


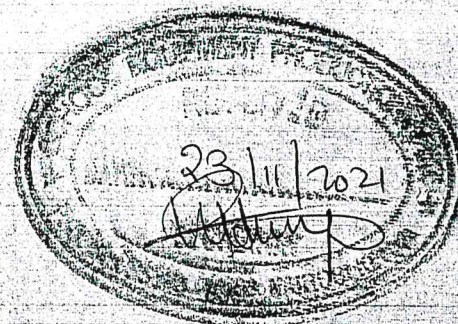


OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability

REPORT

	
THE NATIONAL ASSEMBLY	
DATE: 16 FEB 2022	
TABLED BY:	LDM
CLERK-AT-THE-TABLE:	S. Kalama



THE AUDITOR-GENERAL

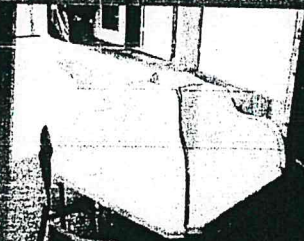
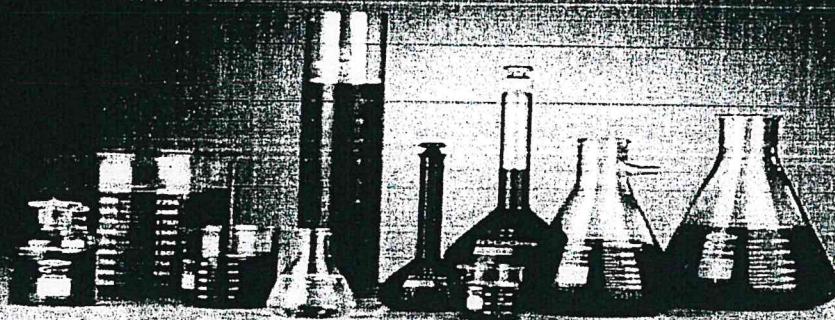
ON

**SCHOOL EQUIPMENT
PRODUCTION UNIT**

**FOR THE YEAR ENDED
30 JUNE, 2020**

SEPU

SCHOOL EQUIPMENT PRODUCTION UNIT
Annual Reports and Financial statements
For the year ended June 30, 2020



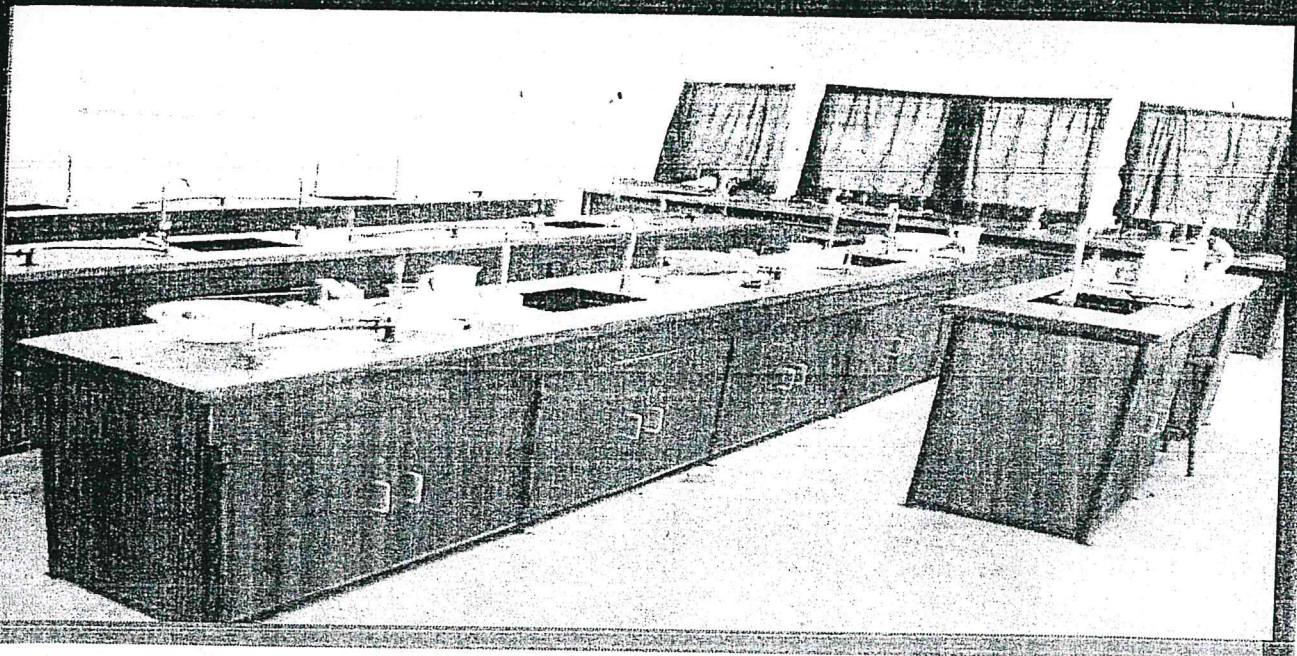
ANNUAL REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDING

JUNE 30, 2020

Prepared in accordance with the Revised Code of Accounting and Reporting of the Department

Financial Reporting System (FRS)





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VISION

To be the leading provider of quality

Science teaching and learning

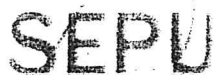
Materials in the region

MISSION

To promote standards and quality
of science education by producing
Innovative and competitively priced
Equipment and materials
Educational institutions

CORE VALUES

Quality
Professionalism
Integrity
Fairness
Innovation & Creativity



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KEY ENTITY INFORMATION

Background information

School Equipment Production Unit is a State Corporation under the Ministry of Education. It was established as a state corporation under the Companies Act (Cap 486) in December 1976. SEPU is mandated to produce scientific equipment and learning materials to learning institutions. Its vision is to be the leading provider of quality science teaching and learning materials in the Eastern and Central Africa Region. The main mission of SEPU is to ensure high quality production and distribution of specialized science teaching and learning materials for educational institutions. The management of the company is governed by the Companies Act of Kenya, the State Corporations Act among other relevant Acts. School Equipment Production Unit has a board of directors which is charged with the overall mandate of the company.

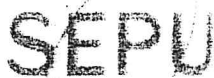
Principal Activities

The principal activity of the company is production and distribution of specialized science teaching and learning materials for educational institutions.

Directors

The Directors who served the company during the year were as follows:

- | | | |
|----------------------------|--|---|
| 1) Dr. Julius Ouma Jwan | Kenya Institute of Curriculum Development | - Chairman (Up to 26 th February 2020) |
| 2) Mr. Dickson L. Ole Keis | School Equipment Production Unit | - Chief Executive Officer |
| 3) Mrs. Teresia Nyawira | National Commission for Science, Technology & Innovation | - Member |
| 4) Mr. Solomon Ngahu | National Treasury & Planning | - Member |
| 5) Mrs. Truphena Kirongo | Ministry of Education | - Member |
| 6) Mrs. Hilda Joyce Omwoyo | Kenya Technical Teachers College | - Member |



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KEY ENTITY INFORMATION

Corporate Information

Corporate Secretary

Managing Director/ Secretary to the Board

Mr. Dickson L. Ole Keis

P.O. Box 25140-00603,

Nairobi, Kenya.

Registered Office

SEPU Headquarters, University of Nairobi,

Kenya Science Campus,

Ngong Road,

P.O. Box 25140-00603,

Nairobi, Kenya.

Corporate Bankers

National Bank of Kenya Limited,

Harambee Avenue Branch,

P.o Box 41862,

Nairobi, Kenya.

Kenya Commercial Bank Limited.

Milimani Branch,

P.O. Box 69695,

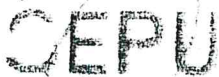
Nairobi, Kenya.

Co-operative Bank of Kenya Limited,

Haille Selassie Avenue,

P.O. Box 48231-00100,

Nairobi, Kenya.



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Independent Auditors

Auditor General,
Kenya National Audit Office
Anniversary Towers, University Way
P.O. Box 30084
GPO 00100,
Nairobi, Kenya.

