



**HARNESSING INTELLECTUAL  
PROPERTY FOR ECONOMIC  
GROWTH**

ANNUAL REPORT  
**2023/2024**







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## CIPA HISTORY

Formerly the Registrar of Companies and Intellectual Property (ROCIP), The Companies and Intellectual Property Authority (CIPA) was established by an Act of Parliament in 2011 (Companies and Intellectual Property Authority Act, (Cap. 42:13) to promote and enable full protection of the rights of investors and right holders obtained under the Companies Act, Registration of Business Names Act, Industrial Property Act and Copyright and Neighbouring Rights Act.



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## ABOUT CIPA



# ABOUT CIPA

The Companies and Intellectual Property Authority (CIPA) is mandated to register businesses and protect intellectual property rights through the administration of four (4) pieces of legislation namely;

The Companies Act (CAP 42:01), which provides for the incorporation of companies; registration of post incorporation returns and notices; monitoring of post incorporation returns and reservation of company names.

Registration of Business Names Act (CAP 42:05), which provides for registration of business names and post registration notices such as change of ownership and cessation of businesses.

Industrial Property Act (CAP.68:03), which provides for the protection of industrial property rights in relation to patents, trademarks, utility model certificates, industrial designs, traditional knowledge, layout designs of integrated circuits, geographical indications and handicrafts.

Copyright and Neighbouring Rights Act (CAP.68:02), which provides for the protection of the rights of authors, artists and creators, as well as protection of their literary and artistic creations, which are generally referred to as "works". These works include novels, poems, plays, films, musical works, and artistic works such as drawings, paintings, photographs and sculptures.

The Authority is headed by the Registrar General who oversees the operations of all divisions of the Authority and ensures that it achieves the mandate for which it was set up.

Botswana is represented by CIPA at the World Intellectual Property Organisation (WIPO), African Regional Intellectual Property Organisation (ARIPO), as well as the Corporate Registers Forum (CRF).

## CIPA QUICK FACTS

- CIPA is a Parastatal under the Ministry of Trade and Industry.
- We register Companies and Business Names online at [www.cipa.co.bw](http://www.cipa.co.bw).
- We register trademarks, geographical indications, and industrial designs.
- We grant patents and utility model certificates.
- We protect rights holders of traditional knowledge and handicrafts.
- We aim to combat Copyright infringement and piracy in Botswana.
- We empower creativity through the Levy on Technical Devices Fund.



# OFFICES & CONTACTS



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02



**MISSION,  
VISION &  
VALUES**



# MISSION, VISION & VALUES

## OUR VISION



A world-class Business and IP Registration Authority, contributing to unlocking value in Botswana's economy.

## OUR MISSION



To protect the interests of Businesses and Right Holders by providing efficient and accessible services for Business Registration and Intellectual Property.

## OUR VALUES



### CUSTOMER FOCUS:

We continuously seek to understand our internal and external customer needs and focus on satisfying them. We put the client first in all decisions that we make.



### INTEGRITY:

We strive to continuously do the right things. We also strive to be consistent with services provided to our clients, being open, honest and accountable as an organization. We promise to ensure that investor information is accurate and up to date.



### INNOVATION:

We encourage a culture of creativity and continuous improvement at all levels of our organization, an environment for creating new ways of providing services and improving our processes to meet the ever-changing needs of our clients.



### EFFICIENCY:

We promise to always deliver superior service with speed, accuracy and quality that will satisfy our customers.



# 03

## BOARD OF DIRECTORS



# BOARD OF DIRECTORS



**Mr Tshiamo J. Motsumi**  
Board Chairperson



**Ms Lorato Morule**  
Board Member



**Mr Lincoln Bome**  
Board Member



**Mr Mothusi Ramaabya**  
Board Member

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# EXECUTIVE MANAGEMENT



# EXECUTIVE MANAGEMENT



**Mr Joel D. Ramaphoi**  
Caretaker Registrar  
General



**Ms Pego Aisam**  
Board Secretary  
& Legal Advisor



**Ms Hilda Mocuminyane – Hlanti**  
Registrar - Companies  
and Business Names



**Mr Timothy Moalusi**  
Registrar -  
Industrial Property



**Ms Keitseng N. Monyatsi**  
Copyright Administrator



**Ms Ntesang Sebetso**  
Director - Compliance,  
Awareness & Client  
Services



**Mr Greene Kamakama**  
Director -  
Information Technology



**Mr Lucky Matseka**  
Strategy Manager



**Mr Bumo B. Nthoiwa**  
Internal Audit Manager



**Ms Lolo Lesetedi**  
Finance Manager (A)



**Ms Ontlametse Phitshana**  
Human Resource  
Manager (A)

05



# CHAIRMAN'S REMARKS





# CHAIRMAN'S REMARKS

On behalf of the Board of Directors, it is with great pride that I present the 2023/2024 annual report for the Companies and Intellectual Property Authority (CIPA). Throughout the year the Authority was actively engaged in activities aimed at ensuring that we enhance the role of intellectual property and company regulation in our country's economic growth.



*Our efforts have been focused on fostering an environment that promotes innovation, supports business development, and enhances the protection of intellectual property rights, all of which are essential for sustainable economic progress.*

**Mr Tshiamo J. Motsumi**  
Board Chairperson

## Strategy Review

CIPA posted a corporate strategy performance score of 67% for the financial year 2023/24, marking a 10% decrease from the 77% achieved in the preceding year, 2022/23. This decline highlights the challenges CIPA faced, which were attributed to both financial and structural issues. Despite the drop in strategic performance, the Authority collected a total of P88,420,264 in revenue during the 2023/24 financial year, representing a 4% increase from the previous year.

In response to the learnings from this financial year, CIPA is embarking on a transformational journey through the implementation of several key projects: the Sustainability Project, the Traditional Medicine Project, and the WIPO SMME Project. These initiatives aim to enhance efficiency in delivering CIPA's mandate, with a particular focus on financial efficiency and IP commercialization. By leveraging these projects, we are committed to fostering a robust intellectual property environment that supports economic growth, innovation, and sustainability in Botswana.

## Leveraging Technology

We have made significant strides in streamlining our processes, ensuring that our services are more accessible, efficient, and responsive to the needs of our stakeholders. With the IP Policy implementation underway, automation of the intellectual property side of the business has been at the fore front of this year's strategic deliverables. The IP Model Office Project, is near completion and the registration of IP will be completely automated and done online in a similar manner to the current online process for companies and business names, hence making the services more accessible for Batswana.

Development of legislation to enforce AML/CFT compliance and support implementation of the FATF Post Grey-List National Action Plan is at an advanced stage. CIPA is actively working on enhancements to the OBRS to adapt the system to the new provisions of the Companies (Amendment) Act, 2022. In addition to the AML/CFT system enhancements, the overall user-experience of the OBRS will be improved, enabling users to get a more holistic and seamless service from CIPA.



The journey has not been without its challenges. The global economic environment, marked by rapid technological advancements and shifting regulatory landscapes, has necessitated continuous adaptation and innovation on our part. We have faced these challenges head-on, reinforcing our commitment to maintaining the integrity and efficiency of our intellectual property and company registration systems.

To address these challenges, we look forward to investing in capacity building by enhancing our human resources and exploring initiatives aimed at promoting the organization's self-sustainability.

Together with Management, the Board will continue to ensure that CIPA remains the catalyst for innovation and business development in our nation. We will continue to focus on enhancing our technological infrastructure, improving the quality and speed of our services, and fostering a culture of innovation and entrepreneurship.

We are also dedicated to raising public awareness about the importance of intellectual property rights. In the year under review, our aim was to expand our outreach programs to engage more entrepreneurs, inventors, and creators nationwide, ensuring they are well-informed and adequately supported to develop and commercialize innovative products of world-class quality.

## Board Composition

The past year also presented challenges in that our board composition was not fully complemented, but our ability to be agile and adaptive to challenging environments meant that we adjusted swiftly to these circumstances, ensuring uninterrupted Board operations and striving to maintain quality decision making.

As we reflect on the past year, we would like to extend our deepest gratitude to the board members whose tenure came to an end, Mr. Phazha Butale and Ms. Wame Mobita. Their insights and unwavering commitment to the business of the Board contributed immensely to the success of the organization and will continue to shape future developments. We wish success in all their endeavors.

I want to express my sincere appreciation to Mr. Conductor Paul Masena whose 10-year tenure as Registrar General came to an end during the period. Throughout his tenure, he demonstrated unwavering commitment to our mission, driving forward key initiatives that have modernized our operations and significantly enhanced our service delivery. He oversaw the digital transformation that not only streamlined our processes but also made our services more accessible to stakeholders across the country. This has had a lasting impact on our ability to foster innovation and support business development, contributing significantly to the national economy. On behalf of the Board of Directors and the entire organization, I would like to express our deepest gratitude to Mr. Masena for his exemplary leadership and dedicated service.

During the year, we also welcomed Mr. Lincoln Bome and Mr. Mothusi Ramaabya. Their collective experience, vision, and passion will be critical in enriching our governance and driving our long-term success. We are confident that their contributions will strengthen our strategic direction, enabling CIPA to navigate challenges and seize new opportunities for growth and innovation.

## Appreciation

In conclusion, I would like to extend my heartfelt gratitude to our dedicated employees who go beyond the call of duty to ensure that the mandate of the organisation is delivered. I also extend my gratitude to valued customers, whose continued trust and partnership are vital to our growth and development.

To our shareholder, the Ministry of Trade and Industry, and all stakeholders who have contributed to our achievements, I extend my deepest thanks for your unwavering support and belief in our mission. Your involvement and engagement are invaluable in helping us achieve and drive forward our vision of a world-class Business and Intellectual Property Registration Authority.

As we look to the future, we remain committed to building on our achievements, overcoming challenges, and continuing to deliver exceptional value to all those we serve. Together, I am confident that we will reach even greater heights in years to come.

**Mr Tshiamo James Motsumi**  
*Board Chairman.*







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## CARETAKER REGISTRAR GENERAL'S REMARKS







## CARETAKER REGISTRAR GENERAL'S REMARKS

The financial year 2023/24 marks my inaugural year as the CIPA Caretaker Registrar General, having assumed this responsibility in September 2023. It is my greatest honour to present the Authority's 2023/24 Annual Report, highlighting our performance, strategic priorities, achievements, and challenges.



*The financial year 2023/24 marks my inaugural year as the CIPA Caretaker Registrar General, having assumed this responsibility in September 2023. It is my greatest honour to present the Authority's 2023/24 Annual Report, highlighting our performance, strategic priorities, achievements, and challenges.*

**Mr Joel D. Ramaphoi**  
Caretaker Registrar General

The Authority has made significant strides towards realizing its strategic vision of harnessing Intellectual Property (IP) for transformation. This vision aims to facilitate Botswana's transition into a knowledge-based economy, emphasizing intangible assets and intellectual capital. This is crucial for the country's economic growth, as outlined in national instruments such as the Botswana Intellectual Property Policy, Transitional National Development Plan, National Reset Agenda, and Vision 2036.

Globally, IP continues to gain importance due to its value proposition for socio-economic development. In Botswana, IP is increasingly recognized as a central catalyst for entrepreneurship and sustainable development. Through effective collaboration, policy development, and constant awareness and education, we are confident that the Authority's IP agenda will be realized.

This financial year, we recorded a growth in national IP filings, particularly patents and utility models, compared to previous years. This growth reflects the effectiveness of our innovation stimulation programs, awareness creation, and capacity-building initiatives. However, we acknowledge that more needs to be done to encourage innovation and promote IP filings.

At the 47<sup>th</sup> Administrative Council and 19<sup>th</sup> Session of the Council of Ministers of the African Regional Intellectual Property Organization (ARIPO), hosted by CIPA, his Excellency the President, Dr Mokgweetsi Eric Keabetswe Masisi emphasized the importance of IP in the developing world. He highlighted Botswana's goal of transforming into a knowledge-based economy, stating that IP is essential for this transformation. In line with this, CIPA is committed to being transformative and not conforming to "business as usual." I am pleased to report that Botswana, through the Minister of Trade and Industry, has been

appointed to the Chairmanship of ARIPO, and CIPA to the Chairmanship of the Administrative Council of ARIPO for a two-year term starting in 2024.

In collaboration with the World Intellectual Property Organization (WIPO), we have dedicated resources to enhancing IP infrastructure through the development of the IP Model Office project. This project aims to provide online IP services and is expected to go live in the forthcoming year. The IP Model Office and the ongoing Online Business Registration System (OBRS) enhancement project demonstrate our commitment to leveraging digital technologies for improved operational efficiencies. CIPA continues to foster collaborations and strategic partnerships to extend our business ecosystem and share in collective benefits.

In February 2024, the Levy on Technical Devices Fund (LTDF) open call ended. Established by the Copyright and Neighboring Rights Act, the Fund aims to promote the development, value creation, and economic empowerment of the creative industries. CIPA has recorded success stories from projects funded by the Fund, and we aspire to continue creating impactful value and capacitating the local creative sector.

Regarding financial performance, the Authority collected P88,529,514 in revenue for the period ended 31<sup>st</sup> March 2024, a 4% increase from the previous year. 99% of the revenue was collected through the OBRS, with 1% from offline business services. Despite a decline in strategic performance, the Authority remains committed to improving operations and effectively implementing our strategic intent.

We look forward to a year of remarkable achievements, with many exciting strategic projects and initiatives underway, including:

- The Traditional Medicine project to support traditional medicine practitioners in IP commercialization, and integration into the healthcare and pharmaceutical industry,
- The WIPO SMME project to facilitate small businesses in leveraging IP as a business development strategy, and
- The operationalization of the Arbitration Panel to preside over copyright disputes.

In the 2023/24 financial year, the Authority successfully executed its mandate regarding company and business registration and leveraging IP for economic development. I extend my gratitude to the Board for their guidance, our stakeholders for their support, and the CIPA team for their unwavering contribution towards fulfilling the Authority's strategic intent.

**Mr. Joel D. Ramaphoi**  
Caretaker Registrar General

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# CORPORATE GOVERNANCE REPORT





# CORPORATE GOVERNANCE REPORT



The Companies and Intellectual Property Authority is a statutory body established under the Companies and Intellectual Property Authority Act, 2011 to register businesses and provide intellectual property management services, with the primary aim of improving efficiency in the delivery of public services as well as enhancing transparency, accountability and efficacy in the management of the Authority's core business; facilitate the doing business environment in Botswana.

CIPA is mandated to effectively promote and enable full protection of the rights of investors and right holders through five pieces of legislation namely, the Companies Act, the Registration of Business Names Act, Industrial Property Act, Copyright and Neighbouring Rights Act and the CIPA Act.

