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This Profile provides information about the application of IFRS Standards in Botswana. IFRS Standards are developed and issued in the public interest by the International Accounting Standards Board (the Board). The Board is the standard-setting body of the IFRS® Foundation, an independent, private sector, not-for-profit organisation.

This Profile has been prepared by the IFRS Foundation based on information from various sources. The starting point was the answers provided by standard-setting and other relevant bodies in response to surveys that the Foundation conducted on the application of IFRS Standards around the world. The Foundation drafted the profile and invited the respondents to the survey and others (including regulators and international audit firms) to review the drafts, and their comments are reflected.

The purpose of the IFRS Foundation's Jurisdictional Profiles is to illustrate the extent of implementation of IFRS Standards across the globe only. The Profiles do not reflect the intellectual property licensing status of IFRS Standards within any given jurisdiction. The IFRS Standards are protected by copyright and are subject to different licensing arrangements according to jurisdiction. For further information, please contact Licences@ifrs.org.

Profile last updated: 8 February 2017

RELEVANT JURISDICTIONAL AUTHORITY

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| Organisation | Botswana Institute of Chartered Accountants (BICA) |
| Role of the organisation | The BICA, established in July 1990, is the membership and regulatory body in Botswana for the accounting profession. The BICA is recognised as the regulator of the accounting and auditing profession under the Accountants Act of 2010 (and was similarly recognised under the predecessor Accountants Act of 1988). |
| Website | http://www.bica.org/bw/ |
| Email contact | vijay.kalyanaraman@bw.gt.com |

COMMITMENT TO GLOBAL FINANCIAL REPORTING STANDARDS

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| Has the jurisdiction made a public commitment in support of moving towards a single set of high quality global accounting standards? | Yes. |
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| Has the jurisdiction made a public commitment towards IFRS Standards as that single set of high quality global accounting standards? | Yes. |
| What is the jurisdiction's status of adoption? | IFRS Standards are adopted both under the Botswana Companies Act of 2003 and the Accountants Act of 2010. |
| Additional comments provided on the adoption status? | None. |
| If the jurisdiction has NOT made a public statement supporting the move towards a single set of accounting standards and/or towards IFRS Standards as that set of standards, explain the jurisdiction's general position towards the adoption of IFRS Standards in the jurisdiction. | Not applicable. |
| EXTENT OF IFRS APPLICATION | |
| <i>For DOMESTIC companies whose debt or equity securities trade in a public market in the jurisdiction:</i> | |
| Are all or some domestic companies whose securities trade in a public market either required or permitted to use IFRS Standards in their consolidated financial statements? | Domestic companies whose securities trade in a public market must use IFRS Standards in their consolidated financial statements. |
| If YES, are IFRS Standards REQUIRED or PERMITTED? | Required. |
| Does that apply to ALL domestic companies whose securities trade in a public market, or only SOME? If some, which ones? | All. |
| Are IFRS Standards also required or permitted for more than the consolidated financial statements of companies whose securities trade in a public market? | Yes. |
| For instance, are IFRS Standards required or permitted in separate company financial statements of companies whose securities trade in a public market? | Required. |
| For instance, are IFRS Standards required or permitted for companies whose securities do not trade in a public market? | Some companies whose securities do not trade in a public market are required to use full IFRS Standards. Others are permitted to use either full IFRS Standards or the <i>IFRS for SMEs</i> Standard. Details are below. |
| If the jurisdiction currently does NOT require or permit the use of IFRS Standards for domestic companies whose securities trade in a public market, are there any plans to permit or require IFRS Standards for such companies in the future? | Not applicable. |

For FOREIGN companies whose debt or equity securities trade in a public market in the jurisdiction:

Are all or some foreign companies whose securities trade in a public market either REQUIRED or PERMITTED to use IFRS Standards in their consolidated financial statements?

Foreign companies whose securities trade in a public market must use IFRS Standards in their consolidated financial statements.

If YES, are IFRS Standards REQUIRED or PERMITTED in such cases?

Required.

Does that apply to ALL foreign companies whose securities trade in a public market, or only SOME? If some, which ones?

All.

IFRS ENDORSEMENT

Which IFRS Standards are required or permitted for domestic companies?

IFRS Standards as issued by the Board, ie standards and amendments are adopted/endorsed as and when issued by the Board.

The auditor's report and/or the basis of presentation footnotes states that financial statements have been prepared in conformity with:

IFRS Standards.

Does the auditor's report and/or the basis of preparation footnote allow for 'dual reporting' (conformity with both IFRS Standards and the jurisdiction's GAAP)?

No.
There is no Botswana GAAP applicable to companies with public accountability. Only IFRS Standards.

Are IFRS Standards incorporated into law or regulations?

Yes.

If yes, how does that process work?

The Botswana Companies Act 2003 specifically states that Botswana complies with IFRS Standards.

If no, how do IFRS Standards become a requirement in the jurisdiction?

Not applicable.

Does the jurisdiction have a formal process for the 'endorsement' or 'adoption' of new or amended IFRS Standards (including Interpretations) in place?

Yes

If yes, what is the process?

The process of adoption involves the review of the standard by, and recommendation from, the BICA Technical Committee. That Committee includes technical specialists from various independent auditing firms (both international and local) and industry experts. The Technical Committee's recommendation is presented to the BICA Council. On approval of the BICA Council, the adoption is finalised. To date the BICA has adopted all IFRS Standards without modification.

If no, how do new or amended IFRS Standards become a requirement in the jurisdiction?

Not applicable.

Has the jurisdiction eliminated any accounting policy options permitted by IFRS Standards and/or made any modifications to any IFRS Standards?

No.

If yes, what are the changes?

Not applicable.

Other comments regarding the use of IFRS Standards in the jurisdiction?

None.

TRANSLATION OF IFRS STANDARDS

Are IFRS Standards translated into the local language?

No. In Botswana, English is the official language, so there is no need for translation.

If they are translated, what is the translation process? In particular, does this process ensure an ongoing translation of the latest updates to IFRS Standards?

Not applicable.

APPLICATION OF THE IFRS FOR SMEs STANDARD

Has the jurisdiction adopted the *IFRS for SMEs* Standard for at least some SMEs?

Yes.

If no, is the adoption of the *IFRS for SMEs* Standard under consideration?

Not applicable.

Did the jurisdiction make any modifications to the *IFRS for SMEs* Standard?

No.

If the jurisdiction has made any modifications, what are those modifications?

Not applicable.

Which SMEs use the *IFRS for SMEs* Standard in the jurisdiction, and are they required or permitted to do so?

Companies that do not have public accountability (their securities are not publicly traded and they are not a financial institution) and that meet the threshold to be an 'exempt company' under the Botswana Companies Act may use the *IFRS for SMEs* Standard. An exempt company is one that satisfies all three of the following conditions:

- Turnover less than Pula 10 million (approximately US\$ 950,000).
- Assets less than Pula 5 million (approximately US\$ 500,000).
- Company is not a subsidiary of a holding company.

A company that does not satisfy all three of the above conditions or that has public accountability must use full IFRS Standards. Exempt companies are permitted to use full IFRS Standards or the *IFRS for SMEs* Standard.

For those SMEs that are not required to use the *IFRS for SMEs* Standard, what other accounting framework do they use?

Full IFRS Standards.

Other comments regarding use of the *IFRS for SMEs* Standard?

None.
