

**BOTSWANA FOOTBALL ASSOCIATION**  
**ANNUAL FINANCIAL STATEMENT**  
**For the year ended 31 March 2024**

# **BOTSWANA FOOTBALL ASSOCIATION**

## **GENERAL INFORMATION**

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<b>Country of incorporation and domicile</b>	Botswana
<b>Nature of business and principal activities</b>	Governing body for football activities in Botswana
<b>National Executive Committee Members</b>	Maclean C Letshwiti (President) Masego J Ntshingane (Vice President I) Maokaneng Bontshetse (Vice President II) Alec F Monyake Tebogo TT Kamati Imwiko C Sebina Patience L Ncube Norman Sebele Tuelo Serole Mugove Chiwata Vincent Mafuta Nicolas Zakhem Thabiso D Olatotse Mfolo E Mfolo (Ex- Officio)
<b>Registered office</b>	PO Box 1369 Gaborone Botswana
<b>Business address</b>	Plot 73281 Gaborone Botswana
<b>Bankers</b>	First National Bank Botswana Limited Absa Bank Botswana Limited
<b>Auditors</b>	Baker Tilly Certified Auditors Kgwebo @ Fairgrounds Plot 64515 Fairgrounds Gaborone Botswana

## **BOTSWANA FOOTBALL ASSOCIATION**

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## **BOTSWANA FOOTBALL ASSOCIATION**

### **STATEMENT OF RESPONSIBILITY BY THE NATIONAL EXECUTIVE COMMITTEE** **For the year ended 31 March 2024**

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The National Executive Committee (NEC) is required in terms of the Constitution of the Botswana Football Association to maintain adequate accounting records and is responsible for the and integrity of the annual financial statements. It is their responsibility to ensure that the annual financial statements present a true and fair view of the state of affairs of the Association as at 31 March 2024 and the results of its operations and cash flows for the year ended, in conformity with International Financial Reporting Standards.


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 judgement and estimates.

The National Executive Committee acknowledge that they are ultimately responsible for the system of internal financial control established by the Association and place considerable importance on maintaining a strong control environment. To enable the National Executive Committee to meet these responsibilities, the National Executive Committee sets standards for internal controls aimed at reducing the risk of error or loss inn 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 Association and all employees are required to maintain the highest ethical standards in ensuring the Association's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the Association is on identifying, assessing, managing and monitoring endeavors to minimize it by ensuring that the appropriate infrastructure, controls, systems and ethical behavior are applied and managed within predetermined procedures and constraints.

The National 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 annual financial statements. However, any system on internal financial control can provide only reasonable, and not absolute, assurance against material misstatements or loss.

The going concern basis has been adopted in the preparation of the annual financial statements. The National Executive Committee has no reason to believe the Botswana Football Association will not be a going concern in the foreseeable future based on forecasts, available cash resources and the combined support by the Botswana National Sports Commission and Federation of International Football Associations. The financial statements disclose all matters which the members of the NEC are aware of that are relevant to the Association's ability to continue as a going concern.

The Financial Statements presented on pages 6 to 32 have been authorized for issue by the National Executive Committee in its behalf by:

  
\_\_\_\_\_  
President  
\_\_\_\_\_  
First Vice President

## Independent Auditor's Report

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**To the Members of Botswana Football Association**

### **Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the financial statements of Botswana Football Association set out on pages 6 to 32, which comprise the statement of financial position as at 31 March 2024, 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 the notes to the financial statements, including a summary of material accounting policy information.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Botswana Football Association as at 31 March 2024, and its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standards and the requirements of the Societies 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 company in accordance with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts A and B) (IESBA Code) and other independence requirements applicable to performing audits of 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.

#### **Key Audit Matters**

Key audit matters are those matters that in our professional judgment were of most significance in our audit of the financial statements of the current period. There were no key audit matters for the audit of the financial statements for the year ending 31 March 2024.

#### **Other Information**

The National Executive Committee are responsible for the other information. The other information comprises the general information and National Executive Committee responsibilities and approval. 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.

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#### **ADVISORY • AUDIT • TAX • ACCOUNTING**

Partners: Samuel N. Njanji CA (Z), FCPA, MBL      Jean Jones CA(Z), FCPA      Phibion P. Gwatidzo FCPA, FZICA, CA(Z)

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

# Independent Auditor's Report

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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.

## Responsibilities of the National Executive Committee for the Financial Statements

The National Executive Committee is responsible for the preparation and fair presentation of the financial statements in accordance with the International Financial Reporting Standards and the requirements of the Societies Act, and for such internal control as the National 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 National Executive Committee is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the National Executive Committee either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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

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

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

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

We communicate with the National Executive Committee 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.

  
**Baker Tilly**  
Firm of Certified Auditors  
Practicing Member: Samuel Njanji (CAP 0054 2024)

06 SEPTEMBER 2024  
Gaborone

**BOTSWANA FOOTBALL ASSOCIATION**

**STATEMENT OF COMPREHENSIVE INCOME**  
**for the year ended 31 March 2024**

	Note	2024 BWP	2023 BWP
<b>Income</b>			
Grants and sponsorships	5	50,184,641	40,800,297
Gate takings on games		<u>118,159</u>	<u>221,370</u>
		50,302,800	41,021,668
Other income	6	4,485,322	8,119,725
Administrative expenses	26	<u>(59,999,290)</u>	<u>(41,935,625)</u>
<b>Operating (deficit)/ surplus</b>		(5,211,168)	7,205,767
Finance income	7	290,320	594,760
Finance costs	7	<u>(25,548)</u>	<u>(19,989)</u>
Net finance costs		<u>264,772</u>	<u>574,771</u>
<b>(Deficit)/ surplus before income tax</b>		(4,946,396)	7,780,538
Income tax expense	8	<u>-</u>	<u>-</u>
<b>(Deficit)/ surplus for the year</b>		(4,946,396)	7,780,538
<b>Other comprehensive income</b>		-	-
<b>Total comprehensive (deficit)/ surplus for the year</b>		<u><u>(4,946,396)</u></u>	<u><u>7,780,538</u></u>