Principal Legal Advisors

The Attorney General
State Law Office & Department of Justice
Harambee Avenue
P.O Box 40112
City Square 00200
Nairobi, Kenya

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BOARD OF DIRECTORS

1. Dr. Julius Ouma Jwan



Currently is the Principal Secretary in the State Department for Vocational and Technical Training.

Dr. Julius Jwan, year of birth 1965. He holds a PhD Degree in Educational Leadership & Management from the UK. He holds three masters degrees: a Master of Science (MSc) Degree in Educational Research Methods from the UK; a Master of Philosophy (MPhil) Degree in Education Communication & Management from Norway and another

Master of Philosophy (MPhil) Degree in Linguistics from Moi University – Kenya, where he also graduated with a Bachelor of Education Degree.

He was the Director – Programmes and Technical Services at the National Cohesion and Integration Commission (NCIC). Before joining the Commission, he was a lecturer at Moi University, School of Human Resource Development for over thirteen years – rising from the position of Tutorial Fellow to Senior Lecturer. Prior to that he was a teacher at a Secondary School in Homa-bay County and Kaimosi Teachers' College for cumulative five years.

Dr. Jwan has attended several fellowships and short courses including: Procurement and Tendering Processes; and Senior Management Course for Public Officers (both in Kenya); Education for Sustainable Peace (Germany); Enhancing Governance and Financial Administration in Africa (Botswana); Transitional Justice and Governance in Africa (South Africa); Reconciliation as Process and Practice (Sweden); Democratic Governance for Development in Africa (Uganda), among others.

Chairman Board of Director up to 26th February, 2020.

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2. Ms. Teresia Nyawira



Alternate to Director General, National Commission for Science and Technology Innovation

Ms. Teresia Nyawira was born in 1972. She has a Bachelor of Education (Science) and a Master of Science from Kenyatta University. She has undergone short course trainings in Research Ethics (UNESCO), Project Planning and Management (Capacity Africa), Senior Management Course and Strategic Leadership Development Programme (Kenya School of Government). She is currently pursuing a PhD in Molecular Medicine from Jomo Kenyatta University of Agriculture and Technology, and a Master of Art degree in Monitoring and Evaluation.

She has 14 years' experience of teaching sciences in both secondary and tertiary institution. For the last eight years, she has been involved in coordinating national programmes which include the Science Technology and Innovation research grant and the National Research Ethics programme. She is also well versed in policy formulation having participated in drafting several national policies and guidelines in research regulation.

3. CPA FA Solomon Thuo Ngahu

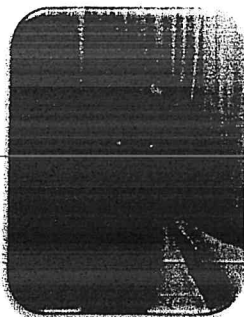
Alternate to Principal Secretary National Treasury

CPA FA Solomon Ngahu, year of birth 1977. Awaiting graduation in PhD Business administration (Finance Option) at JKUAT. He holds a Master's degree (MBA-Finance) from JKUAT, Master of Science Public Finance from University of London, Bachelor degree (Bcom)-First Class Honors from JKUAT, ESAMI: Preparation and Interpretation of Financial Statements, IMF; Government Financial Statistics Harmonization for EAC-Kigali Rwanda, IMF; Credit



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Management :Certified Credit Management Professional (CCP)K, Pedagogy Training; Overview to learning Process and Methodology-JKUAT,HIV & AIDS Mainstreaming Course, National Aids Control Council, Induction Training on Government Operations (GTI-Mombasa). Holds three Single Subject Diploma: Accounting Purchasing & Cost control (ICM) UK, Project Management (ICM) UK and Auditing & Taxation (ICM) UK. Finance & Banking; Certified Investment & Security Analyst (CISA) K, Administration; Certified Public Secretary (CPS) K, Certified Public Accountant (CPA) K. He is a member of ICPAK, ICIFA, APSEA and KIM professional bodies. He is also a committee member – Public Policy & Governance of ICPAK, Members Service Committee - ICIFA, Member of Professional Development and Education Committee of APSEA.



4. Mrs. Truphena Kirongo

Alternate to Principal Secretary, State Department of Education, Ministry of Education,

Mrs. Truphena Kirongo was born in 1962. She has a Bachelor of Education, a Master of Business Administration from Kenyatta University, Nairobi, Kenya and a Master of Education, Leadership and Management from Aga Khan University, Dar es Salaam, Tanzania.

She has a work experience in Teaching service from 1986 - 1998 and in Civil Service as follows; Senior Education officer, Nandi District- 1998-2001.
 Deputy Municipal Education Officer, Mombasa Municipality-2001-2003
 Municipal Education Officer, Mombasa Municipality- 2004- 2007
 Assistant / Senior Assistant Director of Education, Directorate of Primary Education- 2007- 2016
 Deputy Director of Education, Directorate of Secondary Education
 Deputy Director of Education at Director General's office from 2018- to date

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5. Mrs. Hilda Joyce Omwoyo

Principal Kenya Technical Teachers College

Mrs. Hilda Joyce Omwoyo was born in 1960. She is a teacher by profession. She has more than thirty years experience in teaching at both Secondary and college level. She has served as a graduate teacher of English and literature in English at Diploma college level, a lecturer, senior lecturer, principal lecturer, senior principal lecturer and senior principal. She is an experienced teacher trainer and a trainer of trainers in Arts, Science and Technical.



Mrs. Hilda has worked for several years worked as an administrator. She served both as a Deputy Head and Head of Department of English in Kenya Science Teachers College (KSTC) and in Kenya Technical Trainers College (KTTC). She also served as a member of the management team in KSTC and KTTC, Teaching Practice Coordinator,

Deputy Principal in charge of Academics for 6 years at KTTC. She is currently the Principal of Kenya Technical Trainers College (KTTC)

Mrs. Hilda is a writer of English Course Books. She has published books for Kenya, Tanzania, Zambia and Malawi. She has greatly been involved in the innovation club and implementation Competency Based Education Training. She has attended and participated in several National and International Conferences and courses in Kenya, Scotland, Nigeria, Uganda and Zambia. She has also visited England, South Africa, Tanzania, Uganda, and Rwanda for personal business.

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6. Mr. Dickson L. Ole Keis

Managing Director

Mr. Dickson L. Ole Keis Mr. Dickson L. Ole Keis, year of birth 1958. He holds a Masters degree in Education Management, Policy and Curriculum studies from Kenyatta University and a Bachelors Degree in Arts from the University of Nairobi. He has served in the following Districts as a District Education Officer; Trans Mara, Turkana and Kilifi. He has also served as a County Director of Education in Kilifi County and Regional Coordinator of Education in Coast Region.



He also served as a Chief Executive Officer for National Council for Nomadic Education in Kenya (NACONEK). He is the Managing Director – School Equipment Production Unit. He has visited the following Countries on Educational related assignments: Turkey, Bangladesh, Japan and France (Paris).

Managing Director with effect from 1st August, 2017

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THE MANAGEMENT TEAM

1. Mr. Dickson L. Ole Keis

Managing Director



Mr. Dickson L. Ole Keis Mr. Dickson L. Ole Keis, year of birth 1958. He holds a Masters degree in Education Management, Policy and Curriculum studies from Kenyatta University and a Bachelors Degree in Arts from the University of Nairobi. He has served in the following Districts as a District Education Officer; Trans Mara, Turkana and Kilifi. He has also served as a County Director of Education in Kilifi County and Regional Coordinator of Education in Coast Region.

He also served as a Chief Executive Officer for National Council for Nomadic Education in Kenya (NACONEK). He is the Managing Director – School Equipment Production Unit. He has visited the following Countries on Educational related assignments: Turkey, Bangladesh Japan and France (Paris).

