

BOTSWANA DOCTORS UNION
(REGISTRATION NUMBER TUC NO 1/2019)
FINANCIAL STATEMENTS
FOR THE 17 MONTHS PERIOD ENDED 31 AUGUST 2021

Botswana Doctors Union

(Registration number: TUC NO 1/2019)

Financial Statements for the period ended 31 August 2021

General Information

Country of incorporation and domicile	Botswana																
Unions' principal activities	Representing the interest of medical doctors in Botswana																
Executive Committee	<table><tr><td>Dr Shingirai Muzondiwa</td><td>President</td></tr><tr><td>Dr Gotsang T Garechaba</td><td>Vice President</td></tr><tr><td>Dr Charles Muyela</td><td>Secretary General</td></tr><tr><td>Dr Thabang Tau</td><td>Treasurer</td></tr><tr><td>Dr Febby Seleka-Charles</td><td>Public Relations Manager</td></tr><tr><td>Dr Charles Kamanda</td><td>Ex-Officio Member</td></tr><tr><td>Dr Paulus Mokgachane</td><td>Ex-Officio Member</td></tr><tr><td>Dr Wiseman Jotia</td><td>Ex-Officio Member</td></tr></table>	Dr Shingirai Muzondiwa	President	Dr Gotsang T Garechaba	Vice President	Dr Charles Muyela	Secretary General	Dr Thabang Tau	Treasurer	Dr Febby Seleka-Charles	Public Relations Manager	Dr Charles Kamanda	Ex-Officio Member	Dr Paulus Mokgachane	Ex-Officio Member	Dr Wiseman Jotia	Ex-Officio Member
Dr Shingirai Muzondiwa	President																
Dr Gotsang T Garechaba	Vice President																
Dr Charles Muyela	Secretary General																
Dr Thabang Tau	Treasurer																
Dr Febby Seleka-Charles	Public Relations Manager																
Dr Charles Kamanda	Ex-Officio Member																
Dr Paulus Mokgachane	Ex-Officio Member																
Dr Wiseman Jotia	Ex-Officio Member																
Registered office	Plot 50161, Block 5 Building 6, Grand Park Business Centre Gaborone Botswana																
Business address	Plot 50161, Block 5 Building 6, Grand Park Business Centre Gaborone Botswana																
Postal address	P O Box 21815 Bontleng Gaborone Botswana																
Bankers	Stanbic Bank of Botswana																
Auditors	Alliant CPA Associates																

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The reports and statements set out below comprise the financial statements presented to the :

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Executive Committees' Responsibilities and Approval

The executive committee members are required to maintain adequate accounting records and are responsible for the content and integrity of the financial statements and related financial information included in this report. It is their responsibility to ensure that the financial statements fairly present the state of affairs of the union as at the end of the financial period and the results of its operations and cash flows for the period then ended, in conformity with the International Financial Reporting Standard for Small and Medium-sized Entities.

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

The executive committee acknowledge that they are ultimately responsible for the system of internal financial control established by the union and place considerable importance on maintaining a strong control environment. To enable the executive committee to meet these responsibilities, the executive committee 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 union and all employees are required to maintain the highest ethical standards in ensuring the union's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the union is on identifying, assessing, managing and monitoring all known forms of risk across the union. While operating risk cannot be fully eliminated, the union endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

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

The executive committee have reviewed the union's cash flow forecast for the period to 31 August 2022 and, in the light of this review and the current financial position, they are satisfied that the union has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the union's financial statements. The financial statements have been examined by the union's external auditors and their report is presented on pages 4 to 6.

The financial statements set out on pages 7 to 14, which have been prepared on the going concern basis, were approved by the executive committee on 15 October 2021 and were signed on its behalf by:

Approval of financial statements





Independent Auditor's Report

To the Members of Botswana Doctors Union Opinion

We have audited the financial statements of Botswana Doctors Union (the union) set out on pages 7 to 14, which comprise the statement of financial position as at 31 August 2021, statement of comprehensive income, statement of changes in equity and statement of cash flows for the period then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Botswana Doctors Union as at 31 August 2021, and its financial performance and cash flows for the period then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Trade Union and Employer's Organisations Act.

Basis for Opinion

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

Other Information

The executive committee are responsible for the other information. The other information comprises the information included in the document titled "Executive Committees' Responsibilities and Approval", and the supplementary information as set out on page 15. The other information does not include the financial statements and our auditor's report thereon.



