Sesolo Robert
Mascom Wireless Staff Pension Fund	31-Aug	Mascom Wireless, Tsholetsa House, Plot 4705/6, Botswana Road Main Mall	Private Bag B0298 Bontleng, Gaborone	3903396	Mr Gape Sebonego
Metropolitan Staff Pension Fund	31-Mar	Head Office, Standard House Main Mall, Gaborone	Private Bag Bo 235, Gaborone, Botswana	3624400/ 3624451	Mr Choice Pitso

## Appendix 4D: List of Standalone Retirement Funds

### GENERAL CONTACT DETAILS OF VARIOUS RETIREMENT FUNDS

Fund Name	Financial Year end	Physical Address	Postal Address	Telephone	Contact Person
Metropolitan Staff Provident Fund	31-Mar	Head Office, Standard House Main Mall, Gaborone	Private Bag Bo 235, Gaborone, Botswana	3624400/ 3624451	Mr Choice Pitso
Millennium Retirement Fund	31-Aug	Plot 50368, Gaborone Business Park, Showgrounds	P O Box 624, Gaborone, Botswana	3617300	Mr Lemogelang Ebineng
Motor Vehicle Accident Pension Fund	31-Aug	Plot 50367, 3rd Flr MVA House, Fairground Office Park, Gaborone	Private Bag 00438, Gaborone, Botswana	3188533/ 3600100	Mrs O. T. Ogotseng
National Development Bank Staff Pension Fund	31-Mar	Plot 1123 Queens rd, Development House The Mall, Gaborone	P O Box 225, Gaborone, Botswana	3952801	Ms Thato Letsatsi
National Food Technology Research Centre (NFTRC) Pension Fund	31-Oct	Plot 1840 Lobatse Road	Private Bag 008, Kanye, Botswana	5445500	Mr Mompoti Ditaolana
Orange Botswana Pension Fund	31-Dec	Plot 166, Cnr Queen rd & Pilane rd, Gaborone	Private Bag BO 64, Gaborone, Botswana	3693700/800	Ms Gertrude.muringi
Puma Energy Staff Pension Fund	31-Dec	Plot 682/3 Botswana rd, Main Mall, Gaborone	P O Box 183, Gaborone, Botswana	3951077	Mr. Mahube Mpugwa
Scales and Associates Pension Fund	31-Mar	Plot 20688, Sekotlo Rd, Broadhurst Ind Est, Gaborone, Botswana	P O Box 401907, Gaborone, Botswana	397 3386, 395 3609	Mr Vaughan Strugnell
Sefalana Group Staff Pension Fund	30-Sep	Plot 20608/9 Off Western By Pass, Broadhurst Ind, Gaborone, Botswana	Private Bag 0075, Gaborone, Botswana	397 3866	Mr Mohamed Osman
Sentlhaga Pension Fund	30-Jun	Plot 50368, Gaborone Business Park, Showgrounds	P O Box 624, Gaborone, Botswana	3617300	Mr Peter Hikhwa
Shell Oil Botswana Pension Fund/VIVO Energy Pension Fund	31-Dec	Plot 50369, Shell House, Fairgrounds Office Park, Gaborone	P O Box 334, Gaborone, Botswana	3953025/ 3951691	Mr A Khunwane
Stanbic Bank Botswana Pension Fund	31-Dec	Stanbic Botswana, Stanbic House, Plot 50672, Off Machel Drive, Fairgrounds, Gaborone, Botswana	Private Bag 00168, Gaborone, Botswana	3618274	Ms. Chedza Balopi

## Appendix 4D: List of Standalone Retirement Funds

### GENERAL CONTACT DETAILS OF VARIOUS RETIREMENT FUNDS

Fund Name	Financial Year end	Physical Address	Postal Address	Telephone	Contact Person
Standard Chartered Bank Botswana Pension Fund	31-Dec	Standard House, The Mall Gaborone	P O Box 496, Gaborone, Botswana	360 1628	Mr. Taolo Thobo Gaboilwe
Total Botswana Pension Fund	31-Dec	Plot 22010 Kgomokasitwa Road	P O Box 624, Gaborone, Botswana	3956673	Mr Kabo Semausu
University of Botswana Staff Pension Fund	31-Mar	Corner of Mabutho & Notwane	Private Bag 0022, Gaborone, Botswana	3552031	Mr L. Mosupi
Water Utilities Corporation Staff Pension Fund	31-Mar	Sedibeng House, Plot 17530 Luthuli rd, Gaborone	Private Bag 00276, Gaborone, Botswana	3604480	Mrs Taboka Muke

## Appendix 4E: List of Sub funds under Umbrella Funds

NAME OF PARTICIPATING EMPLOYER (SUB-FUND)	UMBRELLA FUNDS
ABSA LIFE	Alexander Forbes Retirement Fund
ACE GIBB	Alexander Forbes Retirement Fund
ACKERMANS	Alexander Forbes Retirement Fund
AEL MINNING	Alexander Forbes Retirement Fund
AFFS	Alexander Forbes Retirement Fund
AFRISURE	Alexander Forbes Retirement Fund
AIR LIQUIDE	Alexander Forbes Retirement Fund
ALLAN GRAY	Alexander Forbes Retirement Fund
ALPHA DIRECT	Alexander Forbes Retirement Fund
AMIGEAR VENTURES (PTY)LTD	Alexander Forbes Retirement Fund
ANGLICAN BOTSWANA	Alexander Forbes Retirement Fund
ATLAS COPCO	Alexander Forbes Retirement Fund
BAMALETE	Alexander Forbes Retirement Fund
BANK GABORONE	Alexander Forbes Retirement Fund
BEVERAGES MANUFACTURERS LIMITED	Alexander Forbes Retirement Fund
BH BOTSWANA	Alexander Forbes Retirement Fund
BIBLE SOCIETY	Alexander Forbes Retirement Fund
BIDVEST	Alexander Forbes Retirement Fund
BNPC	Alexander Forbes Retirement Fund
BOBONONG MULTIPURPOSE CORP	Alexander Forbes Retirement Fund
BOCCIM	Alexander Forbes Retirement Fund
BOFWA	Alexander Forbes Retirement Fund
BOGOPA,MANEWE & TOBEDZA	Alexander Forbes Retirement Fund
BONA LIFE	Alexander Forbes Retirement Fund
BONA LIFE PENSION PLAN FUND	Alexander Forbes Retirement Fund
BONA LIFE PENSION PLAN	Alexander Forbes Retirement Fund
BOOKBINDER BUSINESS LAW	Alexander Forbes Retirement Fund
BOPEU	Alexander Forbes Retirement Fund
BOTSWANA ACCOUNTANCY COLLEGE	Alexander Forbes Retirement Fund
BOTSWANA INVESTMENT AND TRADE CENTRE	Alexander Forbes Retirement Fund
BOTSWANA OIL	Alexander Forbes Retirement Fund
BOTSWANA QUALIFICATIONS AUTHORITY	Alexander Forbes Retirement Fund
BOTSWANA TOURISM ORGANISATION	Alexander Forbes Retirement Fund
BPOPF SECRETARIAT	Alexander Forbes Retirement Fund
BRITISH HIGH COMMISSION	Alexander Forbes Retirement Fund
BRITISH HIGH COMMISSION	Alexander Forbes Retirement Fund
BYTES TECHNOLOGY GROUP	Alexander Forbes Retirement Fund

## Appendix 4E: List of Sub funds under Umbrella Funds

NAME OF PARTICIPATING EMPLOYER (SUB-FUND)	UMBRELLA FUNDS
CADBURY	Alexander Forbes Retirement Fund
CAN MANUFACTURERS	Alexander Forbes Retirement Fund
CAPITAL BANK	Alexander Forbes Retirement Fund
CASH BAZAAR HOLDINGS GROUP	Alexander Forbes Retirement Fund
CASHBUILD	Alexander Forbes Retirement Fund
CHESHIRE	Alexander Forbes Retirement Fund
CHOBE HOLDINGS	Alexander Forbes Retirement Fund
CHOPPIES	Alexander Forbes Retirement Fund
CLOVER	Alexander Forbes Retirement Fund
COLLINS	Alexander Forbes Retirement Fund
COMPANIES & INTELLECTUAL PROPERTY AUTHORITY (CIPA)	Alexander Forbes Retirement Fund
CONTINENTAL REINSURANCE	Alexander Forbes Retirement Fund
COTTON ON	Alexander Forbes Retirement Fund
DANHOER CONTRACTING BOTSWANA & DANHOER BOTSWANA PLANT	Alexander Forbes Retirement Fund
DATA NETWORKS	Alexander Forbes Retirement Fund
DESAI LAW GROUP	Alexander Forbes Retirement Fund
DESAI LAW GROUP	Alexander Forbes Retirement Fund
DESERT SECRETARIAL SERVICES	Alexander Forbes Retirement Fund
DIMENSION DATA	Alexander Forbes Retirement Fund
DISTELL	Alexander Forbes Retirement Fund
DOPOTTA GAME RESERVE	Alexander Forbes Retirement Fund
DUNNS	Alexander Forbes Retirement Fund
DYNAMIC ROAD SERVICES	Alexander Forbes Retirement Fund
EASIGAS	Alexander Forbes Retirement Fund
EDCON-JET & EDGARS	Alexander Forbes Retirement Fund
ERB	Alexander Forbes Retirement Fund
ERICSSON BOTSWANA	Alexander Forbes Retirement Fund
EUROSTAR	Alexander Forbes Retirement Fund
EXCLUSIVE INSURANCE SOLUTIONS	Alexander Forbes Retirement Fund
EXPRESS CREDIT	Alexander Forbes Retirement Fund
EXPRESS CREDIT	Alexander Forbes Retirement Fund
EXTREME CUSTOMS CLEARING SERVICE	Alexander Forbes Retirement Fund
FLEMING	Alexander Forbes Retirement Fund
FOSCHINI	Alexander Forbes Retirement Fund

## Appendix 4E: List of Sub funds under Umbrella Funds

NAME OF PARTICIPATING EMPLOYER (SUB-FUND)	UMBRELLA FUNDS
FRANKILN COVEY	Alexander Forbes Retirement Fund
FUTURE SUSTAIN INTERNATIONAL (FSI)	Alexander Forbes Retirement Fund
GABORONE CONTAINER TERMINAL	Alexander Forbes Retirement Fund
GABORONE SUN	Alexander Forbes Retirement Fund
GAMBLING AUTHORITY	Alexander Forbes Retirement Fund
GAME STORES	Alexander Forbes Retirement Fund
GIA BOTSWANA	Alexander Forbes Retirement Fund
GIZ	Alexander Forbes Retirement Fund
GLOBAL HOLDINGS	Alexander Forbes Retirement Fund
GOLDER ASSOC.	Alexander Forbes Retirement Fund
GPH	Alexander Forbes Retirement Fund
HAIR SOLUTIONS	Alexander Forbes Retirement Fund
HILTON GARDEN INN	Alexander Forbes Retirement Fund
HOMECE INVESTMENTS	Alexander Forbes Retirement Fund
HORIZON OGILVY & MATHER	Alexander Forbes Retirement Fund
HORN OF AFRICA	Alexander Forbes Retirement Fund
HOTWIRE (PTY)LTD	Alexander Forbes Retirement Fund
ICL BOTSWANA	Alexander Forbes Retirement Fund
ICL BOTSWANA	Alexander Forbes Retirement Fund
INCREDIBLE CONNECTION	Alexander Forbes Retirement Fund
INVESTEC	Alexander Forbes Retirement Fund
IPRO BOTSWANA	Alexander Forbes Retirement Fund
JD GROUP	Alexander Forbes Retirement Fund
JOHNSON CRANE HIRE	Alexander Forbes Retirement Fund
JOY GLOBAL	Alexander Forbes Retirement Fund
JWALA GAME RESERVE BOTSWANA	Alexander Forbes Retirement Fund
KALCON	Alexander Forbes Retirement Fund
KANYE HOSPITAL	Alexander Forbes Retirement Fund
KANYE SDA COLLEGE OF NURSING	Alexander Forbes Retirement Fund
KGORI CAPITAL	Alexander Forbes Retirement Fund
KINGDOM BANK	Alexander Forbes Retirement Fund
KOMATSU	Alexander Forbes Retirement Fund
KROMBERG & SCHUBERT	Alexander Forbes Retirement Fund
KUDU COMMUNICATIONS	Alexander Forbes Retirement Fund

## Appendix 4E: List of Sub funds under Umbrella Funds

NAME OF PARTICIPATING EMPLOYER (SUB-FUND)	UMBRELLA FUNDS
LAS	Alexander Forbes Retirement Fund
LAURELTON DIAMONDS	Alexander Forbes Retirement Fund
LEO SCHACHTER	Alexander Forbes Retirement Fund
LETSHEGO HOLDINGS LTD	Alexander Forbes Retirement Fund
LEWIS GROUP BOTSWANA	Alexander Forbes Retirement Fund
LIMKOKWING	Alexander Forbes Retirement Fund
MAGNUM FREIGHT	Alexander Forbes Retirement Fund
MANCOSA	Alexander Forbes Retirement Fund
MAPLETON GROUP	Alexander Forbes Retirement Fund
MARSH	Alexander Forbes Retirement Fund
MASS MART	Alexander Forbes Retirement Fund
MASTER PRODUCTS	Alexander Forbes Retirement Fund
MEDICAL REGULATORY AUTHORITY	Alexander Forbes Retirement Fund
MEDLANE HEALTHCARE	Alexander Forbes Retirement Fund
MEDPLUS	Alexander Forbes Retirement Fund
MG PROPERTIES	Alexander Forbes Retirement Fund
MOCHUDI RESOURCE CTR	Alexander Forbes Retirement Fund
MOITIRI CAPITAL (PTY)LTD	Alexander Forbes Retirement Fund
MOTSWEDI SECURITIES	Alexander Forbes Retirement Fund
MR PRICE	Alexander Forbes Retirement Fund
MULTICHOICE	Alexander Forbes Retirement Fund
MULTIWASTE	Alexander Forbes Retirement Fund
MULTOTEC	Alexander Forbes Retirement Fund
NAMPAK	Alexander Forbes Retirement Fund
NAMPAK DIVFOOD	Alexander Forbes Retirement Fund
NBL BOTSWANA	Alexander Forbes Retirement Fund
NEW ERA	Alexander Forbes Retirement Fund
NGAMILAND ADVENTURE SAFARIS	Alexander Forbes Retirement Fund
NON-BANK FINANCIAL INSTITUTIONS REGULATORY AUTHORITY	Alexander Forbes Retirement Fund
NTS PICK & PAY	Alexander Forbes Retirement Fund
NTT NISSAN GROUP	Alexander Forbes Retirement Fund
OLD MUTUAL	Alexander Forbes Retirement Fund