Managing Director with effect from 1st August, 2017

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2. FA Perpetua S. Wanaswa, OGW

Sales & Marketing Manager



Mrs. Perpetua Wanaswa, year of birth 1961. Pursuing PhD in Business Administration (Strategic Management option) at UON. She is a holder of (Masters Degree in Business Administration (Strategic Management option) from Daystar University. Bachelor of Business Administration (Finance and Accounting option) from Kenya Methodist University. CPA 1 and ACNC from Institute of Certified public Accountants, and Computer Application from Computer for Schools. Has offered services during the National Elections in Kenya in the year 2002 and 2007 as a Clerk and deputy Presiding Officer respectively in Nairobi County. She is a member of Board of Management for Kivaywa Secondary School, ICIFA and Kim Professional Studies. Has attended various seminars and workshops in various Institutions. Employed by SEPU as a Junior Clerk in Accounts Department and rose up the ranks of Head of Finance Department. In January 2010 was appointed the Acting Managing Director.

Awarded the order of the Grand Worrier of Kenya, (OGW) by His Excellency the President in 2013. For the outstanding performance. She is currently the Sales & Marketing Manager.

3. CPA Salome Odek

Ag. Head of Finance & Accounts



CPA Salome Odek, year of birth 1982.
 She holds Certified Public Accountant (CPA) K and a registered member of ICPAK.
 She holds a Degree in Bachelor of Commerce Finance Option from Kenyatta University.
 Has attended ESAAG Conference on Public Financial Management Reforms (*Entebbe, Uganda*)
 Has attended ESAAG Conference on Enhancing the Effectiveness of Public Financial Management Systems (*Livingstone, Zambia*)
 and Rethinking Public Financial Management for economic growth

(Swakopmund, Namibia)

She is a member of AWAK (Association of Women Accountants of Kenya)

She is currently the Senior Accountant at SEPU.

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4. Mr. Philip Onyango

Production Manager

Mr. Philip Onyango, year of birth 1976. He has a Diploma in Mechanical Engineering (Production Option) from Jomo Kenyatta University of Agriculture and Technology. He is currently pursuing a Degree in Project Planning and Management from the University of Nairobi. He is the Acting Production Manager at SEPU.



5. Ms Rachael Achieng Wanyanga

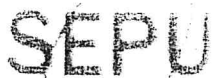
Human Resource Officer

Ms. Rachael Achieng Wanyanga
 Miss. Rachael Achieng' Wanyanga, year of birth 1985.
 Holds a Higher Diploma in Human Resource
 Management and Industrial Relations (2006) from
 Technical University of Mombasa. Currently pursuing
 Degree in Bsc Human Resource Management at Moi
 University.

Associate member of the Institute of Human Resource Management
 (IHRM)

She is currently the Human Resource Officer.





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CHAIRMAN'S STATEMENT

Introduction

The financial year ended 30th June 2020 was a very challenging one in terms of achieving the Unit's objectives and targets. The company faced acute shortage of revenue as a result of the COVID – 19 pandemic which is an unprecedented health crisis not only at the global level, but also at country level and organization level.

This brought great negative impact on revenue that reduced by 50.3% as it led to closure of all learning institutions that are our major customers. The Unit's production operations were partially shut down as from March 2020 as per COVID – 19 protocols leading to plant underutilization.

Brief highlight of the key activities during the year

During the year under review, there were reduced marketing activities due to challenges posed by COVID -19 pandemic especially partnerships with Kenya Secondary Schools Heads Association, Kenya Primary Schools Heads Association and Kenya Private Schools Association in which the Unit gets an opportunity to conduct marketing activities even though this did not materialize.

The net loss during the current financial year 2019/2020 is Kshs. 30,919,667 compared to net loss of Kshs. 18,840,675 in 2018/2019 representing an increase in net loss by 64.11%. Gross Revenue reduced from Kshs. 52,241,430 to Kshs. 25,941,535 in 2019/2020 representing a reduction in Gross Revenue of 50.3%.

During the year, the Unit developed its draft strategic plan covering the period 2019-2024. This plan will determine and guide the long term performance of the Unit. The 'Big Four' agenda especially manufacturing, will take a center stage in the strategic plan as the Unit plays a big role in ensuring 100% transition in secondary schools through manufacturing of educational scientific equipment to schools which will accelerate attainment of Vision 2030.

Successes consolidated

Despite the challenges posed by COVID- 19 pandemic, we will continue to focus on a comprehensive agenda to build a sustainable business as a Post COVID-19 recovery strategy. The Unit has been committed to design, manufacture and distribute high quality science teaching and learning materials for learning institutions. The Unit has also successfully reviewed the Human Resources Policies and Procedures Manual which is now being implemented. In addition, the Unit has started the process of developing Career Progression Guidelines which are in the process of implementation. The staff morale has been relatively high and the Unit intends to implement strategies that will continue to raise the staff morale.

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Challenges

The Unit is faced by a few challenges which have the potential to impede timely realization of its strategic goals. Some of these challenges include inadequate space for expansion, inadequate revenue allocation from the Government of Kenya, and lack of modern machines in the Production Unit. My Board is committed to ensure that resources are sourced from diversified sources to ensure the Unit achieves its targets over the next financial period.

Future outlook of the organization

The outlook for 2021 is favorable with the economic growth targeted at 7.14% and with the 'Big Four Agenda' the Unit will position itself as a driver of the manufacturing agenda. The Unit intends to manufacture science equipment and materials for both Primary and Secondary schools to meet the demand of the 100% transition.

The Unit will support value addition and raise the manufacturing sector share of GDP. We envisage conducive operating environment even when the Government is implementing Competency Based Curriculum which may slow down sales. The Unit will continue with implementation of the Strategic Plan 2019-2024, Quality Management System and Performance Contracts based on sound leadership, prudent financial management, innovation, creativity and team spirit. Towards enhancing the institutional Human Resource capital the Unit will conduct capacity building for employees within their area of specialization.

Appreciation

The Unit appreciates the great financial support provided by the Government of Kenya, through the Parent Ministry, State Department of Early Learning and Basic Education, the Board of Directors for providing Strategic direction and leadership, the management team for their commitment to work as well as our Stakeholders, Business Partners and Clients for the business growth.



Chairman Board of Directors



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REPORT OF THE MANAGING DIRECTOR

Introduction

The year under review indicates that the School Equipment Production Unit (SEPU) has maintained a strong drive for result across all its Departments. The COVID-19 pandemic posed many challenges in areas of marketing due to closure of schools. During the year under review, the Unit finalized its current strategic plan and the strategies developed are being implemented that will yield positive results which will increase the revenue over the next few years.

In recognition of the critical role played by motivated staff, we continue to invest in human capital development and improvement of the terms and conditions for employees. This will help us to attract and retain highly performing human capital.

Performance Review

The Unit registered a loss of Kshs. 30,919,667 in the financial year 2019/2020 compared to a loss of Kshs. 18,840,675 in 2018/2019. In order to improve on the performance of the Unit, various strategies will be implemented such as advertising through the website and recruiting mainly sales people from different Counties who will work on commission and also advertise the products through different Medias to create awareness of the Unit's products.

Even though the Unit has been facing financial challenges, we are determined to improve on internal operations and generate revenue through effective strategies that have been set. These will be enhanced through sound leadership so that the Unit remains economically viable and contribute to the Country's growth.

Business Review

The Unit continues to grow its product portfolio in different segments through partnership with the Centre for Mathematics, Science & Technology of Education in Africa (CEMASTEIA). This partnership will ensure improvement in the production, modification and marketing of its science equipment and materials through workshops and seminars for teachers. This will also be extended to other regions. Being a Government Agency which manufactures and supplies science equipment, SEPU has had major achievements in the era of devolution as it has marketed its products through the County Governments and National Government.



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The Unit has continued to implement the Government policy toward 30% orders to the Youth, Women and Persons with Disability.

Performance Contract and Approved Budgets


SEPU entered into a negotiated performance contract for 2019/2020 with the Government of Kenya by setting targets in line with Strategic Plan 2019-2024, second medium term 2019-2024 and the approved budgets for the financial Year 2019/2020.

Strategies for improving profits and reducing organizational losses:

- 1) The Unit will uphold its Vision by ensuring that it becomes a leader in providing and supplying quality science teaching and learning materials in the region.
- 2) Finding new customers; the management has ensured that sales promotion and marketing of SEPU products to public schools, private schools and non-profit making organizations among others is done to enhance increase in revenue.
- 3) Reviewing current pricing structure; the Unit is in the process of reviewing the correct prices and costing of products and services accordingly.
- 4) Enhancing Inventory Management; the management is currently engaged in streamlining the business through control of inventory to improve cash flow, avoid money tied in slow- moving Inventory and to avoid losses that might arise as a result of expired or obsolete stock.