**BOTSWANA FOOTBALL ASSOCIATION**

**STATEMENT OF FINANCIAL POSITION  
as at 31 March 2024**

	Note	2,024 BWP	2023 BWP
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	10	12,491,214	13,457,442
Right of use assets	11	315,482	320,446
		<u>12,806,696</u>	<u>13,777,888</u>
<b>Current assets</b>			
Trade and other receivables	12	1,254,446	1,115,011
Financial assets at fair value through profit and loss	13	50,528	47,694
Contract assets	14	-	-
Cash and cash equivalents	15	4,752,182	12,720,129
Inventory		535,331	-
		<u>6,592,487</u>	<u>13,882,834</u>
<b>Total assets</b>		<u><u>19,399,183</u></u>	<u><u>27,660,722</u></u>
<b>FUNDS AND LIABILITIES</b>			
<b>Funds and reserves</b>			
Accumulated deficit		(6,995,198)	(2,048,803)
FODA reserve		163,703	163,703
		<u>(6,831,495)</u>	<u>(1,885,100)</u>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Capital grants	16	11,080,583	11,431,129
Lease liabilities	17	332,679	335,040
Borrowings	18	-	20,093
		<u>11,413,262</u>	<u>11,786,262</u>
<b>Current liabilities</b>			
Trade and other payables	19	10,539,268	6,375,966
Lease liabilities	17	659	659
Borrowings	18	20,299	114,612
Contract liability	20	4,257,191	11,268,322
		<u>14,817,417</u>	<u>17,759,559</u>
<b>Total liabilities</b>		<u><u>26,230,678</u></u>	<u><u>29,545,821</u></u>
<b>Total funds and liabilities</b>		<u><u>19,399,183</u></u>	<u><u>27,660,722</u></u>



**BOTSWANA FOOTBALL ASSOCIATION**

**STATEMENT OF CHANGES IN FUNDS AND RESERVES  
for the year ended 31 March 2024**

	<b>FODA reserve BWP</b>	<b>Accumulated deficit BWP</b>	<b>Total BWP</b>
<b>Balance as at 1 April 2022</b>	163,703	(9,829,341)	(9,665,638)
Deficit for the year	-	7,780,538	7,780,538
Other comprehensive income	-	-	-
Total comprehensive deficit for the year	-	7,780,538	7,780,538
<b>Balance at 31 March 2023</b>	<b>163,703</b>	<b>(2,048,803)</b>	<b>(1,885,100)</b>
<b>Balance as at 1 April 2023</b>	163,703	(2,048,802)	(1,885,099)
Prior year adjustments			
Surplus for the year	-	(4,946,396)	(4,946,396)
Other comprehensive income	-	-	-
Total comprehensive deficit for the year	-	(4,946,396)	(4,946,396)
<b>Balance at 31 March 2024</b>	<b>163,703</b>	<b>(6,995,198)</b>	<b>(6,831,495)</b>

**BOTSWANA FOOTBALL ASSOCIATION**

**STATEMENT OF CASH FLOWS**  
**for the year ended 31 March 2024**

	<b>Note</b>	<b>2024 BWP</b>	<b>2,023 BWP</b>
<b>Cash flows from operating activities</b>			
Cash flows (used in)/ generated from operations	21	(8,110,369)	3,955,982
Income tax paid		-	-
Net cash (used in)/ generated from operations		<u>(8,110,369)</u>	<u>3,955,982</u>
<b>Cash flows from investing activities</b>			
Interest received	7	7,959	6,914
Investment in mutual funds	13	(2,834)	(2,373)
Purchase of property, plant and equipment	10	(375,401)	(182,475)
Disposal of property, plant and equipment		-	-
Net cash used in investing activities		<u>(370,276)</u>	<u>(177,934)</u>
<b>Cash flows from financing activities</b>			
Lease paid - Capital	17	(2,361)	(644)
Lease paid - Interest	17	(25,698)	(19,954)
Lease liability paid		-	-
Changes in equity		-	-
Loan paid	18	(114,406)	(105,313)
Capital grants received during the year	16	372,802	182,475
Net cash generated from financing activities		<u>230,337</u>	<u>56,564</u>
<b>Net change in cash and cash equivalents</b>		<b>(8,250,308)</b>	<b>3,834,612</b>
Cash and cash equivalents at beginning of year		12,720,129	8,297,670
Exchange gain/(loss) on bank balance	7	282,361	587,846
<b>Cash and cash equivalents at end of year</b>	15	<u><b>4,752,181</b></u>	<u><b>12,720,129</b></u>

# BOTSWANA FOOTBALL ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2024

### 1 General information

Botswana Football Association ("Association") is an organisation registered under the Society's Act in Botswana and engages in promoting the game of Football in Botswana.

The Association is registered and domiciled in Botswana.

The financial statements set out on pages 6 to 37 have been approved by the National Executive Committee on 23 August 2024.

### 2 Significant accounting policies

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

#### 2.1 Basis of preparation

The financial statements of Botswana Football Association ("Association") have been prepared in accordance with International Financial Reporting Standards. The financial statements have been prepared under the historical cost convention as modified by the revaluation of financial assets and financial liabilities.

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

Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

#### 2.1.1 Changes in accounting policy and disclosure

##### a) Standards and interpretation effective and adopted

The following standards and interpretations were effective and adopted in the current year, the expected impact of the amendments on the association is assessed not to be material

International Financial Reporting Standards and amendments effective for the first time for 31 March 2024 year-end		
Number	Effective date	Executive summary
Lease liability in a sale and Leaseback	01 January 2024	The impact of the amendments is not material
Initial application of IFRS 17 and IFRS 9 – Comparative information	01 January 2024	The impact of the amendments is not material
Deferred tax related to assets and liabilities arising from a single transaction – Amendments to IAS 12	01 January 2024	The impact of the amendments is not material
Disclosure of accounting policies: Amendments to IAS 1 and IFRS Practice Statement 2	01 January 2024	The impact of the amendments is not material
Definition of accounting estimates: Amendments to IAS 8	01 January 2024	The impact of the amendments is not material
Classification of Liabilities as Current or Non – Current – Amendments to IAS 1	01 January 2024	The impact of the amendments is not material

# BOTSWANA FOOTBALL ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2024

### b) Standards and interpretation not yet effective

The Association has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for company's accounting periods beginning on or after 01 April 2024 or later periods

Standard/interpretation	Effective date: Years beginning on or after	Expected impact
Lack of exchangeability – Amendments to IAS 21 The effects of changes in foreign exchange rates	01 January 2025	Unlikely there will be a material impact
Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures	01 January 2026	Unlikely there will be a material impact
IFRS 18 Presentation and Disclosure in Financial Statements	01 January 2027	Unlikely there will be a material impact
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture – Amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures	To be determined	Unlikely there will be a material impact

### 2.2 Property, plant and equipment

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

Depreciation on assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Buildings	50 years
Turf and improvements	20 years
Furniture and fittings and office equipment	6.66 - 10 years
Motor vehicles	4 years
Computer equipment	4 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2.3).

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

### 2.3 Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately

# BOTSWANA FOOTBALL ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2024

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identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

### 2.4 Financial assets

#### 2.4.1 Classification

The Association classifies its financial assets in the following categories: at fair value through profit or loss and financial assets at amortised cost. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

### 2.4 Financial assets (continued)

#### (a) *Amortised cost and effective interest rate*

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

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

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

#### (b) *Financial assets at fair value through other comprehensive income*

Financial assets are classified and measured at fair value through other comprehensive income if they are held in a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

#### (c) *Financial assets at fair value through profit or loss*

All other financial assets that are not held in one of the two business models mentioned are measured at fair value through profit or loss.