CIPA is dedicated to realizing our vision of becoming the leading business registration and intellectual property management institution in Africa. This commitment is underpinned by our core value of customer care, integrity, efficiency, teamwork, and a strong customer focus.

## Governing Structure

The CIPA Board is the governing body of the Authority, established under Section 7 of the CIPA Act, 2011, and is responsible for directing the affairs and operations of the Authority. The Board also serves as

the focal point and custodian of corporate governance in the organization, providing guidance on the long-term corporate strategy and oversight over the affairs of the Authority. In accordance with the CIPA Board Charter, the Board is mandated to supervise and control the administration and financial management of CIPA and formulate matters of policy for the purpose of providing general and/or specific guidance to CIPA Management.

In carrying out its mandate the Board is closely guided by the roles and responsibilities as enshrined in the CIPA Act as well as the CIPA Board Charter and Terms of Reference for Board Committees. Continuous review of the CIPA Governance Framework, the Board Charter as well as the Terms of Reference

for Board Committees ensure alignment to existing governing legislation and best practices in accordance with regional and international standards.

### Board Composition

In terms of Section 9 (1) of the CIPA Act, the Board shall consist of members appointed by the Minister of Trade and Industry, and these members are to be elected from amongst persons with expertise in intellectual property, accounting, law, and ICT, among others. As per requirements of the CIPA Act, the Registrar General serves as an ex-officio member of the Board. Each member shall hold office for a period of no more than five (5) years and shall be eligible for re-appointment for a cumulative period of not more than ten (10) years, as the Minister may determine.

During the period, two Board members terms came to an end on 30<sup>th</sup> September 2023. This was Ms Mobita who served for 3 years and Mr. Butale who served the Board for 9 years. Their dedication, expertise, and leadership have played a crucial role in guiding our organization through both the opportunities and challenges. The Board also welcomed two members, Mr Bome and Mr Ramaabya whose term began on the 1<sup>st</sup> of April 2023. Their contributions will be invaluable to the dispensing the organization's mandate.

Mr. Bome is a seasoned professional with extensive expertise in business development and intellectual property ; he brings a fresh perspective to the Board. Mr. Ramaabya possesses expertise in various domains such as retail, sales, consumer behaviour, business development, administration and corporate governance. His diverse background will significantly shape the organisation's strategic plans.

Despite the two recent appointments, the Board is still not fully constituted, with three vacancies remaining. This has hindered the effective oversight of the Board and its Committees, particularly the Human Resources Committee (HRC) and the Strategy, Procurement, and Projects Oversight Committee (SPPOC), which are currently suspended due to lack of quorum. Consequently, the responsibilities of these Committees have been assigned to the main Board.

### Board Committees

The Board committees include the Finance & Audit Committee, Human Resource Committee, and Strategy, Procurement and Projects Oversight Committee.

The Finance & Audit Committee assists the Board in fulfilling its oversight responsibilities as regards:

- i) The adequacy of accounting and financial reporting systems and policies, the integrity of the financial statements and the reliability of disclosures;
- ii) The appointment, remuneration, qualifications, independence, and effectiveness of the external auditor's as well as approval of their terms of engagement;
- iii) The appointment, performance assessment and dismissal of the chief audit executive, as well as overseeing the independence and effectiveness of the internal audit function;



iv) Monitoring the Authority's risk profile and overseeing the development of effective systems of internal controls and ensuring that good governance is achieved through regular assessment and reporting of key risks

v) IT Governance -overseeing the IT Governance Charter and IT Strategy and monitor compliance by Management and ensure the alignment of information technology systems to CIPA's long term strategy.

The Human Resource Committee broadly assists the Board with following:

i) The Committee monitors and oversees the Authority's human resources management including performance management and establishment of remuneration policies and strategies on behalf of the Board

ii) Determine and review the Authority's terms and conditions of service.

iii) Review the on-going appropriateness and relevance of the remuneration strategies and other human resource management strategies, systems and policies.

The Strategy, Procurement and Projects Oversight Committee (SPPOC) is mandated with:

1.1 Reviewing the Authority's strategic plan and overall strategy

1.2 Reviewing any strategic initiatives identified by the Board or management from time to time, including development of matters relating to the promotion and enabling the full protection of the rights of investors and right holders, investments, dispositions of assets and business expansions.

1.3 Assisting the Board in identifying key issues, options and external developments impacting the Authority's strategy, and considering reports, requests and recommendations from management on the Authority's progress towards set strategic goals.

1.4 Ensuring that the Board is regularly apprised of the Authority's progress with respect to implementation of the approved strategy and projects.

1.5 Overseeing the development and implementation of the Authority's annual business plan that is consistent with the strategy.

1.6 Reviewing matters related to legal and compliance, social and ethics, policy and guidelines, or other matter as may be deemed appropriate for the execution of the Board's oversight responsibility.

1.7 Explore and make recommendations on strategic core-business issues, initiatives, projects and business programs that require Board intervention and provide guidance on appropriate governance processes and standards employed in management of such programs, initiatives and projects.



## ATTENDANCE OF BOARD AND COMMITTEE MEETINGS DURING THE FINANCIAL YEAR ENDED 31ST MARCH 2024

MEMBER	MAIN BOARD	FINANCE AND AUDIT COMMITTEE
Tshiamo J Motsumi (Board Chair)	6/6	N/A
Lorato Morule (FAC Chair)	6/6	3/3
Phazha Butale	4/4*	N/A
Wame Mobita	3/4*	3/3
Mothusi Ramaabya	5/6	1/3
Lincoln Bome	3/6	N/A

\*The Board members tenure came to end on 30th of September 2023.

## COMPLIANCE TO CORPORATE GOVERNANCE STANDARDS

The CIPA Board subscribes to the King Code of Governance practices. The King IV Code of Governance highlights the importance of outcomes and disclosures in promoting ethical culture, ensuring good performance, maintaining effective control and upholding organizational legitimacy.

The below provides the principles that guide the corporate governance approach of CIPA. This approach is guided by King IV principles. Although King IV is based on the underlying principles of previous King Codes, it emphasises stakeholder inclusion, IT governance and disclosures, the Authority aims to comply with all 16 principles embodied in the Code. These guiding principles ensure effective governance, accountability, and sustainable growth. Our commitment to upholding these principles is evident in our practices and procedures which espouse principles of transparency, integrity, and responsible decision-making to serve the interests of our stakeholders. Some key examples include:

- Although we await the full complement of Board members through the appointment of three (3)

board members, our current Board comprises qualified individuals who provide strategic direction, oversight, and ensure alignment with our mission.

- Our experienced management team is responsible for executing strategies, managing operations, and achieving performance objectives.
- We maintain an environment of open communication by providing stakeholders with information about our activities, financial performance, and potential risks in a clear and timely manner.
- We hold ourselves accountable for our actions and performance. Regular reporting and transparent disclosures ensure that stakeholders are informed about our progress and challenges.
- We adhere to the highest ethical standards, addressing conflicts of interest promptly and maintaining the trust of our stakeholders.
- We actively engage with our stakeholders, including employees, customers, suppliers, to understand their perspectives and incorporate their feedback into our decision-making.
- We commit to complying with all applicable laws, regulations, and industry standards.
- Evaluation of the performance of our Board, committees, and management will be conducted in the following year to ensure that they are fulfilling their responsibilities effectively.
- We acknowledge our role in contributing to a sustainable and responsible business environment. The Authority will continue to engage with stakeholders to integrate environmental, social, and governance

considerations into our decision-making processes to drive long-term value.

- We provide regular, comprehensive reports to stakeholders, detailing our financial performance, strategic initiatives, and corporate governance practices.
- We are committed to continuously improving our governance practices. Regular reviews, feedback from stakeholders, and benchmarking against industry best practices guide our efforts to enhance governance effectiveness.
- The Finance & Audit Committee plays a key oversight role on the Internal Audit and Risk Management functions. The Committee ensures that CIPA's Internal Audit function has the necessary resources, budget, and appropriate authority to enable it to discharge its functions. The Internal Audit function reports directly to the Finance & Audit Committee and indirectly/ administratively to the Executive management to protect its objectivity and the independence of the function.
- To show commitment in ensuring that the Authority manages its risks accordingly, the Committee:
  - *Ensured that a formal risk management policy was developed and implemented immediately.*
  - *Prioritized the development of a Risk Management Plan and its implementation.*
  - *Supported the implementation of Enterprise-Wide Risk Management principles.*
  - *Ensured that the risk management processes are operational and risk registers and reports produced.*

- During the period under review, the committee monitored the implementation of audit recommendations emanating from various audits through Internal Audit Tracking Sheets and the Quarterly Report on Internal Audit, this ensured that findings with unacceptable residual risk were followed through for closure. All these are the committees' efforts geared at elevating the Authority to a higher level of risk maturity, where risk management practices are an integral part of the Authority's business process.
- The Finance & Audit Committee also ensures a comprehensive implementation of and adherence to sound internal controls. The Internal Audit function provides a written assessment on the effectiveness of internal controls to the Finance & Audit Committee on a yearly basis. Overall, the Authority enjoys sound collaboration between all assurance providers to support the CIPA culture of zero tolerance to fraud and corruption.

This corporate governance statement underscores our commitment to ethical, accountable, and sustainable governance at CIPA. Through these principles, we aim to achieve our mission while fostering trust among our stakeholders.



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# RISK MANAGEMENT

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## Risk management

The Authority's risk management policy provides a guiding framework within which the Authority undertakes a continuous process of identification, monitoring, management and reporting of opportunities and threats throughout the organisation.

The Board has the ultimate responsibility for risk management and for determining the appropriate level of risk that CIPA is willing to accept.

## The three lines defence model

This model has been adopted to assist the Authority in achievement of objectives and facilitate a strong governance and risk management culture.

**First line of defence** – The Authority's Risk Management Policy is being driven by the CIPA Executive management.

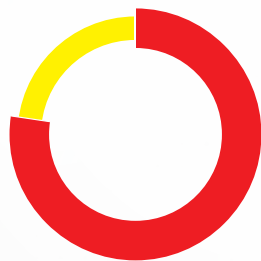
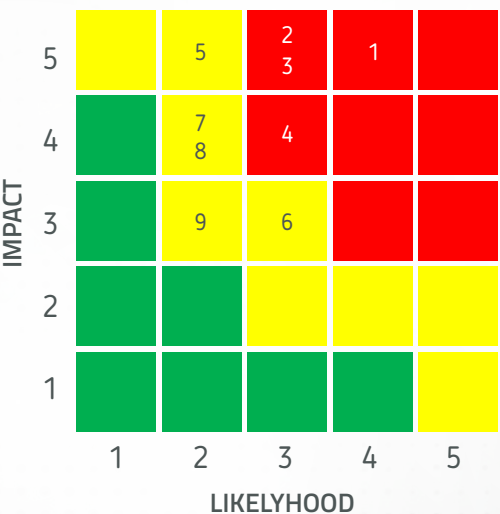
**Second line of defence** – Internal Audit has been temporarily assigned this role, and it provides guidance, insights, support, advice and monitors and challenge activities of the first line.

**Third line of defence** – The CIPA Board plays an oversight role and external auditors provide assurance.

## Risk Maturity

The Authority's objective is to continuously improve its risk management practices. A risk maturity level assessment has been conducted and an action plan developed to assist the Authority to mature to the next level.

## Strategic Risk Heat Map



Inherent Risk Level

● High ● Medium ● Low



Residual Risk Level

● High ● Medium ● Low



Authority's Key Risks		
Risk 1 - Inadequate funding	Risk 4 - Low staff morale	Risk 7 - Lack of self-sustenance
Risk 2 - OBRS Failure	Risk 5 - Critical ICT systems failure	Risk 8 - Inadequate human capital
Risk 3 - Loss of records	Risk 6 - Insufficient shareholder support	Risk 9 - Corruption and money laundering

Internal Audit

The Authority's Internal Audit function is tasked with providing independent, objective assurance and consulting activity designed to add value and improve the Authority's operations. The function provides independent assurance that the Authority's risks are mitigated by controls in place, and governance processes are operating effectively and efficiently.

The function adopts a risk-based approach in ensuring that the Authority's value is preserved, enhanced, and strategic objectives met.

The Finance and Audit Committee reviewed quarterly reports presented by internal audit and monitored implementation of audit recommendations and closure of audit findings throughout the year under review.



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# CORPORATE PERFORMANCE REPORT



# CORPORATE PERFORMANCE REPORT

## CIPA 2.0 STRATEGY

The Companies and Intellectual Property Authority (CIPA) was established to facilitate effective execution and enforcement of the following legislation:

- Companies Act (CAP 42:01)
- Registration of Business Names Act (CAP 42:05)
- Copyright and Neighboring Rights Act (CAP 68:02)
- Industrial Property Act (CAP 68:03)

The 5-year strategic plan (CIPA 2.0) covering the period from 2021 to 2026 was crafted and approved to set the direction, tone, and pace for the Authority. The strategy aims to provide efficient and accessible Business Registration and Intellectual Property services to protect Business and Right Holder interests.

In principle, CIPA provides a facilitative role in leveraging IP as a critical instrument that promotes innovation, investment, and growth opportunities in a knowledge-based economy. Our objectives and initiatives include:

- Extending Collaborations & Partnerships (shareholder partners, CSI)
- Enhancing Outreach Awareness and Public Education
- Enhancing Registry Business Data
- Improving Client Service Excellence
- Protecting Intellectual Property for rights holders
- Leveraging Digital Capabilities
- Strengthening Enforcement
- Strengthening Governance & Risk Management
- Improving Financial Sustainability
- Strengthening Resource Management

This report highlights the implementation of initiatives planned for the financial year 2023/24.

## STRATEGY MAP

CIPA's strategy map (Figure 1) is a visualization that helps us see our main goals, understand how various goals connect and relate, and explore the steps needed to realize our objectives.