Appreciation

The Unit acknowledges the support provided by the Government of Kenya, through the Parent Ministry, State Department of Early Learning and Basic Education by giving us grants which have made the Unit to continue improving on its operations. We appreciate the Board of Directors for providing Strategic direction and leadership and finally the Management and all staff for working tirelessly to be where we are as well as our Stakeholders and Business Partners including our Clients for the business growth.



Managing Director



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CORPORATE GOVERNANCE STATEMENT

The Board of Management implements effective governance through processes and policies linked to the core value and ethics as stated in the code of Ethics which was revised based on Leadership and integrity Act 2012. Corporate governance is a key element contributing to School Equipment Production Unit business success.

The Board

The Board of Directors is responsible for providing overall leadership through oversight, review and guidance in addition to setting the strategic and policy direction. It is the primary decision making organ for all policy matters of the Unit. The Board is endowed with the appropriate knowledge and experience to perform its duties effectively. The areas of expertise of the Directors are as follows:

Name	Area of expertise
1) Dr. Julius O. Jwan	- Education, Leadership and Research Management (Now PS TVET)
2) Teresia Nyawira	- Education and Science Policy
3) Solomon Ngahu	- Finance and Accounting
4) Truphena Kirongo	- Education Management
5) Hilda Omwoyo	- Education Management
6) Dickson L Ole Keis	- Education Management

The Board continues to offer oversight and review matters related to their duties including the Unit's strategy, financial performance, corporate governance, ensuring maintenance of sound internal control system and risk management framework, delegation and monitoring of the authority for expenditure and commitments.

Board Composition. The Board has five (5) members: The Chairman, Representative of Principal Secretary, Ministry of Education, National Treasury, Chief Principal Kenya Technical Trainers College, Director General National Commission for Science and Technology Innovation, DG Inspectorate of State Corporations, and Managing Director, as per the Company Act Cap 486 of 1976 that established SEPU.

The role of Chairman and Managing Director.

The separate roles of the Chairman/ Chairperson and Chief Executive Officer are clearly defined in the Board Charter except for the strategic direction and general policy guidance. The Board has delegated the conduct of the day to day business to the Chief Executive Officer.

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Board Evaluation and Performance

The Annual Board evaluation has been conducted. The purpose of annual evaluation is to assess its effectiveness in discharging its mandate. The process entails a self- evaluation for each Director, the Chairperson to the Board on overall Board interactions and conduct of business, meetings and evaluation of Managing Director.

Board Committee

The Board has in place three principal committees to ensure effective discharge of its duties. These operate within well-defined terms of reference which are reviewed regularly to ensure compliance with requirements as well as relevance to business strategy. The committees report to the Full Board on all duties assigned. During the period under review, the committees in place included the Board Audit Committee & Board Finance, General Purposes & Human Resource Committee as follows;

Board Audit Committee

Members

Teresia Nyawira	-	Chairperson
Truphena Kirongo	-	Member
Solomon Ngahu	-	Member
Dickson L Ole Keis	-	Managing Director/ Secretary

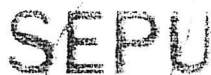
Role and function

The Audit Committee is responsible for continually evaluating the effectiveness of the internal control system and receives reports from the finance function on a quarterly basis. It reviews aspects relevant to governance, internal control procedures, risk management and internal audit. It also reviews external Auditor's report and Management responses. The Internal Audit functions reports directly to the full Board through the Board Audit Committee.

Attendance

Number of meetings held during 2019/2020

		No. of meetings held.
Teresia Nyawira	Chairperson	3 out of 4
Solomon Ngahu	Member	2 out of 4
Truphena Kirongo	Member	2 out of 4
Dickson L Ole Keis	Managing Director	3 out of 4



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Board Finance, General Purposes & Human Resource Committee

Members

Hilda Omwoyo	-	Chairperson
Solomon Ngahu	-	Member
Truphena Kirongo	-	Member
Dickson L Ole Keis	-	Managing Director/ Secretary

Role and functions Finance and General Purposes Committee

The Finance and General Purposes Committee plays a vital role in assuring the integrity of the financial statements before they are reviewed and approved by the full Board. It reviews and recommends for approval of the quarterly and annual accounts. It also undertakes the monitoring and evaluation of the implementation of strategies, policies, management performance criteria and business plans on a regular basis; ensuring the adequate resources is employed to realize the goals and objectives of the Unit. It is also charged with the role of considering the Unit's annual and supplementary budgets and recommending them to the Board for approval. The Committee assesses the adequacy and effectiveness of the internal controls and financial management procedures and overall compliance with financial regulations.

Role and functions Human Resource Committee

- i. Ensure effective Human Resource policies and strategies that support the Unit's Values, Vision, Mission and aspirations.
- ii. Review and where significant, report to the Board best practices, trends, new technologies and current emerging public policy issues in human resource matters including but not limited to Occupational Health and Safety.
- iii. Ensure the review of the position description of the Managing Director and the Board Chair's performance against corporate and personal objectives.
- iv. Carry out any other related initiatives as may be necessary or desirable to enhance Board performance, including but not limited to Board learning and development.
- v. Annually review the total compensation guidelines and philosophies covering salary, bonus, long term incentives and benefits for Management and the Unit's staff, and review the market comparator groups.
- vi. Review at least annually, and recommend to the Board for approval, the Managing Director compensation, based on the evaluation of the Managing Directors performance in light of corporate and individual objectives. Periodically review and recommend to the Board of approval, the Board's Chair total compensation package.
- vii. Assess the learning and development needs of SEPU's Directors and staff and recommend learning opportunities which can be used by them to meet their needs for development.

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For the year ended June 30, 2020

- viii. Handle disciplinary cases.
- ix. Review terms of services for staff.
- x. Review and recommend changes in remuneration for Delegates and Directors.
- xi. Carry out Recruitment and Selection.

Attendance

Number of meetings held during 2019/2020

		No. of meetings held.
Hilda Omwoyo	Chairperson	4 out of 4
Truphena Kirongo	Member	4 out of 4
Solomon Ngahu	Member	4 out of 4
Dickson L Ole Keis	Managing Director/ Secretary	4 out of 4

NOTE: There were two (2) special committee meetings that were attended by the above board members.

Full Board

Attendance

Number of meetings held during 2019/2020

		No. of meetings held.
Dr. Julius Jwan	Chairperson	3 out of 4
Hilda Omwoyo	Member	3 out of 4
Teresia Nyawira	Member	3 out of 4
Truphena Kirongo	Member	3 out of 4
Solomon Ngahu	Member	2 out of 4
Dickson L Ole Keis	Managing Director/ Secretary	3 out of 4



SCHOOL EQUIPMENT PRODUCTION UNIT

Annual Reports and Financial statements

For the year ended June 30, 2020

CORPORATE SOCIAL RESPONSIBILITY STATEMENT / SUSTAINABILITY REPORTING

The Unit emphasizes on promoting positive social and environmental change on the community where it operate to uplift the standard of living. It is also committed to social, economic and environmental sustainability.

Sustainability strategy and profile

The Unit focuses its sustainability efforts on addressing environmental, social and governance (ESG) issues, including implementing strong environmental stewardship, putting stakeholders at the center of everything we do and achieving results the right way. These commitments reflect our culture of operational excellence, high ethical standards, strict capital discipline and transparent risk management. They also demonstrate our intent to lead responsibly in any environment by ensuring waste minimization or reduction and proper disposal of wastes.

In carrying out our duties, we intend to put all our efforts towards contributing effectively and efficiently to the achievement of the national development agenda as espoused in the Kenya Vision 2030, keeping in mind the specific priorities of the School Equipment Production Unit. It will also pay special attention to implementation of Post COVID – 19 Recovery strategies and Plans.

