



Botswana Network on Ethics, Law and HIV/AIDS

Annual Report 2009



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Prevention &
Research Initiative
for Sexual
Minorities

The right to equality
The right to health
The right to work
The right to education
The right to
confidentiality



RESIDENT HOTEL

List of Acronyms

AIDS	Acquired Immune Deficiency Syndrome	LeGaBiBo	Lesbians Gays and Bisexual of Botswana
ARASA	AIDS and Rights Alliance for Southern Africa	M&E	Monitoring and Evaluation
ART	Antiretroviral Therapy	MDR TB	Multi-Drug Resistant Tuberculosis
ARV	Antiretrovirals	MISA	Media Institute of Southern Africa
BNTF	Botswana National Tuberculosis Program	MoH	Ministry of Health
BOCONGO	Botswana Council of Non-Governmental Organizations	NAC	National Aids Council
BONASO	Botswana Network of AIDS Service Organizations	NACA	National Aids Coordination Agency
BONELA	Botswana Network of Ethics, Law and HIV/ AIDS	NSF	National Strategic Framework
BONEPWA	Botswana Network of People living With HIV and AIDS	PEP	Post-Exposure Prophylaxis
BOTUSA	Botswana USA HIV and AIDS Partnership	PLWHIV	People Living with HIV
BRELA	Botswana Review on Ethics, Law and HIV and AIDS	PME&R	Planning Monitoring, Evaluation and Research
CCM	Country Coordinating Mechanism	PRISM	Prevention Research Initiative for Sexual Minorities
CEDAW	Convention on the Elimination of all forms of Discrimination Against Women & Children	SADC	Southern African Development Community
CoFex	Coalition on Freedom of Expression	SRH	Sexual Reproductive Health
CREATE	Consortium to Respond Effectively to the AIDS-TB Epidemic	TB	Tuberculosis
DMSAC	District Multi-Sectoral AIDS Committee	TWG	Technical Working Group
HIV	Human Immunodeficiency Virus	UN	United Nations
		WLHIV	Women Living with HIV
		XDR TB	Extreme Drug Resistant Tuberculosis



Background

BONELA is a network of concerned individuals, groups and organizations interested in protecting and promoting the rights of people infected and affected by HIV and AIDS. The organization advocates for the integration of the concept of “Botho” (human-ness) – the essence of human rights – into all spheres of response in the fight against HIV and AIDS. The main focus is to guarantee and protect the dignity of individuals. In addition, BONELA values social justice and community empowerment.

BONELA is focused on three strategic themes:

- Empowering of people affected by HIV and AIDS
- Advocating for a rights-based approach to the national response to the HIV and AIDS epidemic
- Strengthening networks and partnerships with institutions, communities, groups and organizations, to protect human rights and fight social exclusion of those affected by HIV and AIDS.

Since its formal registration in 2002, BONELA has become a key player in the fight against the HIV and AIDS epidemic in Botswana. The organization did this with the support of various stakeholders including network partners, donors, the media and individuals. Over the years the organization has grown considerably in scope and size. Currently, BONELA is running programmes in six different areas:

- **Legal Aid** - BONELA offers free legal services, including legal literacy workshops, legal advice, and, in some instances, mediation and litigation.
- **Treatment Literacy (TL)** – the organization conducts training on the treatment and prevention of HIV and AIDS and TB.
- **Media and Awareness-raising** – among other things, workshops are conducted on human rights and HIV and AIDS for people living with HIV and AIDS, government departments, health care workers, civil society organizations and communities. The organization disseminates Information, Education and Communication (IEC) materials to the general public. In addition, it monitors HIV and AIDS-related issues and engages the media and government as part of its advocacy efforts.
- **Education and Training** – BONELA gives trainings and presentations on human rights, treatment literacy for HIV/AIDS and TB and issues of gender, children’s rights and sexual minorities to various stakeholders.
- **Advocacy** – the organization aims to influence public-policy and resource allocation decisions within political, social systems and institutions. Advocacy activities include public speaking, commissioning and publishing research and lobbying.
- **Research** – BONELA collects and, in some cases, conducts research on HIV and AIDS and human rights to ensure evidence-based advocacy.

Note from the Director

We had an extremely engaging year that was not short of action. We have seen successes, challenges and setbacks that we took as opportunities for growth and learning. Amidst all the occurrences of 2009, BONELA remained afloat and focused. Our focus this year is on key populations in the response to the epidemic and I will share later on about some of the in point issues that we grappled with.

My predecessor Mrs. Christine Stegling left BONELA in June 2009 to further her aspirations elsewhere and I was tasked with the responsibility of steering the BONELA ship on an acting basis for six months before a final decision could be made

on my appointment. At the beginning of 2010 I was confirmed as Director. I wish to take this moment to thank Mrs Stegling for the contribution she has made to BONELA. We at BONELA celebrate her mightily for the good leadership and management that she exuded throughout her employment tenure.

Some of our major successes this year have been creating new jurisprudence or case law in two cases. In one case the court awarded damages in the sum of P150 000.00 to our client who was wrongly diagnosed as HIV positive when in fact she was HIV negative. She laboured under that belief for two years and she was advised against breastfeeding her baby and complied. In another case the High Court awarded damages in the sum of P7 000.00 for invasion of the right to privacy. Client's husband was apparently in an illicit relationship with the Defendant and the Defendant had asked client in public on Christmas day when she intends divorcing her husband as she could infect him with HIV.

In the spirit of building strategic partnerships, especially with government, we are on course as we have been pleasantly surprised by gestures of goodwill from government this year. Of note, we effectively partnered with the National AIDS Coordinating Agency in preparing for the World AIDS Day on the theme "Universal Access and Human Rights." We trust that this sort of partnerships will be sustained as we need each other to advance the cause of inhabitants of Botswana.

Our main challenge this year was completing our Global Audit within the timelines agreed with our donors. Suffices to state that we did all that we could to do the audit on time to the extent of engaging a consultant who was recommended to us by one of our donors; unfortunately he failed to deliver as the audit file that he submitted to our Auditors was characterized by gross and elementary errors. In the end, we had to redo the audit file. We have now learnt that due diligence has to be carried out on all consultants without fail. To some extent the delayed audit adversely affected the cordial relationship we enjoyed with our donors as we were obviously in breach of contractual obligations. I must confess that some donors understanding and accommodation was somewhat humbling.

The departure of Mrs Stegling did create an opportunity for us to think and introduce changes where necessary and



finding ways of sustaining her good legacy. We embarked on strengthening our internal systems and ensuring that activities are aligned to strategy, coherent and congruent. Ordinarily change is difficult and we experienced a bit of resistance and uncertainty on the part of my staff. Effective communication and consultation has proven to be crucial in attempting to overcome the hurdles.

Owing to the credibility and goodwill that we continue to enjoy from all quarters, we have been saddled with many guest facilitation requests. We have tried to honour as much as we could take but in the end my committed staff felt the brunt of these requests by having to attain what they have set out to do in terms of our work plan on the one hand and meeting most of the requests on other hand. Reverting to the strategic thrust of this year, we have done and continue to do tremendous work with vulnerable groups, or rather key populations in the spirit of reversing the tide of the epidemic. Our view as BONELA is that in as much as our government is celebrated for her tremendous and fantastic work in the response to HIV and AIDS we remain the hub of HIV and AIDS. This eventuality does say to us that something is not in sync. We need to establish what we are doing wrong and redress it as a matter of urgency. We at BONELA know where the problems lay, perhaps most of the problems. It is submitted that for as long as we have interventions that are not universally applicable and not accommodative to people with specific needs, then we are fighting a losing battle. We MUST target, amongst others, sex workers, men who have sex with men, (MSM) women who have sex with women, refugees, inmates and drug users. In Botswana, it would seem government is oblivious of the existence of these key populations or plainly disregards them. In majority of cases the law is used to sanction the discrimination, for instance, in the case of sex workers and MSM. Prisons remain breeding grounds for HIV infection and yet government is doing nothing about it. In some instances our government is xenophobic and fuels same, in that HIV positive foreign inmates are left to languish in prison and die

in indignity as the government would not provide them with life saving or life prolonging drugs on the basis that they originate from outside Botswana. As a nation we can only turn the tide of the epidemic if we shine the light of human rights in all our interventions.