## Appendix 4E: List of Sub funds under Umbrella Funds

NAME OF PARTICIPATING EMPLOYER (SUB-FUND)	UMBRELLA FUNDS
ORTHOSURGE	Alexander Forbes Retirement Fund
OTRACO BOTSWANA	Alexander Forbes Retirement Fund
PARMALAT	Alexander Forbes Retirement Fund
PCI	Alexander Forbes Retirement Fund
PEAK PULLETS (PTY)LTD	Alexander Forbes Retirement Fund
PEERMONT GLOBAL	Alexander Forbes Retirement Fund
PENRICH INSURANCE BROKERS	Alexander Forbes Retirement Fund
PEP	Alexander Forbes Retirement Fund
PLUCZENIK BOTSWANA	Alexander Forbes Retirement Fund
PPADB	Alexander Forbes Retirement Fund
PREFSURE	Alexander Forbes Retirement Fund
PRIMEDIA	Alexander Forbes Retirement Fund
PST SALES & DISTRIBUTION	Alexander Forbes Retirement Fund
PUDULOGONG REHAB CENTRE	Alexander Forbes Retirement Fund
PUMP SERVICES	Alexander Forbes Retirement Fund
REAL PAY	Alexander Forbes Retirement Fund
RIVERSIDE HOSPITAL	Alexander Forbes Retirement Fund
RTT LOGISTICS	Alexander Forbes Retirement Fund
SAFARI DESTINATIONS AND SAFARI SPECIALIST PTY LTD	Alexander Forbes Retirement Fund
SANDVIK	Alexander Forbes Retirement Fund
SCANIA	Alexander Forbes Retirement Fund
SEABELO'S EXPRESS	Alexander Forbes Retirement Fund
SEKOLO SA ANNE-STINNE	Alexander Forbes Retirement Fund
SHOPRITE	Alexander Forbes Retirement Fund
SIDILEGA PRIVATE HOSPITAL	Alexander Forbes Retirement Fund
SKIP HIRE	Alexander Forbes Retirement Fund
SMC BRANDS	Alexander Forbes Retirement Fund
SOUTH AFRICAN HIGH COMMISSION	Alexander Forbes Retirement Fund
ST. JOSEPH	Alexander Forbes Retirement Fund
STATE BANK OF INDIA	Alexander Forbes Retirement Fund
STEFANNUTTI	Alexander Forbes Retirement Fund
STOCKFORT HEALTH	Alexander Forbes Retirement Fund

## Appendix 4E: List of Sub funds under Umbrella Funds

NAME OF PARTICIPATING EMPLOYER (SUB-FUND)	UMBRELLA FUNDS
STOCKFORT HEALTH	Alexander Forbes Retirement Fund
STYLE CLOTHING	Alexander Forbes Retirement Fund
SYMPHONIC	Alexander Forbes Retirement Fund
TESCARECO BOTSWANA	Alexander Forbes Retirement Fund
TIME PROJECTS	Alexander Forbes Retirement Fund
TRIOPTIMUM LOGISTICS	Alexander Forbes Retirement Fund
TSEBO BOTSWANA	Alexander Forbes Retirement Fund
TURNSTAR	Alexander Forbes Retirement Fund
TYRES SERVICES	Alexander Forbes Retirement Fund
UCCSA	Alexander Forbes Retirement Fund
UNITRANS	Alexander Forbes Retirement Fund
UPT	Alexander Forbes Retirement Fund
VDDDB	Alexander Forbes Retirement Fund
VEOLIA WATER TECHNOLOGIES BOTSWANA	Alexander Forbes Retirement Fund
VIRGIN ACTIVE	Alexander Forbes Retirement Fund
WEEKEND POST	Alexander Forbes Retirement Fund
WESTERN INSURANCE BOTSWANA	Alexander Forbes Retirement Fund
WILDERNESS SAFARIS	Alexander Forbes Retirement Fund
XCCS PTY LTD	Alexander Forbes Retirement Fund
YARONA FM	Alexander Forbes Retirement Fund
AIR LIQUIDE	Africa 53 Provident Fund
ALPHA DIRECT INSURANCE COMPANY	Africa 53 Provident Fund
AMP CONTROL BOTSWANA	Africa 53 Provident Fund
BAMALETE	Africa 53 Provident Fund
BIDVEST GROUP LIMITED	Africa 53 Provident Fund
BOGOPA,MANEWE & TOBEDZA	Africa 53 Provident Fund
BOPEU	Africa 53 Provident Fund
BOTGOOD INVESTMENTS PROVIDENT FUND	Africa 53 Provident Fund
BYTES TECHNOLOGY	Africa 53 Provident Fund
C.E.B MAINTENANCE STAFF PENSION FUND	Africa 53 Provident Fund
DIALOGUE GROUP	Africa 53 Provident Fund
EXCLUSIVE INSURANCE SOLUTIONS	Africa 53 Provident Fund
EXPRESS CREDIT	Africa 53 Provident Fund
EXTREME CUSTOMS	Africa 53 Provident Fund
NAME OF PARTICIPATING EMPLOYER (SUB-FUND)	UMBRELLA FUNDS
HORIZON OGILVY & MATHER	Africa 53 Provident Fund

## Appendix 4E: List of Sub funds under Umbrella Funds

NAME OF PARTICIPATING EMPLOYER (SUB-FUND)	UMBRELLA FUNDS
INVESTEC	Africa 53 Provident Fund
LETSHEGO HOLDINGS LTD	Africa 53 Provident Fund
MAGNUM FREIGHT	Africa 53 Provident Fund
MASS MART	Africa 53 Provident Fund
MEDPLUS	Africa 53 Provident Fund
MG PROPERTIES	Africa 53 Provident Fund
MULTICHOICE	Africa 53 Provident Fund
NAMPAK DIVFOOD	Africa 53 Provident Fund
NTT NISSAN GROUP	Africa 53 Provident Fund
ORTHOSURGE	Africa 53 Provident Fund
PREFSURE	Africa 53 Provident Fund
RIVERSIDE HOSPITAL	Africa 53 Provident Fund
RURAL INDUSTRIES PROMOTIONS COMPANY BOTSWANA	Africa 53 Provident Fund
RURAL METRO BOTSWANA	Africa 53 Provident Fund
SANDVIK	Africa 53 Provident Fund
SCANIA	Africa 53 Provident Fund
SEABELO'S EXPRESS	Africa 53 Provident Fund
TIME PROJECTS	Africa 53 Provident Fund
TYRES SERVICES	Africa 53 Provident Fund
UCCSA	Africa 53 Provident Fund
UNIVERSITY OF BOTSWANA	Africa 53 Provident Fund
UNIVERSITY RESEARCH	Africa 53 Provident Fund
UPT	Africa 53 Provident Fund
WENDY HOUSE CRECHE	Africa 53 Provident Fund
WILDERNESS SAFARIS	Africa 53 Provident Fund
YARONA FM	Africa 53 Provident Fund
ZIMBABWE EMBASSY	Africa 53 Provident Fund
ZISMO ENGINEERING	Africa 53 Provident Fund
ABM UNIVERSITY	Millenium Botswana Retirement Fund
ALREDODO	Millenium Botswana Retirement Fund
AMPCONTROL	Millenium Botswana Retirement Fund
ANTALIS	Millenium Botswana Retirement Fund
ASSEMBLIES OF GOD	Millenium Botswana Retirement Fund
BANCABC	Millenium Botswana Retirement Fund
BAYPORT	Millenium Botswana Retirement Fund
BANK OF BARODA	Millenium Botswana Retirement Fund

## Appendix 4E: List of Sub funds under Umbrella Funds

NAME OF PARTICIPATING EMPLOYER (SUB-FUND)	UMBRELLA FUNDS
BNSC	Millenium Botswana Retirement Fund
BOIB	Millenium Botswana Retirement Fund
BOTHO UNIVERSITY	Millenium Botswana Retirement Fund
BOTSALO	Millenium Botswana Retirement Fund
BOTSWANA COURIERS	Millenium Botswana Retirement Fund
BOTUSAFE	Millenium Botswana Retirement Fund
BSE	Millenium Botswana Retirement Fund
CASHBUILD	Millenium Botswana Retirement Fund
CCB	Millenium Botswana Retirement Fund
CITF	Millenium Botswana Retirement Fund
COWBURN	Millenium Botswana Retirement Fund
CRESTA	Millenium Botswana Retirement Fund
CITY LODGE	Millenium Botswana Retirement Fund
DYNAMIC	Millenium Botswana Retirement Fund
ELLERINE	Millenium Botswana Retirement Fund
GENESIS ORTHODONTIS	Millenium Botswana Retirement Fund
GEOFLUX	Millenium Botswana Retirement Fund
GRANT THORNTON	Millenium Botswana Retirement Fund
HEINEMENN	Millenium Botswana Retirement Fund
ITC	Millenium Botswana Retirement Fund
KHOEMACAU	Millenium Botswana Retirement Fund
KHUMO	Millenium Botswana Retirement Fund
KHUPE	Millenium Botswana Retirement Fund
LCW	Millenium Botswana Retirement Fund
LSC	Millenium Botswana Retirement Fund
MACMILLAN	Millenium Botswana Retirement Fund
MANICA	Millenium Botswana Retirement Fund
MASTER FARMER	Millenium Botswana Retirement Fund
METROPOLITAN HEALTH	Millenium Botswana Retirement Fund
MORE POWER	Millenium Botswana Retirement Fund
MURRAY & ROBERTS	Millenium Botswana Retirement Fund
OKAVANGO DIAMOND	Millenium Botswana Retirement Fund
OTIS	Millenium Botswana Retirement Fund
PREFHOLD	Millenium Botswana Retirement Fund
PWC	Millenium Botswana Retirement Fund

## Appendix 4E: List of Sub funds under Umbrella Funds

NAME OF PARTICIPATING EMPLOYER (SUB-FUND)	UMBRELLA FUNDS
THITO HOLDINGS	Millenium Botswana Retirement Fund
TRANSURION ITC	Millenium Botswana Retirement Fund
TRG -SPAR	Millenium Botswana Retirement Fund
WILLIAM LEE ASSOCIATES	Millenium Botswana Retirement Fund
BOTSWANA ENERGY REGULATORY AUTHORITY	Millenium Botswana Retirement Fund
BOLUX GROUP PENSION FUND	Millenium Botswana Retirement Fund
LEGAL AID BOTSWANA	Millenium Botswana Retirement Fund
MINERAL DEVELOPMENT COMPANY BOTSWANA	Millenium Botswana Retirement Fund
APOSTOLIC FAITH MISSION	Millenium Botswana Retirement Fund
BOTSWANA INSURANCE COMPANY	Millenium Botswana Retirement Fund
AFRICAN ALLIANCE BOTSWANA	Sentlhaga Pension Fund
BANK OF INDIA	Sentlhaga Pension Fund
BOTSWANA RAILWAYS WORKERS SACCOS	Sentlhaga Pension Fund
BROADHURST PRIMARY SCHOOL	Sentlhaga Pension Fund
CHEMSPEC	Sentlhaga Pension Fund
CLICKS GROUP LIMITED	Sentlhaga Pension Fund
COMPETITION AUTHORITY BOTSWANA	Sentlhaga Pension Fund
CUMMINS DIESEL BOTSWANA	Sentlhaga Pension Fund
DRAUGHT DISPENSE SERVICES	Sentlhaga Pension Fund
DULUX BOTSWANA	Sentlhaga Pension Fund
EAFRICA HOLDINGS	Sentlhaga Pension Fund
FAIRGROUNDS HOLDINGS	Sentlhaga Pension Fund
IMPERIAL CAR RENTAL (PTY) LTD	Sentlhaga Pension Fund
KWENA ROCLA (PTY) LTD	Sentlhaga Pension Fund
LEGAL EXPENSES INSURANCE SOUTHERN AFRICA	Sentlhaga Pension Fund
MEDRESCUE INTERNATIONAL (BOTSWANA)	Sentlhaga Pension Fund
MUTUAL AND FEDERAL INSURANCE COMPANY BOTSWANA LIMITED	Sentlhaga Pension Fund
OLD APOSTOLIC CHURCH	Sentlhaga Pension Fund
PEARSON BOTSWANA	Sentlhaga Pension Fund
PG GLASS	Sentlhaga Pension Fund
REGENT INSURANCE BOTSWANA	Sentlhaga Pension Fund
SDDS BOTSWANA	Sentlhaga Pension Fund
SELIBE PHIKWE SACCOS	Sentlhaga Pension Fund
STATISTICS BOTSWANA	Sentlhaga Pension Fund
STOBECH FACILITIES MANAGEMENT	Sentlhaga Pension Fund

## Appendix 4E: List of Sub funds under Umbrella Funds

NAME OF PARTICIPATING EMPLOYER (SUB-FUND)	UMBRELLA FUNDS
TURBO AGENCIES	Sentlhaga Pension Fund
ZEBRA DIAMONDS	Sentlhaga Pension Fund
ZURICH	Sentlhaga Pension Fund
GEOFLUX STAFF PROVIDENT FUND	Fiducia Umbrella Provident Fund
AFRICA LIGHT HOUSE CAPITAL	Fiducia Umbrella Fund
ASSOCIATED FUND ADMINISTRATORS PENSION FUND	Fiducia Umbrella Fund
BOITEKANELO GROUP PENSION FUND	Fiducia Umbrella Fund
G4S (BOTSWANA) LIMITED PENSION FUND	Fiducia Umbrella Fund
MS GROUP STAFF PENSION FUND	Fiducia Umbrella Fund
SATIB AFRICA BOTSWANA PENSION FUND	Fiducia Umbrella Fund

## Appendix 4F: List of Management Companies and CIU Funds Licensed in Botswana

Management Company	Fund Name	Contact Person	Contact Details
African Alliance Botswana Management Company (Pty) Ltd	1. African Alliance Botswana Global Allocation Fund	Sean Rasebotsa	PO Box 2770, Gaborone
	2. African Alliance Botswana Global Income Fund		
	3. African Alliance Botswana Value Fund		
	4. African Alliance Botswana Enhanced Yield Fund		
	5. African Alliance Botswana Liquidity Fund		
	6. African Alliance Enhanced Debt Botswana		
Allan Gray Botswana Unit Trust Management Company (Pty) Ltd	Allan Gray Balanced Fund	Phatsimo Ncube	P.O. Box 760AAH, Central Square, New CBD, Gaborone
BIFM Unit Trust (Pty) Ltd	1. BIFM Pula Money Market Fund	Neo Bogatsu Baledzi Makobo	Private Bag BR185, Gaborone
	2. BIFM Local Equity Fund		
	3. BIFM Balanced Prudential Fund		
	4. BIFM Professional Local Equity Fund		
	5. BIFM Offshore Bond Fund		
	6. BIFM Local Property Fund		
	7. BIFM Market Linked Fund		
	8. BIFM Offshore Private Equity Fund		
	9. BIFM Offshore Money Market Fund		
	10. BIFM Local Bond Fund		
	11. BIFM Local Money Market Fund		