1. Environmental Performance

SEPU pursue innovations that improve environmental performance across the production operations. This commitment to sustainability is built into the way we manage our work. Our Operational Excellence Management System establishes standards and objectives that extend from the organization level to the stakeholders, allowing our businesses to focus on the localized risks and potential environmental issues at specific operating locations. We also ensure that our employees benefit from healthier and safer working conditions.

2. Employee Welfare

The Human Resources Policy and Procedures Manual is a set of guidelines designed to assist all SEPU staff undertake their operational responsibilities without impediment or conflict as follows:-

- Policies and Procedures for Attendance
- Employee Conduct
- Use of Company Property
- Harassment and Discrimination
- Health and Safety
- Communication and expenses among others.

SCHOOL EQUIPMENT PRODUCTION UNIT

Annual Reports and Financial statements

For the year ended June 30, 2020

SEPU is guided by the Occupational Safety and Health Act (2007). The Unit's goal in Occupational Safety and Health is to proactively take preventive measures to assure employees and other stakeholders of a safe and good working environment, free of accidents injuries and ill-health.

4. Market Place Practices

(a) Responsible Competition Practices

SEPU ensures expertise in all the fields when dealing with learning institutions.

The Unit has qualified personnel in the three science subject, who ensures that the right equipment and materials are produced and supplied to schools. Quality products are distributed to schools when required.

The procurement department follows the procurement procedures and regulations during the sourcing of raw materials and finished products, and those goods are purchased at fair prices for SEPU, in case of any complaints from clients, It is recorded in a register and action is taken by the relevant officer who ensures that the client is satisfied with the action taken on his or her complain. A good relationship and communication is maintained between SEPU and her competitors and trust is ensured.

(b) Responsible Supply Chain and supplier relations.

As a Unit, we endeavor to deliver high quality products and services to our customers, and who share our commitment to business conduct that not only complies with all applicable laws and regulations governing their learning activities, but which also conforms to high ethical standards and accountability for quality, reliability, health, safety and the environment.

The discipline of supplier relationship management is observed by the Unit to help procurement officers identify critical partners, take strategic approaches to purchasing, insulate their supply chains from risk, and increase profitability.

(c) Responsible Marketing and Advertisement

SEPU markets and advertises its products through various forums. For instance, through Education magazines, face to face visits to schools, distribution of brochures with pictures of products and services offered, attending annual conferences i.e Kenya Secondary Schools Heads Association, Kenya Primary Schools Heads Association and Kenya Private Schools Association in which the Unit gets opportunity to do presentations of its product range and services and sensitize the practicing teachers on the latest products in the market recommended to be used in schools.



SCHOOL EQUIPMENT PRODUCTION UNIT

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For the year ended June 30, 2020

(d) Product Stewardship

SEPU ensures an approach to managing the environmental impacts of different scientific products and materials and at different stages in their production, use and disposal. The Unit sees to it that those involved in producing and selling of products have a shared responsibility to ensure that those products or materials are managed in a way that reduces their impact, throughout their lifecycle, on the environment and on human health and safety. This approach focuses on the product itself, and everyone involved in the lifespan of the product is called upon to take up responsibility to reduce its environmental, health, and safety impacts.

5. Community Engagements

Our commitment to stakeholders is to improve quality of learning in schools as they are central to our corporate identity. The Unit always endeavor to have a positive impact on society through improving the way teaching is done and especially application of learning and teaching aid in STEM related subjects.

Our CSR programme focuses on education as a key enabler of society transformation.

During financial year 2019/2020, the Unit supported needy schools through partnerships with education stakeholders as indicated below;

i.) Donation of 2 sets of Secondary Science Kits that is Biology, Physics and Chemistry to the following schools in Elgeyo Marakwet and Uasin Gishu Counties;

- Kemeliet Secondary School
- Kapmaso Secondary School
- Kapsiliot Girls Secondary School
- Koitugum Secondary School
- Chebai Secondary School

i.) With 100% transition from Primary to Secondary Schools CSR for communities is key to enable access to quality education by adopting CSR.

ii.) The Unit has maintained a clean environment by establishing a Committee that ensures waste is properly disposed off to enable the environment around to be clean, secure, and sustainable as per the Environmental Management Coordination Act (EMCA).



SCHOOL EQUIPMENT PRODUCTION UNIT
Annual Reports and Financial statements
For the year ended June 30, 2020

REPORT OF THE BOARD OF DIRECTORS

The directors submit their report together with the audited financial statements for the Year ended 30th June 2020 which disclose the state of affairs of the Company

Principal activities

The Principal activities of the company are Designing, Producing and Selling science educational equipment and Chemicals.

Results

The results of the company are shown on page 1

The Company's Article of Association prohibits payment of dividends.

Reserves

The Board of Directors proposes to carry forward the balance of the retained loss amounting to 18,223,887

Auditors

The Auditor General is responsible for the statutory audit of the Unit in accordance with Article 229 of the Constitution of Kenya and the Public Act 2015.

Directors

The Directors who served the company during the year were as follows:

- | | | |
|----------------------------|---|---------------------------|
| 1) Dr. Julius Ouma Jwan | Kenya Institute of Curriculum Development | - Chairman |
| 2) Mrs. Teresia Nyawira | National Commission for Science, Technology
& Innovation | - Member |
| 3) Mr. Solomon Ngahu | National Treasury & Planning | - Member |
| 4) Mrs. Truphena Kirongo | Ministry of Education | - Member |
| 5) Mrs. Hilda Joyce Omwoyo | Kenya Technical Teachers College | - Member |
| 6) Mr. Dickson L. Ole Keis | School Equipment Production Unit | - Chief Executive Officer |

SCHOOL EQUIPMENT PRODUCTION UNIT
Annual Reports and Financial statements
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STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Companies Act requires the Directors to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the Operating results of the Company for that year. It also requires the Directors to ensure that the Company keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the Company. They are also responsible for safeguarding the assets of the Company.

The Directors accept responsibility for the annual financial statements that have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in Conformity with International accounting standards and the requirements of the Companies Act. The Directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Company. The Directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

Nothing has come to the attention of the directors to indicate that the Company will not remain a going concern for at least twelve months from the date of this statement.

The financial statements were approved by the Board of directors on 31/8/ 2020 and signed on its behalf by:



Chairman Board of Directors



Managing Director/ Secretary to the Board

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
E-mail: info@oagkenya.go.ke
Website: www.oagkenya.go.ke



HEADQUARTERS
Anniversary Towers
Monrovia Street
P.O. Box 30084-00100
NAIROBI

REPORT OF THE AUDITOR-GENERAL ON SCHOOL EQUIPMENT PRODUCTION UNIT FOR THE YEAR ENDED 30 JUNE, 2020

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of School Equipment Production Unit set out on pages 1 to 19, which comprise the statement of financial position as at 30 June, 2020, and the statement of profit and loss and comprehensive income, statement of changes in equity and statement of cash flows, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the School Equipment Production Unit as at 30 June, 2020, and of its financial performance and its cash flows for the year then ended, in accordance with International Financial Reporting Standards and comply with the Companies Act, 2015 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Encroached Land - Property, Plant and Equipment

As previously reported, the property, plant and equipment balance of Kshs.95,178,293 as at 30 June, 2020 includes land at a cost of Kshs.63,000,000 situated at Imara Daima Estate, Industrial area and is registered under the Unit's name. However, although the land was allocated to the Unit in 1996, the Unit has not been able to develop it due to subsequent encroachment by informal settlers. The Management has however sought for assistance from the National Land Commission to claim their land by evicting the informal settlers to develop the land. No response has been provided to indicate the progress by the end of the year.

In the circumstances, the accuracy and validity of the property, plant and equipment valued at Kshs.63,000,000 as at 30 June 2020 cannot not be confirmed.