I wish to quote His Excellency the Former President of Botswana Mr Festus Mogae in his letter to the Ugandan President Mr Museveni dated 30 October 2009 against their homosexuality bill:

“UNAIDS has recommended that governments respect, protect and fulfill the rights of men who have sex with men and address stigma and discrimination in society and in the workplace by amending laws prohibiting sexual acts between consenting adults in private.”

I challenge Mr Mogae to write the same letter to Botswana President Mr Khama as the contents therein are relevant to our context. I dare say I wish Mr Mogae held this view during his 10 years in the Office of the President. Perhaps he would have minded to walk the talk.

In sum, I wish to end by a quote from Ban Ki-Moon, UN Secretary General, delivering the United Nations World AIDS day message this year.

“In many countries legal frameworks institutionalize discrimination against groups at most risk. Yet discrimination against sex workers, drug users and men who have sex with men only fuels the epidemic and prevents cost effective interventions.”

The above words are true and appropriate. As a nation we ought to set aside some of our social, moral and religious persuasions for the greater protection and preservation of human life by freely deploying relevant and pragmatic strategies.

Board Chairperson Remarks

The Board is delighted to have provided BONELA with strategic direction in 2009. We have seen the organization develop into a regional force with broad and far reaching impact. Although we have registered a number of successes, the road has not been without potholes.

One of our greatest challenges this year was our inability to hold the Annual General Meeting (AGM) because the 2008 audit had not been completed by the end of the year, therefore,

it was not prudent to hold the AGM without audited accounts.

The reason for the delayed audit was as a result of failure by the contracted consultant whose role was to assist with the disposing off the backlog in the finance

department. The consultant, however, did not deliver as agreed, in that, he submitted an audit file to our auditors, which file, as it later emerged, was characterized by many elementary mistakes.

Furthermore, in June 2009, the organization saw the departure of its former and founding Director Mrs. Christine Stegling who has since joined the AIDS Alliance in the United Kingdom. Although she has left BONELA, Mrs Stegling has been co-opted into the executive committee for 2 years and continues, therefore, to make meaningful contribution to the organization. We honour and celebrate the pioneering role that Christine played for BONELA. Following her departure, the board appointed Mr. Uyapo Ndadi as the Acting Director for a period of six (6) months. Mr. Ndadi was appointed to an acting position primarily for two (2) reasons:

- 1) To enable the board to assess his ability to lead the organization.
- 2) To afford Mr Ndadi an opportunity to make a decision to continue serving as Director of BONELA, bearing in mind that he is a staunch human rights lawyer-cum-activist. The directorship position would mean that his scope of legal work will be reduced as more emphasis would be placed on his management and leadership role to ensure that BONELA achieves its strategic goals.

I am pleased to report that Mr. Ndadi has, in the ensuing period of his acting tenure, performed exceptionally well. This has enhanced the likelihood that he will be appointed as a fully-fledged Director.

The departure of one leader is a change that requires an organization to adapt. Therefore, in October 2009, the board and management went on an introspection and planning retreat. The board concluded that they would have to scale



up their role in re-shaping BONELA's strategic direction. In the spirit of strengthening our re-commitment, we had an unprecedented high number of meetings in the last eight (8) months. We sometimes met 3 times per month.

The board has assembled a team of consultants who are helping to guide the organizational and staff capacity issues aimed at positioning staff to engage effectively in the change process and also to build trust amongst staff. The thrust of the diagnosis by the consultants was that BONELA had been operating in a loose and uncoordinated manner. Acknowledging this, the board is working to create a new, more integrated planning and collaborative work culture in the organization. We are also coaching our Management Team to enhance their skills to motivate staff towards the institutionalization of this transformation.

In this endeavour to work in a more effective and congruent manner, BONELA had divided its programmatic work into two; on the one hand we have the advocacy team, and on the other hand we have a capacity development and training team, coordinated by two team leaders. These teams will take up issues holistically; rather than in a fragmented and loose way.

The board envisions a BONELA that is nationally and internationally acclaimed as the human rights NGO to address HIV and AIDS. The ARASA award won in 2008 indicates that we are on course to achieving that feat.

The strategic thrust for 2009 focused on key populations and continued advocacy for an enabling and conducive environment. Lastly, the current board will be dissolved at the next AGM which has been billed for March 2010 and most of us will not be eligible for re-election because we have reached our four (4) years mandatory term. I am optimistic that even under a new board leadership, BONELA will continue to excel.



Strategic Thrust for 2009

BONELA's vision of 'making Human Rights a reality in the response to the HIV and AIDS epidemic in Botswana' can only be achieved if everyone in the community joins hands and plays their part. This is because Human Rights should be integrated into every action (including purposeful inaction) by all people and all social institutions.

Advocating for the inclusion of a human rights approach to all social policies, requires a careful and purposeful balancing act that allows BONELA to continue providing a critical voice in the HIV policy arena while at the same time working jointly with government and private institutions to provide meaningful services to people affected by HIV and AIDS.

In 2009 BONELA continued to work to promote and protect human rights as a key component to address the HIV and AIDS epidemic in Botswana. Guided by the local, regional and international instruments (particularly in the absence of an enabling legal environment in Botswana), BONELA focused

on the challenges faced by People Living with HIV and AIDS (PLWHIV) and Marginalized Populations (such as women, sexual minorities and the disabled) which, are recognized gaps in addressing the global HIV and AIDS epidemic response. Hence, BONELA's strategy is focused on a human rights-based approach to the development of universal access to treatment for HIV and AIDS and TB.

In 2009 implementation was guided by the three strategic themes (Empowering people affected by HIV and AIDS; Advocacy and Strengthening networks and partnerships) which guided the program focus, implementation and reporting.

BONELA continued its efforts to involve individuals and groups in speaking out in one voice against any actual or potential violation of the rights of those affected by HIV and AIDS through mobilization of people from knowledge into action. The organization had a number of achievements in this arena.

The organization successfully litigated 2 precedent-setting cases of wrongful diagnosis and the right to privacy. In addition, BONELA conducted an awareness-raising workshop on the Domestic Violence Act (enacted in 2008) for Magistrates.

In the absence of an HIV Employment Law in Botswana, BONELA provided legal aid to clients presenting unassailable cases highlighting unfair dismissal from employment and the right to privacy. As a result of stigma associated with HIV and AIDS. The premises of these strategic litigations is to create case law on the basis of which favourable judgments can be made against HIV related discrimination. However, BONELA continues to advocate for the enactment of the HIV Employment Law, with some success being achieved through the enactment of a Public Service Act by the parliament which, protects public service employees from discrimination on the basis of their HIV status.