## Appendix 4F: List of Management Companies and CIU Funds Licensed in Botswana

	12. BIFM Local Balanced Conservative Fund		
	13. BIFM Global Balanced Conservative Fund		
	14. BIFM Ya Masa Junior Fund		
	15. BIFM Letlotlo Education Fund		
Ipro Umbrella Fund	Ipro Money Market Fund	Keatlaletse Ntibi Clair Lesenda Mathe	Private Bag 351 Suite No. 472 Gaborone
Ninety One Fund Managers Botswana (Pty) Ltd	1. Ninety One Botswana Managed Fund	Martinus Seboni Tapiwa Kwerepe	PO Box 49, Gaborone
Stanlib Investment Management Services (Pty) Ltd	1. Stanlib Money Market Fund	Thabo Moipolai Phodiso Malope	Private Bag 00168, Gaborone
	2. Stanlib Equity Fund		
	3. Stanlib Managed Prudential Fund		
	4. Stanlib Cash Plus Fund		
Prescient Management Company (Botswana) (Pty) Ltd	1. Kgori Capital Enhanced Cash Fund	Carlos Amaral	P.O. Box 3576 Gaborone
	2. Kgori Balanced Fund		
	3. Kgori Money Market Fund		
Prime Collective Investments (Pty) Ltd	1. Prime International Commodities Active	Christopher Bray Tshepiso Makgatlhe	P. O. Box 1839, Gaborone
	2. Prime Botswana Equity CIU		
	3. Prime International Equities Passive CIU		
	4. Morula Liquidity Fund		

## Appendix 4G: Externally Licensed Funds Approved for Marketing in Botswana

Company Name	Fund Name	Contact Person	Contact Details	Facilities Agent
Orbis Investment Management Ltd	1. Orbis Global Equity fund US Dollar	James Dorr	PO Box HM 571, Hamilton CX Bermuda	Allan Gary Botswana
	2. Orbis Global Equity fund Euro			
	3. Orbis Japan Equity Funds US Dollar			
	4. Orbis Japan Equity Funds Yen			
	5. Orbis Japan Equity Funds US Dollar			
	6. Orbis Japan Equity Funds Euro			
	7. Orbis Asia ex-Japan Equity Fund			
	8. Orbis Optimal Euro Fund			
	9. Orbis Optimal US Dollar Fund			
	10. Orbis Optimal Yen Fund			
Allan Gray International Proprietary Ltd	1. Allan Gray Equity Fund (formerly Orbis Africa Equity Fund)			Allan Gary Botswana
Allan Gary Unit Trust Management Ltd South Africa	1. Allan Gray Equity Fund	Phatsimo Ncube	PO Box 457Add, Gaborone	Allan Gary Botswana
	2. Allan Gray Balanced Fund			
	3. Allan Gray Stable Fund			
	4. Allan Gray Optimal Fund			
	5. Allan Gray Bond Fund			
	6. Allan Gray Money Market Fund			

## Appendix 4G: Externally Licensed Funds Approved for Marketing in Botswana

	7. Allan Gray-Orbis Global Equity Feeder Fund			
	8. Allan Gray-Orbis Global Fund of Funds			
	9. Allan Gray-Orbis Global Optimal Fund of Funds			
Ashburton Investments	1. Ashburton Sub Funds	Kgomotso Mokokonyane	PO Box 239, 17 Hillary Street, St Helier Jersey Channel Island	FNB Insurance Brokers Botswana (Pty) Ltd
	2. Sterling Asset Management Fund			
	3. Dollar Asset Management Fund			
	4. Euro Asset Management Fund			
	5. Global Defensive Sterling Feeder Fund formerly Sterling Advanced Portfolio – Lower Risk)			
	6. Global Balanced Sterling Feeder Fund formerly Sterling Advanced Portfolio – Moderate Risk)			
	7. Global Balanced Dollar Feeder Fund( formerly Dollar Advanced Portfolio – Moderate Risk)			
	8. Global Balanced Euro Feeder Fund (formerly Euro Advanced Portfolio – Moderate Risk)			
	9. Global Growth Sterling Feeder Fund (formerly Sterling Advanced Portfolio – Higher Risk)			
	10. Africa Equity Opportunities Fund (Dollar)			

## Appendix 4G: Externally Licensed Funds Approved for Marketing in Botswana

	11. Global Balanced Fund (Sterling)			
	12. Global Balanced Fund (Dollar)			
Investec Asset Management Ltd	1. Africa and Middle East Fund	Grant Cameron	Woolgate Exchange, 25 Basinghall Street London, EC2V5HA Tel; +44(0)1481709826	Ninety One Asset Management Botswana (Pty) Ltd
	2. Africa High Income Fund			
	3. Africa Opportunities Fund			
	4. American Equity Fund			
	5. Asia Pacific Equity Fund			
	6. Asian Equity Fund			
	7. Dynamic Commodities Fund			
	8. EAFE Fund			
	9. Emerging Markets Blended Debt Fund			
	10. Emerging Markets Corporate Debt Fund			
	11. Emerging Markets Currency Alpha Fund			
	12. Emerging Markets Currency Fund			
	13. Emerging Markets Equity Fund			
	14. Emerging Markets Hard Currency Debt Fund			
	15. Emerging Markets Investment Grade Debt Fund			
	16. Emerging Markets Local Currency Debt Fund			

## Appendix 4G: Externally Licensed Funds Approved for Marketing in Botswana

17. Emerging Markets Local Currency Dynamic Debt Fund			
18. Emerging Markets Multi Asset Fund			
19. Emerging Markets Multi Asset Fund			
20. Enhanced Global Energy Fund			
21. Enhanced Natural Resources Fund			
22. Euro Money Fund			
23. European Equity Fund			
24. Global Bond Fund			
25. Global Contrarian Equity Fund			
26. Global Defensive Bond Fund			
27. Global Dynamic Fund			
28. Global Endurance Equity Fund			
29. Global Energy Fund			
30. Global Energy Long Short Fund			
31. Global Equity Fund			
32. Global Franchise Fund			
33. Global Gold Fund			
34. Global Natural Resources Fund			
35. Global Opportunity Equity Fund			
36. Global Strategic Income Fund			
37. Global Strategic Managed Fund			
38. High Income Bond Fund			
39. Investment Grade Corporate Bond Fund			

## Appendix 4G: Externally Licensed Funds Approved for Marketing in Botswana

	40. Latin American Corporate Debt Fund			
	41. Latin American Equity Fund			
	42. Latin American Smaller Companies Fund			
	43. Managed Currency Fund			
	44. Middle East and North Africa Fund			
	45. Multi Asset Protector Fund			
	46. UK Equity Fund			
Sanlam Asset Management (Ireland)	1. Sanlam BIFM Global Fixed Income Fund	Neo Bogatsu	Private Bag BR185, Gaborone	BIFM (Pty) Ltd
	2. Sanlam BIFM World Equity Fund			
	3. Sanlam BIFM Emerging Markets Equity Fund			

## Appendix 4H: Licensed Asset Managers

	Company Name	Contact Person	Contact Details
1.	African Alliance Botswana Advisory (Pty) Ltd	Sean Rasebotsa	PO Box 2770, Gaborone
2.	Allan Gray Botswana (Pty) Ltd	Phatsimo Ncube	P.O. Box 760AAH, Central Square , New CBD, Gaborone
3.	Botswana Investment Fund Managers Botswana Limited	Neo Bogatsu	Private Bag BR185, Gaborone
4.	BlackThread Capital (Pty) Ltd	Maleho Mothibatsela /Kalyan Gogoi Kesaobaka Brigitta Moronkwe	Private Bag BO326, Gaborone
5.	Fincraft (Pty) Ltd	Gao Seleka-Sekonopo Monica Moalosi	Private Bag BO65, Bontleng, Gaborone
6.	Ninety-One Asset Management Botswana(Pty) Ltd	Martinus Seboni	PO Box 49, Gaborone
7.	IPRO Botswana (Pty) Ltd	Claire Mathe Lisenda	Private Bag 351, Suite No 472, Gaborone
8.	Kgori Capital (Pty) Ltd	Alphonse Nzinge	PO Box 1253, ABG, Sebele
9.	Stanlib Investment Management Services (Pty) Ltd	Thabo Moipolai	Private Bag 00168, Gaborone
10.	AME Capital (Pty) Ltd	David Premeji	P.O. Box 1195 Gaborone
11.	Morula Capital Partners (Pty) Ltd	Boikanyo Mogami	Private Bag 00147 Gaborone
12.	Aleyo Capital (Pty) Ltd	Mosimanegape Mogegeh	P.O. Box 2518 , Gaborone
13.	Aluwani Fund Managers (Pty) Ltd	Gilbert Daniels	Private Bag BO 210 Gaborone
14.	BLP Capital (Pty) Ltd t/a Africa Lighthouse Capital t/a	Bame Pule	P.O. Box 71AAH, Gaborone
15.	Confianza Capital (Pty) Ltd	Don Gaetsaloe	Fairgrounds Office Park ,Plot 64517, Units 36 and 37 Private Bag 262 Gaborone
16.	Confianza Private Equity (Pty) Ltd	Don Gaetsaloe	Fairgrounds Office Park, Plot 64517, Units 36 and 37 Private Bag 262 Gaborone
17.	Anandi Capital (Pty) Ltd	Carol Jean-Howard	P O Box 794AAH Gaborone
18.	Inkunzi Investments (Pty) Ltd	Sikhulile Bhebhe	Plot No. 142, Unit 2F, Kgale Terrace, GIFP P O Box 286 AAD Gaborone
19.	Lambda Capital Managers (Botswana) (Pty) Ltd (Asset Manager Specialising in Private Equity)	Mmoloki Ramaeba	P O Box 45588, Riverwalk, Gaborone

## Appendix 4I: Investment Companies with Variable Capital and their Funds

Company Name	Contact Person	Contact Details
Ecsponent Asset Management Botswana (Pty) Ltd	Joseph Mosimane	P O Box 382 AAH Gaborone
IPRO Ponelepele (Pty) Ltd	Claire Mathe Lisenda	Private Bag 351, Suite No 472, Gaborone

## Appendix 4J: Botswana International Financial Services Centre Accredited Companies

Company Name	Contact Person	Contact Details
Imara Holdings Limited	Bothale Keith Segolodi	Morojwa Mews, Plot 74770, Western Commercial Tel: +267 318 8710
Untu Holdings Limited	Clive Msipha	P. O Box 30900, Tlokweng, Gaborone, Botswana

## Appendix 4K: Licensed Trustees for Collective Investment Undertakings

Company Name	Contact Person	Contact Details
First National Bank Botswana	Dintle Samboma	P.O. Box 1552 Gaborone
Stanbic Bank Botswana	Maduo Thebe	Plot 50672, Stanbic House, Off Machel Drive, Fairgrounds Private Bag 00168, Gaborone
Standard Chartered Bank Botswana	Esther Mokgathe	Standard Chartered Bank, Standard House, Main Mall, P.O. Box 496, Gaborone

## Appendix 4L: Securities Infrastructure Businesses and Securities Brokers/Dealers

Securities Brokers/Dealers		
Company Name	Contact Person	Contact Details
Imara Capital Securities (Pty) Ltd	Gregory Matsake	Unit 6, 2nd Floor, Morojwa Mews Plot 74770 Western Commercial Road New CBD Gaborone Private Bag 173 Gaborone, Tel: 3188886 Fax: 3188887
African Alliance Botswana Securities Limited	Kabelo Mohohlo	Ground Floor, Exchange House, Plot 64511 Fairgrounds P. O. Box 2770 Gaborone. Tel: 3643900 Fax: 3910636
Stockbrokers Botswana Limited	Bokete Mokgosi	East Wing- Mokolwane House Fairgrounds Private Bag 00113 Gaborone
Motswedi Securities (Pty) Ltd	Martin Makgathe	Plot 113 Unit 30 Kgale Mews, Gaborone, Private Bag 00223. Tel: 3188627 Fax: 3188
Securities Infrastructure Businesses		
Company Name	Contact Person	Contact Details
Botswana Stock Exchange Limited	Thapelo Tsheole Gorata Dibotelo	4th Floor, Fairscape Precinct, Plot 70667, Fairgrounds Private Bag 00417 Gaborone, Botswana Tel: +267 367 4400, Fax: +267 318 0175
Central Securities Depository Company Of Botswana Limited	Thapelo Tsheole Gorata Dibotelo	4th Floor, Fairscape Precinct, Plot 70667, Fairgrounds Private Bag 00417 Gaborone, Botswana Tel: +267 367 4400, Fax: +267 318 0175

## Appendix M: List of Microlenders

Name of Micro Lender	Addresses	Tel/Fax	Contact Person
1. Abakwa Investments (Pty) Ltd	Plot 54483 Molapo Crossing Gaborone P O Box AE 514 AEU Gaborone	Tel: 3922398	Alen Isaac Achu
2. Abercorn (Pty) Ltd	Plot 135, Unit 7, Kgale Terrace Gaborone P o Box 1621 Mogoditshane	Tel: 395 6787	Bob Dintwe
3. Adima Morokotso O Monnye (Pty) Ltd	Dabo House Office Unit 2, Francistown P O Box 40127 Francistown	Tel: 241970 Cell: 72601809	Franciois Jacobs
4. Adimanang (Pty) Ltd	Embassy Chambers Building, 11C, Main Mall, Gaborone P O Box 1450 Gaborone	Tel: 3974774	Susanna Gouws
5. Affluent Wealth (Pty) Ltd	Apex Building, Gaborone West Industrial, Gaborone P O Box 1072 Lobatse	Cell: 71580344	Atang Morake
6. Afritec (Pty) Ltd	Plot 10573/4 Magochanya Rd Block 3 Gaborone Private Bag BR 60 Gaborone	Tel: 3670702 Fax: 3190096	Christo Klopper
7. Akum Building and Construction t/a Impala Cashloan	Office 111 Kollenberg Center Main mall, Gaborone P O Box 5546 Gaborone	Tel: 3909651 Fax: 3909641	John Taolo
8. Alafisa (Pty) Ltd	Plot 2684 Extension 9, Gaborone P O Box 126 Gaborone	Tel: 3901165 72400503	Cornelias Baboloki Nkane
9. Antonio Bush Gardens Investments (Pty) Ltd	Plot 12114 Block 4 Francistown P O Box 343 Masunga	Tel: 2405996	Antony Masalila
10. Apple Craft Investments (Pty) Ltd	Plot 19300 Gaborone West Phase 2 Gaborone P O Box 133ABE Gaborone	Cell: 72916445	Mosalela Maleke
11. AT & T Monnakgotla Transport (Pty) Ltd T/A Macheng Cashloans	Plot 182, Queens Road Main Mall Gaborone P.O. Box 60474 Gaborone	Tel: 3938788 Fax: 3500419	Abel Monnakgotla