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

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

Responsibilities of the Executive Committee for the Financial Statements

The Executive Committee are responsible for the preparation and fair presentation of the financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Trade Union and Employer's Organisations Act, and for such internal control as the Executive Committee determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the executive committee are responsible for assessing the union'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 executive committee either intend to liquidate the union or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the union's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the executive committee.
- Conclude on the appropriateness of the executive committees' 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 union's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the union to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Alliant CPA Associates

Alliant CPA Associates
Certified Auditors
Practising Member: Clive K Zimunya (20160847)

15 October 2021
Gaborone

Botswana Doctors Union

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Financial Statements for the period ended 31 August 2021

Statement of Financial Position as at 31 August 2021

Figures in Pula	Notes	31 August 2021
Assets		
Current Assets		
Trade and other receivables	2	3,580
Cash and cash equivalents	3	24,570
		<u>28,150</u>
Total Assets		<u>28,150</u>
Equity and Liabilities		
Equity		
Accumulated surplus		<u>18,300</u>
Liabilities		
Current Liabilities		
Trade and other payables	4	9,850
Total Equity and Liabilities		<u>28,150</u>

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Statement of Comprehensive Income

Figures in Pula	Notes	17 months ended 31 August 2021
Revenue	5	115,400
Operating expenses	6	(97,100)
Operating surplus		18,300
Surplus for the period		18,300
Other comprehensive income		-
Total comprehensive income for the period		18,300

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Statement of Changes in Equity

Figures in Pula	Accumulated surplus	Total equity
Surplus for the period	18,300	18,300
Other comprehensive income	-	-
Total comprehensive income for the period	18,300	18,300
Balance at 31 August 2021	18,300	18,300

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Statement of Cash Flows

Figures in Pula	Notes	17 months ended 31 August 2021
Cash flows from operating activities		
Cash generated from operations	8	<u>24,570</u>
Total cash movement for the period		<u>24,570</u>
Total cash at end of the period	3	<u>24,570</u>

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Accounting Policies

1. Basis of preparation and summary of significant accounting policies

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

1.1 Significant judgements and sources of estimation uncertainty

Critical judgements in applying accounting policies

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

1.2 Financial instruments

Initial measurement

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

Financial instruments at amortised cost

These include loans, trade receivables and trade payables. They are subsequently measured at amortised cost using the effective interest method. Debt instruments which are classified as current assets or current liabilities are measured at the undiscounted amount of the cash expected to be received or paid, unless the arrangement effectively constitutes a financing transaction.

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

Financial instruments at cost

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

Financial instruments at fair value

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

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

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Accounting Policies

1.3 Subscription Income

Subscription Income received before the revenue recognition criteria are satisfied are recognised as a liability.

Subscription Income are measured at the fair value of the asset received or receivable.

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Notes to the Financial Statements

Figures in Pula	17 months ended 31 August 2021
2. Trade and other receivables	
Subscriptions receivables	3,580
3. Cash and cash equivalents	
Cash and cash equivalents consist of:	
Bank balances	24,570
4. Trade and other payables	
Audit fees payable	8,650
Subscriptions received in advance	1,200
	<u>9,850</u>
5. Revenue	
Members subscription fees	115,400
6. Operating expenses	
Operating expenses include the following expenses:	
7. Auditor's remuneration	
Fees	17,200
8. Cash generated from operations	
Surplus	18,300
Changes in working capital:	
Trade and other receivables	(3,580)
Trade and other payables	9,850
	<u>24,570</u>
9. Categories of financial instruments	
Debt instruments at amortised cost	
Cash and cash equivalents	24,570
Trade and other receivables	3,580
	<u>28,150</u>

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Notes to the Financial Statements

17 months
ended
31 August
2021

Figures in Pula

9. Categories of financial instruments (continued)

Financial liabilities at amortised cost

Trade and other payables	<u>(17,150)</u>
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10. Events after the reporting period

The executive committee is aware of the COVID-19 pandemic. The pandemic related events are considered to be adjusting events after the reporting period. There is no immediate concern around going concern. Management has established high-level task teams that are continually assessing and monitoring developments with regard to the disease and at the time of finalising the report, the executive committee is confident that our responses are adequate and the crisis is being continuously monitored to assess the impact on the union.

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Detailed Income Statement

Figures in Pula	Note	17 months ended 31 August 2021
Revenue		
Members subscription fees		115,400
Operating expenses		
Administration fees		3,767
Auditors remuneration	7	17,200
Bank charges		4,133
Secretarial fees		72,000
		97,100
Surplus for the period		18,300