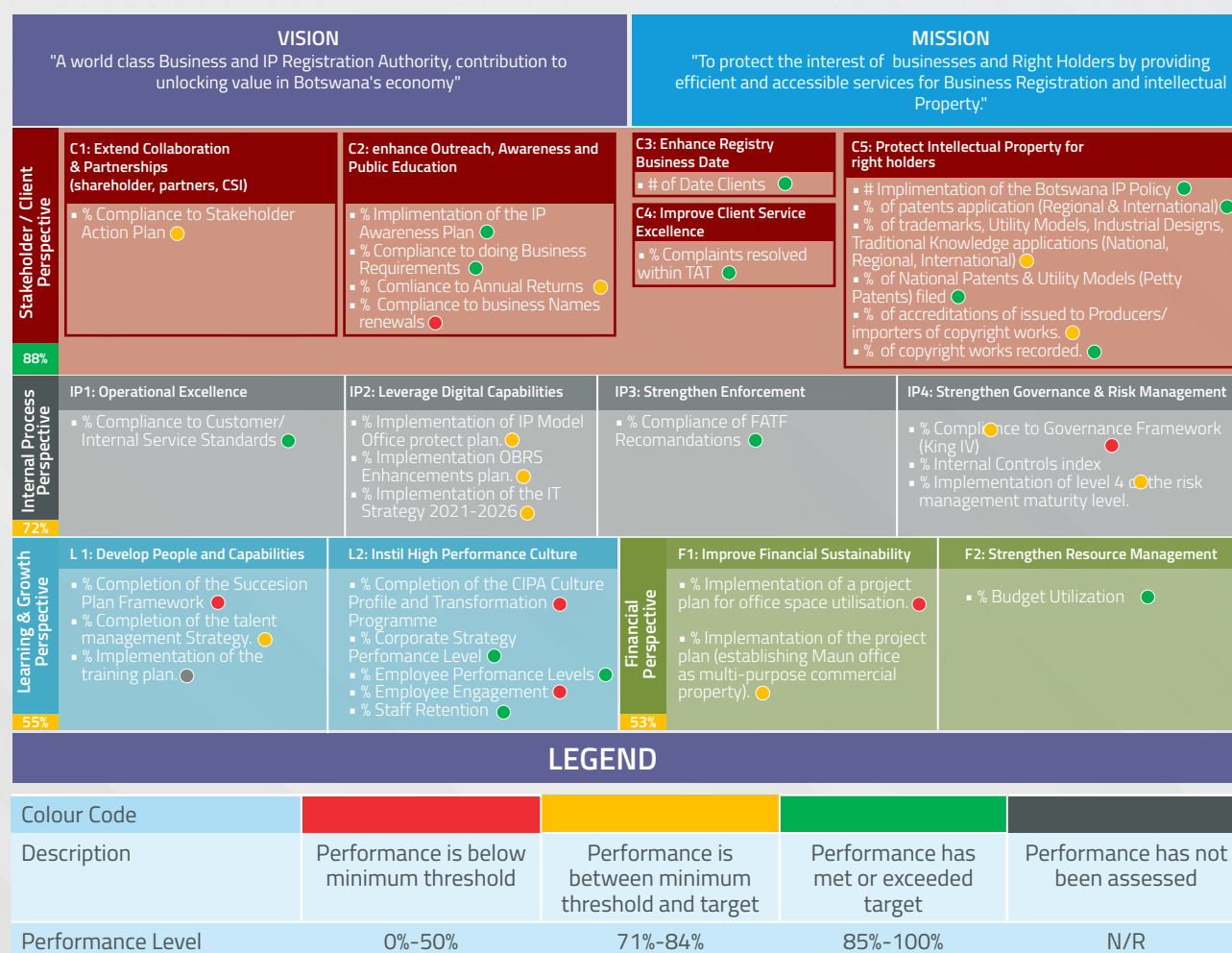


FIGURE 1: CIPA DASHBOARD

## Annual Performance Plan (APP) Execution

There has been a decrease in corporate strategy performance from 77% in 2022/23 to 67% in 2023/24. The performance for the financial year is as follows:

- Stakeholder/Client perspective: 88%
- Internal process perspective: 72%
- Learning and Growth perspective: 55%
- Finance Perspective: 43%



CIPA has performed reasonably well in implementing initiatives relating to Collaborations & Partnerships, as well as Outreach Awareness and Public Education.

A positive outlook in terms of Business Registry is noted as the Authority consistently meets its Customer service standards:

- Name reservation: 24 hours
- Company registration: 24 hours
- Company restoration: 21 days

These standards are critical and align with Botswana's Doing Business Reforms, aiming to register businesses in under 24 hours and contribute to a transparent, efficient, and attractive business climate for both local and foreign investors. This aligns with CIPA's overall strategic intent to provide efficient and accessible Business Registration and Intellectual Property services to protect Business and Right Holder interests.

However, challenges remain in the areas of:

- Compliance with Business Names renewals by Companies and Businesses
- Risk Management and other Governance issues
- Developing People and Capabilities
- Instilling a High Performance Culture
- Improving Financial Sustainability

Some initiatives have been hampered by budgetary constraints. The Authority has prioritized risk management and people issues for the next financial year. Additionally, CIPA intends to strengthen the commercialization of IP by establishing a Business Development function to oversee commercialization activities aimed at enhancing CIPA's sustainability.

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## PERFORMANCE HIGHLIGHTS

**A CUSTOMER FOCUSED TEAM,  
DRIVEN BY INNOVATION, INTEGRITY  
AND EFFICIENCY**



# PERFORMANCE HIGHLIGHTS

## 1. COMPANIES AND BUSINESS NAMES

### 1.1 NEW REGISTRATIONS

The beginning of the financial year 2023/2024 marked a historic milestone as the Companies and Business Names Department for the first time in history, managed to transfer and register a Foreign Company by the name Bifm Holdings and Services Proprietary Limited from the Isle of Man. The company was incorporated as a Private company limited by shares as prescribed by the Companies Act (42:01), Section 355, 2, (c).

The Authority continues to efficiently process an influx of new company and business name applications, adhering to the service standard of 24-hour turnaround time. This remarkable achievement is directly credited to the Online Business Registration System (OBRS), which has significantly streamlined the registration process for both local and international investors. With the ability to submit applications online from anywhere, the Authority has effectively opened doors to global business opportunities.

The following are the statistics for different services as at 31<sup>st</sup> March 2024

SERVICE TYPE	NEW REGISTRATIONS 2023/2024	REMOVAL FROM REGISTER	TOTAL ACTIVE REGISTRATIONS
COMPANIES	22 241	26 277	130 473
BUSINESS NAMES	9 199	16 961	51 871

### 1.2 RECORDS AND SEARCH

The Authority undertook a Record Management Programme Project that included the development of the Authority's Records Management Policy together with Records Classification Scheme, Records Procedure Manual, Email as a Record Document, and Retention and Records Disposal Schedule, among others. The Authority had engaged University of Botswana, Department of Library and Information Services (DLIS) as Project Consultants.

The Records Management Programme was adopted by the Authority, with approval from the Board and is being implemented to maintain the Authority's records. It is worth noting that the Project was delivered on time and budget.

### 1.3. ONLINE BUSINESS REGISTRATION SYSTEM PROJECT

The Authority undertook an Online Business Registration System (OBRS) Enhancement and Upgrade project to improve the functionality of the system and also to incorporate the Companies (Amendment) Act, 2022 requirements onto the System. The OBRS Enhancement Project is anticipated to be concluded and implemented before the end of 2024/2025 to pave way for a more streamlined and efficient registration process, making it easier than ever for entrepreneurs and investors to conduct business in Botswana.

The OBRS Enhancement Project will introduce a new full Register of Beneficial Ownership (BO) Information and also introduce a "Watchlist" to allow investor tracking of companies of interest. The Authority is actively contributing towards the implementation of the Financial Action Task Force (FATF) recommendations and effective Anti-Money Laundering/Counter Financing Terrorism (AML/CFT) efforts in Botswana.

## 2. INDUSTRIAL PROPERTY

### 2.1 WORLD INTELLECTUAL PROPERTY DAY 2023

The World Intellectual Property Day was commemorated on the 26<sup>th</sup> April 2023 under the theme "Women and IP: Accelerating Innovation and Creativity." The objectives of the commemoration, as stated by the World Intellectual Property Organization (WIPO) were to:

- celebrate the amazing achievements of women inventors, creators and entrepreneurs around the world, and
- to redouble efforts to promote inclusion and diversity in all areas of our work, to ensure the development of innovation ecosystems that are accessible to all genders.

A total of 100 women entrepreneurs were invited to the event, which was a tea party themed event held at Protea Masa Hotel in Gaborone. The event was a collaboration between CIPA, the United States of America Embassy, Ministry of Communications, Knowledge and Technology and the Copyright Society of Botswana.

The guest speaker of the event was Ms Mantlha Sankoloba, Chief Executive Officer of the Botswana Exporters and Manufacturers Association (BEMA) who spoke about the key intersection between intellectual property and exporting, highlighting the need to have a solid IP strategy to protect intellectual assets before exporting products and services outside Botswana.



## 2.2 INTELLECTUAL PROPERTY IP MODEL OFFICE PROJECT

The Authority, with support from the World Intellectual Property Organization (WIPO), is currently undertaking the Intellectual Property (IP) Model Office project to modernize IP administration services. This project aims to promote digital business by transforming business processes and establishing an effective operational platform for online services related to intellectual property applications and registration.

The registration of IP will be fully automated and conducted online, making IP services more accessible for Botswana. The implementation of the IP Model Office project will contribute to the country's digitization agenda. It is anticipated that the first phase of the project, will be delivered in June 2024, allowing intellectual property agents to access services online. Full go-live of the system, which will provide access to the wider business community and the general public, is expected before the conclusion of the next financial year.

## 2.3 STIMULATION OF INNOVATION IN ACADEMIC AND RESEARCH INSTITUTIONS

The Authority embarked on a collaborative initiative with academic and research institutions in a bid to improve domestic innovation capacity in order to support Botswana's gravitation towards a knowledge-based economy (KBE). Capacity building programs in the areas of patents, utility models and industrial designs were conducted at Botswana International University of Science and Technology (BIUST), University Botswana, Botswana Geoscience Institute (BGI), National Agricultural Research and Development Institute (NARDI), and Botho University. The initiative will be carried over and continued into the next financial year and beyond, to ensure full capacitation of the country's innovation ecosystem on intellectual property rights.

## 3. COPYRIGHT

### 3.1 LEVY ON TECHNICAL DEVICES FUND (LTDF)

CIPA continues to monitor projects funded under the Levy on Technical Devices Fund and carry out its duty as the Secretariat of the Levy on Technical Devices Fund Management Committee. Since inception of the Fund, forty-one projects have been funded from different categories of the creative industries. At the end of the financial year, implementation of six (6) projects was still ongoing, activities for seven (7) projects have been completed pending closure, eighteen (18) have been closed and ten (10) projects have been terminated. The following are highlights of some of the projects completed during the financial year.

### Linnet Vass (Chief)

Linnet Vass's project, 'Chief', was funded to the value of nine hundred and eighty-six thousand, nine hundred and ninety-five Pula (P986 995,00) to produce a movie. The movie message centered around a smart teenage boy who was recruited into drug dealing as he was promised a better life only to find out that he is just destroying his future and his family. Furthermore, the movie sought to raise awareness on teenage drug abuse and how it can destroy someone's future and family.

### Patrick Setsiba (Mmapatsi)

Patrick Setsiba was funded for nine hundred and twenty thousand, two hundred Pula (P920 200,00) for the implementation of their project, 'Mmapatsi'. The project focused on training, developing, and transforming traditional song and dance artists in Botswana into vibrant entrepreneurs through recognition of Intellectual Property. Therefore, the project aimed at asserting Citizen Empowerment for economic diversification.

## 3.2 2023 LEVY ON TECHNICAL DEVICES FUND OPEN CALL

The 2023 Levy on Technical Devices Open Call publicity workshops were carried out across the country from 7<sup>th</sup> August 2023 to 27<sup>th</sup> September 2023. A special dispensation was also made for people living with disabilities as their workshops were held in Gaborone, Mahalapye, Francistown and Maun. The workshops were meant to ensure that Batswana are made aware of the activities of the Fund, the opportunities available for funding and consult on the application form which was to be used for applications.

Through the workshops a total of one hundred and seventy-five (175) places, twenty-seven (27) main towns and villages and one hundred and forty-eight (148) catchment areas were reached. The 2023 Open Call applications were launched on 15<sup>th</sup> December 2023. The applications were submitted at CIPA offices in Serowe, Francistown, Maun and Gaborone including through postal and courier services. At the time of the closing date of 16<sup>th</sup> February 2024, a total of one thousand, one hundred and eighty (1 180) applications were received as follows:



	Individuals/ Business Name	Companies	Associations/ Societies/Trust/ NGOs	Parastatal	Total # of applications
Gaborone	481	445	49	2	977 (82.7)
Francistown	62	27	5	0	94 (8%)
Maun	33	18	1	0	52 (4.4%)
Serowe	44	11	2	0	57 (4.9%)
TOTAL	620 (52.4%)	501(42.6)	57 (4.8%)	2 (0.2%)	1, 180

The applications were to undergo three stages of the evaluation, that is the Administrative Compliance, the Technical Evaluation and the Interview Stage.

### 3.3 AFRICAN REGIONAL INTELLECTUAL PROPERTY ORGANIZATION GOVERNING BODIES SESSIONS

The Companies and Intellectual Property Authority in collaboration with the Ministry of Trade and Industry hosted the 19<sup>th</sup> Session of the Council of Ministers and the 47<sup>th</sup> Session of the Administrative Council of the African Regional Intellectual Property Organization (ARIPO) from 20<sup>th</sup> to 25<sup>th</sup> November 2023, at Hotel 4:30 in Gaborone.

Twenty-one (21) Member States of ARIPO including Botswana, the Kingdom of Eswatini, Cabo Verde, The Gambia, Ghana, Kenya, the Kingdom of Lesotho, Liberia, Malawi, Mauritius, Mozambique, Namibia, Rwanda, São Tomé and Príncipe, Seychelles, Sierra Leone, Somalia, Uganda, United Republic of Tanzania, Zambia, and Zimbabwe attended the sessions.

Botswana through the CIPA Caretaker Registrar General was unanimously appointed chair of the Administrative Council, whilst the Minister of Trade and Industry, Honourable Mmusi Kgafela ascended to the Chairmanship of the Council of Ministers taking over the positions previously held by Zimbabwe.

The Administrative Council addressed several issues, including technical updates, audited financial statements of the Organisation, approval of recruitments for the Secretariat, conditions of service of employees of ARIPO, appointment of committees of the Administrative Council and other matters. Following that, the council of Ministers met to note and adopt the reports from the Administrative Council.

## 4. COMPLIANCE AND ENFORCEMENT

### 4.1 ANTI-PIRACY RAIDS

The Authority's Compliance Unit continues to undertake spot checks and raids in collaboration with Botswana Police Service and other law enforcement agencies in order to ensure compliance to the various legislations under CIPA.

The biggest raid conducted during the year under review was undertaken in collaboration with Botswana Unified Revenue Service (BURS) and Richard Lyons Attorneys (a local IP Agent). The raid, conducted on 20<sup>th</sup> July 2023, found a local store at Gaborone Bus Rank selling counterfeit shoes with the Tomy Brand. A total of 177 shoes worth P6,195.00 were confiscated.