Name of Micro Lender	Addresses	Tel/Fax	Contact Person
12. Babereki Investments (Pty) Ltd	Plot 54374, grand Union Building, Block C, CBD Gaborone P O Box 1708 AAD Poso House Gaborone	Tel: 3922526 /3916219 Fax: 3181646	Zaanda Tjihumino
13. Bamenda Holdings (Pty) Ltd t/a Alo Fastcash	K- Garments Plot 15065/001/0 Francistown P O Box 11829 Tatitown	Tel: 74573979	Thabiso Manyepeza
14. Baraldman Investments (Pty) Ltd t/a Morph CashLoans	First Floor, Unit 13,Plot 79, Makwapa Complex,Palapye P O Box 596 Palapye	Tel: 4920068 Fax: 4920076	Moreri U Nwako
15. Bare Minimum 16. BK Ventures (Pty) Ltd	PLOT 1270 EXTENSION 6 GABORONE. Unit 13134, Bestways Building, Broadhurst Gaborone P.O. Box 403236 Gaborone	3111808 Tel: 3903075 Cell: 72120251 Fax: 3903075	JOHN OKECH B G Malan
17. Black and Blu (Pty) Ltd t/a Kopano Kwik Cash	Plot 2147A Woodhall Industrial Lobatse P O Box 744 Gaborone	Tel: 5334780	Gary Edgar Johns
18. Blue Berry Hairsaloon t/a Blue Berry CashLoan	Plot 797 Unit D , Khama 1st Avenue Lobatse P O Box 47, Lobatse	Tel: 5334758 Cell: 73230691	Eric Danso
19. Boletso CashLoan (Pty) Ltd	Cooperative Building, Old Mall, Maun P O Box 588 Maun	Tel: 6861415	Mompoloki Loso
20. Bolk Holdings (Pty) Ltd 21. Bomoms CashLoan (Pty) Ltd	Letlhakane Thagana Ward Maunatlala P O Box 373 Maunatlala	Cell:72736696/ 54605116	ABENG BOLOKANG Kereeditse S. Mokopagosi

## Appendix M: List of Microlenders

Name of Micro Lender	Addresses	Tel/Fax	Contact Person
22. Bong Cash Loan (Pty) Ltd	Jwaneng		Tumelo Maybe
23. Bophirima Investments (Pty) Ltd	Unit 8 Carbo Center River walk Gaborone P/Bag BR 154 Gaborone	Tel: 3903720 Fax: 3190696	Sadie Serokane
24. Botheb's CashLoan (Pty) Ltd	Mokgobele Ward,Orapa P O Box 361 Orapa	Tel: 2976720 Fax: 2976200	Kabo Molelwane
25. Botlhale Investments (Pty) Ltd	Northgate Mall Unit 10,Francistown P/Bag 727 Francistown	Tel:2417474 /2147770 Fax: 2410898	Judith Ntelecha
26. Brains (Pty) Ltd t/a The Loan Room	Plot 117 Unit 3 Kgale Mews Gaborone P O Box 405702 Broadhurst Gaborone	Tel: 3185575	Vincent Mosweu Koloba
27. Bramm's Investments (Pty) Ltd t/a Update loan Investments	Plot 2537 Unit 40, Selibe Phikwe , Square P O Box 2395 Selibe Phikwe	Tel: 2610720 Tel: 2610720	Ogomoditse Gabakgosi
28. Bright Employee Benefits (Pty) Ltd	1ST Floor Capricorn House Plot 165 Pilane Road, Gaborone Private Bag 00348 ,Gaborone	Cell: 3188001 Fax: 3188003	Kealeboga Sankoma
29. Business Giants (Pty) Ltd	Shop No. 17, Plot 17945, Kagiso Centre, Broadhurst Gaborone Private Bag BR 351, Suite 276, Gaborone	Tel: 3158466 Fax: 3915691	Adolph Jacobs Jans van Rensburg
30. Caftan (Pty) Ltd	Plot 684 Botswana Road Gaborone P O Box 45889 Riverwalk Gaborone	Tel: 3925344 Cell: 3925223	Gaboetelwe Moloji
31. Calvom Investments (Pty) Ltd	Plot 59524 Gaborone P O Box 201686 Gaborone	Tel: 3186929 Cell: 71539386	Calvin Moilwa
32. Capital Express			
33. Capristone Investments (Pty) Ltd	Plot 1239/6 Haile Selassie Road, Gaborone P O Box 33AAH Gaborone	Cell: 72448370	Sanini Moyo

Name of Micro Lender	Addresses	Tel/Fax	Contact Person
34. CASH BRIEFCASE	Commerce Park Nopix House Plot 39/2 Unit 2 Gaborone P O Box 3540 Molepolole	Tel: 3182343	Phillip Ntokwane
35. Cash Connections	PLOT 23282 Phase 4, Gaborone P O Box 81300. Gaborone	Cell: 71328112 /71328134	Colleen Masala
36. Cash Corp Investments (Pty) Ltd	Plot 1140 Main Mall Gaborone P O Box 21408, Bontleng Gaborone	Tel: 3903616 Cell: 71378936	Ibu Kenosi
37. Catbok Investments (Pty) Ltd	2nd Floor Suite 205 Blue Jacket Square Francistown P O Box 244 Francistown	Cell: 71625256	Cathrine Mokgopo
38. Chaffinch Investments (Pty) Ltd t/a Cashpower	Office No 2 Block 1 The Mall Selibe Phikwe Private Bag 075 Selebi Phikwe	Tel/ Fax: 2611832	Cindy Swarts
39. Chibaco Cash Loan (Pty) Ltd	Tawana ward Letlhakane P O Box 2846, Serowe	Tel: 2976585	Kefilwe Motswasele
40. Citizen Efforts (Pty) Ltd t/a Tlhabatsi	Plot 50667 Unit 4, First Floor Blue Mango Fairgrounds, Gaborone P O Box 45635, Gaborone	Tel: 3112971	M. Mothibi
41. Clemmar Services (Pty) Ltd	Plot 1251 Haile Selassie Road Gaborone P O Box 40785, Gaborone	Tel: 3170632	Pule Moreri
42. Close Friends Investments (Pty) Ltd	Plot 1239/6 Haile Selassie Road Gaborone P O Box 404065, Gaborone	Tel: 3933513	Lucky Khatazo
43. Con Amor 1 (Pty) Ltd	Plot 5681, Kudu Road, Broadhurst Industrial Site PostnetKgale View, Gaborone P O Box 8ADD, Gaborone	Tel: 3162111 Cell: 71441500 Fax: 3182787	Cornelia Blokker
44. Cono Enterprises (Pty) Ltd	Mokgobelele Ward, Letlhakane P O Box 30847, Francistown	Tel: 2419705	Collet Oagile
45. Coracle Investments (Pty) Ltd	Plot 13128 & 13120, Unit 1 BBS Mall, Gaborone Private Bag BR 270 Gaborone	Tel: 3925755 Fax: 3925755	Adrian J. Scharnick
46. Coventry (Pty) Ltd t/a Loanstar	Plot D25/D26 Old Mall Maun P O Box 2845, Gaborone	Tel: 6861843	Monica Kruger

## Appendix M: List of Microlenders

Name of Micro Lender	Addresses	Tel/Fax	Contact Person
47. Currency Links (Pty) Ltd	UNIT 6, OFFICE 11; HAILLE SELASIE ROAD, Gaborone P O BOX 402709, GABORONE	Tel: 3114253 / 3170309 Fax: 3163107	Witness Tobaka
48. Damont Holdings (Pty) Ltd	Plot 50667, Medical Mews, Fairgrounds Gaborone P O Box 53112, Gaborone	Tel: 3913276	Morwadi Adrienne Morwadi
49. Derunde Capital Funding (Pty) Ltd	Plot 6346, Nswazi Mall, Francistown P O Box 11829 ,Tati town	Tel: 2413068	Alonjang C. Andrew
50. Destination Reached (Pty) Ltd T/A M & R Eazy-Get-Loans	Plot 6164, Ramfurwa, Tlokweng P.O.Box AD50 AAF, Southring, Gaborone	Tel: 3960056 Fax: 3917573	Maria Dambuza
51. Dobe and Shube Enterprises (Pty) Ltd	Plot 1094, Embassy Chambers, Unit 23, Mail Mall, Gaborone P O Box 4593, Gaborone	Cell: 72642865 Tel: 3934621	Opelo Gabaatholwe
52. Drizzles (Pty) Ltd b	Optical Centre Botswana, Unit 4B, Main Mall Gaborone P O Box 81008 Gaborone	Tel: 3953073 Cell: 73670607 Fax: 3959940	Marguerite Serema
53. Duhamel Investments (Pty) Ltd t/a SBB Cashloan	Plot 9943 Block 3 Francistown P O Box 11469 , Tatitown	Tel: 2421361	Sebonye Randall
54. Eagle Flight (Pty) Ltd	Plot 20750/8 Gaborone P O Box 502359	Tel: 3165220 Fax: 3165223	Johnson A. Adeleke
55. Ecommon Services (Pty) Ltd	Plot 129, Unit D Gaborone International Finance Park		Montle N. Phuthego
56. Eagle Point (Pty) Ltd	Nigerian High Commission, First Floor, Main Mall, Plot 1086, Extension 3 P. O. Box 2784, Gaborone	Tel: 3957466 Fax: 3957477	Ferdinand J. Niehaus

Name of Micro Lender	Addresses	Tel/Fax	Contact Person
57. Emisang Investments (Pty) Ltd	Plot no 6878 Extension 20, Gaborone P O Box 70022 , Gaborone	Tel: 71798714	Gabarate R. Mandevu
58. Empire State (Pty) Ltd T/A Vix Cashloan	PLOT 2871 UNIT 3 EXT 11 GABORONE P O BOX 53470 GABORONE	Tel: 3933912	Geraldine Nkombeledzi
59. Endless Mega (Pty) Ltd t/a Tshola Cashloan	Plot 3348,Phase 1, Rakops P. O. Box 1127, Orapa	Cell: 71407051	Mositi Tinah Pusoloso
60. Express Credit (Pty) Ltd	Fairgrounds Gabz FM Building, Gaborone Plot 64516 P O Box X 2322 AAD ,Gaborone	Tel: 3110937 Fax: 3160394	Dineo Saleshando
61. Equfin (Pty) Ltd	Plot 1277 Clover House, Unit 5 Old Lobatse Road, Gaborone P.O. Box AD 30 AEG Gaborone	Tel: 3500163	Gabriel Israel Banda
62. Farmers Dream (Pty) Ltd	Plot No. 34957, Block 8, Gaborone, P O Box 649, Mogoditshane	Tel: 3915218	Jane Ndiwenyu
63. The Feel Bay Investments (Pty) Ltd	Plot 24538 , Gaborone West P O Box 602327, Gaborone	Cell: 71847270 /74639449 /76247729	Kagiso David Motswagae
64. Feron Investments (Pty) Ltd	Nigerian High Commission, 1st Floor, Main Mall, Plot 1086, Extension 3, Gaborone P. O. Box 2784, Gaborone	Tel: 3181246/7 Fax: 3181210	Ferdinand J. Niehaus
65. Fin- All Enterprises (Pty) Ltd	Plot 17974, Gaborone P O Box 20076, Gaborone	Tel: 3924923 Fax: 3922795	Kabelo Plato Gaoboi
66. Finchoice (Pty) Ltd	Office 1, Plot 50362, Showgrounds Office Park, Gaborone P.O. Box 1884, Gaborone, Botswana	Tel: 318-8988; 318-8989 Fax: 318-8951; 318-8990	Paul Burnett
67. Finaid Botswana (Pty) Ltd	Plot 188 Town Center, Gaborone P O Box 2784, Gaborone	Tel: 5300180	Ferdinand J. Niehaus

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Name of Micro Lender	Addresses	Tel/Fax	Contact Person
68. Finfirm (Pty) Ltd	Plot 1322 Mafatswa Ward Tlokweng P O Box 1156, Gaborone	Cell: 71416000	Mercy Marieta Puso
69. Fringilla (Pty) Ltd	Plot 17847 G/West Industrial Gaborone P O Box 602400 , Gaborone	Tel: 5883920 Fax: 3918019	Janson C. Smith
70. Frigo Court (pty) ltd	Plot 50161, Unit 37 the Grand Park Office Complex, Gaborone P O box 461 AAH, Gaborone	Cell: 76244136	Unami Petto
71. Get Bucks(Pty) Ltd	Unit 8, Plot 126, Millennium Office Park, Gaborone Private Bag 19 ,Gaborone	Cell: 76102712	Dudu Gaerekwe
72. Glambuh Enterprises (Pty) Ltd	Office 75 level 7 Barclays Plazza Francistown P O Box 30352, Francistown	Tel: 2419409	Gladys Mbulayi
73. Global Credit Solutions	Plot 199 Unit 29 Gaborone International P O Box 26384, Gaborone	Tel: 3951363 Fax: 3951368	Thapelo Letsholo
74. Global Way (Pty) Ltd	Plot 178,Unit 3, Commerce Park, Gaborone P O Box 201042, Gaborone	Tel: 3932399 Fax: 3932390	Mothataesi Casalis
75. GOLDSCREEN (PTY) LTD	Office #37 , Plot 4790 Electron House , Gaborone P. O. Box 50394, Gaborone	Cell:71790834	GLADYSFEKE
76. Goldshire Botswana (Pty) Ltd	Plot 2644, Extension 9 Phuti Road, Gaborone P.O Box AD 322 ADD, Postnet Kgale View, Gaborone	Tel: 3111362	Armstrong Richard
77. Green Flap (Pty) Ltd T/A Green Flap Cash Loan	Plot 1174-1177, Main Mall, Gaborone P O Box 25ABF, Gaborone	Cell: 75952906 75952905	Giveus Mathe
78. Grey Wings Enterprises (Pty) Ltd T/A Grey Wings Cashloans	Plot 1156, Office 202 Nkoyaphiri, Mogoditshane P O Box 60383 Gaborone	Tel: 3924616 Cell: 73361215	Galeme Sosome