#### 2.4.1 Initial recognition and measurement

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

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

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

# BOTSWANA FOOTBALL ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2024

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### 2.4.1 Initial recognition and measurement (continued)

(a) When the fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. a Level 1 input) or based on a valuation technique that uses only data from observable markets, the difference is recognised as a gain or loss.

(b) In all other cases, the difference is deferred and the timing of recognition of deferred day one profit or loss is determined individually. It is either amortised over the life of the instrument, deferred until the instrument's fair value can be determined using market observable inputs, or realised through settlement.

### 2.4.2 Classification and subsequent measurement

The Association has applied IFRS 9 and classifies its financial assets as amortised cost and fair value through profit or loss. The classification requirements for debt measured at amortised cost are described below:

### 2.4.3 Debt instruments

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

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

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

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

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

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

### 2.4.3 Financial assets (continued)

**SPPI:** Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, the Association assesses whether the financial instruments' cash flows represent solely payments of principal and interest (the 'SPPI test'). In making this assessment, the Association considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss.

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

# BOTSWANA FOOTBALL ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2024

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### 2.4.4 Impairment of financial assets

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

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

#### *Derecognition of financial assets*

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

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

### 2.4.5 Financial liabilities

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

#### *Derecognition of financial liabilities*

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

### 2.5 Trade and other receivables

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

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

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

### 2.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

# **BOTSWANA FOOTBALL ASSOCIATION**

## **NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2024**

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### **2.7 Borrowings**

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

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

### **2.8 Leases**

#### **Lease liability**

The lease liability is initially measured at the present value of the following lease payments:

- fixed payments, including in-substance fixed payments, less any lease incentives receivable;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- amounts expected to be payable by the association under residual value guarantees;
- the exercise price of purchase options, if the association is reasonably certain to exercise the option;
- lease payments in an optional renewal period if the association 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.

Lease agreements may contain both lease and non-lease components. The association elected not to separate lease and non-lease components, for leases of buildings for which the association is a lessee, and instead accounts for these as a single lease component.

The lease payments are discounted using the interest rate implicit in the lease. If this rate cannot be readily determined, the association's incremental borrowing rate is used. The incremental borrowing rate is the rate that the association would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the association:

- uses recent third-party financing received by the association as a starting point, adjusted to reflect changes in financing conditions since third-party financing was received; and
- makes adjustments specific to the lease, e.g. term, credit standing, economic environment and security.

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.

#### **Right-of-use assets**

Right-of-use assets are measured at cost comprising 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 association incurs an obligation to do so; and
- less any lease incentives received.

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

### **2.9 Leases (continued)**

Right-of-use assets are depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the association is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. Useful lives of the right-of-use assets as follows:



# **BOTSWANA FOOTBALL ASSOCIATION**

## **NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2024**

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Right-of-use assets                      2-100 years

The depreciation charge for each year is recognised in profit or loss.

### **Termination of leases**

When the association or lessor terminates or cancels a lease, the right-of-use asset and lease liability are derecognised.

On derecognition of the right-of-use asset and lease liability, any difference is recognised as a derecognition gain or loss together with termination or cancellation costs in profit or loss.

### **Lease of a low value asset or a short-term lease**

All leases that meet the criteria as either a lease of a low value asset or a short-term lease are accounted for on a straight-line basis over the lease term.

Accruals for unpaid lease charges, together with a straight-line lease asset or liability, being the difference between actual payments and the straight-line lease expense are recognised.

Payments made under these leases, net of any incentives received from the lessor, are recognised in operating expenses on a straight-line basis over the term of the lease. When these leases are terminated before the lease period has expired, any payment required to be made to the lessor by way of a penalty is recognised as operating expenses in the period in which termination takes place.

### **Reassessment and modification of leases**

#### **Reassessment of lease terms and lease modifications that are not accounted for as a separate lease**

When the association reassesses the terms of any lease (i.e. it re-assesses the probability of exercising an extension or termination option) or modifies the terms of a lease without increasing the scope of the lease or where the increased scope is not commensurate with the stand-alone price, it adjusts the carrying amount of the lease liability to reflect the payments to be made over the revised term, which are discounted at the applicable rate at the date of reassessment or modification. The carrying amount of lease liability is similarly revised when the variable element of future lease payments dependent on a rate or index is revised.

## **2.9 Leases (continued)**

For reassessments to the lease terms, an equivalent adjustment is made to the carrying amount of the right-of-use asset, with the revised carrying amount being depreciated over the revised lease term. However, if the carrying amount of the right-of-use asset is reduced to zero any further reduction in the measurement of the lease liability, is recognised in profit or loss.

For lease modifications that are not accounted for as a separate lease, an equivalent adjustment is made to the carrying amount of the right-of-use asset, with the revised carrying amount being depreciated over the revised lease term. However, for lease modifications that decrease the scope of the lease the carrying amount of the right-of-use asset is decreased to reflect the partial or full termination of the lease, with any resulting difference being recognised in profit or loss as a gain or loss relating to the partial or full termination of the lease.

#### **Lease modifications that are accounted for as a separate lease**

When the association modifies the terms of a lease resulting in an increase in scope and the consideration for the lease increases by an amount commensurate with a stand-alone price for the increase in scope, the association accounts for these modification as a separate new lease. This accounting treatment equally applies to leases which the association elected the short-term lease exemption and the lease term is subsequently modified.

# **BOTSWANA FOOTBALL ASSOCIATION**

## **NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2024**

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### **2.10 Leases - where the Association is the lessor**

Lease income from operating leases where the association is a lessor is recognised in income on a straight-line basis over the lease term. The respective leased assets are included in the statement of financial position based on their nature.

When a lease is terminated before the lease period has expired, any payment expected to be received from the lessee by way of penalty is recognised as an income in the period in which termination takes place.

### **2.11 Trade and other payables**

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

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

### **2.12 Provisions**

Provisions for claims are recognised when the Association has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole.

A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed.

### **2.13 Employee benefits**

The Association contributes to a pension fund. Contributions are accounted for in the period in which they arise. A defined contribution plan is a pension plan under which the Association pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

The Association's contributions to defined contribution plans are charged to the statement of comprehensive income in the period to which the contributions relate.

For employees who are citizens of Botswana and not covered under defined contribution pension fund, the Association has implemented the requirements of the Botswana Labour Act relating to severance benefits. Non-citizen employees are paid an end of contract gratuity ranging from 25% of gross remuneration earned during the period of the contract. The Association's contributions to severance and gratuity are charged to the statement of comprehensive income in the period to which the contributions relate.