The organization is committed to ensuring that Botswana integrates human rights into the national response to HIV and AIDS, which ensures a coordinated, participatory, transparent and accountable approach to integrating human rights into policy and programmes across all governmental and non-governmental sectors. This was in line with the Guidelines of the National Strategic Framework I (NSF I) on HIV and AIDS in Botswana. And so, BONELA is proud to report that through a collaborated effort with partners, specifically Botswana Red Cross Society and United Nations High Commission for Refugees (UNHCR), the Government of Botswana acceded to the provision of ARV treatment to refugees.

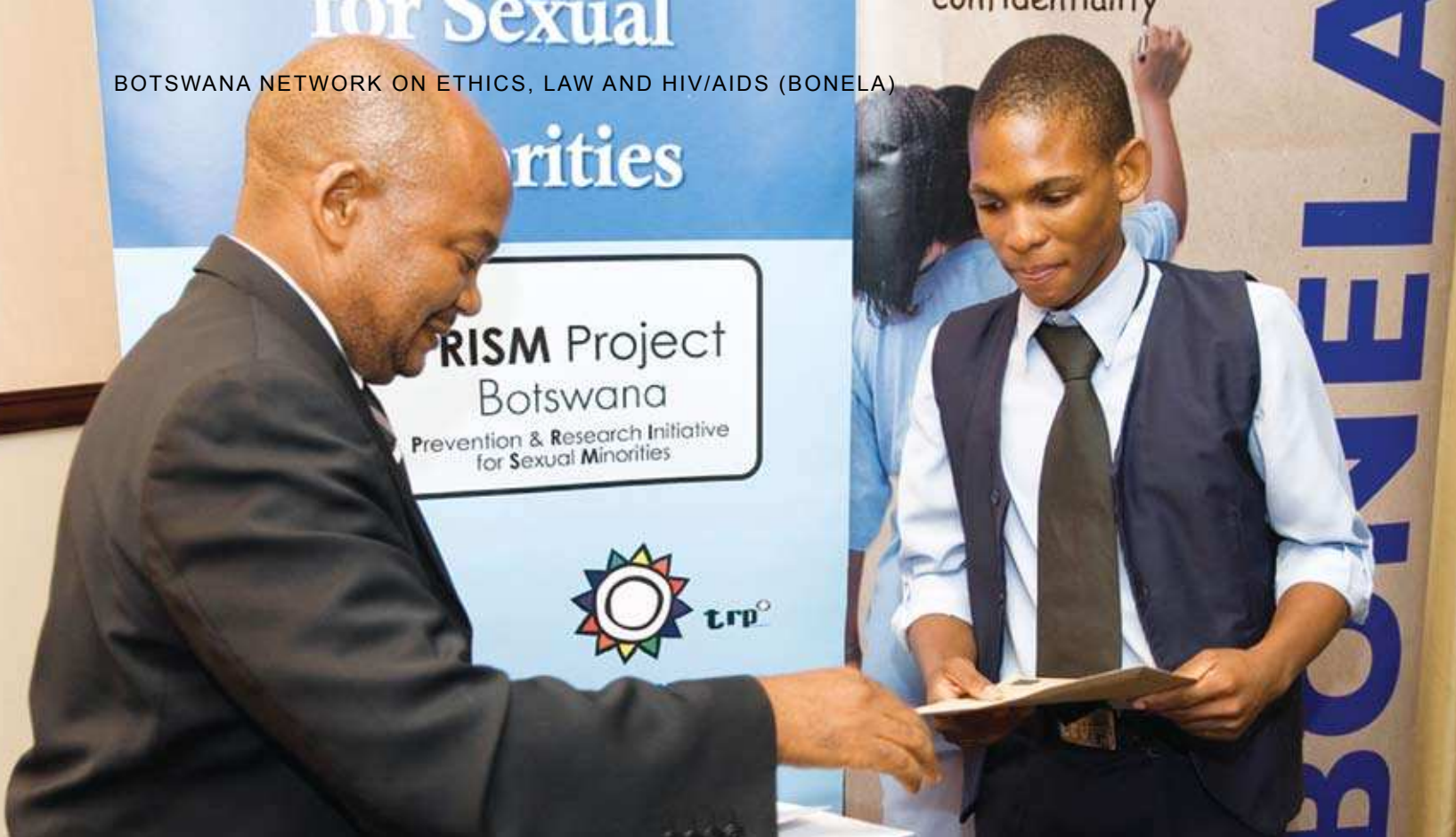
In addition, the BONELA held a meeting to engage with Ministry of Health and the Botswana National TB Programme (BNTP) on TB-related issues. Following the meeting, on behalf of civil society organizations (CSOs), the organization developed and presented an advocacy document to the Minister of Health.

Another advocacy achievement was realized through BONELA's media campaign resulting in the Ministry of Health Sexual Reproductive Health (SRH) Department rolling out the cervical cancer awareness raising campaign.

Botswana's Vision 2016 creates context to which the national response is aligned. This is reflected in government strategy detailed in the NSF I. In order to develop coherent and effective interventions all non-governmental organizations (NGOs) should align to these national goals. BONELA's mandate, is aligned to the goal number 5 of the NSF which, seeks to promote a strengthened ethical and legal environment for HIV and AIDS interventions. To this end, it is vital for BONELA to form new and strengthen existing relationships with these stakeholders.

BONELA seeks to ensure that human rights remain at the top of the agenda in the response to the epidemic. In 2009, the organization developed partnerships by reaching out to governmental organizations and NGOs. There were some successes, such as using our membership in various committees to influencing change.

This notwithstanding, there were challenges. For instance, BONELA was recognized by the Country Coordinating Mechanism (CCM) as the appropriate partner in the development of the Global Fund Round 9 proposal targeting sexual minorities and TL. Despite the organization's efforts, the intensive process of developing the proposal did not bear fruit due to the lack of capacity, at the national level, to implement the proposed plan within the specified timelines. Another example was the Forum Syd partnership has not led to desired outcomes. However, BONELA has taken the opportunity to recognize gaps within the organization. These gaps or lack of capacity prevented BONELA from benefiting from opportunities presented and making a greater contribution to the partnership.



Empowering People Affected by HIV And AIDS

Trainings & Other Workshops:

During 2009, over 24 training workshops were conducted in the areas of TL, human rights, domestic violence, legal, children's rights and media. Of note, several of these workshops targeted individuals in various professions such as health care services and the media, on issues faced by marginalized groups such as sexual minorities, women and sex workers.

The media programme facilitated 2 media training workshops for journalists and news editors respectively from five newspapers, three radio stations and two television stations to contribute to improved balanced and accurate media coverage on sex work and LGBTI, as well as sensitized them on issues of ethics, law and human rights and how the exclusion marginalized groups would negatively impact Botswana's HIV and AIDS treatment and prevention efforts. The training was important for BONELA to utilize the media as an advocacy tool.

As reported in the 2008 media assessment, there was need to address the "lack of understanding regarding language use, particularly terms and terminologies. Language can reinforce stigma and be potentially harmful, or protect the rights of affected and infected people" as well as the LGBTI community

and other sexual minorities. Although the workshops were well attended, they revealed a need for further training due to staff turnover in media houses and the complexity of terminology regarding LGBTI.

Botswana like other countries in Africa is hard hit by violence against women which contributes to the continued spread of HIV. In recognition of the impact of gender-based violence on the HIV and AIDS response, the Government of Botswana enacted a Domestic Violence Act in 2008. Although this was the first step in addressing gender-based violence, BONELA and other stakeholders in the fight against HIV and AIDS realized that the Act did not criminalize marital rape, thereby curtailing chances of rape victims, usually women, to access post exposure prophylaxis (PEP).