Name of Micro Lender	Addresses	Tel/Fax	Contact Person
79. Guile & Khoisan Capital (Pty) Ltd	Lot 8824 Khama Crescent Barclays House Government Enclave Gaborone P O Box 3751, Gaborone	Tel: 3133827 Fax: 3133839	Peter Kgomotso
80. Hi-Rated (Pty) Ltd	Phikwe square, office 38, Selebi-Phikwe P O Box 3299, Gaborone	Cell: 71655721	Mbuya Ntabe
81. Hudson	Gaborone		Gloria Kinnear
82. Idah-Kan Investments (Pty) Ltd	Plot 1300 Block 9, Francistown P O Box 2927, Francistown	Cell: 77094548	Idah Ikanyeng
83. Ikaego Investments (Pty) Ltd	Plot 6525, Maboledi Ward Tonota P O Box 150075, Tonota	Cell: 73433151	Leruo Serufo
84. Incinbo (Pty) Ltd t/a Incinbo Wire Money	Moshawana ward, Bokaa P. O Box 203019 Gaborone	Cell: 75477529	Pamela Johannes
85. Insight Consulting Botswana (Pty) Ltd t/a Insight Cash	Suite 545 Molapo Crossing, Gaborone Private Bag 254, Gaborone	Tel: 3188882 Fax: 3907020	Maureen G Makati-Janowska
86. Inspire Capital Investments	Plot 1840, Unit 15A Mebala House, Opposite Western Union Mainmall, Gaborone P O BOX 82167, GABORONE	Tel: 3170663	Bando Tlhomani
87. Ishanimuse Pty Lts t/a Tlanalotho Cash Loan	Phase 1 Plot 10525 Kwena Rd, Selebi Phikwe P O Box 1950, Selibe Phikwe	Cell: 75603211 /71825631 Fax: 2601222	Malebogo Bagidi
88. Jago Investments (Pty) Ltd	Jago House, Boikago Ward, Palapye P O Box 1002, Palapye	Tel: 4920026 /73602657 Fax: 4920049	Joseph B Gampone Basiyi Galebonwe
89. JAJ Investments (Pty) Ltd t/a Mozeks	Shop 1 Riverwalk Shopping Centre Tlokeng Rd Gaborone P O Box 3424, Francistown	Cell: 74371816 /75646282	Goitsewang Sekeseke

## Appendix M: List of Microlenders

Name of Micro Lender	Addresses	Tel/Fax	Contact Person
90. Jak Micro Loans (Pty) Ltd	Plot 70717, Phakalane P O Box 4, Gaborone	Tel:3928400 Fax: 3928400	Julie May Frohlich
91. Jarona investments (Pty) Ltd	Tawana Ward, Letlhakane P O Box 338, Orapa	Tel: 2978733 Cell: 71417867 71727380 Fax: 2978733	Ontlametse Ratsie
92. Jat Cashloan (Pty) Ltd	Office No 3, Jwaneng Shopping Mall, P O Box 731, Jwaneng	Cell: 73818283 /71211037	Kgakgamatso Mogorosi
93. Jentles Investments (Pty) Ltd t/a Mbakiso Micro lenders	Plot 1019, Tati Siding, P O Box 68, Tati siding	Tel: 72260333 /71581896	Chatapiwa Molapisi
94. Jogasi Investments (Pty) Ltd	Suite 3 first floor Nswazwi mall Francistown P O Box 301106, Francistown	Tel: 2440023 Fax: 2440024	Alex Okoche
95. JRS Venture (Pty) Ltd	Plot 687 Extension 2 Gaborone, P O Box 403360, Gaborone	Tel: 3181079 Fax: 3934346	Winnifred Fanyan
96. Jufel (Pty) Ltd t/a Jufel Micro lending Services	Pure Drop, Phase 4, Unit 6, Gaborone P.O Box 2130, Mogoditshane	Cell: 71326471 /3115006	Judith Duduzile Mulenga
97. Kamogano Rahube t/a Morakamo Investments	Plot 691 Extension 2 Gaborone P O Box 2015, Gaborone	Cell: 73861002 /71373820	Kamogano Rahube
98. Keshmoni	Gaborone		Kesego Tshephe

Name of Micro Lender	Addresses	Tel/Fax	Contact Person
99. Kewillmart Investments (Pty) Ltd T/A Wilmart Cashloan	Plot No. 831 Main Mall, Gaborone P O Box 1653 Jwaneng	Tel: 5883869 Cell:71268030 Fax: 5883569	Keemenao Matutu
100. Kerediretse Tiego t/a Tiego's Cash loan	PLOT NO 3169 OFFICE NO:7 Area W, Francistown Meriting Complex P O Box 301470 Francistown	Tel: 2441980 / 2441048 Fax: 2441048	Kerediretse Tiego
101. Kodwa Munthu Cashloan (Pty) Ltd	Monathoko Ward, Masunga P.O. Box 151 Masunga	Tel: 2489593 Cell: 71536409	Dorcas Nkala
102. Kredicell (Pty) Ltd	Plot 891 Kunda road Gaborone P O Box 00224, Gaborone	Tel: 3682006 Fax: 3972034	Douglas Mophuti
103. La cred (Pty) Ltd	PLOT 25939 BLOCK 9, GABORONE P O BOX 21045 BONTLENG GABORONE	Tel: 73076307	LAONE GASEMOTHO
104. Lamuse (Pty) Ltd	Plot 54368, First Floor, Itowers CBD, Gaborone P O BOX 1114ABG,SEBELE,GABORONE	Tel: 2610495	Amuchilani
105. Laxzo Vee	Gaborone		
106. Le Crest Massif (Pty) Ltd	Plot 8772/3 Office 9, Gaborone P O Box 502380, Gaborone	Cell: 71726633	Tshireletso Lesole
107. Legald Investments (Pty) Ltd T/T Unald Loans	Unit 17, First Floor, Plot 79, Makwapa Complex, Palapye P O Box 10733, Palapye	Tel: 4920081 Cell: 75928767 Fax: 4920682	Moreri U Nwako
108. Lego Investments (Pty) Ltd t/a Mabo's Cashloan	Plot 308/9 CBD Haskins Street Francistown P O Box 1754, Francistown	Cell: 71754449 Tel: 2402213	Andina Dikgale

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Name of Micro Lender	Addresses	Tel/Fax	Contact Person
109. Letlotlo La Khumo Investments (Pty) Ltd	Plot 3993/ M169, Minestone, Francistown P O Box 301782, Francistown	Cell: 74302792 Fax: 2420608	Kelebogile Morei
110. Letshego Financial Services (Pty) Ltd	Ground & First Floor, Letshego Place, Plot 22, Khama Crescent, Gaborone P O Box 381, Gaborone	Tel: 3643300 Fax: 3190418	Legae Moetedi
111. Lilly – Tee and Sech Investments (Pty) Ltd	Auto lot house Plot 694 CBD Haskins Street, Francistown P O Box 20938, Monarch Francistown	Tel: 2405321	Oeme Schele
112. Lims Consortium Botswana	Plot 2577, CB Building , Selibe Phikwe P O Box 2625, Selibe Phikwe	Tel: 262 000 /75222187 Fax: 3981901	Ntungamili Malima
113. Lindenvilla Holdings (Pty) Ltd t/a S& T Micro lenders	Plot 6036, Ext. 2 Gaborone P O Box 2316ABG GABORONE	Tel: 3114106 Cell: 71608820	Mmoloki S. Mokgwatlhe
114. Lobmicrofin (Pty) Ltd	Plot 126 Kgale View 2ND Floor Unit 17 Gaborone International Finance Park P O Box 46534, Gaborone	Tel: 3914762 Fax: 3914762	Barulaganyi Keadikang
115. Lotus Enterprises (Pty) Ltd	Thito house Nekedi Road Broadhurst, P.O.Box 2368, Gaborone	Tel: 3170480	Haim Smadja
116. Luisa Enterprises (Pty) Ltd	Tawana Extension Letlhakane P O Box 1206, Orapa	Tel: 72645445	Aluisia Mahowe
117. Mabote Investments (Pty) Ltd	Plot 846, Jwaneng Main Mall, Jwaneng P O Box 120 Jwaneng	Tel: 5883433 Fax: 5883433	Kabo Mabote

Name of Micro Lender	Addresses	Tel/Fax	Contact Person
118. Madi Madi Investments (Pty) Ltd	Plot 2532, Main Mall, Selibe Phikwe P/Bag 0041 Selibe Phikwe	Tel: 2614907 Fax: 2914917	Rene De Waal
119. Maisonette Investments (Pty) Ltd	Plot 4729, Kimberly Mall, Mahalapye P O Box 602400 Mahalapye	Tel: 3918031 Cell: 7178204 Fax: 3922710	Martha Matsebe Mokgohloa
120. Malinic Investments (Pty) Ltd t/a Thusa Batho Quick Cash	Plot 6575/1, Tshekedi Road Selibe Phikwe Private Bag 00150, Selibe Phikwe	Tel: 2611744 Fax: 2611744	Jacques Malan
121. Mankge Holdings (PTY) Ltd T/A MaatlaCashloans	Life and Pensions House, Kgosing Ward, Thamaga P.O. Box 686 Moshupa	Tel: 5999801 Cell: 72393096 76071443 Fax: 5999801 Victor Moupo	Oteng Nkge
122. Manual Workers Union Benefits Scheme	Plot 131, Unit 5, Kohinoor Park Offices, Gaborone P O Box 374 Gaborone	Tel: 3933316 Fax: 3933317	Ndapiwa Judith Kesalefa
123. Mapleton (Pty) Ltd	Plot no. 17847, Tasva House 1ST floor Gaborone West Industrial new road P O Box 602400, Gaborone	Tel: 3922710 Fax: 3930505	Martha M. Mokgohloa
124. Mapororo Cash Loan (Pty) Ltd	Plot No. 3193, (Office No. 15), Union House Meepong road, Selebi Phikwe P O Box 1205, Selibe Phikwe	Cell: 73947338 /73267115 Fax: 2600457	D Segakise
125. Mapula (Pty) Ltd	Plot 173, Khama 1 Avenue, Lobatse P. O. Box 271 Lobatse	Tel: 5306879 Fax: 5306879	Baboloki Montsho
126. Max-Aur Marketing Services (Pty) Ltd	Plot 21100, Gaborone P O Box 301723, Tlokweng	Tel: 3164623	Martin Ragontse

## Appendix M: List of Microlenders

Name of Micro Lender	Addresses	Tel/Fax	Contact Person
127. Mbaki&Bofelo Holdings (Pty) Ltd	Plot 5251, Shop No. 01, Selibe Phikwe P O Box 1298. S/Phikwe	Tel: 2622226 Fax: 2622226	Patricia Nkhwanana
128. Meadow Investments (Pty) Ltd	Plot 3423, Matima Crescent, Extension 12, Gaborone P O Box 46449 Gaborone	Cell: 72106997	Patrick C Honnet
129. Melubotah Investments (Pty) Ltd	Saoshoko Ward, Shakawe P O Box 162, Shakawe	Cell: 76232138	Lucia Moswela
130. MFS Investments (Pty) Ltd	Nwako Complex Shop no.11 Old Mall Palapye P O Box 11789, Palapye	Tel: 4924869 Fax: 4924869	Mangisi Segadimo
131. Mindwalk Investments (Pty) Ltd	Plot 20620 Acts House Unit 20 Block 3, Gaborone P O Box 54, Mompone	Tel: 3112308 Fax: 3112308	Mogi Mophuti
132. Mirage Views (Pty) Ltd t/a Poloko Micro Lenders	Plot 548, Tawana Ward, Letlhakane, P O Box 580, Letlhakane	Cell: 71301230 Fax: 2978877	Tlhokomelo Setlhomolo Ntesang Obonetse
133. Mocqua	Kasane		
134. Momatts Investments (Pty) Ltd	Plot 54611 Block 5 Gaborone P O Box 30218, Gaborone	Tel: 392897 Fax: 3901198	Mompoloki Segokgo
135. Money Quest Investments (Pty) Ltd t/a Bayport Financial Services	1st Floor, 204 Independence Avenue (Opposite Time Square), Gaborone P O Box 2748, Gaborone	Tel: 3936504 Fax: 3180831	Sinclair Sithole
136. Moneywise Botswana (Pty) Ltd	Plot 5643 Unit 15 Broad-Hurst Gaborone P O Box 8 ADD Gaborone	Tel: 3182787 Cell: 71389094	C. Blokker
137. Moola Group (Pty) Ltd t/a Moola Microlender	Plot 184, tlale house Main Mall, Gaborone, P O Box 1179, AAD Poso house Gaborone	Tel: 3933785	Mpho Donnell
138. MORE MULA (PTY) LTD	Serorome Ward, Palapye P.O. Box 5 Marobela	Cell: 72491298/ 73179321 Tel: 492 3704	Timuno Timuno

Name of Micro Lender	Addresses	Tel/Fax	Contact Person
139. Mossmai (Pty) Ltd	Plot 1146 Unit 10 Koih-Nor House, Main Mall Gaborone P O Box 4026 Gaborone	Cell: 72444913	Moses Matomela
140. Motlhobo Investments (Pty) Ltd	Letsibogo Ward, Letlhakane P.O. Box 871, Orapa	Tel: 2976618 Cell: 71698580 Fax: 2976618	Tlhomamiso Mogaetsho
141. Mumsy Investments (Pty) Ltd	Makgobelelo Ward, Letlhakane P.O. Box 338, Orapa	Tel: 2976078 Fax: 2976078	Gladys Mothei
142. Muscat (Pty) Ltd	Haleys Comet Complex, Mmalekwa Ward, Kanye P O BOX Box 2845, Gaborone	Tel: 5442852 Fax: 5442852	Mrs. M. E Kruger
143. Muttyclee (Pty) Ltd	PLOT 61687, UNIT 1 BLOCK 3 INDUSTRIAL GABORONE P O BOX AE 623 AEH, GABORONE,	Tel: 391 8237 Fax: 391 8236	Tryagain Mukanga
144. My Guy	Gaborone		
145. Nat-Gat (Pty) Ltd	Industrial Site, Jwaneng P O Box 2426, Jwaneng	Tel: 73555872	Gadibotsile Modise
146. Navy Stones	Letlhakane		
147. New Waves Investments (Pty) Ltd t/a Camela	Plot 2068, Behind Spar, Mahalapye P O Box 2457, mahaalapye	Tel: 4720430	Ulinda Smit
148. Ngotwane Investments (Pty) Ltd	Barclays Plaza Office 44 Francistown P O Box 2057, Francistown	Tel: 2412858	Mbako Nfila
149. Nicho's Cashloan (Pty) Ltd	Tawana Ward, Letlhakane P O Box 599, Orapa	Tel: 2978133 Cell: 75518137	N. Moikwathai
150. Nnoig (Pty) Ltd	Plot 54015 Phase 4, Office no.13, Gaborone P O Box 433 AAH Gaborone	Tel: 3113689	Wililane Paphane