### **2.14 Foreign currency translation**

#### **(a) Functional and presentation currency**

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

# **BOTSWANA FOOTBALL ASSOCIATION**

## **NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2024**

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### **2.14 Foreign currency translation (Continued)**

#### **(b) Transactions and balances**

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

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

### **2.15 Recognition of income**

Revenue comprises the fair value of the consideration received from grants, sponsorships, and gate takings in the ordinary course of the Association's activities. The revenue is recognised as follows,

#### **2.15.1 Sponsorships**

Sponsorship income is recognised over the period of time as this reflects the nature of performance obligations embedded in the contracts for the services rendered by the Association. Sponsorship income recognition follows a five-step model framework model listed below:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

#### **2.15.2 Grants**

Operational grants from Botswana National Sports Association, Federation of International Football Association and Confederation of African Football are recognised in the period that those grants relate to, at their fair value where there is a reasonable assurance that the grant will be received, and the Association will comply with all attached conditions.

#### **2.15.3 Contract Assets and Contract Liabilities**

Contract assets is recognised when, Association has right to consideration in exchange for services that the entity has transferred to a sponsor/ donor when that right is conditioned on something other than the passage of time (for example, the entity's future performance).

Grants/ sponsorship received for which related projects have not commenced are included in current liabilities as contract liabilities.

### **2.15 Recognition of income (Continued)**

#### **2.15.4 Grants relating to purchase of property, plant and equipment**

Grants relating to the purchase of property, plant and equipment are deferred and recognised in the statement of comprehensive income on a basis that matches the grant with the depreciation charge on the related property, plant and equipment.

#### **2.15.5 Gate takings on games**

Income on sales of ticket is recognised in the accounting period in which the tickets are sold net of Value Added Tax, on the basis of the actual income received from sale of tickets.

# **BOTSWANA FOOTBALL ASSOCIATION**

## **NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2024**

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Income is recognised at a specific point in time as this reflects the nature of performance obligations embedded in the contracts for the services rendered by the Association.

Revenue recognition follows a five-step model framework model listed above under point

### **2.15.6 Other income**

Other income is accounted for on an accrual basis except for other donations which are accounted for on a receipt basis.

### **2.15.7 Interest income**

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

### **2.15.8 Donations**

Donations are accounted for on a receipt basis. Donations relating to the purchase of property, plant and equipment are deferred and recognised in the statement of comprehensive income on a basis that matches the donation with the depreciation charge on the related property, plant and equipment.

## **2.16 Current income tax**

Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax is recognised on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in Botswana.

## **2.17 Football Development Appeal (“FODA”) Reserve**

The Football Development Appeal reserve is a non-distributable reserve made up of funds obtained by the Association from the general public. The funds are to be utilized for the establishment of football academies and other activities related to promoting the game of football in Botswana.

The funds are recognised initially at fair value of consideration received in the period in which the funds are received.

Subsequently, the funds are recognised as income in the income statement in the period in which related expenditure is incurred to the extent that such expenditure can be measured reliably and it is probable that future economic benefits will flow from the entity to settle the related liability.

## **3 Financial risk management**

### **3.1 Financial risk factors**

The Association’s activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Association’s overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Association’s financial performance. Risk management is carried out under policies approved by National Executive Committee Members.

#### **(I) Market risk**

##### **(i) Foreign currency risk**

Foreign currency risk is the risk that the value of a financial instrument will fluctuate because of changes in foreign exchange rates. In the ordinary course of business, the Association receives cash denominated in foreign currencies

# **BOTSWANA FOOTBALL ASSOCIATION**

## **NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2024**

and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the American Dollars (USD).

### **(ii) Cash flow and fair value interest rate risk**

Interest rate risk is managed by the finance function. Its objective is to minimise the cost of financing through the placement of temporary excess funds in high yielding money market investments and cash deposits and to the extent possible by re-scheduling more expensive borrowings with cheaper finance.

### **3.1 Financial risk factors (Continued)**

The Association's interest rate risk arises from short-term deposits. Short-term deposits obtained at variable rates expose the Association to cash flow interest rate risk.

### **(iii) Other price risk**

The Association is not exposed to other price risks such as equity price risk, commodity price risk, prepayment risk, and residual value risk.

### **(II) Credit risk**

Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables and committed transactions. If customers are independently rated, these ratings are used. If there is no independent rating, management assesses the credit quality of the customer, taking into account its financial position, past experience and other factors.

The credit quality of financial assets is disclosed in Note 9.2

### **(III) Liquidity risk**

Management monitors rolling forecasts of the Association's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Association does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities. Such forecasting takes into consideration the Association's debt financing plans, covenant compliance.

Surplus cash is invested in interest bearing current accounts, time deposits, and money market deposits, choosing instruments with appropriate maturities or sufficient liquidity to provide sufficient head-room as determined by the above-mentioned forecasts.

### **3.2 Capital risk management**

The Association's objectives when managing capital are to safeguard the Association's ability to continue as a going concern in order to provide benefits for stakeholders and to maintain an optimal capital structure to reduce the cost of capital in pursuit of its objective of promoting football in Botswana.

### **3.3 Fair value estimation of financial instruments**

IFRS 13 'Fair Value Measurement', requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).

# **BOTSWANA FOOTBALL ASSOCIATION**

## **NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2024**

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- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

### **4 Critical accounting estimates and judgments**

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

#### **(a) Loss allowance on trade and other receivables**

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

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

#### **(b) Useful lives of property, plant and equipment**

The Association follows the guidance of IAS 16 'Property, plant and equipment' (revised) and determines the residual values and useful lives of assets at each reporting date. This determination requires significant judgement. In making this judgement the management evaluates amongst other factors, the purpose for which the respective asset is acquired, market conditions at the reporting date and the practice adopted by similar organisations.

#### **(c) Recognition of lease liability and right of use assets**

The Association follows the guidance of IFRS 16 'Leases' and determines the lease liability and right of use assets. This determination requires significant judgement. In making this judgement the management evaluates amongst other factors, lease period, lease rate, option period and the purpose for which the respective lease asset is acquired, applicable interest rate and the practice adopted by similar organisations.