### 4.2 ENFORCEMENT WORKSHOP

CIPA, in collaboration with the United States of America Embassy and the United States Department of Justice (USDOJ), International Computer Hacking and Intellectual Property (ICHIP) Program held a one-day capacity building program for law enforcement officers on the 26<sup>th</sup> April 2023. Botswana Police Service (BPS), Botswana Medicines Regulatory Authority (BOMRA), Department of Public Prosecution (DPP), Botswana Unified Revenue Service (BURS) as well as Magistrates attended the workshop, whose objective was to raise awareness on IP in order to ensure that all enforcement agencies work together to safeguard the intellectual property rights of both local and international investors.



# 11



## ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED  
31 MARCH 2024



COMPANIES AND INTELLECTUAL PROPERTY AUTHORITY

**INDEX TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

AUTHORITY	INFORMATION
Business operations:	To protect the interests of Investors and Rights Holders by providing efficient and accessible business registration and Intellectual Property services.
Authority registration:	The Authority was established in terms of the Companies and Intellectual Property Authority Act, 2011
Registered address:	Prime Plaza (21) Block A, Plot 74358 NEW CBD Gaborone
Postal address:	P O Box 102 Gaborone
Auditors:	Grant Thornton
Bankers:	Stanbic Bank Botswana Limited
Currency:	Botswana Pula (BWP)
Members of the Board (Non-Executive)	Mr Tshiamo Motsumi (Chairperson) (Term – 01/06/2022 – To date) Ms Lorato Morule (Member) (Term - 01/06/2022 – To date) Mr Mothusi Ramaabya (Member) (Term - 01/04/2023 – To date) Mr Lincoln Bome (Member) (Term - 01/04/2023 – To date) Ms Wame Mobitla-Tlagae (Member) (Term - 01/10/2020 – 30/09/2023)
Key Management (Executive)	Mr Conductor P Masena (Registrar General) (Term - 01/08/2013 – 02/08/2023) Mr Joel D Ramaphoi (Registrar General) (Term - 08/09/2023 – To date) Ms Pego M Aisam (Board Secretary and Legal Advisor) Mr Timothy Moalusi (Registrar – Industrial Property) Ms Ntesang Sebetso (Director–Compliance Awareness & Client Services) Ms Keitseng Monyatsi (Copyright Administrator) Ms Hilda Mocuminyane (Registrar – Companies & Business Names) Mr Greene Kamakama (Director – Information Technology) Mr Lucky Matseka (Strategy Manager) Mr Bumo Nthoiwa (Internal Audit Manager) Ms Anna L Lesetedi (A. Finance Manager) (Term -19/10/2023 – To date) Ms Mary O Phitshana (A. Human Resources Manager) (Term -19/07/2023 – To date)



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COMPANIES AND INTELLECTUAL PROPERTY AUTHORITY

## STATEMENT OF RESPONSIBILITY BY THE MEMBERS OF THE BOARD FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

The Members of the Board are required in terms of the Companies and Intellectual Property Authority Act, (Cap 42:13) to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the Authority as at the end of the financial year and the results of its operations and cash flows for the year then ended, in conformity with International Financial Reporting Standards. The external auditors are engaged to express an independent opinion on the annual financial statements. The annual financial statements are prepared in accordance with the International Financial Reporting Standards (IFRS) and in the manner required by the Companies and Intellectual Property Authority Act, (Cap 42:13). The external auditors are engaged to express an independent opinion on the annual financial statements.

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

are applied and managed within predetermined procedures and constraints.

The Members of the board are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement on loss. The Members have reviewed the Authority's cash flow forecast for the year to 31 March 2025 and, in light of this review and the current financial position, they are satisfied that the Authority has or had access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the authority's annual financial statements. The annual financial statements have been examined by the Authority's external auditors and their report is presented on pages 45 to 48. The external auditors were given unrestricted access to all financial records and related data, including minutes of all meetings of the Members of the board and committees of the board. The Board believe that all representations made to the independent auditors during their audit are valid and appropriate.

Against this background the Members of the Board accepts responsibility for the Annual Financial Statements on page 49 to 52. The annual financial statements and additional schedules set out on pages 68 to 91, which have been prepared on the going concern basis, were approved by the Board on the 27th August 2025 and were signed on their behalf by:



Member of the Board



Member of the Board

COMPANIES AND INTELLECTUAL PROPERTY AUTHORITY

## Independent Auditor's Report

To the Members of the board of Companies and Intellectual Property Authority

Report on the annual financial statements



# Grant Thornton

Chartered Accountants  
Grant Thornton  
Acumen Park, Plot 50370  
Fairgrounds, Gaborone

PO Box 1157  
Gaborone, Botswana  
T +267 395 2313

### Opinion

We have audited the annual financial statements of Companies and Intellectual Property Authority set out on pages 49 to 91, which comprise the statement of financial position as at 31 March 2024, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the annual financial statements, including a summary of material accounting policy information.

In our opinion, the annual financial statements give a true and fair view of, the financial position of Companies and Intellectual Property Authority as at 31 March 2024, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and requirements of Section 32 of the Companies and Intellectual Property Authority Act of 2011.

### Basis for opinion

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

### Emphasis of matter

Without qualifying our opinion, we draw attention to Note 24 to the annual financial statements which states that the Authority collects revenue on behalf of the Government of Botswana through its services to the public. The revenue is collected through-out the financial year and remitted to the consolidated fund for the Government of Botswana after year end on the basis of directives received from the Government of Botswana and as the Authority continues to transition and implement new system. During the year the Authority collected P88 420 264 (2023 – P85 355 576) on behalf of the Government of Botswana, of this amount P2 798 996 (2023 – P2 510 989) is amount collected in advance of provision of services to clients. At 31 March 2024 the Authority held the amount of P173 224 849 (2023: P167 551 092) in separate bank accounts held on behalf of the Government



of Botswana. These amounts have not been included in the Authority's statement of comprehensive income and the statement of financial position. The amount held as at period end has not been remitted to the government as at the reporting date. Our opinion is not modified in respect of this matter

### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon. We have no key audit matters to report.

### Other Matter

The annual financial statements of Companies and Intellectual Property Authority for the year ended 31 March 2023, were audited by another auditor who expressed an unmodified opinion on those statements on 11 November 2023.

#### Other information

The Members of the board are responsible for the other information. The other information comprises the information included in the document titled "Companies and Intellectual Property Authority annual financial statements for the year ended 31 March 2024", which includes Members of the board report and the detailed Income Statement, which we obtained prior to the date of this report. Other information does not include the annual financial statements and our auditor's report thereon.

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

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

#### Responsibilities of the Members of the board for the Annual Financial Statements

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

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

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

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

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

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

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

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

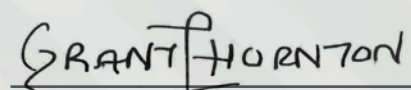
We also provide the Members of the board with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all the relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

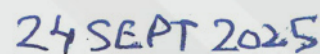
#### Report on legislative requirements

As required under Section 32(2) of the Companies and Intellectual Property Authority Act, 2011, we

- a. Have received all the information and explanation which, to the best of our knowledge and belief, were necessary for the performance of our duties.
- b. the accounts and related records of the Authority have been properly kept.
- c. the Authority has complied with all the financial provision of this act with which it is its duty to comply with.
- d. the statement of accounts prepared by the Authority was prepared on a basis consistent with that of the preceding year and represents a true and fair view of the transactions and financial affairs of the Authority, and
- e. The Authority has not complied with the following paragraph of the Companies and Intellectual Property Authority Act (2011): Section 32 (1) which states that, The accounts of the Authority in respect of each financial year shall within four months or such extended time after the end thereof as the Minister may direct, be audited by the auditor appointed by the Authority in accordance with international Standard of Auditing.



Grant Thornton  
Firm of Certified Auditors  
Practising Member: Aswin Vaidyanathan: CAP 0016 2024



Gaborone



COMPANIES AND INTELLECTUAL PROPERTY AUTHORITY

# Statement Of Comprehensive Income

## FOR THE YEAR ENDED 31 MARCH 2024

	NOTE	2024 P	2023 P
Revenue	1	59 445 402	55 769 373
Other income	1	10 576 755	10 275 763
Total income		70 022 156	66 045 136
Administration, operating and strategy projects expenses	2	(68 016 934)	(69 612 486)
Operating (deficit) / surplus		2 005 222	(3 567 350)
Finance cost	12	(1 525 357)	(1 475 974)
Interest income	4	11 008	8 907
Surplus/(Deficit) before income tax		490 873	(5 034 417)
Income tax	5	-	-
Surplus/(Deficit) for the year		490 873	(5 034 417)
Other comprehensive income:		-	-
Total comprehensive income/(loss) for the year		490 873	(5 034 417)

COMPANIES AND INTELLECTUAL PROPERTY AUTHORITY

## Statement Of Financial Position

AS AT 31 MARCH 2024

	NOTE	2024 P	2023 P
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property and equipment	6	5 034 640	7 483 064
Intangible Assets	8	1 005 272	1 598 558
Right of Use Asset - Leased Properties	7	15 884 701	20 646 616
Right of Use Asset - Land and Building	7.1	2 339 200	2 390 800
Receivables and prepayments	9	611 258	436 157
		<b>24 875 071</b>	<b>32 555 195</b>
<b>Current Assets</b>			
Receivables and prepayments	9	7 301 015	6 165 795
Cash and cash equivalents	18	18 629 201	20 888 123
		<b>25 930 216</b>	<b>27 053 918</b>
<b>Total assets</b>		<b>50 805 287</b>	<b>59 609 113</b>
<b>EQUITY</b>			
Accumulated surplus		7 925 335	7 434 462
		<b>7 925 335</b>	<b>7 434 462</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Capital grant	11	5 192 322	7 284 808
Lease liability	12	12 977 829	16 245 476
		<b>18 170 151</b>	<b>23 530 284</b>
<b>Current liabilities</b>			
Short term portion of capital grants	11	3 260 434	4 232 385
Short term portion of lease liability	12	4 802 058	5 405 014
Trade and other payables	13	11 746 011	10 177 208
Unspent grants received from the Government	14	4 901 297	8 829 760
		<b>24 709 800</b>	<b>28 644 367</b>
<b>Total liabilities</b>		<b>42 879 951</b>	<b>52 174 651</b>
<b>Total assets</b>		<b>50 805 287</b>	<b>59 609 113</b>

COMPANIES AND INTELLECTUAL PROPERTY AUTHORITY

# Statement Of Changes In Funds

FOR THE YEAR ENDED 31 MARCH 2024

	ACCUMULATED FUNDS	TOTAL
	P	P
Balance as at 01 April 2022	12 468 879	12 468 879
Total comprehensive income		
Loss for the year	(5 034 417)	(5 034 417)
Balance as at 31 March 2023	7 434 462	7 434 462
Balance as at 01 April 2023	7 434 462	7 434 462
Total comprehensive income		
Surplus for the year	490 873	490 873
Balance as at 31 March 2024	7 925 335	7 925 335



COMPANIES AND INTELLECTUAL PROPERTY AUTHORITY

# Statement Of Cash Flows

## FOR THE YEAR ENDED 31 MARCH 2024

	NOTE	2024 P	2023 P
<b>ASSETS</b>			
<b>Cash flows from operating activities</b>			
Cash utilised in operations	16	(7 834 182)	661 402
Net cash utilised in operating activities		<b>(7 834 182)</b>	<b>661 402</b>
<b>Cash flow from investing activities</b>			
Purchase of property and equipment	6	(195 997)	(80 320)
Purchase of intangibles		-	(132 613)
Proceeds from insurance claim/sale of property and equipment	17	40 589	126 613
Interest received	4	11 008	8 907
Net cash outflows from investing activities		<b>(144 400)</b>	<b>(77 413)</b>
<b>Cash flows from financing activities</b>			
Capital and Revenue grants received	11 & 14	11 221 192	6 193 614
Payment of finance lease		(3 976 175)	(4 225 314)
Interest paid on lease		(1 525 357)	(1 475 974)
Net cash generated from financing activities		<b>5 719 660</b>	<b>492 326</b>
<b>(Decrease)/increase in cash and cash equivalents</b>		<b>(2 258 922)</b>	<b>1 076 315</b>
Cash and cash equivalents at the beginning of the year		20 888 123	19 811 808
Cash and cash equivalents at the end of the year	18	<b>18 629 201</b>	<b>20 888 123</b>

COMPANIES AND INTELLECTUAL PROPERTY AUTHORITY

## Material Accounting Policies Information

**FOR THE YEAR ENDED 31 MARCH 2024**

### GENERAL INFORMATION

The Companies and Intellectual Property Authority was established under the CIPA Act (CAP 42:13) in November 2014. The Companies and Intellectual Property Authority (CIPA) is mandated to register businesses and protect intellectual property rights through the administration of four (4) pieces of legislation namely;

The Companies Act (CAP 42:01), which provides for the incorporation of companies; registration of post incorporation returns and notices; monitoring of post incorporation returns and reservation of authority names.

Registration of Business Names Act (CAP 42:05), which provides for registration of business names and post registration notices such as change of ownership and cessation of businesses.

Copyright and Neighbouring Rights Act, (CAP.68:02) which provides for the protection of the rights of authors, artists and creators, as well as protection of their literary and artistic creations, which are generally referred to as "works". These works include novels, poems, plays, films, musical works, and artistic works such as drawings, paintings, photographs and sculptures.

Industrial Property Act, (CAP.68:03) which provides for the protection of industrial property rights in relation to patents, trademarks, utility model certificates, industrial designs, traditional knowledge, layout designs of integrated circuits, geographical indications and handicrafts.

The Authority is headed by the Registrar General who oversees the operations of all divisions of the Authority and ensures that it achieves the mandate for which it was set up.

The Authority represents the Botswana Government at the World Intellectual Property Organisation (WIPO), the African Regional Intellectual Property Organisation (ARIPO), as well as the Corporate Registers Forum (CRF).

The entity is an Authority, a government parastatal, established and domiciled in Botswana. The financial statements were approved by the Board of the Authority on the 27th August 2025.

COMPANIES AND INTELLECTUAL PROPERTY AUTHORITY

# Material Accounting Policies Information *(Continued)*

## FOR THE YEAR ENDED 31 MARCH 2024

### 1.0 Summary of accounting policies information

The principal accounting policies adopted in the preparation of these financial statements are set out below.

#### 1.1 Basis of preparation

The financial statements of Companies and Intellectual Property Authority have been prepared in accordance with International Financial Reporting Standards ("IFRS") under the historical cost convention. The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Authority's accounting policies. 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 the "Significant accounting estimates and assumptions" section of the financial statements.