In April 2009, therefore, BONELA conducted a workshop for magistrates on the Domestic Violence Act with the intention of engaging them in analysis of the Act which would form a basis for engaging government to review the Act accordingly. However, the workshop revealed that magistrates who are the implementers of the Act were ignorant of its existence although it had been passed eight months prior to the workshop. Media presence at the workshop amplified this lack of knowledge of

the Act, thus reaching out to other magistrates not present at the workshop.

Nevertheless, the workshop resulted in the identification of challenges posed by virtue of the Act being civil rather than criminal in nature and operationalization of various provisions of the Act on which advocacy efforts will continue.

Legal Assistance

2009 was a very busy year for BONELA's Legal Aid department. The organization had considerable media coverage hence an increase in clientele, with over 100 requests for legal assistance over the course of the year. For instance, as a result of BONELA's TB Campaign, there were 30 documented requests for legal advice/assistance for TB-related issues.

Aside from ongoing litigation, the Legal Aid department successfully mediated 15 cases. In addition, there were a number of cases that were referred to BONELA by litigants. The vast majority of cases handled by the clinic were concentrated in the area of discrimination within the workplace. The frequency in which the Legal Aid department encountered this type of claim points to the need for protective legislation for persons affected and infected by HIV and AIDS in the workplace.

In June 2009, BONELA set legal jurisprudence when the High Court ruled in favour of the plaintiff and ordered the defendant to pay P7,000 as damages for publication of otherwise confidential information about the plaintiff's HIV status. This was the first case of its kind before the Botswana High Court. The presiding judge, Justice Newman pointed out that the Botswana Courts 'have long recognized that an action is available against any person who has committed an intentional wrong causing injury to someone's dignity.' The case will not only act as a deterrent for people who maliciously disclose individuals HIV status but will also go a long way in showing those who have been wronged of the availability of legal redress.

The court, however, pointed out that Botswana's Constitution, in contrast with South African Constitution, did not extend to the unlawful disclosure of a person's private information. The decision of the judge, regarding the right to privacy, is yet to be fully tested before the courts of Botswana. As a result of this case, the Legal Aid Department received more cases on defamation and malicious disclosure of someone's actual or perceived HIV and AIDS status.

Another successful case concerned the wrongful HIV diagnosis and the resultant emotional and social distress of the plaintiff, represented BONELA. In this case, the plaintiff was denied a confirmatory HIV test and subjected to discriminatory remarks by health care professionals. The Court awarded P150,000 in damages. This case set a legal precedent in Botswana and the region. In the near future, this case will serve as a binding authority to future judgments in related cases. BONELA will continue to raise awareness about such issues and put pressure on the Government of Botswana to ensure adherence to ethics and best-practices.

In a separate case, the Legal Aid Department made an application in accordance with the Domestic Violence Act, 2008, before the Village Magistrate Court on behalf of its client for an interdict, restraining order, as well as a tenancy order in the case of a married couple in a violent matrimonial relationship. Although the court refused to award a tenancy order in favour of BONELA's client, the parties were interdicted and restrained from further acts of abuse.

The case was important as it was the first matter to be brought under the Domestic Violence Act, 2008. As a result of this case and together with the sensitization workshop organized for magistrates, it brought the existence of the Act to public attention. Further, those who are involved in abusive relationships can seek protection under the Act.



Advocacy

In pursuit of the achievement of advocacy excellence, BONELA focused on research for evidence-based advocacy; strategic litigation; and conducting awareness-raising activities through lobbying; workshops with various target groups and engagement of the media in 2009.

A High Court ruling in (2003), stated that Botswana was not ready to deal with issues of sexual minorities. However, 2 research studies conducted by BONELA, on access to health services by LGBT and HIV prevalence among men who have sex with men (MSM) revealed that there are critical challenges experienced by these minority groups, which if not addressed, will hamper achievement of Botswana's Vision 2016 goal of zero new infections by 2016.

BONELA thus sought to engage key stakeholders in the response to HIV and AIDS through the National AIDS Council (NAC) by presenting key findings from these two studies

highlighting the need for the inclusion of sexual minorities in the national response to HIV and AIDS. Initial success for the organization was realized through preliminary briefings conducted for the pre-NAC and the Country Coordinating Mechanism (CCM) Partnership Forum in 2009. However, a full presentation for the NAC was rejected in October 2009 as the content of the presentation (interpreted as homosexuality) was deemed inappropriate for the NAC. Whilst BONELA sought audience with the chairperson of NAC, the former President of Botswana, to reverse this decision, the issue was not resolved by the end of 2009.

BONELA was also a member of the technical working group (TWG) and reference group for drafting of the second national strategic framework. Ideas for targeted inclusion of marginalized populations (MSM, sex workers) in HIV prevention strategies in Botswana were presented both at the TWG and reference group meetings. Follow up presentations were done for a team at the National AIDS Coordinating

Agency (NACA) for senior management. Supportive documents such as the reports on the MSM study conducted by BONELA and the sex work study done by the Botswana United States of America (BOTUSA) partnership for HIV and AIDS were availed to NACA. To a certain level, these issues were incorporated into the NSF II draft. BONELA will follow up this process in 2010, to ensure that the issues of these populations are properly addressed in the implementation framework of the NSF II.

In 2008, BONELA, realized that a holistic approach to the HIV and AIDS epidemic in Botswana, required addressing technical gaps and human rights issues related to TB, the foremost cause of death among PLWHIV. Thus, in 2009, the organization embarked on a TB campaign to raise awareness of policymakers; PLWHIV; civic leaders; civil society and communities on challenges in TB diagnostics and infection control in public health settings, correctional facilities and communities. In addition, BONELA played an advisory role to the Government of Botswana in this regard. To this end, efforts were made to engage with the Minister of Health and the national TB unit through meetings and ultimately with the presentation of an advocacy document endorsed by other civil society partners on World TB day.

These efforts resulted in the MoH TB unit embracing the recommendation contained in the advocacy document and successfully applying to the Greenlight Committee, an international initiative that assists countries to gain access to cheaper treatment and build technical capacity to improve TB diagnostics.

BONELA also contributed to regional TB policy advocacy efforts coordinated by Consortium to Respond Effectively to the AIDS-TB Epidemic (CREATE) and the AIDS Rights Alliance of Southern Africa (ARASA). The organization attended meetings in Cape Town which facilitated a regional

dialogue on the key policy issues relating to TB/HIV. CREATE capacitated BONELA to think creatively about what strategies can work in their different contexts to address TB/HIV policy issues. The lessons learned helped the TL Department to develop their TB advocacy campaign.

Another achievement in 2009 was the collaboration between BONELA and BNTP on a pilot community-based model for ensuring TB infection control to be implemented in 2010. This partnership came about as a result of a radio jingle on TB co-produced by BONELA's Media and Treatment Literacy programmes and aired on one of the local radio stations that caught the attention of the head of the BNTP. This is a clearly illustrates the impact of advocacy activities that utilize media outlets.

The formulation of the Southern Africa Development Community (SADC) Gender Protocol in 2008 was a welcome development for women in Africa. However, Botswana did not sign this protocol, and in 2009, various civil society organizations made a number of disjointed efforts to lobby the Government of Botswana to sign the protocol. In an attempt to coordinate these efforts, BONELA in partnership with the Botswana Council of Non-Governmental Organizations (BOCONGO) gender sector thus brought together these civil society organizations (CSOs) to draft and endorse a strategic plan to lobby the Government of Botswana to sign the SADC Gender Protocol.