## Appendix M: List of Microlenders

Name of Micro Lender	Addresses	Tel/Fax	Contact Person
151. North Star Enterprises (Pty) Ltd	Plot 13119, BBS Mall, Broadhurst, Gaborone P O Box 2845, Gaborone,	Tel: 3933256 Fax: 3162102	Marthiam J. Ferreira
152. Northring Complex (Pty) Ltd T/A Northring Cashloan	Blue Jacket Square, Office 105, First Floor, Francistown P O Box 301642, Francistown	Tel: 2404350 Cell: 73357213 Fax: 2404350	Gomotsang Rampart
153. Notewise (Pty) Ltd	Lot 838-841, Blue Jacket Square, Shop 5A, Francistown Private Bag F388 Francistown	Tel: 2417027 Fax: 2416474	Barend H. Verwey
154. Nothern Sparrow (Pty) Ltd	Plot 6144 Unit 15 Swap Complex, Francistown P O Box 1860 Francistown	Tel: 2420836 Fax: 2417992	Patience Samuel
155. Nuff Cashloans (Pty) Ltd	Suite 126, Plot 17950, Haile Selassie Road, Gaborone. P.O Box V2094 Ramotswa	Tel: 3974637 Fax: 3974637	Kgomotso Nakedi
156. Nyika Investments (Pty) Ltd	The Mall 1ST Floor Serowe P O Box 2169, Serowe	Tel: 4638119 Fax: 4638119	Lorraine Bezuidenhout
157. Obmass (Pty) Ltd	Plot 171 Sowa Town P O Box 138, Sowa Town	Tel: 6213200	Obert Masilo
158. O'FM Investments (Pty) T/A Dlamini's Services	Plot 5415, Main Mall Jwaneng P O Box 210, Jwaneng	Tel: 5880604 Cell: 5880607	Victor Makuku
159. Ooslo Investments (Pty) Ltd	Tawana Ward, Letlhakane P.O Box 338 Orapa	Cell: 71417867	Thatayaone Lephodisa

Name of Micro Lender	Addresses	Tel/Fax	Contact Person
160. Optic (Pty) Ltd	Molepolole Kgosing Ward Older COOP Building, Molepolole P O Box 3622 Molepolole	Tel:72822415 /71358026	Kabelo Regoeng
161. Pathways Business Ventures (Pty) Ltd t/a Pathfin	Office 43 Lot 4790, Electro House Gaborone Industrial P O Box 20812, Gaborone	Tel: 3934508 Cell: 72114280 Fax: 3934508	Collen Moses
162. Pectin Investments (Pty) Ltd	Unit 8 & 16B Carbo Centre , Gaborone Private Bag BR 154 Gaborone.	Tel: 3190680 Fax: 3190696	Gaone M. Ketshabile
163. People's House Jwaneng (Pty) Ltd	Unit 10A Lot 5422, Diamond Mall , Jwaneng Private Bag 73 Jwaneng	Tel: 5881611 Fax: 5881611	Paul Jacobs DuPlessis Kruger
164. Peubo Investments (Pty) Ltd	1st Floor-Office No.15, Plot 871/2/3/4 African Mall Babereki House, Gaborone P O Box 404341 Gaborone	Tel: 3105837 Fax: 3105745 Cell:73105745	Gofaone Johane
165. Phana Romic (Pty) Ltd	Phikwe Square, Shop 17, Selibe Phikwe P O Box 2524, Selibe Phikwe	Tel: 2610844 Cell: 71543769 Fax: 2610844	Kereeditse Marope
166. Phillodovica Cash Loan (Pty) Ltd	Plot 13969 Block 5 , Francistown P.O. Box 1635 Francistown	Cell: 72409553	Jeffrey Phillimon.
167. Pioneering Fin	Gaborone	Lefoko Montwedi	
168. Polonic Investments (Pty) Ltd T/A PolonicCashloan	Tawana Ward, Plot 3674 Letlhakane P.O. Box77 Orapa	Tel: 2978120 Cell: 71865997/73595176 Fax: 2978120	Nicollet M. Morobane

## Appendix M: List of Microlenders

Name of Micro Lender	Addresses	Tel/Fax	Contact Person
169. Pomma (Pty) Ltd t/a Precise Wealth Cash Loan	Plot No. 171 Unit 10 Oasis Motel Tlokweng P O Box 3249 Gaborone	Tel: 3911822 Tel: 3911822	Joel Motlhabane
170. Prime Employee Benefits	Gaborone		
171. Puku Holdings (Pty) Ltd t/a Imali Cashloan	Shop No: 7 Teemane Mall, Jwaneng P.O. Box 774 Jwaneng	Tel: 5881554 Fax: 5881553	William Hampton.
172. Pure Partners (Pty) Ltd	Old Mall, Maun P O Box 944 Maun	Tel: 6863224 / 76499262	Moitse Popo Maruping
173. Quick Start Services (Pty) Ltd	Plot 529, Mophane Avenue, Maun P.O. Box 839 Maun	Tel/Fax: 686 5566	Batshegi Sarefo
174. Rachelwa Investments (Pty) Ltd	Unit 4, Lot 17973, Setswana Print Complex, Gaborone West Industrial, Gaborone P O Box 504136 Gaborone	Tel: 3936046 Cell: 71268013 Fax: 3936046	Neo Gosekwang
175. Realdics (Pty) Ltd	2786 Office 7, Serorome Ward Palapye P/Bag 007 Sefhare	Cell: 72897746 /75509564	Neo G Modise
176. Reathusa (Pty) Ltd	Unit 1 & 2 First Floor, Plot No. 21328, Lobengula Avenue, Francistown P O Box 1204 Francistown	Tel: 2416392	Lucas J. Groenwald
177. Reeboz (Pty) Ltd t/a PromptDeal	FNB Complex, Shop NU 8, Old Mall, Palapye P.O. Box 10653 Palapye	Tel: 4900266	Caroline William
178. Reliance Holdings (Pty) Ltd t/a Paper Cash loan	Shop 9, Plot 6243 swap Complex, Francistown P O Box 1158, Francistown	Cell: 71483656 Tel: 2415469	John Kgaje

Name of Micro Lender	Addresses	Tel/Fax	Contact Person
179. Rise & Shine Budget Beaters (Pty) Ltd	Kanye Mall, Brigade Complex Unit 6 Mafikana Ward, Kanye P O Box 11426, Kanye	Cell: 71232745	Lesole Katlholo
180. Robustic Investments (Pty) Ltd t/a Harmite Cashloan	Unit 5 ,Plot 6163 Swap Complex Nswasi Mall, Francistown P O Box 500195 Francistown	Cell:77601986 /74329946	Clara Boniface Phiri.
181. Rosherville Investments ( Pty) Ltd	Plot No 66, Kanye P O BOX 602400, Gaborone	Tel: 5480426 Fax: 5480436	Kabelo Golekanye
182. Sapele Holdings (Pty) Ltd	Plot 2851, Block 8, Gaborone P O Box 404027 Gaborone	Tel: 3924074 Fax: 3924074	Augustin Njei Acho
183. Sarakie Investments (Pty) Ltd T/A Sarakie Micro Lending	Plot 2891, Unit 4, Jwaneng P. O. Box 2303, Jwaneng	Tel: 71720000	Golebaone Keitshokile
184. Sentle Central (Serowe, Palapye,	Barhnot Complex, Near Markus Filling Station, Maun P O Box 839, Maun	Tel: 6870032 Fax: 6861656	David Nicolaas Van Rensburg
185. Sentle Investments (Pty) Ltd	Barhnot Complex, Near Markus Filling Station P O Box 839, Maun	Tel: 6870032 Fax: 6861656	David Nicolaas Van Rensburg
186. Sibonda Investments (Pty) Ltd	Plot 15988, Ledumang, Gaborone P O Box 504220, Gaborone	Tel: 3924968	Ephi Simon
187. Silver Daniel (Pty) Ltd	Shop 22, Riverwalk Mall, Gaborone P O Box 81394, Gaborone	Tel: 3926378 Fax: 3926379	Coin Ntabe
188. SilverDollar Investments (Pty) Ltd	Plot 685 Botswana Road, Main Mall Gaborone Private Bag 00467 Gaborone	Tel: 3906581 Fax: 3906561	Tina Mosidi

## Appendix M: List of Microlenders

Name of Micro Lender	Addresses	Tel/Fax	Contact Person
189. Sizewell (Pty) Ltd	Plot 1268, Thusanyo House, Old Lobatse Road, Gaborone West Industrial P O Box 602400 Gaborone	Tel: 3902873 Fax: 3902873	Jason Craven Smith
190. Skyquest	Gaborone		Ramolelwane Makubate
191. Skytronix	Gaborone		KHUMOYAME BATSHEGI
192. Sloca Enterprises (Pty) Ltd T/A BonnoCashLoans	Plot 17854 Unit 2, Tshipidi House, Gaborone P O Box 405222 Gaborone	Tel: 3926986 Cell: 716244334 Fax: 3916325	Kerwele Carol Seloilwe
193. Smartribe (Pty) Ltd	Plot 4746 unit 6,Kudu road, Broadhurst,Gaborone P. O. Box 502793, Gaborone	Tel: 3918857	Bontle Charles
194. Sonaga Investments (Pty) Ltd	Plot 16186, Unit 5 NBC Developments Blue Jacket Street, Francistown Private Bag F150, Francistown	Tel/Fax: 2416917	Mpho Sethole
195. Spicewekz Cash Loan (Pty) Ltd	Xhosa 2 Ward, Mahalapye P.O. Box 2018 Mahalapye	Tel: 4712725 Cell:75502774 /72960479 Fax: 4712726	Kesogofetse Tshegang
196. Stims Enterprises (Pty) Ltd	Plot 1225, Unit 8 Haile Selasie Road, Gaborone Private Bag 272, Gaborone	Tel: 3111592	Mamello Ramakele
197. Sunset Letsatsi (Pty) Ltd ]t/a Boop Kono Cashloan	Plot 2576 CB Building Unit 8 Block 4 , Selibe Phikwe P.O Box 2012 Selebi-Phikwe.	Tel: 2615506 Fax: 2615503 Cell: 72492617	Boitumelo Magjibisela

Name of Micro Lender	Addresses	Tel/Fax	Contact Person
198. Suzu- Rih Enterprises (Pty) Ltd t/a Immediate Cashloan	Serorome Ward Palapye P O Box 1426, Palapye	Cell: 75202673 /71521537 Tel: 4921194	Resego Mpule
199. Sytic (Pty) Ltd t/a The Cash Source 200. Thito Holdings (Pty) Ltd	Gaborone Plot 5624, Real Estate Park, Broadhurst Industrial, Lejara Road, Gaborone P.O.Box 404515 Gaborone	Tel: 3909319 Fax: 3902025	Monica Tsie  Kgomotso Kgabi
201. Tide Waters Investments (Pty) Ltd	Tawana Ward, Next to WUC, Letlhakane P O Box 338, Orapa	Tel: 2978636 Cell: 71417867 /71628797	Temo Ratsie
202. Tiego's Cashloan (Pty) Ltd t/a Tiego's Cashloan	Plot 1486, minestone, Francistown P O Box 301470 Francistown	Tel: 71683449 Fax: 2442076	Kerediretse Tiego
203. Tietic Investments (Pty) Ltd	CBD 3746, EXTENSION 2, Jwaneng P. O. Box 2356 ABG, Sebele, Gaborone	Cell: 73432792	Thuso Ramono
204. tit4tat (Pty) Ltd	Plot 409, Lenganeng Ward, Tlokweng P. O. Box 45883, Riverwalk, Gaborone	Cel: 72582686	Selwana Pilatwe-Kowpenhave
205. Top Ted Investments (Pty) Ltd	Plot 2985, Gasiko Ward, Gabane P O Box 919, Gabane	Tel: 72556618	Tlhagiso Ernest Dintwe
206. Tose Enterprises (Pty) Ltd	Tawana Ward Letlhakane P O Box 181, Orapa	Cell: 75145768	Portia Tabona
207. Traceline (Pty) Ltd	Plot 54483 Molapo Business Centre, Gaborone P O Box 47419, Phakalane	Tel: 3957430 Fax: 3957430	Joseph Hall
208. Trash Cash Loan	Mokgobelele Ward, Mopipi P.O. Box 255 Mopipi	Cell: 75972885	Kebofilwe Kelatlheletswe

## Appendix M: List of Microlenders

Name of Micro Lender	Addresses	Tel/Fax	Contact Person
209. Tshepo Mosinyi T/A Ezweleni Cash Loan	Office 3 PLOT 8934 Extension 2 African Mall, Gaborone P O Box 601501 Gaborone	Tel: 3132952 Cell:72660353	Tshepo Mosinyi
210. Tshipidi Gaborone			JACOBE KEABILWE
211. Tswana Radiance (Pty) Ltd	KB mall, Unit 15 Gaborone P O Box 404522, Gaborone	Cell:73100138	Leonard Seone
212. TT Ishmael Keolitile Investments (Pty) Ltd t/a TT Ish Cashloan	Manyanda ward, Tonota P O Box 150262, Tonota	Tel: 2484454	Ishmael Keolitile
213. TU loans (Pty) Ltd	Plot 126 Unit 18, Gaborone International Finance Office Park Kgale Court, Gaborone Private Bag 19, Mogoditshane	Cell: 76102712 Tel: 3973644	Ibu Kenosi
214. Tuck and Turner Enterprises (Pty) Ltd	Letsibogo ward, Letlhakane P.O. Box 1279, Letlhakane	Tel: 71988239	Topololo C. Modori
215. Tudumase (Pty) Ltd	Plot 2564, Maun P O Box 350083, Maun	Cell: 74370948	Tuduetso Masene
216. Tuk-Tuk Botswana (Pty) Ltd	Plot 54368 Ground & First Floor The Hub iTowers Gaborone CBD P O Box 4896 Gaborone	Tel: 3981923 Fax: 3981901	Motheo W Sepora
217. Twinkle Waves (Pty) Ltd	Plot 1094, Embassy Chambers, Unit 4, Main Mall, Gaborone P. O. Box 1929, Mogoditshane, Gaborone	Cell: 72642865 /71269580 Fax: 3917723	Opelo Kgobego
218. Unibonn Group			
219. Versagold (Pty) Ltd t/a Day Service Cash Loan	Plot 54110, BBS Mosha Center, Gaborone P O Box 80410 Gaborone	Tel: 3112890	Francis Seelo Violet Setumo
220. Vimobra	Jwaneng		
221. Wakalevike (Pty) Ltd	Ikago Business Enclave Plot 114 Tawana Ward, Letlhakane P O Box 3424 Letlhakane	Cell: 72605217 /72294694	Wame Jimson