#### 1.2 Property and equipment

All property and equipment are measured at historical cost less accumulated depreciation and impairment. 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 Authority 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 is calculated using the straight-line method to allocate the cost of each asset to their residual values over their estimated useful lives as follows:

Leasehold improvements	Lease period
Furniture and fittings	10 years
Computer Equipment	4 years
Motor Vehicles	5 years
Office Equipment	10 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.



COMPANIES AND INTELLECTUAL PROPERTY AUTHORITY

## Material Accounting Policies Information *(Continued)*

### FOR THE YEAR ENDED 31 MARCH 2024

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within other gains/ (losses) in the statement of comprehensive income.

An item of property and equipment and any significant part initially recognised is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal.

### 1.3 Intangible assets

#### Computer Software

Intangible assets consist of computer software which is stated at cost, less amortisation and provisions for impairment, if any. The identifiable and directly associated external and internal costs of acquiring software are capitalised where the software is controlled by the Authority, and where it is probable that future economic benefits that exceeds its costs will flow from its use over more than one year, and are recognised as intangible assets when the following criteria are met:

- *There is an ability to use or sell the software*
- *It can be demonstrated how the software product will generate probable future economic benefits.*
- *Adequate technical, financial and other resources to compete the development and to use or sell the software are available, and*
- *The expenditure attributable to the software during its development can be reliably measured.*

Costs associated with maintaining software recognised as an expense category when incurred in the statement of comprehensive income.

Amortisation is recognised on a straight-line basis over their estimated useful lives which does not exceed 4 years and are tested for impairment whenever there is an indication of impairment. The Amortisation expense is on intangible assets is recognised in the statement of profit and loss in the expense category.

### 1.4 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.

COMPANIES AND INTELLECTUAL PROPERTY AUTHORITY

## Material Accounting Policies Information *(Continued)*

### FOR THE YEAR ENDED 31 MARCH 2024

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 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.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Authority estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years.

## 1.5 Financial assets

### 1.5.1 Classification and measurement of financial assets

Financial assets are measured at amortised cost if both of the following conditions are met:

- *The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and*
- *The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.*

Financial assets are measured at FVOCI if both of the following conditions are met:

- *The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and*
- *The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.*

Financial instruments that do not meet the criteria to be measured at amortised cost or FVOCI are measured at FVPL. The Authority designates instruments that qualify for amortised cost or fair value through OCI instruments as FVPL, if doing so eliminates, or significantly reduces, a measurement or recognition inconsistency. Equity instruments that are not held for trading may be irrevocably designated as FVOCI, with no subsequent reclassification of gains or losses to the income statement.

COMPANIES AND INTELLECTUAL PROPERTY AUTHORITY

## Material Accounting Policies Information *(Continued)*

### FOR THE YEAR ENDED 31 MARCH 2024

#### 1.5.2 Receivables

Receivables are classified at amortised cost and are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified, or impaired. The Authority's financial assets at amortised cost includes other receivables.

#### 1.5.3 Cash and Cash Equivalents

Cash and cash equivalents comprise of cash at banks and in hand and short-term deposits with an original maturity of three months or less.

#### 1.5.4 Impairment of financial assets

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the entity expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

For all the entity's financial assets, the entity applies a simplified approach in calculating ECLs. Therefore, the entity does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

CIPA follows a simple provision matrix that is based on its historical credit loss experience.

In certain cases, the entity may also consider a financial asset to be in default when internal or external information indicates that the Authority is unlikely to receive the outstanding contractual amounts in full before considering any credit enhancements held by the entity. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

CIPA assesses at each reporting date whether there is objective evidence that a financial asset is impaired. Financial assets are carried at amortised cost, CIPA first assesses whether impairment exists individually for financial assets that are individually significant. If the entity determined that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes that asset in a entity of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss was, or continue to be, recognised, are not included in a collective assessment of impairment.

The amount of any impairment loss identified is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate.



COMPANIES AND INTELLECTUAL PROPERTY AUTHORITY

## Material Accounting Policies Information *(Continued)*

### FOR THE YEAR ENDED 31 MARCH 2024

The carrying amount of the asset is reduced through the use of an allowance account and the loss recognised in profit or loss. Interest income continued to be accrued on the reduced carrying amount and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a write-off is later recovered, the recovery is credited to expected credit losses in profit or loss.

#### 1.5.5 Derecognition of financial assets

The Authority derecognises its financial assets when:

- *The rights to receive cash flows from the asset have expired or;*
- *The Authority has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Authority has transferred substantially all the risks and rewards of the asset, or (b) the Authority has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.*

When the Authority has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Authority continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Authority also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Authority has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Authority could be required to repay.

## 1.6 Financial liabilities

### 1.6.1 Classification

The Authority classifies its financial liabilities in the following categories:

- *Amortised cost*
- *Financial liability at fair value through profit or loss "if held for trading or is derivatives"*
- *Financial liability designated at fair value through profit or loss (to manage accounting mismatch)*

COMPANIES AND INTELLECTUAL PROPERTY AUTHORITY

## Material Accounting Policies Information *(Continued)*

### FOR THE YEAR ENDED 31 MARCH 2024

#### 1.6.2 Trade and Other Payables

Trade and other payables are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

#### 1.6.3 Derecognition of Financial Liabilities

Financial liabilities are derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

#### 1.7 Provisions

Provisions claims are recognised when, the Authority has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation; and 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 expenditure 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 in profit or loss.

#### 1.8 Foreign currency translation

##### 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 Authority's functional and the presentation currency.

COMPANIES AND INTELLECTUAL PROPERTY AUTHORITY

## Material Accounting Policies Information *(Continued)*

**FOR THE YEAR ENDED 31 MARCH 2024**

### 1.9 Revenue

#### 1.9.1 Government grants

Government grants are assistance by government in the form of transfers of resources to an entity in return for past or future compliance with certain conditions relating to the operating activities of the Authority.

Government subventions relating to a particular period with no condition but to support yearly operating activities, are recognised in profit and loss upon receipt and when there is a reasonable assurance that the subventions will be received. Grants from the Government are initially recognised to unspent grants under current liabilities in the statement of financial position, once there is reasonable assurance that the Authority will comply with the conditions attaching to them (as applicable) and it is reasonably assured that the grant will be received.

Grants from the Government are recognised at their fair value. Grants relating to the acquisition of property and equipment are recorded at fair value where there is reasonable assurance that the grant will be received, and the Authority will comply with all attached conditions by recognising both the asset and the grant in the statement of financial position as a liability. The amortisation of the grant is credited to the statement of comprehensive income and the related depreciation is deducted from the cost of the asset in determining the carrying amount of the asset. The grant is amortised over the useful life of the related asset.

Unspent Grants received for expenses are recognised in the statement of comprehensive income in the period in which the related expenditure is incurred. Grants received for which the related expense has not been incurred are included in current liabilities as unspent grants received from Government.

Unspent Grants received for capital assets are transferred to Capital Grants in the statement of financial position in the period which the asset is bought. Grants received for the related assets which has not been bought, are included in current as unspent grants received from Government.

The Authority receives grants of non-monetary assets, the asset and the grant are recorded at fair value and released to profit or loss over the expected useful life of the asset, based on a pattern of consumption of the benefits of the underlying asset by equal annual instalments. The amortisation of the grant is credited to the statement of comprehensive income and the related depreciation is deducted from the cost of the asset in determining the carrying amount of the asset. The grant is amortised over the useful life of the related asset.

#### 1.9.2 Capital Grant

When the authority is a lessee and enters into a lease with government, government agencies and similar bodies whether local, national or international, it is required to recognise a right of use asset and a capital grant. The capital grant is measured at fair value. Subsequently the capital grant is released to profit or loss over the lease term, based on a pattern of consumption of the benefits of the underlying asset. The capital grant is credited to the statement of comprehensive income and the related depreciation is deducted from the cost of the right of use asset in determining the carrying amount of the right of use asset.



COMPANIES AND INTELLECTUAL PROPERTY AUTHORITY

## Material Accounting Policies Information *(Continued)*

**FOR THE YEAR ENDED 31 MARCH 2024**

### 1.9.3 Revenue recognition

**Interest income** - Interest is received from call, fixed deposit accounts and money market. Interest is recognised on an accrual basis using the effective interest rate.

**Fees and other income** – Fees and other income are recognised in the accounting period in which they accrue.

### 1.9.4 Revenue arises mainly from the WIPO and ARIPO fees

CIPA recognises revenue from the following major sources:

- *Revenue from World Intellectual Property Organization (WIPO)*
- *Revenue from African Regional Intellectual Property Organization (ARIPO)*

Revenue is measured based on the portion of fees collected by either organization on behalf of its members and shared accordingly. CIPA recognises revenue when they receive reports from the affiliated organization. Revenue is recognised when a performance obligation is satisfied, when service is rendered.

Revenue from services is exclusive of Value Added Tax ("VAT") and discounts granted. Revenue from services is recognised in the statement of comprehensive income and is recognised at a point in time for both ARIPO and WIPO. The fees do not form part of revenue collected on behalf of government of Botswana

There is no significant judgement applied in the determination of when a customer obtains control of the services rendered.

### 1.10 Employee benefits

The Authority does not have an active post-employment plan for permanent employees. It makes a provision for pension deduction at a rate of 16% authority contribution and 4% employee contribution on the basic salary. For employees who are on contract, the Authority pays gratuity in accordance with the respective contracts of employment.

Terminal benefits are payable when employment is terminated by the Authority before the normal retirement date, or whenever an employee accepts voluntary redundancy or is declared redundant in exchange of these benefits. The Authority recognises termination benefits when it is demonstrably committed to either; terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or providing terminal benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than twelve months after the statement of financial position date are discounted to their present value.

COMPANIES AND INTELLECTUAL PROPERTY AUTHORITY

## Material Accounting Policies Information *(Continued)*

**FOR THE YEAR ENDED 31 MARCH 2024**

### 1.11 The Authority as a lessee:

Lessees are required to recognise a right-of-use asset and a lease liability for all leases, except short term leases or leases where the underlying asset has a low value, which are expensed on a straight line or other systematic basis.

The cost of the right-of-use asset includes, where appropriate, the initial amount of the lease liability; lease payments made prior to commencement of the lease less incentives received; initial direct costs of the lessee; and an estimate for any provision for dismantling, restoration and removal related to the underlying asset.

The lease liability takes into consideration, where appropriate, fixed and variable lease payments; residual value guarantees to be made by the lessee; exercise price of purchase options; and payments of penalties for terminating the lease.

The right-of-use asset is subsequently measured on the cost model at cost less accumulated depreciation and impairment and adjusted for any re-measurement of the lease liability.

The lease liability is subsequently increased by interest, reduced by lease payments and re-measured for reassessments or modifications.

Re-measurements of lease liabilities are affected against right-of-use assets, unless the assets have been reduced to nil, in which case further adjustments are recognised in profit or loss.

The lease liability is re-measured by discounting revised payments at a revised rate when there is a change in the lease term or a change in the assessment of an option to purchase the underlying asset.

The lease liability is re-measured by discounting revised lease payments at the original discount rate when there is a change in the amounts expected to be paid in a residual value guarantee or when there is a change in future payments because of a change in index or rate used to determine those payments.

Right-of-use assets and lease liabilities should be presented separately from other assets and liabilities. If not, then the line item in which they are included must be disclosed.

This does not apply to right-of-use assets meeting the definition of investment property which must be presented within investment property.

In the absence of a Standard that specifically applies to the accounting for leases with government, the entity has applied paragraphs 10–11 of IAS 8 to develop and apply an accounting policy for the Right of use asset and the capital grant. The entity has made reference to IFRSs that deal with similar or related issues.

COMPANIES AND INTELLECTUAL PROPERTY AUTHORITY

## Material Accounting Policies Information *(Continued)*

**FOR THE YEAR ENDED 31 MARCH 2024**

### Right of use Asset

When the authority is a lessee and enters into a lease with government, government agencies and similar bodies whether local, national or international, it is required to recognise a right-of-use asset which represents the Authority's right to use an underlying asset belonging to the government for the lease term. The right of use asset is recognised at the commencement date of the lease.

The cost of the right-of-use asset includes, where appropriate, the Capital grant received from the government which is valued at fair value of the property.

The right-of-use asset is subsequently measured using the cost model at cost less accumulated depreciation and impairment.

## 2.0 Financial risk factors

The Authority's activities expose it to very minimal 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 Authority's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Authority's financial performance. Risk management is carried out under policies approved by the Members of the Board.

### (a) Market risk

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

*As the Authority has neither significant interest-bearing assets nor variable interest-bearing liabilities, the Authority's income and operating cash flows are substantially independent from changes in market interest rates.*

#### *(ii) Other price risk*

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

#### *(iii) Foreign currency risk*

*In the special arrangement with ARIPO and WIPO, the two (2) organisations collect fees on behalf of the Authority, and these are receivable post year end. The fees collected are accounted for through the year as income using the rate as at the time of receipt. At period end year, the balance outstanding as receivable from both is translated at the prevailing exchange rate leading to either exchange gain or loss. The transaction with WIPO is through Swiss Franc and ARIPO through United States Dollar. The Authority is therefore, exposed to exchange risk arising from the 2 currency exposures.*



COMPANIES AND INTELLECTUAL PROPERTY AUTHORITY

## Material Accounting Policies Information *(Continued)*

### FOR THE YEAR ENDED 31 MARCH 2024

At 31 March 2024, if the currency had weakened/strengthened by 1% against the United States Dollar with all other variables held constant, the deficit for the year would have been **P38 870** higher or **P38 101** lower, and the increase or decrease will be accumulated in changes in funds.

At 31 March 2024, if the currency had weakened/strengthened by 1% against the Swiss Franc with all other variables held constant, the deficit for the year would have been **P23 494** higher or **P23 029** lower, and the increase or decrease will be accumulated in changes in funds.

The Authority does not have foreign currency denominated bank deposits and thus is not exposed to foreign currency risk in relation to foreign currency denominated bank deposits.

#### **(b) Credit risk**

Financial assets of the Authority, which are subject to credit risk, consist mainly of cash and cash equivalents and other receivables. The credit risk exposure of the Authority is thus minimal.

#### **(c) Liquidity risk**

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions.

The Authority's financial assets and liabilities are given in the table below. The analysis of financial assets and liabilities into relevant maturity groupings are based on the remaining period at the reporting to the contractual maturity date.