2. Unsupported Receivables and Prepayments

As previously reported, the receivables and prepayments balance of Kshs.78,026,728 as at 30 June, 2020, includes debts totalling to Kshs.33,733,086 out of which

Kshs.22,680,639 or 67% have been outstanding for more than ten (10) years and whose supporting documents were not provided for audit review. The balance of Kshs.78,026,728 includes Kshs.75,086,881 or 96% due from the Ministry of Education-State Department for Early Learning and Basic Education but the same was not reflected as a pending bill in the State Department financial statements for the year then ended 30 June, 2020. Management has however, indicated that a fire broke out in the Unit's headquarters in 2007 and destroyed supporting schedules relating to receivables and therefore, recovery of debtors has been affected by lack of evidence. Although a provision for bad and doubtful debts of Kshs.30,793,239 has been provided in the accounts, the appears insufficient considering the absence of verifiable audit evidence due to the fire outbreak.

Further, the receivables balance of Kshs.78,026,728 includes staff advances balance of Kshs.1,030,317 out of which Kshs.840,438 or 82% relate to staff advances due from employees who have since left the service while others are deceased.

In the circumstances, the accuracy and full recovery of the receivables and prepayments balance of Kshs.78,026,728 as at 30 June, 2020 could not be confirmed.

3. Unsupported Trade and Other Payables

As previously reported, trade and other payables balance of Kshs.30,050,509 includes trade payables balance of Kshs.12,247,808 out of which a balance Kshs.7,209,565 or 59% has been outstanding for more than ten (10) years and whose supporting documents were not provided for audit review. Management indicated that a fire broke out in the Unit's Headquarters in 2007 and destroyed supporting schedules relating to the payables. The Management also placed advertisement in the daily newspapers in November, 2016 to inform relevant creditors to present documents supporting the services offered to the Unit but with little success.

In the circumstances, the validity and accuracy of the trade and other payables balance of Kshs.30,050,509 as at 30 June, 2020 could not be confirmed.

4. Variance in Investment (Call Deposit) Balance

As disclosed in Note 18 to the financial statements, the statement of financial position reflected an investment (call) deposit balance of Kshs.5,550,687. The balance is supported by a schedule that reflects a balance of Kshs.5,554,400 while the bank confirmation certificate balance of Kshs.5,631,142. The variances between the three sets of records have not been explained or reconciled.

Consequently, the accuracy and completeness of the investment (call deposit) balance of Kshs.5,550,687 as at 30 June, 2020 could not be confirmed

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the School Equipment Production Unit Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe

that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of Matter

Material Uncertainty on Going Concern

I draw attention to Note 13(b) to the financial statements on the going concern of the Unit. The Unit registered a loss of Kshs.30,919,667 (2019 loss Kshs.18,840,675) thereby reducing the retained earnings from Kshs.12,695,780 to negative Kshs.18,223,887 as at 30 June, 2020. The turnover also reduced to Kshs.25,941,535 from Kshs.52,241,430 recorded in 2018/2019. The Unit financial performance is therefore on a downward trajectory. The above is an indication of the existence of a material uncertainty which may cast a significant doubt on the Company's ability to continue as a going concern and to meet its obligations as and when they fall due. The existence of the company is dependent on the assumption that the Company will continue to receive financial support from the shareholders and its creditors.

My opinion is not modified in respect of the effects of the above matters.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, are of most significance in the audit of the financial statements. There are no key audit matters to report in the year under review.

Other Matter

1. Budget Control and Performance

The statement of comparative budget and actual amounts reflects final receipts budget and actual on comparable basis of Kshs.96,200,000 and Kshs.41,166,998 respectively resulting to an under-funding of Kshs.55,033,002 or 57% of the budget. Similarly, the Unit expended Kshs.54,236,979 against an approved budget of Kshs.82,300,000 resulting to an under-expenditure of Kshs.28,063,021 or 34% of the budget.

The underfunding and underperformance affected the planned activities and may have impacted negatively on service delivery to the stake holders of the Unit.

2. Unresolved Prior Year Matters

In the previous audit report, several issues were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in Use of Public Resources, and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, the Management has not resolved a number of issues or given any explanation for failure to adhere to the provisions of the Public Sector Accounting Standards Board templates and The National Treasury's Circular Ref:AG.4/16/3 Vol.1(9) dated 24 June, 2020.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, I confirm that, nothing has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

The audit was conducted in accordance with ISSAI 4000. The standard requires that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements are in compliance, in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed except for the matters described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that, nothing else has come to my attention to cause me to believe that internal controls, risk management and overall governance were effective.

Basis for Conclusion

Lack of Reports on Effectiveness of Internal Controls Systems and Risk Management

The Unit does not have an internal audit function in place. However, the department is provided for in the Unit's organizational structure where the head of the unit should report directly to the Board of Directors to ensure that internal audits is independent and conducted audits in accordance with international best practices. Management has however, indicated that an internal advertisement for the vacant post was done and interviews conducted but none was successful. The Management has further indicated that they are in the process of re-advertising to the general public to apply.

Further, the Mwongozo Code of Governance for State corporations provides that the Board shall receive from the internal audit function, a written assessment of the effectiveness of the systems of internal controls and risk management. The Unit however, has no internal audit function to assess and report on the effectiveness of the systems of internal controls and undertake risk management.

Consequently, the effectiveness of internal controls systems and risk management in the Unit could not be confirmed.

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal control, risk management and overall governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by the Kenya Companies Act, 2015, I report based on my audit, that:

- (i) I have obtained all the information and explanations which, to the best of my knowledge and belief were necessary for the purpose of the audit;
- (ii) In my opinion, proper books of account have been kept by the Unit, so far as appears from my examination of those books; and,
- (iii) The Unit's statement of financial position and statement of profit and loss and comprehensive income are in agreement with the books of account

Responsibilities of Management and the Board of Directors

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and for maintaining effective internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal control, risk management and overall governance.

In preparing the financial statements, Management is responsible for assessing the Unit's ability to continue as a going concern disclosing, as applicable, matters related to going concern and using the applicable basis of accounting unless Management is aware of the intention to liquidate the Unit or cease operations.

Management is also responsible for the submission of the financial statements to the Auditor-General in accordance with the provisions of Section 47 of the Public Audit Act, 2015.

In addition to the responsibility for the preparation and presentation of the financial statements described above, Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities which govern them, and that public resources are applied in an effective way.

The Board of Directors is responsible for overseeing the financial reporting process, reviewing the effectiveness of how the entity monitors compliance with relevant legislative

and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement and weakness when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and overall governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.


Because of its inherent limitations, internal control may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the Unit's policies and procedures may deteriorate.

As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Unit to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

I communicate with the Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that are identified during the audit.

I also provide Management with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.


Nancy Gathungu
AUDITOR-GENERAL

Nairobi

10 November, 2021

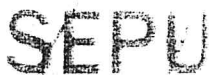


SCHOOL EQUIPMENT PRODUCTION UNIT
Annual Reports and Financial statements
For the year ended June 30, 2020

**STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR
 ENDED 30 JUNE 2020**

REVENUES		2020	2019
	Notes	Kshs	Kshs
Turnover	[2]	25,941,535	52,241,430
		25,941,535	52,241,430
Less cost of Sales	[3]	(17,849,686)	(27,650,892)
Gross Profit		8,091,849	24,590,538
Grants	[4a]	14,900,000	19,700,000
Investment income (Interest on Investment)	[5]	325,463	1,750,897
Total Gross Income		23,317,312	46,041,435
EXPENDITURE			
Establishment Expenses	[6]	(996,768)	(2,232,077)
Board Expenses	[7]	(2,313,026)	(3,995,080)
Staff Costs	[8]	(28,224,577)	(26,884,339)
Operating Expenses	[9]	(9,721,100)	(14,389,918)
Other Operating Expenses	[10]	(1,832,872)	(4,047,951)
Selling expenses	[11]	(11,049,649)	(13,180,648)
Finance Costs	[12]	(98,987)	(152,097)
Total Expenses		(54,236,979)	(64,882,110)
Loss for the year		(30,919,667)	(18,840,675)
Less Corporation Tax		-	-
Loss for the year		(30,919,667)	(18,840,675)

The significant accounting policies and the notes set out on pages 7 to 19 forms an integral part of these financial statements



SCHOOL EQUIPMENT PRODUCTION UNIT
Annual Reports and Financial statements
For the year ended June 30, 2020

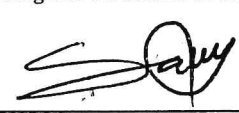
STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2020