Name of Micro Lender	Addresses	Tel/Fax	Contact Person
222. Watdon (Pty) Ltd t/a NK 2011 micro lenders	Lotsane Ward Palapye P O Box 11419, Palapye	Tel: 4970100 Fax: 4970101	Donald Seko Nkete
223. Wealth bucket (Pty) Ltd	Plot 39102 Block 6,Gaborone P O Box 188,Gaborone	Tel: 71715336	Willie Oganeditse
224. Whitsun (Pty) Ltd t/a Yours and Mine	Plot 2577 Unit 6 CB Building Cash Bazaar Selibe Phikwe P O Box 1095 Selibe Phikwe	Tel: 2614786 Cell: 72620782	Tabona Elias
225. Wallet Care (Pty) Ltd	Shop 23, KB Mall Gaborone P O Box 679, ABG, Sebele, Gaborone	Tel: 3113877 Cell: 75980301	Tshepiso Arrisa
226. Wise wallet (Pty) Ltd	PLOT 50361, FAIRGROUNDS BLOCK C, Gaborone P O Box AD30 ACG, Gaborone	Tel: 3186106 Fax: 3922156	Kealeboga Wesson
227. Zufire & Co (Pty) Ltd	Plot 54368 West Commercial Road ITowers – First Floor, Office 114 The Hub – CBD, Gaborone	Tel:3981925 Cell: 74090789	Michael Mandla Hirschfield
228. The Galaxy Micro Lenders (Pty) Ltd	Po Box 10758 Plot 3404 Extension 5 Palapye	Cell: 71653340	Goeme Ogopoleng
229. Sechaba Capfund (Pty) Ltd	P.O Box 46237 Gaborone	Cell: 71342357	Kesego Mokgetse
230. Batho Le Madi (Pty) Ltd	P O Box 40003 Francistown	Tell: 2415307	Maureen Otlogetswe

## Appendix 4N: List of Exempted Pawnshops

	Name	Contact person	Telephone	Address
1.	Abuti's Pawn Shop	D O Boateng	Tel:3121260/3973157	P O Box 202554, Bontleng, Gaborone
2.	Anthoniorose (Pty) Ltd	Prof Abosi	Cell: 73554796/76123402	P O Box 70050, UB Gaborone
3.	Baymol Investments (Pty) Ltd t/a Bassie Pawn Shop	Basadi Mollentze	Cell: 71698232	P O Box 211316, Bontleng
4.	Ben Pawn Shop	Benjamin Kwarare	Cell:71494592/76153883	P O BOX 201366, Bontleng Tlokweg
5.	Blue Steel (Pty) Ltd	Michelle Blasco Jungo	Cell:71973878/71207660	P O Box 3179, Francistown
6.	Boileng Multi Constructions (Pty) Ltd	Kgosietsile Kebuildeng	Cell:73841846/72841846	P O Box 151, Maun
7.	Bojanour Pawn Shop	Bongani Solomon	Cell:77145416	P.O. Box 2729, Francistown,
8.	Bright Pawn Shop	Gabaithuti Mafoko	Cell:74273811	Plot 9433, Block 2, Francistown
9.	Cash Crusaders (Pty) Ltd	Herman Kitshoff	Tel: 3910801	P/Bag 351, Suite 498 Gaborone
10.	Cash Ride Pawnshop	Morulaganyi Tshitoeng	Tel: 3936649	P O Box 501618, Gaborone
11.	The class (Pty) Ltd t/a City Pawn Shop	Sarah Adakwa	Tel: 3133812	P. O. BOX 211173, Gaborone
12.	Core Matrix (Pty)Ltd T/A core matrix pawn shop	Johannes January	72894292	P.O.Box 41, Molepolole
13.	Daniel Miracle Holdings (Pty) Ltd	Daniel U. Lwuchukwu	73287694/74146356	P O Box 3253, Serowe
14.	Da Dancy Holdings (Pty) Ltd	Neo Birchall	74415540	P O Box 50112, Gaborone
15.	Donwel (Pty) Ltd T/A Cash-X-Change Pawn Broker	Ipotseng N. Keleofile	76763161	P. O. Box AD 102, Mogoditshane
16.	Dela On Desert t/a Ntshwarelela Pawn Shop	Alfred Adkjie klu	75590032	P O Box 202360, Mogoditshane
17.	Dynex Two Pawnshop	Julia Mosinki	75419884	P. O. Box 1074, Palapye
18.	Easy way out Pawnshop	Kindwani Chatsama	73901666/71510616	P O Box 70802, Gaborone
19.	EdenHill Holdings (Pty) Ltd	Lerato Seanego	3951229	P O Box 402644 Gaborone
20.	Elijah Pawnshop	Baboloki kelegatile	71642523/74933277	P O Box 492, Tobane
21.	Empire State (Pty)Ltd T/A Exchange Pawnshop	Lebegang Sebusang	72680891	P.O.Box 53470 Gaborone
22.	Ethical Supremacy Investments (Pty) Ltd	Antony Kenosi	72475702	P O Box 3314, Francistown
23.	Freeman Pawnshop	Benjamin K Boadi	3165441	P O BOX 150152, Mogoditshane
24.	Fair Deal Pawn shop (Pty) Ltd	Benny Selebe	71282621/76548013	P O BOX V2094
25.	Frontier Pawnshop	Gaone Keoagile	73495494/77024047	P O Box 635
26.	Gracious Concept		73958662	Serorowe Ward Palaye
27.	G_Amour Investments ( Pty) Ltd	Tebogo Moshashane	73222111/74280870 /3934523/ 74990000	P O BOX 47567, Gaborone
28.	Green Flap (Pty) Ltd t/a GF Pawnshop	Giveus Mathe	75952906/ 75952905	P O Box 25ABF, Gaborone

	Name	Contact person	Telephone	Address
29.	Green Pass Tradings (Pty) Ltd	Thatayaone Mokobi	75537780/71267780	P O Box 1243, Gaborone
30.	Hartlane projects (Pty) Ltd	Andrew Tlokwe	3911943	P O Box 3179
31.	Ikyco Investments (Pty) Ltd	Innocent Nwosu	71430609/72503309	P O BOX 201366
32.	Ikaego Property Holdings (Pty) Ltd	Tshekatsheko Setlhomo	71303884,71301230	P O Box 580 Letlhakane
33.	Jack Cage Pawn Shop	Titus Malunga		P. O. Box 80193 Gaborone
34.	Jatinwa Investments (Pty) Ltd t/a Jatinwa Pawn Shop	Jane Nwako	71630274/71697685	Francistown, P.O. Box 2729
35.	Jobest Holdings (Pty) Ltd	James Nwosu	71925082	P O BOX 2679, Selibe Phikwe
36.	KG Aabobe Investments	Kagiso Aabobe	72337492	Extension 5465 Francistown
37.	KG Jon Investments (Pty) Ltd	John Kgaje	2415941/71483656	P O Box 1158 Francistown
38.	Kagiso Pawn shop (Pty) Ltd	Michael T. Ahulu		Plot 320, Mogoditshane
39.	Kgethang (Pty) Ltd	Boitumelo Boikhutso	71435147/73840913	P O Box V1303, Ramotswa
40.	Kleinview Holdings (Pty) Ltd	Bofelo Ngake	76374797	P. O. Box 4390, Gaborone
41.	Kolojane Holdings	Kgosietsile Kolojane	71743074/72975773	P O Box 229,Otse
42.	Lacox Holdings (Pty) Ltd	Siphiwe Cox	72169425/76684536	P O Box 153, Francistown
43.	Lanny Capital (Pty) Ltd t/a Pawn Express	Kim Lanny	76000069	P.O. BOX AD 782 ADD, Gaborone
44.	Broad works (Pty) Ltd	Joel Marapo	72112186/3933962	P O Box 1955, Gaborone
45.	Lizah's pawnshop	Kgotlaetsile Omphemetse	71520570/72783656	P O Box 65, Palapye
46.	Lient Pawn Shop (Pty) Ltd	Mpho Keboatlholetswe	71262558/73545485	P. O. Box 594 Palapye
47.	Loapi Pawn Shop (Sober Deals Investments) ( Pty) Ltd	Onkabetse Mogae	71601217	P. O. BOX 60234 Gaborone
48.	Lowani Investments (Pty) Ltd	Tshenolo Mabone	7322 7759/ 7462 0496	P O Box 503124,Gaborone
49.	Martim (Pty) Ltd	David P Muir	72105137	P O Box 1243, Gaborone
50.	Magic Plum (Pty) Ltd	Mr Monde Sempe	74570908/77470220	P O Box 20386, Tlokweng
51.	Melikh Pawn Shop (Pty) Limited	Oxilia Mantsee- Kuswani	71443397/76239416	P O Box 2621, Francistown
52.	Med-tint group	Magare Masilonyane	3931969/71449971	Box 500223, Francistown
53.	Mutual Harmony	Kagelelo Goleanye	71877041	Bontleng Tlokweng
54.	Moosad Group (Pty) Ltd t/a Last Dice Pawn Shop	Israel Kgosidiile	71785597/73529598	Private Bag 12, Jwaneng
55.	Naibosa Investments (Pty) Ltd	Setswakae Nagole	74787525/71425136	P O Box 503124,Gaborone
56.	Ndozy Sir Holdings (Pty) Ltd	Jean-Marie Kabalisa	72155688	P.O Box 2633 Serowe
57.	Nomek Holdings (Pty) Ltd	Ishmael C. Nwosu	73965391	P O BOX 792 Lobatse
58.	Novel Vision Projects (Pty) Ltd t/a Pula Pawnshop	Lekgotla David Mmakgotso	71676989	P O Box 26344 Gaborone

## Appendix 4N: List of Exempted Pawn Shops Companies

Name	Contact person	Telephone	Address
59. Othugeoff (Pty) Ltd t/a Pen & Geof pawnshop	Othusitse Sekeletu	72559713/6861038	P O BOX 20348, Maun
60. Overseas Group (Pty) Ltd	Thato Dikgakgamatso	75504035/74695574	P.O Box 11135 Tatitown, Francistown
61. Pawn It (Pty) Ltd	Paul Van Zyl	3918724/71804680	P O Box 46750, Gaborone
62. Petrous Investment (Pty) Ltd	Petrous Tshabang	72417587/73887382	Plot 1492, behind Trasport
63. Peam Motors (Pty) Ltd t/a Main Pawshop	Anna Malata	74437124	P O Box 501827, Gaborone
64. Purple Bee (Pty) Ltd t/a Perfect Peace Pawnshop	Emmanuel Ansu/ Sherry T. Ntshole	72612522	P O Box 3314, francistown
65. Resostore (Pty) Ltd	Koziba Oitsile	74101783/72146060	Serorowe Ward Palaye P. O. BOX 10062 Palapye
66. Sacals (Proprietary) Limited	Hlompho Sentsho	76031523/71237031	P O Box 366, Maun
67. Smega Investments (Pty) Ltd	Pako Nchupetsang	72445289	P O BOX 47567
68. Skyland Pawn Shop	Kesego Ntwa	77141361	P O Box 403220 Gaborone
69. Skyhart (Pty) Ltd	Thulani Sankoloba	74000055	Box 1766 Gaborone
70. Sxheku Holdings (Pty) Ltd	Mr Kopo Kgothatso		P O Box 411, Rakops
71. Springle Front logistics (Pty) Ltd	Kekgabile Tsheko	71977997/72570608	P O Box 50158
72. Thari ya Ngwana Centre Pawn Shop	Basimolodi Gabaikanngwe	71746582	P.O Box 2633 Serowe
73. The Best Galore (Pty) Ltd	Mr Lesego Othusitse	73000039	P O Box 232872, Gaborone
74. The Elect PawnShop (Pty) Ltd	Khumo James	74419890	P.O Box 345, Gaborone
75. The Almo Services	Kebaabetswe Phuthego	77057711	P O Box 1158 Francistown
76. Thobela Pawn Shop	Kgomotso Nakedi	71685639/3974637	P O BOX V2094, Gaborone
77. Top Ten Hair Salon	Frimpong Therisanyo	72393081	P O Box 201888, Gaborone
78. Town Brand (Pty) Ltd.	Kay Selina Ogenna	76854455,74544512	P O. Box 53255, Gaborone
79. Two Plus One Pawn Shop	Christopher Musa	2413231/71612761	Plot 31071, Ftown
80. Two Way Motors (Pty) Ltd T/A 2 way Pawners	Sakuringwa Ernest	74539739	P O Box 2559 Selibe Phikwe
81. Tulpwood Investments (Pty) Ltd t/a Full Moon Pawn Shop	Cynthia Nswazwi	75976537/77141386	P O Box 3253 Serowe
82. Unifocus Investments (Pty) Ltd	Stephen Machinya	77189385/75776247 /2417300	P O Box 366, maun
83. Water Solution Mining Botswana (Pty) Ltd	Kabelo Mohohlo	72879172	P O Box 598 AEH, Gaborone

Name	Contact person	Telephone	Address
84. Weverly Holdings (Pty) Ltd T/A Weverly Pawn Shop	Obi Chigbo Ngwigbo	76000350	P O Box AD 782 ADD
85. Wild Power (Pty) Ltd	Shadrack Mokhuchedi,		P O Box 357 , Gaborone
86. Wise Matrix (Pty) Ltd	Mogomotsi B. Dipowe	77581933	P O Box 1955, Gaborone
87. Zanny OEE (Pty)Ltd	Zannel Sealotsa	73136655/3121178	P O Box 81896