**BOTSWANA FOOTBALL ASSOCIATION**
**NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 March 2024**

<b>5 Grants and sponsorships</b>	<b>2024</b>	<b>2,023</b>
	<b>BWP</b>	<b>BWP</b>
Grants (Recognise based on activity or expenses incurred)		
Botswana National Sports Commission (BNSC)	5,801,319	10,225,747
Federation of International Football Associations (FIFA)	31,841,732	17,900,812
Confederation of African Football (CAF)	5,090,478	5,258,776
	<u>42,733,529</u>	<u>33,385,334</u>
Sponsorships (Recognised over the time)		
Debswana Diamond Company Limited	3,900,000	3,900,000
Choppies Enterprises limited	578,992	23,571
First National Bank of Botswana Limited	1,068,015	1,000,000
Shock Proof Investments 223 (Pty) Ltd t/a Umbro South Africa	-	371,287
Orange Botswana (Proprietary) Limited	490,000	1,530,500
Skyways Travel Agency	50,000	250,000
Diamond Trading Company Limited	409,559	191,319
The Union of European Football Associations (UEFA)	783,744	-
White Clouds T/A O3	170,802	148,287
	<u>7,451,113</u>	<u>7,414,963</u>
	<u>50,184,641</u>	<u>40,800,297</u>
<b>6 Other income</b>	<b>2,024</b>	<b>2,023</b>
	<b>BWP</b>	<b>BWP</b>
Amortisation of capital grant (Note 16)	723,348	1,427,467
Retirement/ disposal of capital grants	-	-
Rental income	152,734	164,754
Donations	13,000	564,274
Income received to Regional Football Associations	1,377,939	2,962,638
Others	2,218,301	3,000,593
	<u>4,485,322</u>	<u>8,119,725</u>
<b>7 Net finance (costs)/ income</b>	<b>2,024</b>	<b>2,023</b>
	<b>BWP</b>	<b>BWP</b>
Finance income		
Interest income on short term bank deposits	7,959	6,914
Foreign exchange gain/(loss)	282,361	587,846
	<u>290,320</u>	<u>594,760</u>
Finance costs		
Interest expense	(25,548)	(19,989)
Foreign exchange gain/(loss)	-	-
	<u>(25,548)</u>	<u>(19,989)</u>
<b>Net finance (costs)/ income</b>	<u>264,772</u>	<u>574,771</u>

**BOTSWANA FOOTBALL ASSOCIATION**
**NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 March 2024**

<b>8 Income tax expense</b>	<b>2,024</b>	<b>2,023</b>
	<b>BWP</b>	<b>BWP</b>
Botswana tax:		
Current income tax expense at 22% (2023: 22%)	-	-
The tax on the Association's (deficit)/ surplus before tax differs from the theoretical amount that would arise using the basic tax rate as follows:		
Operating (deficit)/ surplus from continued operations	(4,946,396)	7,780,538
Operating deficit from discontinued operations	-	-
Operating (deficit)/ surplus for the year	(4,946,396)	7,780,538
Tax calculated at a tax rate of 22% (2023: 22%)	-	-
Tax effect of (deficit)/ surplus not subject to the tax	-	-
Tax calculated at a tax rate of 22% (2023: 22%)	-	-

The Association is liable to income tax in terms of Section 71(4) subject to paragraph (xxxix) and paragraph (xl) of Part II of the Second Schedule and in accordance with the provisions of paragraph 65 of the Botswana Income Tax Act Chapter 52:01 regarding sporting associations.

As per paragraph (xxxix) any income of a charitable, religious or educational institution or a trust established for public purposes exempt from income tax provided that where a person to whom this paragraph applies, carries on any business or derives any gains from disposal of any property chargeable to tax under section 35, exemption under this paragraph shall not be granted to such person unless it is proved to the satisfaction of the Commissioner General that the income of that person has been applied exclusively for public purposes within that tax year or such extended period as may be allowed by the Commissioner General;

As per paragraph (xl) any income of an association formed for the purpose of promoting social or sports amenities and not involving the acquisition of gain or the possibility of future gains to the extent that such income is applied exclusively for the purposes of such association within that tax year or such extended period as may be permitted by the Commissioner General are exempt from income tax;

With reference to the above paragraph, there is no deferred tax implications.

<b>9 Analysis of financial instruments</b>		
<b>9.1 Financial instruments by category</b>	<b>2,024</b>	<b>2,023</b>
	<b>BWP</b>	<b>BWP</b>
<b>9.1.1 Financial Assets measured at amortised cost</b>		
Trade and other receivables - excluding prepayments and statutory receivables (Note 12)	1,072,956	585,356
Cash and cash equivalents (Note 15)	4,752,182	12,720,129
Other financial assets (Note 14)	-	-
	<b>5,825,137</b>	<b>13,305,485</b>
<b>Financial assets held to maturity (Note 13)</b>		
<b>9.1.2 Financial assets at fair value through profit and loss (designated)</b>	<b>50,528</b>	<b>47,694</b>

The table below analyses financial instruments carried at fair value, by valuation method at 31 March 2024. This requires disclosure of fair value measurements by level of the fair value measurement hierarchy disclosed in the note 3.3:

	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
	<b>P</b>	<b>P</b>	<b>P</b>
<b>As at 31 March 2024</b>			
<b>Mutual funds</b>	-	50,528	-
	-	50,528	-
<b>As at 31 March 2023</b>			
<b>Mutual funds</b>	-	47,694	-
	-	47,694	-
		<b>2024</b>	<b>2,023</b>
<b>9.1.3 Financial liabilities at amortised cost</b>			
Trade and other payables - excluding statutory payables and employee related provisions (Note 19)		8,404,175	3,856,795
Lease liabilities (Note 17)		333,338	335,699
		<b>8,737,513</b>	<b>4,192,494</b>



# **BOTSWANA FOOTBALL ASSOCIATION**

## **NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2024**

### **9 Analysis of financial instruments (continued)** **9.2 Credit quality of financial assets**

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to historical information about counterparty default rates:

		<b>2024</b>	<b>2023</b>
		<b>BWP</b>	<b>BWP</b>
Trade and other receivables - excluding prepayments and statutory receivables (Note 12)	<b>Not rated</b>	<b>1,072,956</b>	<b>585,356</b>
Mutual funds (Vunani Fund Managers (Proprietary) Limited)	<b>Not rated</b>	<b>50,528</b>	<b>47,694</b>
<b>Cash at bank (including held for sale assets)</b>			
Absa Bank Botswana Limited	<b>Not rated</b>	<b>2,256</b>	<b>2,255</b>
First National Bank of Botswana Limited	<b>Not rated</b>	<b>4,744,674</b>	<b>12,713,376</b>
Access Bank Botswana	<b>Not rated</b>	<b>4,496</b>	<b>4,496</b>
Cash		<b>756</b>	<b>-</b>
		<b>4,752,182</b>	<b>12,720,127</b>

The Association only deposits cash and invests with major banks with high quality credit standing. The Association has deposits with Vunani Fund Managers (Proprietary) Limited, First National Bank Botswana Limited, Absa Bank Botswana Limited and Access Bank Botswana.

Absa Bank Botswana Limited is part of Absa Group Limited, an African financial services group that aims to be the pride of the continent.

Absa Group Limited is listed on the JSE in South Africa and is one of Africa's largest diversified financial services group.

Vunani Fund Managers (Proprietary) Limited is a registered investment manager which is well established investment manager and has a good reputation in Africa.

First National Bank of Botswana Limited is listed on the Botswana Stock Exchange and is a subsidiary of First Rand Holdings Limited, a company listed on the Johannesburg Stock Exchange.

Access Bank Botswana formerly known as BancABC Botswana is a subsidiary of Access Bank Group. Access Bank Group has its primary listing on the Nigeria Stock Exchange and with subsidiaries in the Nigeria, South Africa, Zambia and the United Kingdom.