These partners also agreed to extend their advocacy efforts to include the issue of access to Post-Exposure Prophylaxis (PEP) for women other than rape survivors who faced the risk of HIV infection as a result of marital rape (an issue not addressed in the Domestic Violence Act of 2008), as well as to draft civil society's shadow report on the Convention on the Elimination of all Forms of Discrimination against Women and Children (CEDAW).



Strengthening Networks & Partnerships

Media

2009 saw BONELA establishing strategic alliances with media organizations in Botswana such as MISA and the Press Council of Botswana. To this end, BONELA became a member of the Coalition on Freedom of Expression (CoFex), to lobby the Government of Botswana to review the Media Practitioner's Act. The Act largely seeks to curtail freedom of association and expression by limiting public participation and expression in the media which is crucial to democracy as the Act prescribes the registration of all media publications and practitioners. Furthermore, although there is an independent regulatory body the Act will require state regulation contrary to international best practice. This campaign will continue in 2010.

BONELA and Bomme Isago Association Partnership

After 16 months of mentoring and capacity building, Bomme Isago Association became an independent entity in October 2009. BONELA mentored and capacitated Bomme Isago since 2008, and collaborated on the sexual and reproductive health and rights of women living with HIV. BONELA is committed to continue in partnering and strengthening the voice of Bomme Isago. The existence of the organization has added a paramount voice in the response to HIV as most women's organizations and other HIV organizations have not taken heed to the sexual and reproductive health concerns of WLHIV.

Forum Syd Partnership

The Forum Syd partnership consists of BOCONGO, Botswana Network of AIDS Service Organizations (BONASO), Botswana Network of People living With HIV and AIDS (BONEPWA+), Forum Syd, and BONELA. The aim of the partnership was to develop a holistic approach to implementing HIV and AIDS interventions at a national level. To that end, the partner organizations conducted joint monitoring visits to target districts to assess the progress in implementation made by partner organizations. These insightful visits provided opportunity to engage with target beneficiaries served by the partnership. The partners met with 2 of BONELA's legal aid clients in Mahalapye

and Francistown. These first-hand accounts provided the partners a better understanding of BONELA's work with communities. As a result, these organizations have started to refer legal issues to the Legal Aid Department.

Committees

In addition to the above mentioned BONELA also sits on various committees. This is an important component of our advocacy agenda, as these fora provide opportunities to engage with policymakers and other stakeholders in dialogue about addressing human rights issues in the response to the HIV and AIDS epidemic.

BONELA, represented by the Media intern as a member of the technical advisory committee of Makgabaneng HIV and AIDS radio drama. In 2009, BONELA conducted a human rights training for Makgabaneng staff. This influenced the committee to incorporate human rights aspects in the drama scripts. These episodes will air in the third quarter of the 2010.

BONELA sits on the Appointments Committee of the Press Council of Botswana responsible for appointment of individuals onto the Appeals and Complaints Committees of the Council. These networks are crucial in ensuring media reporting that is balanced and fair. BONELA will also utilize this platform to ensure that human rights are infused in reporting. The director board member

BONELA Director is a board member of BOCONGO and the newly established Botswana Legal Aid Board. Serving on the Legal Aid Board provides an opportunity for BONELA to share its experiences in legal aid work. This is an important activity as currently BONELA is the only organization providing free legal aid in Botswana. The ultimate goal is to encourage other organizations and law practices to engage in pro bono work, particularly in precedence-setting cases, thus producing critical mass that will push the government to change discriminatory laws.





Challenges

The change in leadership in BONELA inevitably led to a slow down in operations. Even though the newly appointed programmes manager tried to facilitate a smooth transition, there was need for a more systematic and coordinated change management process.

The organization for the last few years had recognized the need for a monitoring framework. However, the organization realized that it required technical expertise in M&E, thus BONELA began engaging with WUSC to recruit an M&E advisor to assist in developing a programmatic M&E system.

In 2009, it became apparent that the strategic framework did not guide the programme implementation as expected. The OD Diagnosis report outlined the following areas of concern:

- actual programme implementation does not necessarily align to this overall strategy in a coherent way (and the

strategy has not been used to form functioning cross-programme linkages);

- the strategy does not provide BONELA with much of a boundary: almost any issue can be interpreted as a human rights and HIV issue and therefore picked up on;
- further, while the strategic plan outlines broad objectives it is silent on the medium-term outcomes that should be achieved in working towards these objectives; this is a critical gap.

The information technology (IT) has become obsolete creating lots of redundancies in the implementation and/or information management in 2009. There is need to improve and upgrade the IT systems.



The Way Forward

This year, BONELA was basically maintaining its level of productivity and implementation that occurred at a time when BONELA had experienced exponential growth, absorbing reputation as the Human Rights and HIV and AIDS centre for excellence in Botswana and partner in the Southern Africa region. Because the growth had been so rapid, it became difficult to enforce order that engaged dedicated and concerted effort, instead of the piecemeal improvements and their consequences.

There is need to review the strategic framework and align the structure, people (competencies, skills and placing) and systems. Therefore there is opportunity to address strategic weaknesses such as:-

- Timely reporting on budgeting, planning and implementation that is results-based.
- BONELA can use the funds left over from work originally planned for 2008/9, but not completed; i.e. no-cost extensions to rectify systems and lobby donors for implementation of change
- The staff stress levels due to cumbersome, uncoordinated activities and overload that were identified through team building sessions will be addressed through a change strategy that entail efficiency of systems.

- The outstanding activities of the revised programme work plan for donors can be efficiently and effectively executed as the organization switches to a results based management system. This will require reallocation of funds which in turn may require renegotiations with donors.

Considering the findings highlighted in the assessment, it has become apparent that BONELA will not be able to maintain its previous levels of productivity. Recognizing its obligations to donors and other stakeholders, in 2010 BONELA will endeavor to fulfill its previous commitments and focus on organizational transformation.

This process will begin with revision of the BONELA strategic framework. Once a strategic framework is in place such that it can guide programmatic planning and implementation the following steps will be taken:

- a critical review of current programmes
- Upon alignment of the program, a new coherent work-plan will be developed which integrates a performance monitoring system
- Lastly, develop procedures and schedules for analysis and evaluation of programmes.

Table 1: Suggested Path to Ideal Scenario

Steps toward ideal end state Monitoring process Communication & Information

PAST	PRESENT	FUTURE
Lessons learnt in 2009	<ul style="list-style-type: none"> • Review of BONELA strategic framework, programme alignment and performance imperatives • Context • Key issues for stakeholders • Governance, relations, alignment • Integration of M&E principles 	<p>During 2010;</p> <ul style="list-style-type: none"> • Develop ideal Strategy • Align programmes to strategy • Implement revised programmes • Develop monitoring, governance protocols and systems • Develop evaluation systems for continuous learning



Prevention & Research Initiative for Sexual Minorities

The right
The right
The right
The right
The right
confident

PRESIDENT HOTEL

BOTSWANA NETWORK ON ETHICS, LAW AND HIV/AIDS (BONELA)

ANNUAL FINANCIAL STATEMENTS

31 DECEMBER 2009

to equality
to health
to work
to education
to
quality



BONELA

**Botswana
Network
on Ethics,
Law and
HIV/AIDS**

ANNUAL FINANCIAL STATEMENTS

General Information

31 DECEMBER 2009

REGISTRATION

The organisation was registered as a non-profit making organisation in Botswana on 26 February 2002 under the Societies Act.

NATURE OF BUSINESS

To monitor the ethical, legal and human rights aspect of the HIV/AIDS pandemic in Botswana.