## Appendix 4O: List of Exempted Finance and Leasing Companies

	Name	Contact Person	Address	Telephone
1	African Gateways (Pty) Ltd	Victor Wilfred Mpai	wilfredmpai@ymail.com	Tel: 3980379 /Cell: 71311777
2	Balnick Holdings (Pty) Ltd t/a Balnic FL	Baliki Bakgobokanye	balnickholdings@gmail.com	
3	Benning (Pty) Ltd	Shadrack Mokhuchedi	shadrack2008@gmail.com	Tel: 3116880
4	Bluthorn Procurement Solutions (Pty) Ltd	Eune Engelbrecht		
5	Brand Nu Agency (Pty) Ltd	Nugi Nkwe	nkwe08@gmail.com	Cell: 72727474/ 71600900/ 0027612309260
6	Business Portal (Pty) Ltd	Ofentse Gotshajwang	businessportalbw@gmail.com	Tel: 5441317/3960558 Cell: 72425299/76723919
7	Caftan (Pty) Ltd	Shaun Sello	shaun@caftan.co.bw	Tel: 3925344
8	Capital Masters Holdings (Pty) Ltd	Khumoetsile Nawa	capitalmastersbw@gmail.com	Cell: 73599262/71493184
9	Capital Value (Pty) Ltd	Nikunj Mehta	nikunjmehta@gmail.com	Tel: 3181512
10	Chameleons (Pty) Ltd	Boniface Mike Katse	facekatse@gmail.com	Tel: 3190172
11	Credit One (Pty) Ltd	Reuben Morapedi	enquiries@creditone.co.bw	Tel: 3915734 /Cell: 72161457
12	Current Future (Pty) Ltd T/a Vision Pula	T L Motlokwa	gsimanyana@rateone.co.bw	Cell: 72720382 /Te: 3190786
13	Empire State (Pty)Ltd T/A Empire firm	Lebegang Sebusang	empirestatefirm@gmail.com	Cell: 72680891/Tel: 3933912
14	Export Credit Insurance & Guarantee Company Botswana (Pty) Ltd	Harold Kuvenga	Haroldk@beci.co.bw	Tel: 3188015
15	Fima Enterprises (Pty) Ltd	Itumeleng Ednah Maphongo	itumelengm@fimacapital.co.bw	Tel: 3938359 /Cell: 71636252
16	Golden Peal	Taboka Moraka	tabokamoraka@gmail.com	
17	Guile & Khoison Capital (Pty) Ltd	Thato Bontle Magibisela	bontle@gkcapital.net	
18	I Am Papers (Pty) Ltd	Tirelo Genotric Leepile	iampapersbw@gmail.com	Tel: 3113231
19	Intelgia Holdings (Pty) Ltd t/a BSN Bonds	Badirile Ngwako	bnwako@gmail.com	Tel: 3117620 /Cell: 76799605
20	Kemello Group (Pty) Ltd	Tlholego Mugomba	tlholegomogapi@yahoo.com	Cell: 75002552/71209483
21	KhenJully Holdings (Pty) Ltd t/a KhenJully Success Benefits	Julie M. Keaosentse	Khenjully2012@gmail.com	Cell: 71879961/75731576
22	Ladude Invet t/a Ticano Strategy and Pro	Opelo Tiro Motswagole	accounts@ticanogroup.co.bw.	Cell: 76922999 /Tel: 3618280
23	Langford Holdings (Pty) Ltd t/a Langford and David	D.S Ngwanaamotho	Langford390@gmail.com	Tel: 72972022
24	Lanny Holdings (Pty) Ltd	Amantle Monametsi	ama@lanny.co.bw/ kim@lanny.co.bw	Tell: 3167186/Cell: 71853030
25	Letshego Financial Services	Mr. Lawrence Ntshabele	lawrencen@letshego.com	Tel: 3643312 /Cell: 72290553

	Name	Contact Person	Address	Telephone
26	Lupos Investments (Pty) Ltd T/A Lupos Capital	Uyapo Letsholo	sidouyapo@gmail.com	Cell: 72473303/ Tel: 3186679
27	MaxAur Marketing Services	Martin Ragontse	martinr@mams.co.bw	Tel: 391 2079
28	Mic Fin (Pty) Ltd	Thembisile Phuthego	tphuthego@btcmil.co.bw / kennedy@creditfactors.co.bw	Tel: 3910243/4Cell: 72100812
29	Moola Group (Pty) Ltd t/a Moola Capital	Mrs. Mpho Donnell	moolafinance@gmail.com	Cell: 77793900 /Tel: 3933785
30	MyGuy General Dealers (Pty) Ltd	Tlanelo Ramodisa	tlaneloramodisa@yahoo.com	Cell: 72691865
31	Northeaven(Pty) Ltd	Mr. Lotso Mouwane	lmouwane@gmail.com	Cell: 71499688 /75813702
32	Norsad Finance Ltd	Jonathan Davies	jonathan.davies@norsadfinance.com	Tel: 3160860
33	Olympia Factors Commerciale (Pty) Ltd	William Mwirisi	William.murwisi@gmail.com	Cell: 75458855
34	Profirst (Pty) Ltd	Nthisana M Phillips	Profirst.investments@gmail.com	Tel: 3909228
35	Prolude (Pty) Ltd t/a Prolude Capital	Kelebogile Mading/ Ogone Madisa-Kgware	shalamadin@gmail.com ogonemad73@gmail.com	Cell: 71214411 / Cell: 71719585
36	Plural Innovations (Pty)Ltd t/a Plural Factors	Kago Keolebogile Petso	pluralentities@gmail.com	Cell: 71305701/ 71507471/ 72886688
37	Prime Employee Benefits (Pty) Ltd	Andre Heunes	botswana@prime.co.bw	Tel: 3918754/6
38	Rain Capital (Pty) Ltd	Ashu Loona	ashu@apexhub.co	Tel: 3973333 /Cell: 71526452
39	Refuya Group (Pty) Ltd	Uyapo Letsholo	sidouyapo@gmail.com	Tel: 3921466 /Cell: 72473303
40	Retain It (Pty) Ltd	Kgomotso Kubisa	kgomotso.kubusa@yahoo.com	Tel: 3922122
41	Savanna Land (Pty) Ltd	Martin Tini Silongo	Info.savannaland@gmail.com	72912792/3114788
42	Scania Finance Southern Africa (Pty) Ltd	Bruno de Mattos	Nicolette.james@scania.co.za	Tel: 3912244
43	Smartcred (Pty) Ltd	Otsile Oteng	otsile.oteng@gmail.com	Cell: 71922621 /Tel: 3974655
44	Sytic (Pty) Ltd T/A The Cash Source	Tebogo Setiko-Moribame	tebogomoribame@gmail.com	Cell: 71381410
45	The Business Towers Consultant (Pty)Ltd	Pauline Monare		Cell: 77808378/ 71307990 /Tel: 5390636
46	Thebe Capital (Pty) Ltd	Neo T. Jalal		
47	Topmarket Capital (Pty) Ltd	Pauline Gagoitseope	pauline@topmarketcapital.co.bw	Cell: 72666616 /Tel: 3162642
48	TTQ (Pty) Ltd	Queen Masole	ttpq@gmail.com	Cell: 71806151

## Appendix 4O: List of Exempted Finance and Leasing Companies

	Name	Contact Person	Address	Telephone
49	Trade Fin Capital (Pty) Ltd	Fredrick Kau	fredrick@tradefincapital.com	Cell: 76981596 /Tel: 3102580
50	VBP Home Investments (Pty) Ltd	Anthony Siwawa	bakani@venture-p.com	Tel: 3181012/ Fax: 3181038
51	Versagold (Pty) Ltd	Francis Seelo	francisseelo@gmail.com	71305512/3115640
52	Wallet Care (Pty) Ltd t/a Walletcare Business Unit	Katlego Toteng		
53	Water Solutions Mining Botswana (Pty) Ltd	Kabelo N. Mohohlo	Kabelo.wcmb@gmail.com	Cell: 72879172/ Tel: 3190895
54	Yaria (Pty)Ltd	Mbakanyi Mathambo	mbakanyi@gmail.com	Cell: 71386389

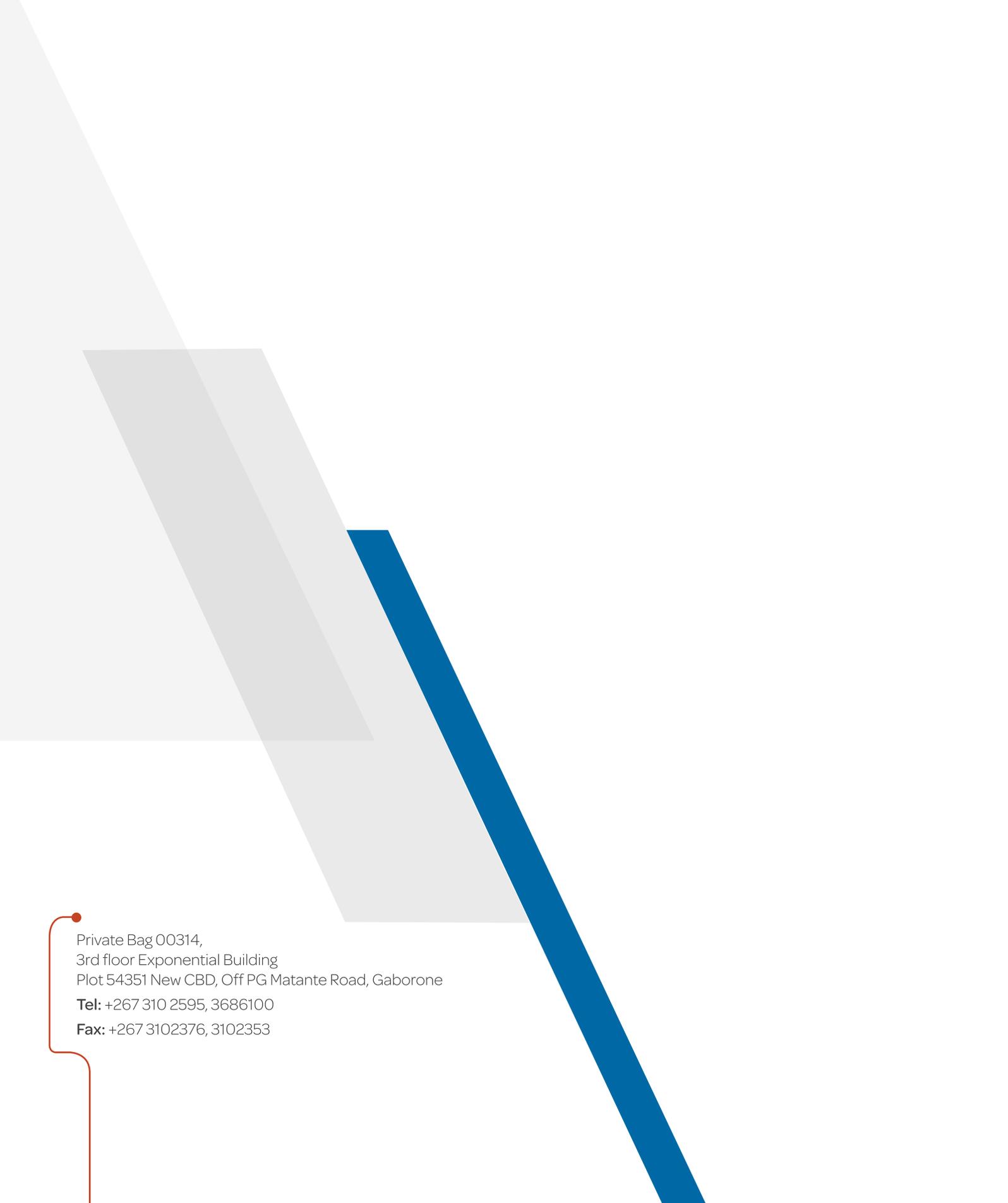
## Appendix 4P: Licensed Investment Advisors

	Company Name	Contact Person	Contact Details
1.	Alexander Forbes Asset Consultants (Pty) Ltd	Ati Mannathoko	Private Bag 00410, Gaborone
2.	FNB Insurance Brokers (Pty) Ltd	Mr Kgomotso Mokokonyane	P. O Box 1552, Gaborone
3.	Key Wealth (Pty) Ltd	France Mogomotsi	P O Box 660ABG Sebele
4.	Malaczynski Burn (Pty) Ltd	Cornelius Ramatlhakwane	P.O Box 1839 Gaborone
5.	Riscura Botswana (Pty) Ltd	Neville Stewart Blake Field	P O Box 294, Gaborone
6.	Standard Chartered Investment Advisory (Pty) Ltd	Esther Mokgatlhe	P O Box 496, Gaborone
7.	Strategic Wealth (Pty) Ltd	Nadine Davies	P.O Box AD 872 ADD, Postnet Kgaleview, Gaborone
8.	Thuma Advisors (Pty) Ltd	Thuto Mahlanza	P.O Box 70144, Gaborone
9.	Ticano Group (Pty) Ltd	Opelo Motswagae	P. O Box V380, Ramotswa
10.	Real Class (Pty) Limited T/A Sentinel Wealth Group	Mompoloki Mpho Moatshe	P.O. Box 503699 Gaborone
11.	SCI Wealth (Pty) Ltd	Oluwatoyin Folasade Omotoye James Fern	P.O. Box 89 AAH, Gaborone
12.	Devere Acuma Botswana (Pty) Ltd	Richard Gartland	P O Box 505200 Gaborone
13.	Serala Capital (Pty) Ltd	Mothusi Lekaukau	P O Box 81222 Gaborone
14.	VFS Botswana (Pty) Ltd	Noel Strugnell	P O Box 251 Maun
15.	Cosmic Wealth Management	Mr Maxwell Oarabile Mokoka	P.O. Box 40754 Gaborone, Tel 3115400
16.	Alexander Forbes Financial Services (Pty) Ltd	Poloko Masitara	Plot 203, Independence Avenue, Main Mall, Gaborone Private Bag 00410, Gaborone
17.	Asset Consulting Botswana (Pty) Ltd	Ditshego Issac Mosienyane	P.O. Box 2518, Gaborone
18.	Fiducia Services (Pty) Ltd	Kabo Kgopo	P O Box 70409, Gaborone
19.	Total Eclipse (Pty) Ltd	Lucy Mangisi	Plot 64517 Fairgrounds, THE OFFICE Unit 56, Gaborone

## Appendix 4Q: List of Licensed Custodians

Company Name	Contact Person	Contact Details
First National Bank Botswana	Dintle Samboma	P.O. Box 1552, Gaborone
Stanbic Bank Botswana	Maduo Thebe	Plot 50672, Stanbic House, Off Machel Drive, Fairgrounds Private Bag 00168, Gaborone
Standard Chartered Bank Botswana	Esther Mokgatlhe	Standard Chartered Bank, Standard House, Main Mall, P.O. Box 496, Gaborone





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