ASSETS	NOTE	2020	2019
Non current assets		Kshs	Kshs
Property, Plant & Equipment	[14]	95,178,293	93,350,238
		95,178,293	93,350,328
Current assets			
Inventories	[15]	15,048,305	17,400,012
Receivables & Prepayments	[16]	78,026,728	84,054,800
Cash and bank balance	[17]	908,717	2,536,288
Investment (Call Deposit)	[18]	5,550,687	22,231,649
TOTAL ASSETS		194,712,730	219,572,987
CAPITAL & RESERVES			
Retained Earnings	[19.i]	(18,223,887)	12,695,780
Revaluation Reserve	[19.ii]	67,633,650	67,633,650
Capital Reserves	[19.iii]	71,085,064	71,085,064
Deferred Special Grant	[19.iv]	44,167,394	44,167,394
TOTAL CAPITAL AND RESERVES		164,662,221	195,581,888
LIABILITIES			
Current Liabilities			
Trade & other Payables	[20]	30,050,509	23,991,099
TOTAL CAPITAL RESERVES & LIABILITIES		194,712,730	219,572,987

The Financial Statements set out on pages 1 to 6 were signed on behalf of the Board of Directors on 31 / 08/ 2020 by:

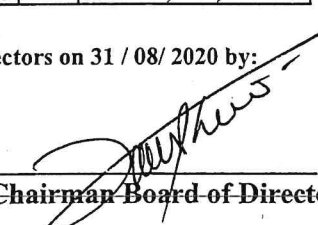

Managing Director/ C.E.O

Name: **DICKSON L. OLE KEIS**


Ag. Head of Finance & Accounts

Name: **SALOME A. ODEK**

ICPAK M/NO: 21822


Chairman Board of Directors

Name **DR. JULIUS OUMA JWAN**

The significant accounting policies and the notes set out on pages 7 to 19 forms an integral part of these financial statements.

SCHOOL EQUIPMENT PRODUCTION UNIT
Annual Reports and Financial statements
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STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2020

	Retained earnings Kshs	Revaluation Reserves Kshs	Capital Reserves Kshs	Deferred Special Grant Kshs	Total Kshs
Balance as at 01.07.2017	60,103,721	67,633,650	69,993,064	78,015,836	275,746,271
Provision for Corporation tax (Adjusted)					
Government Development Grant	-	-	1,092,000	-	1,092,000
Differed Special Grant Utilized	-	-	-	(16,924,221)	(16,924,221)
Loss for the period	(28,567,266)RE	-	-	-	(28,567,266)RE
Balance as at 30.06.2018	31,536,455	67,633,650	71,085,064	61,091,615	231,346,784
Balance as at 01.07.2018	31,536,455	67,633,650	71,085,064	61,091,615	231,346,784
Government Development Grant	-	-	-	-	-
Differed Special Grant Utilized				(16,924,221)	(16,924,221)
Loss for the period	(18,840,675)	-	-	-	(18,840,675)
Balance as at 30.06.2019	12,695,780	67,633,650	71,085,064	44,167,394	195,581,888
Balance as at 01.07.2019	12,695,780	67,633,650	71,085,064	44,167,394	195,581,888

SCHOOL EQUIPMENT PRODUCTION UNIT
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Government Development Grant					
Differed Special Grant Utilized		-	-	-	-
Loss for the period		(30,919,667)			(30,919,667)
Balance as at 30.06.2020		(18,223,887)	67,633,650	71,085,064	44,167,394
					164,662,221

NOTE:

Capital reserve represents:

The accumulated grants and loans received from/ or through the Kenya Government net of accumulated trading losses prior to incorporation in 1976.

The Loss realised in the current period is Kshs. 30,919,667.00

The management of SEPU has set up various strategies focused on reducing Company's losses as follows;

- Reducing overall direct costs by negotiating better prices on raw materials and direct importation of finished goods such as glass wares and other lab equipment.
- Finding new customers; the management has ensured that sales promotion and marketing of SEPU products to public schools, private schools and non-profit making organization is done to generate additional revenue.
- Reviewing current pricing structure; the Unit is in the process of reviewing the correct prices and costing of products and services accordingly.
- Controlling Inventory; the management is currently engaged in streamlining the business through control of inventory to improve cash flow, avoid money tied in slow- moving inventory and to avoid losses that might arise as a result of expired or obsolete stock.



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STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2020

		2020	2019
	Notes	Kshs	Kshs
Loss before taxation		(30,919,667)	(18,840,675)
Add Depreciation for the year	[14]	1,433,020	1,586,069
Cash flows from operating activities		(29,486,647)	(17,254,606)
Less: Investment Income		(325,463)	(1,750,897)
		(29,812,110)	(19,005,503)
Changes in Working Capital			
Increase/(Decrease) in operating assets:			
Increase/ Decrease in Receivables & Prepayments		5,921,806	(1,830,711)
Increase/ Decrease in Payables & Accruals		6,059,410	3,997,693
Increase/(Decrease) in inventory		2,351,708	6,215,533
		14,332,924	8,382,515
Tax paid			
Net cash flows from operating activities		(15,479,186)	(10,622,988)
Cash flows from Investing activities			
Purchase of Property plant & Equipment	[14]	(303,448)	(2,939,980)
Add: Investment income	[5]	325,463	1,750,897
Net Cash Generated from Investing activities		22,015	(1,189,083)
Cash flows from Financing activities			
Increase/(Decrease) in Deferred Special Grant		(2,851,362)	(21,979,627)
Development Grant			
Net Cash Generated from Financing activities		(2,851,362)	(21,979,627)
Net increase/(decrease) in cash and cash equivalents		(18,308,533)	(33,791,698)
Cash and cash equivalents at 1st July 2019		24,767,937	58,559,635
Cash and cash equivalents at 30 June, 2020	[17 i.]	6,459,404	24,767,937

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STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30 JUNE 2020

	Original budget 2019-2020	Adjustments 2019-2020	Final budget 2019-2020	Actual on comparable basis 2019-2020	Performance difference 2019-2020	% Variance	Performance Variance
Revenue	Kshs	Kshs	Kshs	Kshs	Kshs	%	
Sale of goods	65,000,000	65,000,000	65,000,000	25,941,535	39,058,465	-60.09	Due to Covid-19
Sale of services	-	-	-	-	-	-	
Transfers from the Government	30,000,000	30,000,000	30,000,000	14,900,000	15,100,000	-50.3	Budgeted Grants not received
Finance Income	1,200,000	1,200,000	1,200,000	325,463	874,537	-72.88	Reduction in principle amount invested
Total income	96,200,000	96,200,000	96,200,000	41,166,998	55,033,002	57.21	
Expenses							
Compensation of employees	27,950,000	27,950,000	27,950,000	28,224,577	(274,577)	-0.098	
Use of goods and services	-	-	-	-	-	-	
Finance cost	200,000	200,000	200,000	98,987	101,013	50.51	Increased number of transactions
Rent paid	-	-	-	-	-	-	
Taxation paid	-	-	-	-	-	-	
Other Payments	54,150,000	54,150,000	54,150,000	25,807,149	28,342,851	52.34	
Grants and subsidies paid	-	-	-	-	-	-	
Total expenditure	82,300,000	82,300,000	82,300,000	54,130,713	28,169,287	34.23	
Surplus for the period	13,900,000	13,900,000	13,900,000	(12,963,715)	26,863,715		



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NOTES TO THE FINANCIAL STATEMENTS

[1.] Summary of Significant accounting Policies

The principle accounting policies adopted in the preparation of these financial statements are set out below:

These policies have been consistently applied to all years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with and comply with international Financial Reporting Standards (IFRS) for Small and Medium Sized Entities.