EXECUTIVE COMMITTEE

Duma Boko	- Chairperson
Zolani Kraai	- Vice Chairperson
Polokoetsile Pedro Motau	- Treasurer
Johanna Tlhomelang	- Secretary
Kenole Leinatsela	- Vice Secretary
Gloria Jacques	- Member
Godisang Mookodi	- Member

COORDINATOR

Christine Stegling	- resigned 30 June 2009
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ACTING COORDINATOR

Uyapo Ndadi	- appointed 1 July 2009
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REGISTERED OFFICE

Plot 56
Gaborone International Commerce Park
Gaborone

AUDITORS

Kauya and Partners

BANKERS

Stanbic Bank of Botswana Limited

ANNUAL FINANCIAL STATEMENTS

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.....) CHAIRPERSON
)
)
)
) TREASURER

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Report of the Independent Auditors to the Members of Botswana Network on Ethics, Law and HIV/AIDS (BONELA)

31 DECEMBER 2009

Report on the Annual Financial Statements

We have audited the accompanying financial statements of Botswana Network on Ethics, Law and HIV/AIDS (BONELA) set out on pages 5 to 16, which comprise the balance sheet as at 31 December 2009, the income statement, statement of changes in funds and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Executive Committee's Responsibility for the Annual Financial Statements

The Executive Committee members are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatements and whether fair presentation is achieved in the financial statements.

An audit includes an evaluation of the appropriateness of the accounting policies; an examination on a test basis of evidence supporting the amounts and disclosures included in the financial statements; an assessment of the reasonableness of significant estimates and a consideration of the appropriateness of the overall financial statement presentation. We have examined the books, accounts and vouchers of the organisation to the extent we considered necessary, and have obtained all the information and explanations which we required. We have satisfied ourselves of the existence of the securities. We consider that our audit procedures were appropriate in the circumstances to express our opinion presented below.

We believe that the audit evidence we have obtained is sufficient to provide a basis for our audit opinion.

Opinion

In our opinion:

- the organisation has kept proper books of account with which the financial statements are in agreement; and
- the financial statements give a true and fair view of the state of the organisation's affairs at 31 December 2009 and the results of its operations and cash flow information for the year then ended, in conformity with International Financial Reporting Standards.

Kauya & Partners
Certified Public Accountants(Botswana)
Gaborone

Date_____

ANNUAL FINANCIAL STATEMENTS

Statement of Responsibility

31 DECEMBER 2009

The Executive Committee members are responsible for the maintenance of adequate accounting records and the preparation and integrity of the financial statements and the related information. The auditors are responsible to report on the fair presentation of the financial statements. The financial statements have been prepared in accordance with International Financial Reporting Standards.

The Executive Committee members are also responsible for the organisation's systems of internal financial control. These are designed to provide reasonable, but not absolute, assurance as to the reliability of the financial statements and to adequately safeguard, verify and maintain accountability of assets, and to prevent and detect misstatement and loss. Nothing has come to the attention of the committee members to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred during the year under review.

The annual financial statements have been prepared on a going concern basis, since the committee members have every reason to believe that the organisation has adequate resources in place to continue in operation for the foreseeable future.

The annual financial statements set out on pages 5 to 16 were approved by the Executive Committee members on _____ and are signed on their behalf by:

Duma Boko

Chairperson

Place: Gaborone

Polokoetsile Pedro Motau

Treasurer

Place: Gaborone

ANNUAL FINANCIAL STATEMENTS

Income Statement

for the year ended 31 December 2009

	Note	2009 Pula	2008 Pula
Revenue		6,392,125	5,868,520
Other operating income		476,595	585,647
		6,868,720	6,454,167
Administrative & programme expenses		6,623,234	(5,198,469)
Surplus before interest and taxation	2	245,486	1,255,698
Finance income		308,414	332,399
Surplus before taxation		553,900	1,588,097
Taxation	1	-	-
Suplus for the year		553,900	1,588,097

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Balance Sheet

31 December 2009

	Notes	2009 Pula	2008 Pula
ASSETS			
Non- current assets			
Property, plant and equipment	7	275,822	338,114
Current assets			
Accounts receivable	3	382,071	330,698
Cash and cash equivalents	4	5,736,766	5,725,296
Total current assets		6,118,837	6,055,994
Total assets		6,394,659	6,394,108
FUNDS AND LIABILITIES			
Accumulated funds (page 7)		4,892,253	4,336,799
Capital grants	5	5,228	2,782
Project funds - Kartini		13,244	-
Deferred income (page 7)		596,875	1,383,220
		5,507,600	5,722,801
LIABILITIES			
Accounts payable	6	887,059	671,307
Total funds and liabilities		6,394,659	6,394,108

ANNUAL FINANCIAL STATEMENTS

Statement of Changes in Funds

for the year ended 31 December 2009

	Accumulated Funds	Capital Grants	Deferred Income Schorer Hivos	Kartini Legabibo	Project Funds UNAIDS	Osisa Bomme Isago	Total
Balance at 1 January 2008	2,728,903	22,581	450,482	-	49,958	1,895	3,253,819
Surplus for the year	1,588,097	-	-	-	-	-	1,588,097
Spent/ transferred during the year	-	-	(450,482)	-	(49,958)	(1,895)	(502,335)
Received during the year	-	-	1,383,220	-	-	-	1,383,220
Amortised during the year	19,799	(19,799)	-	-	-	-	-
Balance as at 31 December 2008	4,336,799	2,782	1,383,220	-	-	-	5,722,801
Surplus for the year	553,900	-	-	-	-	-	553,900
Received during the year	-	4,000	596,875	38,228	-	-	639,103
Spent/transferred to during the year	-	-	(1,383,220)	(24,984)	-	-	(1,408,204)
Amortised during the year	1,554	(1,554)	-	-	-	-	-
Balance as at 31 December 2009	4,892,253	5,228	596,875	13,244	-	-	5,507,600

ANNUAL FINANCIAL STATEMENTS

Cash Flow Statement

for the year ended 31 December 2009

Notes	2009 Pula	2008 Pula
Cash flows from operating activities:		
Surplus before interest and taxation	245,486	1,255,698
Adjustments for:		
Loss on disposal of plant and equipment	13,885	3,936
Depreciation	128,757	130,233
Operating income before working capital changes	388,128	1,389,867
(Increase)/ decrease in accounts receivable	(51,373)	41,116
Decrease in accounts payable	215,752	258,537
Cash generated from operations	552,507	1,689,520
Finance income	308,414	332,399
Net cash generated from operations	860,921	2,021,919
Cash flows used in investing activities:		
Purchase of property, plant and equipment	(83,038)	(85,587)
Proceeds from disposal of property, plant and equipment	2,688	3,350
Net cash flows used in investing activities	(80,350)	(82,237)
Cash flows from financing activities:		
(Increase)/ decrease in project funds	13,244	(51,852)
(Decrease)/ increase in deferred income	(786,345)	932,739
Proceeds from capital grants	4,000	-
Net cash flows (used in)/generated from financing activities	(769,101)	880,887
Net increase in cash and cash equivalents	11,470	2,820,569
Net cash and cash equivalents at beginning of the year	5,725,296	2,904,727
Cash and cash equivalents at end of the year	5,736,766	5,725,296
Represented by:		
Bank and cash balances	5,736,766	5,725,296

ANNUAL FINANCIAL STATEMENTS

Accounting Policies

for the year ended 31 December 2009

REPORTING ENTITY

The Botswana Network on Ethics, Law & HIV/AIDS (BONELA) is a non-profit organisation domiciled in Botswana.