COMPANIES AND INTELLECTUAL PROPERTY AUTHORITY

Material Accounting Policies Information *(Continued)*

FOR THE YEAR ENDED 31 MARCH 2024

	0-3 months P	3-6 months P	6-12 months P	Total P
<b>At 31 March 2024</b>				
<b>Financial Assets</b>				
Receivables	6 947 981	-	-	6 947 981
Cash and cash equivalents	18 629 201	-	-	18 629 201
	<b>25 577 182</b>	<b>-</b>	<b>-</b>	<b>25 577 182</b>
<b>Financial Liabilities</b>				
Trade and Other payables	3 267 181	-	-	3 267 18
<b>Non-Financial Liabilities</b>				
Staff terminal benefits provision	-	6 770 820	-	6 770 820
Audit fees provision	-	248 578	-	248 578
Other payables(Related Party)	1 459 432	-	-	1 459 432
	<b>4 726 613</b>	<b>7 019 398</b>	<b>-</b>	<b>11 746 011</b>
<b>Net liquidity gap</b>	<b>20 850 569</b>	<b>(7 019 398)</b>	<b>-</b>	<b>13 831 171</b>
<b>At 31 March 2023</b>				
<b>Financial Assets</b>				
Receivables	6 138 914	-	-	6 138 914
Cash and cash equivalents	20 888 123	-	-	20 888 123
	<b>27 027 037</b>	<b>-</b>	<b>-</b>	<b>27 027 037</b>
<b>Financial Liabilities</b>				
Trade and Other payables	2 242 507	-	-	2 242 507
<b>Non-Financial Liabilities</b>				
Staff terminal benefits provision	-	7 670 757	-	7 670 757
Audit fees provision	-	263 944	-	263 944
	<b>2 242 507</b>	<b>7 934 701</b>	<b>-</b>	<b>10 177 209</b>
<b>Net liquidity gap</b>	<b>24 784 530</b>	<b>(7 934 701)</b>	<b>-</b>	<b>16 849 830</b>

COMPANIES AND INTELLECTUAL PROPERTY AUTHORITY

## Material Accounting Policies Information *(Continued)*

**FOR THE YEAR ENDED 31 MARCH 2024**

### 2.1 Capital risk management

The Authority is a Government parastatal with the main object being to- protect the interests of Investors and Rights Holders by providing efficient and accessible business registration and Intellectual Property services. As such all operations of the Authority are funded by Government and therefore not subject to capital risk.

### 2.2 Fair value estimation of financial instruments

Financial instruments consist of other receivables, bank and cash balances and other accounts payables resulting from normal business operations. The carrying amounts are assumed to approximate the fair values due to the short-term nature of the instruments. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

### 3.0 Significant accounting estimates and assumptions

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.

The Authority makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within financial year are discussed below.



COMPANIES AND INTELLECTUAL PROPERTY AUTHORITY

## Material Accounting Policies Information *(Continued)*

**FOR THE YEAR ENDED 31 MARCH 2024**

### *Residual value and useful lives of property and equipment*

The Authority determines the estimated useful lives and related depreciation charges for its property and equipment. This estimate is based on projections about the continued existence of a market for its services and intangibles and the ability of the Authority to penetrate a sufficient portion of that market in order to operate effectively.

The Authority increases the depreciation charge where the useful lives are less than previously estimated, or it will appropriately impair technically obsolete or non-strategic assets that have been abandoned or identified for sale.

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

### **IFRS 16 Leases- Estimating the incremental borrowing rate**

The Authority cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Authority would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Authority "would have to pay", which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Authority estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

COMPANIES AND INTELLECTUAL PROPERTY AUTHORITY

## Notes To The Financial Statements

**FOR THE YEAR ENDED 31 MARCH 2024**

### New standards and interpretations issued but not yet effective

IFRS 17 Insurance Contracts	The IASB issued IFRS 17 Insurance Contracts, a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. IFRS 17 will replace IFRS 4.	Effective	Annual periods beginning or after 1 January 2023
Amendments to IAS 1 – Classification of Liabilities as current or non-current	The Board issued amendments to paragraphs 69 to 76 of IAS 1 Presentation of Financial Statements to specify the requirements for classifying liabilities as current or non-current	Non-Effective	Annual periods beginning or after 1 January 2024
Amendments to IAS 8 – Definition of Accounting Estimates	The IASB issued amendments to IAS 8 to help entities distinguish between accounting policies and accounting estimates. Changes in accounting policies must be applied retrospectively while changes in accounting estimates are accounted for prospectively.	Effective	Annual periods beginning or after 1 January 2023
Amendments to IAS 1 and IFRS Practice Statement 2 – Disclosure of Accounting Policies	An entity will now be required to disclose its material accounting policy in-forma-tion instead of its sig-nif-i-cant accounting policies. The amend-ments clarify that accounting policy in-forma-tion may be material because of its nature, even if the related amounts are im-ma-te-r-ial. The standard is not likely to have a significant impact, although the accounting policies will be reviewed to determine whether they are material enough to continue being disclosed.	Effective	Annual periods beginning or after 1 January 2023
Deferred Tax related to Assets and Liabilities arising from a single transaction – Amendments IAS 12	The amendments require companies to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences	Effective	Annual periods beginning or after 1 January 2023
IFRS 16 – Lease Liability in a Sale and Leaseback	This is a transaction where an entity sells an asset and leases it back from the buyer. The seller-lessee must determine if the transfer is a sale under IFRS 15. If it is a sale, the seller-lessee accounts for the leaseback as a right-of-use asset and a lease liability. If it is not a sale, the seller-lessee continues to recognise the transferred asset. IFRS 16 includes requirements for the initial measurement of the transaction, but not for the subsequent measurement.	Effective	Annual periods beginning or after 1 January 2023

COMPANIES AND INTELLECTUAL PROPERTY AUTHORITY

Notes To The Financial Statements *(Continued)*

FOR THE YEAR ENDED 31 MARCH 2024

**New standards and interpretations issued but not yet effective** *(Continued)*

Presentation and disclosure in financial statements (IFRS 18)	<p>In April 2024 the IASB issued a new IFRS Accounting Standard to improve reporting of financial performance. IFRS 18 Presentation and Disclosure in Financial Statements replaces IAS 1 Presentation of Financial Statements.</p> <p>IFRS 18 aims to improve how companies communicate in their financial statements, with a focus on information about financial performance in the statement of profit or loss. IFRS 18 is accompanied by limited amendments to the requirements in IAS 7 Statement of Cash Flows. The key new concepts introduced in IFRS 18 relate to:</p> <ul style="list-style-type: none"> <li>▪ the structure of the statement of profit or loss;</li> <li>▪ required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and</li> <li>▪ required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and</li> <li>▪ IFRS 18 is effective for annual reporting periods beginning on or after 1 January 2027, but companies can apply it earlier. Changes in companies' reporting resulting from IFRS 18 will depend on their current reporting practices and IT systems.</li> </ul>	Non-Effective	Annual periods beginning or after 1 January 2027
Supplier finance arrangement amendment to IAS 7 and IFRS 7	<p>On 25 May 2023, the IASB issued Supplier Finance Arrangements, which amended IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures (the Amendments).</p> <p>These Amendments arose as a result of a submission received by the IFRS Interpretations Committee (the Committee) about the presentation requirements for liabilities and associated cash flows arising out of supply chain financing arrangements and related disclosures. In December 2020, the Committee published an Agenda Decision Supply Chain Financing Arrangements—Reverse Factoring that addressed this submission based on the requirements in IFRS Accounting Standards existing at that time.</p> <p>The Amendments require entities to provide certain specific disclosures (qualitative and quantitative) related to supplier finance arrangements. The Amendments also provide guidance on characteristics of supplier finance arrangements.</p>	Non-Effective	Annual periods beginning or after 1 January 2024

There will be no impact on these annual financial statements for the Authority as a result of these new standards and interpretations issued and not effective.



COMPANIES AND INTELLECTUAL PROPERTY AUTHORITY

Notes To The Financial Statements *(Continued)*

FOR THE YEAR ENDED 31 MARCH 2024

	2024 P	2023 P
<b>1. Subvention and other income</b>		
Subvention from government	59 445 402	55 769 373
Fees from ARIPO	4 476 795	3 550 766
Fees from WIPO	2 325 918	2 400 653
Other income	513 608 <sup>1</sup>	9 500
Amortisation of Capital Grant	3 260 434	4 232 385
(Loss)/Profit on disposal of fixed asset (Note 11)	-	82 459
	<b>10 576 755</b>	<b>10 275 763</b>
	<b>70 022 156</b>	<b>66 045 136</b>

Amount recognised as income includes amortisation of grants previously received to fund capital expenditure. There were no unfulfilled conditions or contingencies attached to these income and capital grants. The Government of Botswana provides funding to the Authority by way of annual subvention from the Consolidated and Development Fund.

**2. Administration, operating and strategy expenses**

The following items have been charged/(credited) in arriving at the operating (deficit) / surplus:

Auditors remuneration	298 945	275 649
Consultancy fees	237 602	617 451
Directors Emoluments	114 559	215 214
Depreciation (Note 6, 7 & 7.1)	7 516 730 <sup>2</sup>	8 465 497
Amortisation (Intangible Assets)	593 286	412 794
Insurance	169 057	189 318
Local and international travel	437 592	1 503 785
Profit on foreign exchange	(146 862)	(283 805)
Other office and administration expenses	6 007 860	6 942 586
Projects Expenses (Note 2.1)	985 642	1 571 142
Printing and stationery	64 222	71 033
Rent expenses	476 158	453 497
Repairs and maintenance	135 010	584 006
Software licenses and IT Contracts	7 482 780	7 242 534
Staff cost (Note 3)	43 644 353	41 351 785
	<b>68 016 934</b>	<b>69 612 486</b>

1. Other Income includes WIPO P111,583 contribution for IP Policy, P52,025 for Sale of Tenders and P350,000 for Data as a service.

2. Depreciation of P7, 516, 730 comprises of depreciation of Plant and Equipment, depreciation of Rights of use Asset-Leased property and depreciation of Rights of use Asset-Land and Buildings

COMPANIES AND INTELLECTUAL PROPERTY AUTHORITY

Notes To The Financial Statements *(Continued)*

FOR THE YEAR ENDED 31 MARCH 2024

	2024 P	2023 P
<b>2.1 Strategy projects expenses</b>		
Stakeholders Engagement Plan	94 574	27 876
Customer Satisfaction Surveys	-	69 939
National IP Policy and Strategy	397 002	431 663
IP Model Office	146 708	419 625
Internal Service Level Standards	-	33 864
Records Management Policy	736	8 495
Integration For SAGE and OBRS	174 978	470 624
Arbitration panel	120 237	47 214
Talent Management Strategy and Succession Plan	6 537	
PMS and Change Management	44 870	61 842
	<b>985 642</b>	<b>1 571 142</b>
<b>3. Staff Costs</b>		
Salaries and wages	26 936 823	26 854 933
Other staff benefits	10 556 462	8 198 074
Pension fund contributions	2 927 836	2 783 714
Medical aid contributions	687 908	595 500
PMS and Change Management	2 535 324	2 919 564
	<b>43 644 353</b>	<b>41 351 785</b>
<b>4. Finance Income</b>		
<b>Interest Received</b>		
Bank	<b>11 008</b>	<b>8 907</b>
<b>5. Income Tax Expense</b>		

No provision for normal taxation is made for the current financial year as the Authority is exempt from income tax as per Part 1 (ii) of the Second Schedule to the Income Tax Act (CAP 52:01)

COMPANIES AND INTELLECTUAL PROPERTY AUTHORITY

Notes To The Financial Statements *(Continued)*

FOR THE YEAR ENDED 31 MARCH 2024

## 6. Property and Equipment

Period ended 31 March 2023	Motor Vehicles	Computer Equipment	Furniture & Fittings
Opening net book value	1 283 012	2 222 555	2 807 912
Transfers	-	1 935 380	-
Additions	-	114 591	20 056
Disposals	(524 500)	(92 049)	(1 225)
Depreciation	(376 587)	(1 627 838)	(444 598)
Depreciation on Disposals	524 500	37 182	1 225
	<b>906 425</b>	<b>2 589 821</b>	<b>2 383 371</b>

## At 31 March 2023

Cost	2 786 497	12 359 184	5 647 477
Accumulated depreciation	(1 880 072)	(9 769 363)	(3 264 106)
<b>Net book value</b>	<b>906 425</b>	<b>2 589 821</b>	<b>2 383 371</b>

## Period ended 31 Mar 2024

Opening net book value	906 425	2 589 821	2 383 371
Adjustments	-	-	-
Transfers	-	-	-
Additions	-	146 647	-
Disposals	-	(54 118)	-
Depreciation	(376 587)	(1 040 388)	(441 081)
Depreciation on Disposals	-	25 245	-
<b>Closing net book value</b>	<b>529 837</b>	<b>1 667 207</b>	<b>1 942 290</b>

## At March 2024

Cost	2 786 497	12 451 713	5 647 477
Accumulated depreciation	(2 256 660)	(10 784 506)	(3 705 187)
<b>Net book value</b>	<b>529 837</b>	<b>1 667 207</b>	<b>1 942 290</b>



	Office Equipment	Leasehold Improvements	Work in Progress	Total (cost)
	1 154 317	1 724 834	1 935 380	11 128 011
	-	-	(1 935 380)	-
	43 265	-	-	177 912
	(3 360)	-	-	(621 134)
	(176 779)	(1 142 189)	-	(3 767 991)
	3 360	-	-	566 267
	<b>1 020 803</b>	<b>582 645</b>	<b>-</b>	<b>7 483 064</b>

	1 777 145	5 722 495	-	28 292 797
	(756 342)	(5 139 849)	-	(20 809 733)
	<b>1 020 803</b>	<b>582 645</b>	<b>-</b>	<b>7 483 064</b>

	1 020 802	582 645	-	7 483 064
	-	-	-	-
	-	-	-	-
	49 350	-	-	195 997
	-	-	-	(54 118)
	(183 269)	(574 223)	-	(2 615 549)
	-	-	-	25 245
	<b>886 883</b>	<b>8 422</b>	<b>-</b>	<b>5 034 640</b>

	1 826 495	5 722 495	-	28 434 676
	(939 612)	(5 714 072)	-	(23 400 037)
	<b>886 883</b>	<b>8 422</b>	<b>-</b>	<b>5 034 640</b>

COMPANIES AND INTELLECTUAL PROPERTY AUTHORITY

Notes To The Financial Statements *(Continued)*

FOR THE YEAR ENDED 31 MARCH 2024

## 7. Right of Use Asset - Leased Properties

	Lease Asset - Serowe	Lease Asset - Francistown	Lease Asset - Gaborone	Total (cost)
<b>Year ended 31 March 2023</b>				
Opening book value	769 997	179 845	1 220 679	2 170 520
Written down asset	-	(1 474 726)	(12 206 789)	(13 681 515)
Written down accumulated depreciation	-	1 294 881	10 986 110	12 280 992
Acquisition of RUA	-	2 573 035	20 548 967	23 122 002
Depreciation	(205 332)	(300 187)	(2 739 862)	(3 245 382)
<b>Net book value at the year end</b>	<b>564 664</b>	<b>2 272 847</b>	<b>17 809 105</b>	<b>20 646 616</b>