**BOTSWANA FOOTBALL ASSOCIATION**

**NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 March 2024**

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**Property, plant and equipment**

	Buildings P	Turf and improvements P	Furniture, fittings and office equipment P	Motor vehicles P	Computer equipment P	Total P
<b>Year ended 31 March 2022</b>						
Opening net book amount	5,982,553	6,199,350	857,651	1,452,512	285,113	14,777,179
Additions	-	-	-	-	182,475	182,475
Reclassification	74,466	-	-	(74,466)	-	-
Depreciation charge	(179,255)	(460,697)	(214,784)	(437,059)	(210,417)	(1,502,212)
Closing net book amount	5,877,764	5,738,653	642,867	940,987	257,171	13,457,442
<b>At 31 March 2023</b>						
Cost	8,624,591	9,214,043	3,062,102	3,594,150	2,032,599	26,527,485
Accumulated depreciation	(2,746,827)	(3,475,390)	(2,419,235)	(2,653,163)	(1,775,428)	(13,070,043)
Net book amount	5,877,764	5,738,653	642,867	940,987	257,171	13,457,442
<b>Year ended 31 March 2024</b>						
Opening net book amount	5,877,764	5,738,653	642,867	940,987	257,171	13,457,442
Additions	-	-	2,599	293,744	79,058	375,401
Disposals	-	-	(139,377)	-	(263,934)	(403,311)
Adjustments	-	-	-	30,000	-	30,000
Depreciation on disposals	-	-	132,290	-	256,371	388,661
Depreciation charge	(172,515)	(460,697)	(162,478)	(447,195)	(114,094)	(1,356,979)
Closing net book amount	5,705,250	5,277,956	475,901	817,536	214,572	12,491,214
<b>At 31 March 2024</b>						
Cost	8,624,591	9,214,043	2,925,324	3,917,894	1,847,723	26,529,575
Accumulated depreciation	(2,919,342)	(3,936,087)	(2,449,423)	(3,100,358)	(1,633,151)	(14,038,361)
Net book amount	5,705,250	5,277,956	475,901	817,536	214,572	12,491,214

**BOTSWANA FOOTBALL ASSOCIATION**

**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 March 2024

**10 Property, plant and equipment (Continued)**

Property, plants and equipment include the following amounts where the Association acquired under the capital grants:

	Buildings BWP	Turf and improvements BWP	Furniture, fittings and office equipment BWP	Motor vehicles BWP	Computer equipment BWP	Total BWP
<b>Year ended 31 March 2023</b>						
Opening net book amount						
Additions	5,870,258	6,199,350	205,484	286,459	114,570	12,676,121
Disposals	-	-	-	-	182,475	182,475
Depreciation on disposals	-	-	-	-	-	-
Depreciation charge	(179,255)	(460,697)	(205,484)	(371,614)	(210,417)	(1,427,467)
Depreciation Adjustment	-	-	-	-	-	-
Depreciation on reclassified asset	-	-	-	-	-	-
Closing net book amount	5,691,003	5,738,653	-	(85,155)	86,628	11,431,129
<b>At 31 March 2023</b>						
Cost	8,429,502	9,214,043	322,343	1,819,007	549,101	20,333,996
Accumulated depreciation	(2,738,499)	(3,475,390)	(322,343)	(1,904,162)	(462,473)	(8,902,867)
Net book amount	5,691,003	5,738,653	-	(85,155)	86,628	11,431,129
<b>Year ended 31 March 2024</b>						
Opening net book amount	5,691,003	5,738,653	-	(85,155)	86,628	11,431,129
Additions	-	-	-	293,744	79,058	372,802
Disposals	-	-	(139,377)	-	(263,934)	(403,311)
NBV written off	-	-	7,087	-	7,563	14,650
Depreciation on disposals	-	-	132,290	-	256,371	388,661
Depreciation charge	(172,515)	(460,697)	-	23,958	(114,094)	(723,348)
Closing net book amount	5,518,489	5,277,956	-	232,547	51,592	11,080,583
<b>At 31 March 2024</b>						
Cost	8,429,502	9,214,043	190,053	2,112,751	371,788	20,318,137
Accumulated depreciation	(2,911,014)	(3,936,087)	(190,053)	(1,880,204)	(320,196)	(9,237,554)
Net book amount	5,518,489	5,277,956	-	232,547	51,592	11,080,583

**11 Right of use assets**

	Right of use assets - land BWP	Right of use assets building BWP	Total BWP
<b>Year ended 31 March 2023</b>			
Opening net book amount	325,408	-	325,408
Addition	-	-	-
Depreciation charge	(4,963)	-	(4,963)
Closing net book amount	320,445	-	320,445
<b>At 31 March 2023</b>			
Cost	336,068	-	336,068
Accumulated depreciation	(15,623)	-	(15,623)
Net book amount	320,445	-	320,445
<b>Year ended 31 March 2024</b>			
Opening net book amount	320,445	-	320,445
Addition	-	-	-
Depreciation charge	(4,963)	-	(4,963)
Closing net book amount	315,482	-	315,482
<b>At 31 March 2024</b>			
Cost	336,068	-	336,068
Accumulated depreciation	(20,586)	-	(20,586)
Net book amount	315,482	-	315,482

These lands were acquired under long term lease agreements to develop football facilities. Details of the right-of-use assets as follows.

Nature of the Right-of-use assets	Location	Lease period	
		Start	End
Residential Building	Unit 3 at Plot 2679, Gaborone	01/09/2019	31/08/2021
Land	Lot 73281, Gaborone	01/02/2013	31/01/2043
Land	Lot 43625, Francistown	25/03/2015	24/03/2065
Land	Letlhakane/Phase 2 Ext Plot 7112	29/06/2016	29/05/2066
Land	Tonota/ Showground	07/09/2015	07/08/2065
Land	Lot 10458, Chobe, Kazungula	24/07/2020	24/06/2070

**BOTSWANA FOOTBALL ASSOCIATION**

**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 31 March 2024**

<b>12 Trade and other receivables</b>	<b>2024</b>	<b>2023</b>
	<b>BWP</b>	<b>BWP</b>
Trade receivables	1,533,507	518,848
Prepayments	293,162	664,491
Staff advances	57,747	679,260
VAT receivables	(111,671)	(134,836)
Imprest receivables	472,112	420,619
Other receivables	48,301	311,582
	<u>2,293,159</u>	<u>2,459,964</u>
Less: Impairment on trade receivables, staff advances and imprest receivables	<u>(1,038,713)</u>	<u>(1,344,953)</u>
	<u><b>1,254,446</b></u>	<u><b>1,115,011</b></u>

The expected loss allowance for trade receivables, staff advances, imprest receivables, and other receivables are determined as follows,