STATEMENT OF COMPLIANCE

The financial statements have been prepared in accordance with International Financial Reporting Standards promulgated by the International Accounting Standard Board.

BASIS OF PREPARATION

The financial statements are presented in Pula, which is also the functional currency.

The financial statements are prepared on the historical cost basis, except for financial instruments which are disclosed at fair value and incorporate the significant accounting policies set out below.

The preparation of financial statements in conformity with International Financial Reporting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. The results of the estimates form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year; or in the year of the revision and future years if the revision affects both current and future years.

No significant judgements made by management in the application of International Financial Reporting Standards have been noted which may have a significant effect on the financial statements and estimates in the following financial year.

ACCUMULATED FUND

The accumulated fund also comprises of the general fund which carries no restrictions on its use other than restrictions imposed by the Executive Committee. This fund is financed by subscriptions, general donations, promotional sales, interest income, rental income, exchange gain/loss transferred to general fund at end of the year, surplus funds transferred from special projects fund subject to donor approvals and other fund raising activities.

SPECIAL PROJECTS FUNDS

These funds are raised by grants and donations received from various donors. These funds are donor restricted and are applied exclusively to finance specific projects. On completion of these projects, surpluses or deficits arising are transferred to or from the general fund subject to donor approvals.

ANNUAL FINANCIAL STATEMENTS

Accounting Policies (continued)

for the year ended 31 December 2009

REVENUE

Revenue comprises grants received from donors for projects, on an accruals basis, based on donor commitments.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective rate applicable.

GRANTS

Revenue grants are recognised in the income statement when received unless an alternative agreement has been made with the donor to match the grants with related costs.

Grants received relating to the acquisition of fixed assets are deferred and recognised in the income statement on a basis which matches the income with the depreciation charge on the related assets.

Grants received for which the expenditure has not taken place are treated as deferred income.

PROPERTY, PLANT AND EQUIPMENT

The cost of an item of property, plant and equipment is recognised as an asset when:

- It is probable that future economic benefits associated with the item will flow to the organisation, and
- The cost of the item can be measured reliably.

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

Purchases of property, plant and equipment are recognised initially at cost in the balance sheet, except for purchases costing BWP750 or less, which are expensed in the year of acquisition (other than where they form part of a group of similar items which are significant in total).

The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located is also included in the cost of property, plant and equipment.

Property plant and equipment are stated at cost less accumulated depreciation and any impairment in value.

Depreciation is charged in the income statement on a straight-line basis over the estimated useful lives of items of property, plant and equipment after taking account of estimated residual values. The estimated useful lives are as follows:

ANNUAL FINANCIAL STATEMENTS

Accounting Policies (continued)

for the year ended 31 December 2009

ITEM	AVERAGE USEFUL LIFE
Furniture and fittings	5 years
Motor vehicles	5 years
Office equipment	5 years
Computer equipment	5 years

It is BONELA's policy to depreciate property, plant and equipment for a full month in the month of acquisition and not depreciate in the month of disposal.

The residual value and the useful life of each asset are reviewed at each financial period-end.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation charge for each period is recognised in the income statement unless it is included in the carrying amount of another asset.

The gain or loss arising from the de-recognition of an item of property, plant and equipment is included in income statement when the item is derecognised. The gain or loss arising from the de-recognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

IMPAIRMENT OF ASSETS

The organisation assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the organisation estimates the recoverable amount of the asset.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to sell and its value in use.

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in the income statement. Any impairment loss of a revalued asset is treated as a revaluation decrease.

ANNUAL FINANCIAL STATEMENTS

Accounting Policies (continued)

for the year ended 31 December 2009

RECOGNITION AND DE-RECOGNITION OF ASSETS AND LIABILITIES

The organisation recognises assets when it obtains control of a resource as a result of past events and future economic benefits are expected to flow to the organisation. The organisation de-recognises a financial asset when it loses control over the contractual rights that comprise the asset and consequently transfers the substantive risks and benefits associated with the asset. A financial liability is de-recognised when it is legally extinguished.

NET FINANCE INCOME

Net finance income comprises any interest payable on borrowings and interest receivable on funds invested. Interest income is recognised in the income statement as it accrues taking into account the effective yield on the assets. The interest expense component of any borrowings is recognised in the income statement using the effective interest rate method.

EMPLOYEE BENEFITS**Short - term employee benefits**

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

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs. The expected cost of bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

Retirement Benefits

The organisation does not operate a pension scheme for its employees. Staff is on gratuitable contracts; consequently no accrual is made for severance benefits, in line with the Employment Act of Botswana.

FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognised in the balance sheet when the organisation has become a party to the contractual provisions of the instrument.

Financial assets

The organisation's principal financial assets are bank balances, cash, trade and other receivables.

Trade and other receivables

Trade receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognised in surplus or deficit when there is objective evidence that the asset is impaired. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payment (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The allowance recognised is measured as the difference between the

ANNUAL FINANCIAL STATEMENTS

Accounting Policies (continued)

for the year ended 31 December 2009

asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

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

Trade and other receivables are classified as loans and receivables.

Cash and cash equivalents

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

Financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangement entered into. Significant financial liabilities include trade and other payables.

Trade and other payables

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

Other financial liabilities are measured initially at fair value and subsequently at amortised cost, using the effective interest rate method.

Offsetting

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

TRANSLATION OF FOREIGN CURRENCIES

A foreign currency transaction is recorded, on initial recognition in Pula, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

At each balance sheet date:

- foreign currency monetary items are translated using the closing rate;
- non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate

ANNUAL FINANCIAL STATEMENTS

Accounting Policies (continued)

for the year ended 31 December 2009

at the date of the transaction; and

- non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognised in the income statement in the period in which they arise.

When a gain or loss on a non-monetary item is recognised directly in funds, any exchange component of that gain or loss is recognised directly in funds. When a gain or loss on a non-monetary item is recognised in the income statement, any exchange component of that gain or loss is recognised in the income statement.

Cash flows arising from transactions in a foreign currency are recorded in Pula by applying to the foreign currency amount the exchange rate between the Pula and the foreign currency at the date of the cash flow.

PROVISIONS AND CONTINGENCIES

Provisions are recognised when:

- the organisation has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

Where some or all of the expenditure required settling, a provision is expected to be reimbursed by another party, the reimbursement shall be recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement shall be treated as a separate asset. The amount recognised for the reimbursement shall not exceed the amount of the provision.

Provisions are not recognised for future operating losses.

If an entity has a contract that is onerous, the present obligation under the contract shall be recognised and measured as a provision.

A constructive obligation to restructure arises only when an entity:

- has a detailed formal plan for the restructuring, identifying at least:
 - the business or part of a business concerned;
 - the principal locations affected;
 - the location, function, and approximate number of employees who will be compensated for terminating their services;
 - the expenditure that will be undertaken; and when the plan will be implemented;

ANNUAL FINANCIAL STATEMENTS

Accounting Policies (continued)

for the year ended 31 December 2009

and

- has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

After their initial recognition, contingent liabilities recognised in business combinations that are recognised separately are subsequently measured at the higher of:

- the amount that would be recognised as a provision; and
- the amount initially recognised less cumulative amortisation.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in notes.