<b>At 31 March 2021</b>				
Cost	1 026 662	4 047 761	32 755 757	37 830 179
Accumulated depreciation	(461 998)	(1 774 913)	(14 946 652)	(17 183 563)
<b>Net book value</b>	<b>564 664</b>	<b>2 272 847</b>	<b>17 809 105</b>	<b>20 646 616</b>

<b>Period ended 31 March 2024</b>				
Opening book value	564 664	2 272 847	17 809 105	20 646 616
Written down accumulated depreciation	-			-
Adjustment - Acquisition of ROUA	-	99 245	-	99 245
Adjustment - Depreciation		(31 427)		(31 427)
Depreciation	(205 332)	(514 607)	(4 109 793)	(4 829 733)
<b>Net book value at the year end</b>	<b>359 332</b>	<b>1 826 057</b>	<b>13 699 312</b>	<b>15 884 701</b>

<b>At 31 March 2024</b>				
Cost	1 026 662	2 672 279	20 548 967	24 247 909
Accumulated depreciation	(667 330)	(846 222)	(6 849 656)	(8 363 208)
<b>Net book value</b>	<b>359 332</b>	<b>1 826 057</b>	<b>13 699 312</b>	<b>15 884 701</b>

COMPANIES AND INTELLECTUAL PROPERTY AUTHORITY

Notes To The Financial Statements *(Continued)*

FOR THE YEAR ENDED 31 MARCH 2024

## 7.1 Right of Use Asset - Land and Building

	Land	Building	Total
<b>Year ended 31 March 2023</b>			
Opening book value	772 338	1 670 063	2 442 400
Received as grant	-	-	-
Depreciation/Amortisation	(16 318)	(35 283)	(51 600)
<b>Net book value at the year end</b>	<b>756 020</b>	<b>1 634 780</b>	<b>2 390 800</b>

**At 31 March 2023**

Cost	815 850	1 764 150	2 580 000
Accumulated depreciation	( 59 830)	(129 371)	(189 200)
<b>Net book value</b>	<b>756 020</b>	<b>1 634 780</b>	<b>2 390 800</b>

**Period ended 31 March 2024**

Opening book value	756 021	1 634 780	2 390 800
Received as grant	-	-	-
Depreciation/Amortisation	(16 317)	(35 283)	(51 600)
<b>Net book value at the year end</b>	<b>739 704</b>	<b>1 599 497</b>	<b>2 339 200</b>

**At 31 March 2023**

Cost	815 850	1,764,150	2,580,000
Accumulated depreciation	(76 147)	(164 654)	(240 800)
<b>Net book value</b>	<b>739 704</b>	<b>1 599 497</b>	<b>2 339 200</b>



COMPANIES AND INTELLECTUAL PROPERTY AUTHORITY

Notes To The Financial Statements *(Continued)***FOR THE YEAR ENDED 31 MARCH 2024****Leased Properties**

The Authority is a lessee for the leasing of the three buildings for its operation in the different regions which include Serowe, Francistown and Gaborone.

**Net carrying amounts of right of use assets**

The carrying amounts of right-of-use assets relate to the following category of assets:

	2024 P	2023 P
Land and Building	2 339 200	2 390 800
Buildings other	15 884 701	20 646 616
	<b>18 223 902</b>	<b>23 037 416</b>
Total Right of Use Assets	<b>18 223 902</b>	<b>23 037 416</b>

**Depreciation recognised on right-of-use assets**

Depreciation recognised on right-of-use assets, is presented below. It is included in depreciation which has been expensed in the total depreciation charge in profit or loss (note 2).

	2024 P	2023 P
Land and Building	51 600	51 600
Buildings other	4 829 733	3 245 382
	<b>4 881 333</b>	<b>3 296 982</b>

COMPANIES AND INTELLECTUAL PROPERTY AUTHORITY

## Notes To The Financial Statements *(Continued)*

**FOR THE YEAR ENDED 31 MARCH 2024**

### Land and Building

The Authority received a grant for the right of use of Land and Building from the government of Botswana. The grant is subject to BWP100 payment as rental per annum and comes as a result of section 38(1) of CIPA Act 2011 which grants CIPA ownership of all assets and liabilities that were previously under custody of ROCIP. The property is Lot 28049, Maun located within Old Mall in Maun adjacent to the Rural Administration Centre. The lease was initially recognised on the 1st of August 2019 when the Authority received the right to use the Land and Building. The property is held under Memorandum of Agreement of Lease for 50 years registered in the Deeds office of Botswana under No. FT TL 592/2019 for commercial use. The agreement is subject to renewal upon the lapse of the initial lease period. The improvements on the plot comprise a single storey commercial building, an outbuilding and a carport. The property is held for own use and not as an investment property. Management however, notes that this may change in the future. It is used as an office for the Maun branch.

The property was valued using the market approach to establish its open market value and to determine the value of the right of use asset and capital grant liability. Land was valued at P815 850 and building at P1 764 150, the total of this non-monetary grant is P2 580 000. The valuer for the property was Willy Kathurima Associates (Pty) Ltd. The property shall be re-valued in three (3) year intervals solely for insurance purposes. The fair values are estimated using level 2 inputs. Level 2 inputs are observable inputs for the asset.

Level 2 inputs are inputs other than quoted market price included within Level 1 that are observable either directly or indirectly. Level 2 inputs include; quoted price for similar assets in active market, quoted price for identical or similar assets in markets that are not active, inputs other than quoted prices that are observable for the assets and lastly inputs that are derived principally from or corroborated by observable market data by correlation or other means.

The main input factors used in the model were the area of each property, the estimate of each property and estimated value per square meter based on the conditions of the properties. To determine the value of the lease the following considerations were made:

The following significant inputs, amongst other measures were used in the model:

- Expected average life that each type of asset will remain in service before requiring replacement
- The cost of replacing the existing assets with their modern equivalent's assets; and
- The estimated useful life adjusted by the condition factor to determine the remaining useful life of the assets.

The land and buildings were recognised at values which equate to the "fair value" and not the "original cost". Significant increases (decreases) in estimated average life, replacement cost estimated useful life, and estimated price per square meter would result in a significantly higher(lower) fair value of the properties. The higher the price of a comparable property, the higher the value of the property

COMPANIES AND INTELLECTUAL PROPERTY AUTHORITY

Notes To The Financial Statements *(Continued)*

FOR THE YEAR ENDED 31 MARCH 2024

	2024 P	2023 P
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**8. Intangible assets****At year end**

Opening net book value	1 598 558	1 878 739
Additions	-	132 613
Amortisation	(593 286)	(412 794)
<b>Net book value at year end</b>	<b>1 005 272</b>	<b>1 598 558</b>

**At year end**

Cost/valuation	2 462 604	2 462 604
Accumulated Amortisation	(1 457 333)	(864 046)
<b>Net book value at year end</b>	<b>1 005 272</b>	<b>1 598 558</b>

**9. Receivables and prepayments**

Receivable and prepayments	7 912 273	6 601 952
	<b>7 912 273</b>	<b>6 601 952</b>

At the reporting date receivables and prepayments can be analysed as follows;

Fees receivables - ARIPO	3 848 167	3 314 364
Fees receivables - WIPO	2 325 918	2 400 653
Refunds	-	47 133
Security Deposit	423 897	423 897
Prepayments - Insurance	964 292	381 238
Staff advances and Imprest	-	34 667
Receivable - Other	350 000	
	<b>7 912 273</b>	<b>6 601 952</b>

The carrying amounts of the Authority's receivables and prepayments are denominated in Botswana Pula (BWP).



COMPANIES AND INTELLECTUAL PROPERTY AUTHORITY

Notes To The Financial Statements *(Continued)*

FOR THE YEAR ENDED 31 MARCH 2024

2024  
P2023  
P**10. Financial instruments by category**

The accounting policies for financial instruments have been applied to the line items below:

**Financial assets as per the statement of financial position****Financial Assets at amortised cost**

Receivables

6 947 981

6 138 914

Cash and cash equivalents

18 629 201

20 888 123

**25 577 182****27 027 037****Financial liabilities as per the statement of financial position****Financial liabilities at amortised cost**

Trade and Other payables (Note 13)

3 267 181 <sup>3</sup>

2 242 507

**3 267 181****2 242 507****10.1 Financial risk management objectives and policies**

The main risks arising from the Authority's financial instruments are interest rate risk, credit risk and liquidity risk. The Authority does not hold any derivative financial instruments.

**10.2 Credit Risk**

The Authority has exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Credit risk is the risk that the regulated and supervised institutions and other counterparties will not be able or willing to pay or fulfil their obligations in accordance with the CIPA Act. The Authority is exposed to credit risk through its cash balances that are placed with local banks. Reputable financial institutions are used for investing purposes. All cash and cash equivalents are placed with financial institutions registered in Botswana. The maximum exposure to credit risk is represented by the carrying amount of accounts receivable and cash and cash equivalents, as shown in the Statement of Financial Position.

<sup>3</sup> These amounts reflect financial liabilities at amortised cost. Refer to Note 13 for a full balance of financial liabilities and non-financial liabilities.

COMPANIES AND INTELLECTUAL PROPERTY AUTHORITY

# Notes To The Financial Statements *(Continued)*

## FOR THE YEAR ENDED 31 MARCH 2024

There was no movement on allowance for credit losses during the reporting period as all the receivables relate to fees from ARIPO and WIPO of which the Authority is affiliated to. There has been no change in the estimation technique or significant assumptions made during the current reporting period. Receivables inherently expose the company to credit risk, being the risk that an Authority will incur financial loss if customers fail to make payments as they fall due.

The Authority's historical credit loss experience does not show significantly different loss patterns. The provision for credit losses is therefore based on past due status without disaggregating into further risk profiles. The Authority assessed that there is no ECL impact on receivables and cash and cash equivalents.

The Authority receivables comprise mainly of receivables from WIPO and ARIPO. No loss is expected from these receivables because the payment is always received before the financials are signed by the Authority board.

### 10.3 Significant Concentration of Credit Risk

Financial assets that potentially subject the Authority to concentrations of credit risk consist primarily of cash and cash equivalents, as well as accounts receivable. Cash and cash equivalents are placed with reputable financial institutions in the normal course of trading. The Authority does not engage in any other investment portfolios. Expertise and controls have been put in place to manage credit risk.

The Authority does not have any significant credit risk exposure to any single counterparty.

### 10.4 Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Financial instruments that are sensitive to interest rate risk are bank balances and cash (refer note 16). The Authority has no long-term significant interest-bearing assets.

Since the Authority receives funds from Government on a quarterly basis, which are linked to expenditure, it does not engage in long-term investments which attract significant interest rates.

The Authority is also monitoring announcements and pronouncements from the Central Bank on issues relating to interest rates trends.

The following table demonstrates the sensitivity to reasonably possible changes in interest rates with all other variables held constant.

COMPANIES AND INTELLECTUAL PROPERTY AUTHORITY

Notes To The Financial Statements *(Continued)*

FOR THE YEAR ENDED 31 MARCH 2024

	2024 P	2023 P
Call account	18 629 201	20 888 123
	<b>18 629 201</b>	<b>20 888 123</b>

The following interest rates were applicable during the year:

Call account	0.05%	0.05%
--------------	-------	-------

With average interest rates applicable as disclosed above, an increase of 50 basis points in interest rates during the reporting period would have (increased)/decreased operating deficit/surplus as follows:

Call accounts	9 315	10 504
Net decrease in operating deficit/surplus in operating surplus	<b>9 315</b>	<b>10 504</b>

A 50-basis point decrease in interest rates during the reporting period would have had the equal but opposite effect on the reported operating deficit/surplus to the amounts disclosed above, on the basis that all other variables remain constant.

### 10.5 Liquidity risk

The Authority's approach to managing liquidity is to ensure, as far as possible, that it always has sufficient liquidity to meet its liabilities when due, without incurring losses or risking damage to the Authority's reputation.

The ultimate responsibility for liquidity risk management rests with the Board, which has established appropriate liquidity risk management procedures for the management of the Authority's funding and liquidity management requirements. The Authority manages liquidity risk by maintaining adequate cash and cash equivalents to settle liabilities when they become due, by continuously monitoring forecast and actual cash flows, and by matching the Government Subvention to the maturity profile of the financial liabilities.



COMPANIES AND INTELLECTUAL PROPERTY AUTHORITY

# Notes To The Financial Statements *(Continued)*

## FOR THE YEAR ENDED 31 MARCH 2024

The following table summarises the maturity profile of the Authority's financial liabilities as at 31 March 2024 based on contractual undiscounted payments:

Lease Liability disclosure for both 2023 and 2024:

### 2024

At 31 March 2024  
Financial Assets

Trade payables  
Other payables

Carrying amount	Contractual cash flows	Within 1 year
3 267 181	(3 267 181)	(3 267 181)
8 478 830	(8 478 830)	(8 478 830)
11 746 011	(11 746 011)	(11 746 011)

### 2023

At 31 March 2024  
Financial Assets

Trade payables  
Other payables

Carrying amount	Contractual cash flows	Within 1 year
2 242 507	(2 242 507)	(2 242 507)
7 934 701	(7 934 701)	(7 934 701)
10 177 208	(10 177 208)	(10 177 208)

## 10.6 Fair Values

Due to the short-term nature of all financial assets and financial liabilities, the amortised cost approximates their fair value.

## 10.7 Capital management

Capital consists of the line item "accumulated funds" in the Statement of Financial Position. The Authority's objectives when managing capital are to safeguard its ability to continue as a going concern in order to perform the mandate for which it was created. Management is of the view that these objectives are being met. During the reporting period, the Authority did not have borrowings. As a government owned institution, the Authority is supported by the Government of the Republic of Botswana, which currently provides the necessary support to sustain the operations of the Authority.