	<b>1-30 days</b>	<b>31-60 days</b>	<b>61-90 days</b>	<b>Over 90 days- impaired</b>	<b>Total</b>
	<b>BWP</b>	<b>BWP</b>	<b>BWP</b>	<b>BWP</b>	<b>BWP</b>
<b>Year ended 31 March 2024</b>	<b>Current</b>	<b>Past due</b>	<b>Past due</b>	<b>Past due</b>	
Loss allowance %	0%	0%	0%	100%	
<b>Gross carrying amount</b>					
Trade Receivables	11,340	908,675	10,940	602,553	1,533,507
Staff Advance	6,000	2,000	16,993	32,754	57,747
Imprest receivables	2,069	47,923	-	422,120	472,112
<b>Total</b>	<b>19,409</b>	<b>958,598</b>	<b>27,933</b>	<b>1,057,427</b>	<b>2,063,366</b>
<b>Loss allowance (Lifetime expected credit loss)</b>					
Trade Receivables	-	-	-	583,839	583,839
Staff Advance	-	-	-	32,754	32,754
Imprest receivables	-	-	-	422,119.68	422,120
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,038,713</b>	<b>1,038,713</b>
<b>Net carrying amount</b>					
Trade Receivables	11,340	908,675	10,940	18,714	949,668
Staff Advance	6,000	2,000	16,993	-	24,993
Imprest receivables	2,069	47,923	-	-	49,992
<b>Total</b>	<b>19,409</b>	<b>958,598</b>	<b>27,933</b>	<b>18,714</b>	<b>1,024,653</b>
<b>Year ended 31 March 2023</b>	<b>Current</b>	<b>Past due</b>	<b>Past due</b>	<b>Past due</b>	
Loss allowance %	0%	0%	0%	100%	
<b>Gross carrying amount</b>					
Trade Receivables	97,501	-	-	421,347	518,848
Staff Advance	-	23,634	-	655,626	679,260
Imprest receivables	38,537	32,114	81,988	267,980	420,619
<b>Total</b>	<b>136,038</b>	<b>55,748</b>	<b>81,988</b>	<b>1,344,953</b>	<b>1,618,727</b>
<b>Loss allowance (Lifetime expected credit loss)</b>					
Trade Receivables	-	-	-	421,347	421,347
Staff Advance	-	-	-	655,626	655,626
Imprest receivables	-	-	-	267,980	267,980
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,344,953</b>	<b>1,344,953</b>
<b>Net carrying amount</b>					
Trade Receivables	97,501	-	-	-	97,501
Staff Advance	-	23,634	-	-	23,634
Imprest receivables	38,537	32,114	81,988	-	152,639
<b>Total</b>	<b>136,038</b>	<b>55,748</b>	<b>81,988</b>	<b>-</b>	<b>273,774</b>

<b>Movement in the loss allowance for receivables</b>	<b>2024</b>	<b>2023</b>
	<b>BWP</b>	<b>BWP</b>
Opening balance as at 1 April	1,344,953	1,795,640
Loss allowance for the year	(306,240)	(450,687)
Closing balance as at 31 March	<u>1,038,713</u>	<u>1,344,953</u>

**BOTSWANA FOOTBALL ASSOCIATION**

**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 March 2024

13	Financial assets at fair value through profit or loss	2024 BWP	2023 BWP
	Mutual funds	50,528	47,694

Financial assets at fair value through profit or loss are presented within "investing activities" in the cash-flow statement.

Changes in fair values of financial assets at fair value through profit or loss are recorded in "investment income" - net in the statement of comprehensive income.

The fair value of the units invested in managed funds is based on valuations provided by the fund administrators. Fund administrators determine the valuation of units based on the market prices of the underlying assets.

The movement in the financial assets at fair value through profit or loss are summarised in the table below by measurement category.

	2024 BWP	2023 BWP
<b>Financial assets at fair value through profit or loss</b>		
Balance at beginning of the year	47,694	45,321
Interest reinvestment during the year	2,834	2,373
<b>Balance at end of the year</b>	<b>50,528</b>	<b>47,694</b>

None of the financial assets listed above are past due nor impaired.

**14 Contract assets**

Orange Botswana (Proprietary) Limited	-	-
	-	-
Balance at beginning of year	-	247,500
Recognised during the year	-	-
Realised during the year	-	(247,500)
Balance at end of year	-	-

**BOTSWANA FOOTBALL ASSOCIATION**

**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 March 2024

<b>15</b>	<b>Cash and cash equivalents</b>	<b>2024</b>	<b>2,023</b>
		<b>BWP</b>	<b>BWP</b>
	Cash at bank and on hand	4,752,182	12,720,129

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

Bank balances	4,751,426	12,718,394
Cash at bank	4,751,426	12,718,394
Cash in hand	756	1,735
<b>Cash at bank and on hand</b>	<b>4,752,182</b>	<b>12,720,129</b>

The Association's cash and cash equivalents comprise the amounts denominated in the following foreign currencies:  
US Dollars

2,508,884	8,118,764
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**15.1**

Bank balances related to FODA reserve amounted to P163,703 had been transferred to Bank of Botswana during the financial year ended 31 March 2020 due to the fact that account was dormant. However, the Association has recovered the amount from Bank of Botswana in the prior year ended.

<b>16</b>	<b>Capital grants</b>	<b>2024</b>	<b>2,023</b>
		<b>BWP</b>	<b>BWP</b>
	Balance at beginning of year	11,431,129	12,676,121
	Received during the year	372,802	182,475
	Retired/ disposed during the year	14,650	-
	Less: Amortisation of capital grants (Note 6)	(723,348)	(1,427,467)
	Adjustment	(14,650)	-
	<b>Balance at end of year</b>	<b>11,080,583</b>	<b>11,431,129</b>

<b>17</b>	<b>Lease liabilities</b>	<b>2024</b>	<b>2,023</b>
		<b>BWP</b>	<b>BWP</b>
	Balance at beginning of year	335,699	336,343
	Adjustments	-	-
	Lease payments	(28,059)	(20,598)
	Interest	25,698	19,954
	<b>Balance at end of year</b>	<b>333,338</b>	<b>335,699</b>
	<b>Current portion</b>	<b>659</b>	<b>659</b>
	<b>Non-current portion</b>	<b>332,679</b>	<b>335,040</b>
		<b>333,338</b>	<b>335,699</b>

Lease term : 2 - 100 years  
Interest rate : 6.5% (Incremental Borrowing Rate)

The association leases a corporate office and lands. The lease imposes a restriction that the property can only be used by the association unless permission is given by the lessor to sublet, and that the building must be returned to their original condition at the end of the lease.

Extension and termination options are included in the lease. These terms are used to maximise operational flexibility in terms of managing contracts. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option.