New standards and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations are either not yet effective for the year ended 31 December 2009 and or have not been applied in preparing these financial statements:

• **IFRS 8 Operating segments** introduces the “management approach” to segment reporting. IFRS 8, which becomes mandatory for the organisation’s 2009 financial statements, will require the disclosure of segment information based on the internal reports regularly reviewed by the organisation’s Chief Operating Decision Maker in order to assess each segment’s performance and allocate resources to them. The current standard requires that the organisation present segment information in respect of its business and geographical segments. Under the management approach, the organisation will present segment information based on existing strategic business units. IFRS 8 is not expected to have any impact on the financial statements of the organisation.

• **IAS 23 Borrowing Costs (revised)** removes the option to expense borrowing costs and requires that an entity capitalise borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset. The revised IAS 23 which becomes mandatory for the organisation’s 2009 financial statements and constitute a change in accounting policy for the organisation. In accordance with transitional provisions the organisation will apply the revised IAS 23 to qualifying assets for which capitalisation of borrowing costs commences on or after the effective date. IAS 23 is not expected to have any impact on the financial statements of the organisation.

• **IFRIC 11/ IFRS 2 Group Treasury Share Transactions.** This interpretation addresses disclosures and accounting transactions with regards to the rights and issuing of shares to employees . IFRIC 11, which becomes mandatory for the organisation’s 2009 financial statements, is not expected to have any impact on the financial statements of the organisation.

• **IFRIC 12 Service Concession Arrangements.** This interpretation addresses disclosures and accounting transactions with regard to private contractors entering into service concessions with the public sector for the construction and maintenance of public sector infrastructure. IFRIC 12, which becomes mandatory for the organisation’s 2009 financial statements, is not expected to have an impact on the financial statements of the organisation.

ANNUAL FINANCIAL STATEMENTS

Accounting Policies (continued)

for the year ended 31 December 2009

· **IFRIC 13 Customer Loyalty Programmes.** This interpretation addresses the disclosure and accounting transactions with regards to award credits granted under customer loyalty programmes. IFRIC 13, which becomes mandatory for the organisation's 2009 financial statements, is not expected to have any impact on the financial statements of the organisation.

· **IFRIC 14/ IAS 19 The Limit on a Defined Benefit Asset, Minimum Funding Requirements and Their Interaction.** This interpretation addresses the disclosure and accounting transactions in respect of post employment defined benefits and other long-term defined benefits granted to employees. IFRIC 14, which becomes mandatory for the organisation's 2009 financial statements, is not expected to have any impact on the financial statements of the organisation.

.IFCRS3 Business combinations supersedes the previous IFRS3 as issued in 2004. The standard has introduced various terminology and scope changes. IFRS3, which becomes mandatory for the organisation's 2010 financial statements, is not expected to have any impact on the financial statements of the organisation.

.IAS 1-Presentation of financial statements(revised). The main change in the revised IAS 1 is a requirement to present all non-owner changes in equity in a single statement of comprehensive income(which includes income statement line items). Under the revised standard, a statement of financial position(preferred term for "balance sheet") also has to be presented at the beginning of the comparative period when the entity restates the comparatives as a result of a change in accounting policy, the correction of an error, or the reclassification of items in the financial statements. The revised IAS 1 will become mandatory for the organisation's 2010 financial statements.

.IAS 32 AND IAS 1-amendment:Puttable Financial Instruments and Obligations. Puttable financial instruments and obligations arising on liquidation require certain financial instruments that would ordinarily meet the definition of a financial liability to be classified as equity. These instruments must meet certain criteria as set out in IAS32. The revision to the standard, which becomes mandatory for the organisation's 2010 financial statements, is not expected to have any impact on the financial statements of the organisation.

COMPARATIVE INFORMATION.

Comparative information has been restated, where necessary, to maintain comparability.

ANNUAL FINANCIAL STATEMENTS

Notes to the Income Statement

for the year ended 31 December 2009

1 TAXATION

With effect from 1 July 2004, the Income Tax Act (Chapter 52:01) was amended to tax income for charitable institutions and non-governmental organisations which is not applied for public purposes. It is the intention of BONELA to use all of its surplus for the year, which mainly represents deferred income, for public purposes according to the constitution and therefore no provision for income tax has been made.

	2009	2008
	Pula	Pula
2 SURPLUS BEFORE INTEREST AND TAXATION		
Surplus before interest and taxation is stated after taking into account the following:		
Interest received	(308,414)	(332,399)
Depreciation	128,758	130,233
Audit fees	79,965	61,108
Staff costs	3 133 002	2,660,667
Operating lease: buildings	<u>273,960</u>	<u>249,803</u>

3 ACCOUNTS RECEIVABLE

Trade receivables	304,587	157,497
Other receivables	16,935	108,183
Staff debtors	3,332	7,766
Prepayments and deposits	<u>57,217</u>	<u>57,251</u>
	<u>382,071</u>	<u>330,698</u>

4 CASH AND CASH EQUIVALENTS

Cash on hand	2,038	2,323
Bank balances	<u>5,734,728</u>	<u>5,722,973</u>
	<u>5,736,766</u>	<u>5,725,296</u>

5 CAPITAL GRANTS

Balance at beginning of the year	2,782	22,581
Grants received during the year	4,000	-
Amortised during the year	<u>(1,554)</u>	<u>(19,799)</u>
Balance at end of the year	<u>5,228</u>	<u>2,782</u>

ANNUAL FINANCIAL STATEMENTS

Notes to the Income Statement (continued)

for the year ended 31 December 2009

	2009 Pula	2008 Pula
6 ACCOUNTS PAYABLE		
Other payables	331,624	67,744
Provision for gratuity	555,435	603,563
	<u>887,059</u>	<u>671,307</u>

Included in other payables is an amount of P223,224 (2008: Pnil) due to Ditshwanelo, a sub grantee.

ANNUAL FINANCIAL STATEMENTS

Detailed Income Statement

for the year ended 31 December 2009

	2009 Pula	2008 Pula
Income		
Revenue-donations and grants	6,392,125	5,868,520
Other operating income	785,009	918,046
Total Income	7,177,134	6,786,566
Operating expenses		
Advertising and promotions	355,361	141,524
Audit fees	79,965	61,108
Accommodation & meals	455,106	377,315
Bad debts	-	3,949
Bank charges	38,843	38,465
Board meetings & AGM	22,653	26,356
Cleaning services	-	1,567
Consumables	39,526	20,112
Consulting fees	137,966	37,809
Conference and workshops (local & international)	167,453	48,942
Courier and postage	42,282	16,209
Daily subsistence allowance, per diems, stipends-volunteers	318,668	266,732
Depreciation	128,757	130,233
Donations	5,196	6,311
Electricity and water	19,119	19,434
Entertainment	46,303	32,224
Internet	19,275	7,865
Insurance	40,880	39,754
Loss on disposal of property, plant and equipment	13,885	3,936
Loss on foreign currency translation	5,480	-
Leasing & hire costs	1,800	-
Printing, stationery & photocopying	69,930	19,225
Printed materials - workshops, conferences	601,466	273,459
Professional services	208,053	93,474
Publications, periodicals, books and videos	18,072	10,974
Rent	273,960	249,803
Radio flighting costs	65,450	61,923
Repairs & maintenance - general	61,177	85,990
Repairs & maintenance - motor vehicle	8,547	25,740
Salaries - programmes & administration	3,133,002	2,660,667
Security expenses	3,972	2,291
Subscriptions, registration & licences	6,717	61,100
Telephone & fax	49,971	69,248
Transport - road	90,489	83,393
Travel - flights	64,520	189,740
Withholding tax on interest received	29,390	31,600
Total Operating expenditure	6,623,234	5,198,46
Surplus for the year	553,900	1,588,097