COMPANIES AND INTELLECTUAL PROPERTY AUTHORITY

Notes To The Financial Statements *(Continued)*

FOR THE YEAR ENDED 31 MARCH 2024

	2024 P	2023 P
<b>11 Capital Grant</b>		
Opening balance	11 517 193	15 436 706
Transfer from unspent grant utilised to capital grant (Note 14)	195 997	215 280
Grant Received	-	97 592
Amortisation (Note 1)	(3 260 434)	(4 232 385)
<b>Balance at end of the year</b>	<b>8 452 756</b>	<b>11 517 193</b>
<i>At the reporting date the capital grants can be analysed as follows;</i>		
Current Liability	3 260 434	4 232 385
Non-Current Liability	5 192 322	7 284 808
	<b>8 452 756</b>	<b>11 517 193</b>
<b>12. Lease Liabilities</b>		
At the beginning of the year	21 650 490	2 753 803
Additional Cost	105 572	23 122 001
Lease payment;	(5 501 532)	(5 701 288)
Finance cost	1 525 357	1 475 974
<b>At year end</b>	<b>17 779 887</b>	<b>21 650 490</b>
<i>At the reporting date the lease liabilities can be analysed as follows;</i>		
Current liability	4 802 058	5 405 014
Non-current liability	12 977 829	16 245 476
	<b>17 779 887</b>	<b>21 650 490</b>
<b>Serowe</b>		
At the beginning of the year	671 194	866 741
Additional Cost	-	-
Lease payment;	(274 873)	(258 703)
Finance cost	49 088	63 156
<b>At year end</b>	<b>445 409</b>	<b>671 194</b>

COMPANIES AND INTELLECTUAL PROPERTY AUTHORITY

Notes To The Financial Statements *(Continued)*

FOR THE YEAR ENDED 31 MARCH 2024

	2024 P	2023 P
<b>Francistown</b>		
At the beginning of the year	2 362 235	233 303
Additional cost	105 572	2 573 034
Lease payment	(646 212)	(636 011)
Finance cost	233 878	191 909
<b>At year end</b>	<b>2 055 473</b>	<b>2 362 235</b>
<b>Gaborone</b>		
At the beginning of the year	18 617 061	1 653 759
Additional cost	-	20 548 966
Lease payment	(4 580 447)	(4 806 574)
Finance cost	1 242 391	1 220 910
<b>At year end</b>	<b>15 279 005</b>	<b>18 617 061</b>
Within one year	5 989 562	5 405 014
Two to five years	14 235 959	20 184 152
	20 225 521	25 589 166
	(2 445 634)	(3 938 676)
	<b>17 779 887</b>	<b>21 650 490</b>
Non-current liabilities	12 977 829	16 245 476
Current liabilities	4 802 058	5 405 014
	<b>17 779 887</b>	<b>21 650 490</b>
The following are amounts recognised in the Profit or Loss;		
Depreciation expense of right of use assets	4 881 333	3 296 982
Interest expense	1 525 357	1 475 974
	<b>6 406 690</b>	<b>4 772 956</b>

The Authority had total cash outflows of P5 501 532 (2023: P5 701 288)



COMPANIES AND INTELLECTUAL PROPERTY AUTHORITY

Notes To The Financial Statements *(Continued)*

FOR THE YEAR ENDED 31 MARCH 2024

	2024 P	2023 P
<b>13 Trade and other payables</b>		
<i>Financial instrument</i>		
Trade and Other payables	3 267 181	2 242 507
<i>Non-financial instruments</i>		
Staff terminal benefits	6 770 820	7 670 757
Provision for Audit fees accruals	248 578	263 944
Other Payables (Related Party)	1 459 432	-
	<b>11 746 011</b>	<b>10 177 208</b>

The average credit period on purchase of certain goods is 30 days.

The Board consider that the carrying amount of trade and other payables approximates their fair values.

**Movement schedule for provisions***Gratuity provision*

Opening Balance	4 508 168	3 642 697
Gratuity provision for the year	2 535 324	2 919 564
Gratuity payments	(3 377 758)	(2 054 093)
Closing Balance	3 665 734	4 508 168

*Leave provision*

Opening Balance	3 162 589	3 294 516
Leave provision for the year	1 392 133	1 139 932
Leave payments	(1 449 636)	(1 271 859)
Closing Balance	3 105 086	3 162 589

*Audit provision*

Opening Balance	263 944	282 090
Audit fee provision for the year	298 630	263 944
Audit fee payments	(313 996)	(282 090)
Closing Balance	248 578	263 944

Total provisions relate to gratuity and leave as at the reporting date. The Gratuity provision is calculated in accordance with the respective contracts of employment. Leave provision is calculated based on accrued leave days not taken during the year.

COMPANIES AND INTELLECTUAL PROPERTY AUTHORITY

Notes To The Financial Statements *(Continued)*

FOR THE YEAR ENDED 31 MARCH 2024

	2024 P	2023 P
<b>14. Unspent grants received from the Government</b>		
Opening balance	8 829 760	2 958 294
<i>Grants received during the year</i>		
Assets	350 000	-
Expenses	10 871 192	6 193 614
<i>Grants utilised to defray expenses and finance additions to assets during the year</i>		
Assets	(195 997)	(215 280)
Expenses	(14 953 658)	(106 867)
Closing balance	4 901 297	8 829 760

Closing balance relates to unspent amounts received with respect to:

Deferred Revenue	-	2 107 000
Online Registration System	137 173	4 000 000
Deferred Revenue Account – Assets	655 101	326 923
Performance Management System	-	9 640
Project – National Strategy for Creative Industries	123 664	1 780 209
Project – IP Model Office	2 792 352	-
Records Digitisation		552 216
Copyright and Neighbouring Rights Act Review		22 945
IP Clubs at Schools		30 826
Event – LTDF Publicity Workshop	1 193 007	-
	<b>4 901 297</b>	<b>8 829 760</b>

COMPANIES AND INTELLECTUAL PROPERTY AUTHORITY

Notes To The Financial Statements *(Continued)*

FOR THE YEAR ENDED 31 MARCH 2024

2024  
P2023  
P**15. Related Party Transactions and Balances**

Formerly the Registrar of Companies and Intellectual Property (ROCIP), The Companies and Intellectual Property Authority (CIPA) was established by an Act of Parliament in 2011 (Companies and Intellectual Property Authority Act, (Cap. 42:13) to promote and enable full protection of the rights of investors and right holders obtained under the Companies Act, Registration of Business Names Act, Industrial Property Act and Copyright and Neighbouring Rights Act.

**Key Management**

Key management includes members of the Board, members of the Executive Committee and the Board Secretary. The compensation paid or payable to key management for employee services is depicted below:

Board fees

112 100

215 214

Compensation paid to executive management

7 553 699

4 383 587

**7 665 799****4 598 801****Compensation paid to Executive Management comprises of;**

Salaries and allowances

6 341 965

3 655 013

Gratuity

1 211 734

728 574

**7 553 699****4 383 587**

The Companies and Intellectual Property Authority is a parastatal under the Ministry of Trade and Industry (MTI) of the Government of Botswana. Other parastatals of the Government of Botswana are also considered related parties to CIPA. Private companies that the Government of Botswana has majority shareholding are also considered related parties. Transactions with related parties are in the normal course of business. The following transactions were carried out with related parties:

**Botswana government and other parastatals**

Subvention income received from the Government

59 445 402

55 769 373

Unspent grants received from the Government

4 901 297

8 829 760

Amounts paid to Water Utilities Corporation (WUC)

4 575

3 045

Amounts paid to Botswana Unified Revenue Services (BURS)

7 052 104

5 843 819

Amounts paid to Botswana Power Corporation (BPC)

62 661

39 698

Amounts paid to Botswana Telecommunications Corporation (BTC)

2 272 956

2 308 563

**73 738 994****72 794 258**



COMPANIES AND INTELLECTUAL PROPERTY AUTHORITY

Notes To The Financial Statements *(Continued)*

FOR THE YEAR ENDED 31 MARCH 2024

	2024 P	2023 P
<b>Amount payable to related parties</b>		
Ministry of Trade and Industry	1 459 432	-
	<b>1 459 432</b>	<b>-</b>
<b>16. Cash utilised in operations</b>		
Operating profit /(loss)	490 873	(5 034 417)
Adjustment for non-cash items		
Depreciation (note 6)	2 615 549	3 767 991
Depreciation (note 7.1)	51 600	51 600
Amortisation (note 8)	593 286	412 794
Amortisation of capital grants	(3 260 434)	(4 232 385)
Depreciation ROUA (note 7)	4 849 582	4 645 906
Unspent grant release (note 17.1)	(14 953 658)	(106 867)
Adjustment of lease liability (note 17.2)	17 905	
(Gain)/Loss on Insurance claim (note 17)	(11 716)	10 714
(Gain)/Loss on disposal of PPE (note 17)	-	(82 460)
Interest income	(11 008)	(8 907)
Finance cost	1 525 357	1 475 974
	<b>(8 092 664)</b>	<b>899 943</b>
<b>Changes in working capital</b>		
Other receivables and prepayments	(1 310 322)	(606 717)
Trade and other payables	1 568 804	368 176
<b>Cash utilised in operations</b>	<b>(7 834 182)</b>	<b>661 402</b>

COMPANIES AND INTELLECTUAL PROPERTY AUTHORITY

Notes To The Financial Statements *(Continued)*

FOR THE YEAR ENDED 31 MARCH 2024

	2024 P	2023 P
<b>17. Profit (loss) from disposal of assets</b>		
Insurance Claim	40 589	45 967
Insurance Excess Paid	-	(1 814)
Net book value	(28 873)	(54 867)
<b>(Loss)</b>	<b>11 716</b>	<b>(10 714)</b>
Proceeds from sale of asset	-	86 800
Auctioneer Commission	-	(4 340)
Net book value	-	-
<b>Profit/(Loss)</b>	<b>-</b>	<b>82 460</b>
<b>17.1 Unspent Grants release</b>		
Unspent grant released for expenses	(14 953 658)	(106 867)
	<b>(14 953 658)</b>	<b>(106 867)</b>
<b>17.2 Rent Expenses</b>		
Levy on rental	458 253	-
Adjustment- Lease liabilities remeasurement	17 905	-
	<b>476 158</b>	<b>-</b>
<b>18. Cash and cash equivalents</b>		
Call/current	18 629 201 <sup>4</sup>	20 888 123
	<b>18 629 201</b>	<b>20 888 123</b>

The Authority does not borrow and relies on Government funding for use, not investment. It utilises a reputable financial institution to hold funds and for use when needed.

**19. Contingent Liabilities**

The Members of the Board confirmed that there were no contingent liabilities at year end.

**20. Commitments**

The Members of the Board confirmed that there were no commitments at year end.

<sup>4</sup> Current Account clears to call account at the end of the year.

COMPANIES AND INTELLECTUAL PROPERTY AUTHORITY

# Notes To The Financial Statements *(Continued)*

FOR THE YEAR ENDED 31 MARCH 2024

## 21. Strategy Projects

At the beginning of the financial year 2021/2022, the Members of the Board approved funding for strategy projects of an amount of P 5 357 054.

The following relates to the unspent balances of the strategy projects that have commenced. The Authority does not hold any contract or obligation with any third party on the following projects.

	2024 P	2023 P
Stakeholder Engagement Plan	-	180 124
Customer Satisfaction Surveys	-	50 714
IP Model Office	-	268 337
Records Management Policy	-	62 698
Talent Management Strategy	802 288	-
Case Management for Arbitration Panel	-	675 771
PMS process & Change Management	104 888	149 758
	907 176	1 387 402

## 22. Events after the reporting period

There were no adjusting events that occurred after the reporting date that require adjustments to or disclosure in the financial statements. The lingering post economic effects of the pandemic, high inflation rate were non-adjusting events after the reporting period. The approved full subvention for the first quarter of the 2024-2025 financial year was received in May 2024.

## 23. Going Concern

CIPA made a surplus of P490 873 (2023: P5 034 417 (deficit) for the year ended 31 March 2024. Current assets exceed current liabilities by P1 220 416 (2023: P1 590 448) (liabilities exceeded assets) which is above the favourable current ratio of 1.

CIPA is dependent on the Ministry of Trade and Industry for financial and operational support. The Ministry has approved the Authority's 2024/2025 budget, and the Authority continues to receive financial support from the Ministry through the payment of government subventions and grants. As at June 30, 2024 the Authority had received its subvention for the first quarter and funding for project that is currently being implemented.

The annual financial statements have been prepared on a going concern basis. Management presumes that funds will be available to finance operations and that the realisation of assets and settlement of liabilities, continuous obligations and commitments will occur in the ordinary course of business even with the current economic situation.



COMPANIES AND INTELLECTUAL PROPERTY AUTHORITY

## Notes To The Financial Statements *(Continued)*

**FOR THE YEAR ENDED 31 MARCH 2024**

### 24. Revenue Collected by CIPA

The Authority collects revenue on behalf of the Government of Botswana through its services to the public. The revenue is collected through-out the financial year and remitted to the consolidated fund for the Government of Botswana after year end on the basis of directives received from the Government of Botswana and as the Authority continues to transition and implement new system. During the year the Authority collected **P88 420 264 (2023 – P85 355 576)** on behalf of the Government of Botswana, of this amount **P2 798 996 (2023 – P2 510 989)** is amount collected in advance of provision of services to clients. At 31 March 2024 CIPA held the amount of **P173 224 849 (2023 – P167 551 092)** in separate bank accounts held on behalf of the Government of Botswana. These amounts have not been included in the CIPA statement of comprehensive income and the statement of financial position. These amounts have not been included in the CIPA statement of comprehensive income and the statement of financial position. A total amount of **P83 261 751** relating to **2022/2023** financial year was subsequently paid to the government of Botswana on the 2nd of September 2024.

### 25. Online Business Registration System (OBRS)

The Botswana Ministry of Trade and Industry (MTI) and the New Zealand Ministry of Foreign Affairs and Trade (MFAT), jointly decided to implement the Business Registry Reform Programme to improve business enabling environments that support sustainable economic development in Botswana. This was intended to assist in developing solutions that will achieve faster, cheaper and more accurate business registration in Botswana.

The goal of the activity was to improve business enabling environments that support sustainable economic development in Botswana. The OBRS Project commenced in 2015 and was launched in June 2019. The New Zealand Companies Office (NZCO), through New Zealand's Ministry of Business, Innovation and Employment, was engaged by MFAT to implement the OBRS as proposed. NZCO subcontracted third party service providers (Software Developers) being Foster Moore to deliver several components of the OBRS.

MFAT provided an indicative maximum funding amount of \$1,050,000 New Zealand dollars to NZCO for the implementation of OBRS. No funding was committed or paid directly to MITI or the Government of Botswana as the funds were paid to the Developers through the agreed stages of the development of the system, through NZCO. Foster Moore has since signed a maintenance and support contract with CIPA which is renewed annually.

The OBRS was given to CIPA by MITI for implementation as dictated by the CIPA Act and mandate. OBRS is a non-cash contribution from the New Zealand Government. CIPA has been given right of use of the asset (OBRS) but does not have legal ownership or documents as proof to certify ownership. CIPA is in negotiations with MITI to get ownership of OBRS.











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