**BOTSWANA FOOTBALL ASSOCIATION**

**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 March 2024

<b>18</b>	<b>Borrowings</b>	<b>2024</b>	<b>2023</b>
		<b>BWP</b>	<b>BWP</b>
	Held at amortised cost		
	Borrowings	20,299	134,705
	Split between non-current and current portions		
	Current portion	20,299	114,612
	Non-current portion	-	20,093
		<u>20,299</u>	<u>134,705</u>
	The loan was obtained from First National Bank Limited to buy a motor vehicle amounted to P 322,775. Duration of the loan is for a period of 3 years and it carries an interest rate of 8.76%.		
<b>19</b>	<b>Trade and other payables</b>	<b>2024</b>	<b>2,023</b>
		<b>BWP</b>	<b>BWP</b>
	Trade payables	5,533,724	1,921,791
	PAYE payable	867,963	714,289
	Accrued expenses	258,417	213,875
	Accrued for legal claims (Note 19.1)	1,283,500	1,283,500
	Accrued for leave pay, gratuity and severance pay (Note 19.2)	2,135,093	1,804,881
	Other payables	460,571	437,628
		<u>10,539,268</u>	<u>6,375,966</u>
<b>19.1</b>	<b>Accrued for legal claims</b>		
	Balance at the beginning of the year	1,283,500	820,000
	Additions	-	463,500
	Balance at end of year	<u>1,283,500</u>	<u>1,283,500</u>
<b>19.2</b>	<b>Accrued for leave pay, gratuity and severance pay</b>		
	Balance at the beginning of the year	1,804,881	2,017,211
	Accruals for the year	1,096,292	2,532,024
	Payments made during the year	(765,706)	(2,744,354)
	Balance at end of year	<u>2,135,467</u>	<u>1,804,881</u>
<b>20</b>	<b>Contract liability (Deferred Income)</b>	<b>2024</b>	<b>2,023</b>
		<b>BWP</b>	<b>BWP</b>
	Federation of International Football Associations (FIFA)	4,257,191	7,887,336
	Debswana Diamond Company Limited	-	3,037,207
	Confederation of African Football (CAF)	-	289,877
	The Union of European Football Associations (UEFA)	-	53,903
		<u>4,257,191</u>	<u>11,268,322</u>
	Balance at beginning of year	11,268,322	7,695,818
	Movement in the year	<u>(7,011,131)</u>	<u>3,572,504</u>
	Balance at end of year	<u>4,257,191</u>	<u>11,268,322</u>
<b>21</b>	<b>Cash flows generated from operations</b>	<b>2024</b>	<b>2,023</b>
		<b>BWP</b>	<b>BWP</b>
	Operating (deficit)/ surplus from continuing operations	(5,211,168)	7,205,767
	Operating deficit from discontinued operations	-	-
	Adjusted for:		
	- Amortisation and retirement of capital grants (Note 16)	(723,348)	(1,427,467)
	- Depreciation on property, plant and equipment (Note 10)	1,356,979	1,502,212
	- Profit on disposal of property, plant and equipment	-	-
	- Right of use assets amortisation (Note 11)	4,963	4,963
	- Adjustment of capital grant	(14,650)	-
	- Loss allowance of trade and other receivables	-	2,420,385
	- Adjustment of cashflow	(549)	-
	Changes in working capital:		
	- Inventories	(535,331)	-
	- Contract assets (Note 14)	-	-
	- Contract liability (Note 20)	(7,011,131)	(7,939,963)
	- Trade and Other receivables	(139,435)	(259,636)
	- Trade and Other payables	4,163,302	2,449,721
	Cash flows( used in)/ generated from operations	<u>(8,110,369)</u>	<u>3,955,982</u>

**BOTSWANA FOOTBALL ASSOCIATION****NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 31 March 2024****22 Related party balances and transactions**

Related parties are members of the National Executive Committee (NEC) of Botswana Football Association, the Botswana National Sports Council (BNSC), Botswana Football League (Proprietary) Limited and key management of Botswana Football Association. The transactions carried out with the related parties during the year are as follows:

	2,024 BWP	2,023 BWP
<b>Botswana National Sports Commission (BNSC)</b>		
- Grant income	<u>5,801,319</u>	<u>10,225,747</u>
<b>Botswana Football League (Proprietary) Limited (BFL)</b>		
- Expenses incurred on behalf of BFL		1,044,735
- Payment received from BFL		<u>(638,247)</u>
- Amounts due from BFL	<u>-</u>	<u>406,488</u>
<b>Key management personnel compensation</b>		
Key management personnel include Chief Executive Officer and Technical Director of the Association		
- Chief Executive Officer	822,000	1,112,440
- Technical Director	<u>515,039</u>	<u>128,760</u>
	<u>1,337,039</u>	<u>1,241,200</u>

**23 Going concern**

The Association's ability to continue as a going concern is dependent on a number of factors. The most significant of these is that the Association continues to receive funding from Botswana National Sports Commission, FIFA and other major sponsors for the ongoing operations for as long as it takes to restore the solvency of the Association. The Association has been able to secure grants and sponsorships from Botswana National Sports Commission, FIFA and other major sponsor for the year ending 31 March 2024 and the NEC is of the view that the Association will be able to continue its operations at least till the end of the next financial year.

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

**24 Events after the reporting period**

There were no material events after the reporting period that require disclosures in or adjustments to the financial statements.



**BOTSWANA FOOTBALL ASSOCIATION**

**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 March 2024

**25 Commitments**

**Capital commitments**

There were no material capital commitments outstanding as at the reporting date.

**26 Administrative expenses**

**2024**  
**BWP**

**2,023**  
**BWP**

The following items have been charged in arriving at the deficit for the year:

**Administrative expenses**

Advertising	1,288,617	413,142
Accounting fees	49,500	-
Auditors' remuneration		
- Current year	387,750	349,221
- Under provision in prior year	81,464	261,390
Bank charges	97,197	53,431
Consultancy fees	841,062	183,187
Convention, workshops and training expenses	549,275	191,205
Depreciation on property, plant and equipment	1,361,942	1,470,260
Electricity	269,168	224,027
Insurance	147,461	-
Legal fees	605,223	-
Loss allowance of trade and other receivables	471,650	414,358
Licenses, permits and tax penalty	4,000	72,197
Motor vehicle and other repairs and maintenance expenses	2,153,496	1,044,969
Other expenses	2,112,082	1,589,429
Printing, stationery, telephone and postage	701,940	693,029
Referees' expenses	24,785	16,300
Rentals, leasing charges and levies	100,332	66,343
Employee Costs (Note 27.1)	10,479,601	7,991,895
Security	438,418	524,819
League, tournament and national team expenses	27,625,633	17,302,462
Travel and entertainment	10,208,693	9,073,962
	<b>59,999,290</b>	<b>41,935,625</b>

**26.1 Staff costs comprise:**

Salaries and wages	8,940,849	7,009,912
Pension, gratuity, severance benefits and medical aid	1,538,752	981,984
	<b>10,479,601</b>	<b>7,991,895</b>