Critical Judgements and Estimates

In the process of applying the IFRS for SME, the directors are required to use certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Estimates and judgments are continually evaluated and are based on the directors' best knowledge of current events and actions and other factors including expectations of future events that are believed to be reasonable under the circumstances, although actual results may differ from those estimates

Basis of accounting

The financial statements have been prepared under the historical cost convention basis of accounting. The principal accounting policies adopted remain unchanged from previous year and are set out below:

Revenue recognition

Revenue is recognized to the extent that it is probable that future economic benefits will flow to the company and the revenue can be reliably measured. Revenue is recognized at fair value of consideration received or expected to be received in the ordinary course of the company's activities, net of value-added tax (VAT), where applicable, and when specific criteria have been met for each of the company's activities as described below;

- i) **Revenue from the sale of goods and services** is recognized in the year in which the company delivers products to the customer, the customer has accepted the products and collectability of the related receivables is reasonably assured.
- ii) **Grants from National Government** are recognized in the year in which the company actually receives such grants. Grants for development projects are treated as deferred income as per IAS 20.

Currency

The accounts are prepared in Kenya shillings (Kshs) which is the official currency of the republic of Kenya.

Accounting period

The Company prepares its accounts for 12 months period ending 30th June every year

Country of incorporation and registered office

The company is incorporated in Kenya under the Companies Act and domiciled in Kenya.



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Depreciation

Fixed assets are stated at historical cost less accumulated depreciation.

Depreciation is calculated on reducing balance method to write off the cost (carrying values) of each asset to their residual values over their estimated useful lives as follows:

Depreciation rates applicable

Buildings	2.5%
Motor Vehicles	25%
Computers & Accessories	30%
Machinery & Equipment	15%
Furniture & Fittings	12.5%

Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents comprise cash in hand balances and deposits held at call with banks.

Other Reserves

The Capital reserves represents the accumulated grants and loans received from/or through the Kenya Government net of accumulated trading losses prior to incorporation in 1976 and after incorporation.

Inventories

Stock and work in progress are stated at the lower of cost and net realisable value. Cost comprises the cost of raw materials and attributable to production overheads appropriate to the location and condition of the stock at the balance sheet date. Stock consists of stock taking as at 30th June 2020.

Comparatives

Comparative figures have been recorded to conform to changes in presentation in the current period.

Financial risk management objectives and policies

The company's activities expose it to a variety of financial risks, which involves receivables, payables and cash and cash equivalents. The company's overall risk management programme focuses on the unpredictable conditions by the unit which seeks to minimise potential adverse effects on its financial performance.

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i.) Credit risk

This is a risk of financial loss to the company whereby a customer of a financial instrument fails to meet its contractual obligations, and arises mainly from the company's receivables with the customers. The amount that best represents the company's maximum exposure to credit risk as at 30th June 2020 and 30th June 2019 is as shown below:

	30 June, 2020 Kshs.	30 June, 2019 Kshs.
Receivables & Prepayments	78,026,728	84,054,800
Cash and cash equivalent	6,459,404	24,767,937

Revenue recognition

Revenue is recognized only when the unit has substantially completed a revenue generation process that is revenue is recorded when it is earned.

ii.) Liquidity risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due.

The unit implements prudent liquidity risk management which involves maintaining sufficient cash to meet company's obligations.

The unit has been experiencing financial problems which have not enabled it to maintain adequate cash balances in the bank.

The amount of trade and other payables of the unit as 30th June 2020 and 30th June 2019 are as below:

	30 June, 2020 Kshs.	30 June, 2019 Kshs.
Trade & Other Payables	30,050,509	23,991,099

iii.) Market risk

Market risk is the risk that the value or future cash flows of financial instruments will fluctuate because of changes in market price and comprises three types of risks; currency risk, interest rate risk and other price risk.

iv.) Interest rate risk

SEPU's interest rate risk arises from short term bank deposits or investment on call deposit because of changes in market interest rates

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NOTES TO THE FINANCIAL STATEMENTS (Continued.)

v) Currency risk

Currency risk arises on financial instruments that are denominated in foreign currency. SEPU has no trade receivables, nor trade payables, nor borrowings which are denominated in foreign currency as at the reporting date.

Related Party Disclosures

The unit regards a related party as a person with ability to exert control individually or jointly, or to exercise significant influence over the unit or vice versa.

i.) Government of Kenya

The government of Kenya is a related party to the unit as it provides the unit with various grants including;

Recurrent grant and Development grant as below:

	30/06/2020 Kshs	30/06/2019 Kshs
Recurrent grant	14,900,000	19,700,000
Development grant	=	=
	<u>14,900,000</u>	<u>19,700,000</u>

ii.) Directors Remuneration

Allowance and other expenses	2,313,026	3,995,080
------------------------------	-----------	-----------

Contingencies

The unit does not recognize a contingent liability, but discloses details of any contingencies in the notes to the financial statements. Contingent liabilities are assessed by the unit to ensure that the provisions are made after the contingency is valued.

The following is the contingency which exists within the unit that is in progress;

i.) Imara Daima Land at Industrial Area encroached by squatters

SEPU was allocated land by the Government of Kenya that has not been developed as a result of financial challenges. This resulted to the land being encroached by squatters. Efforts to evict them have been fruitless as the squatters have resisted to be evicted. The Management of SEPU is in the process of reclaiming the land as the matter is being addressed by the Chairman National Land Commission on behalf of SEPU.

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

	2020	2019
	Kshs	Kshs
[2] Turnover		
Turnover for the year	25,987,135	52,531,240
Less sales Returns	<u>(45,600)</u>	<u>(289,810)</u>
Net Turnover	<u>25,941,535</u>	<u>52,241,430</u>
The turnover for the current period went down compared to the previous period due to the effects of Covid – 19 pandemic that led to closure of all schools.		
[3] Cost of Sales		
Opening stock	17,400,012	23,615,545
Add-purchases	15,497,979	21,435,359
Less- closing Stock	<u>(15,048,305)</u>	<u>(17,400,012)</u>
	<u>17,849,686</u>	<u>27,650,892</u>
[4] Government Grants		
a. Recurrent Grant	14,900,000	19,700,000
b. Development Grant	-	-
[5] Investment Income		
Interest earned	<u>325,463</u>	<u>1,750,897</u>
	<u>325,463</u>	<u>1,750,897</u>

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	2020	2019
	<u>Kshs</u>	<u>Kshs</u>
[6] Establishment Expenses		
Repairs & maintenance of Equipment & Building	103,199	460,976
Motor vehicle running expenses & repairs	893,569	1,771,101
	<u>996,768</u>	<u>2,232,077</u>
[7] Board Expenses		
Sitting Allowance	1,120,000	1,740,000
Honoraria	640,000	960,000
Lunch & Snacks	317,026	330,280
Transport	156,000	30,000
Training	80,000	934,800
	<u>2,313,026</u>	<u>3,995,080</u>
[8] Staff Costs		
Salaries & wages	25,197,396	23,436,115
Staff welfare	1,513,271	1,758,815
Leave travelling allowance	144,000	136,000
Pension Expenses- employer's contribution	587,283	523,804
Staff medical expense	782,627	1,029,605
Insurance premiums (Medical)	-	-
	<u>28,224,577</u>	<u>26,884,339</u>
[9] Operating Expenses		
Telephone Expenses	593,091	515,832
Printing and stationery	443,909	234,387
Insurance premiums (Assets)	176,788	182,237
Travelling & subsistence (Local & Foreign)	4,434,865	7,394,580
Subscriptions and Donations	256,850	175,900
Office expenses	2,082,908	3,572,199
Training & recruitment	198,800	553,935
Electricity & water	415,760	447,925
Secondary school science kit	-	60,000
IT Expenses	339,855	410,350
Security services	542,274	495,573
Team Building & End of Year Party	236,000	347,000
	<u>9,721,100</u>	<u>14,389,918</u>

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	2020 Kshs	2019 Kshs
[10] Other Operating Expenses		
Audit fees	-	661,897
Professional & Legal fees	399,852	1,799,985
Depreciation Expense	1,433,020	1,586,069
Restructuring Expenses	-	-
Tax Expenses	-	-
	1,832,872	4,047,951
[11] Selling expenses		
Advertising, sales promotion & marketing	10,020,523	8,114,498
Packaging materials (Stores Expenses)	3,430	21,363
Transport-Despatch & postage	1,025,696	5,044,787
	11,049,649	13,180,648
[12] Finance Costs		
Bank charges	98,987	152,097
	98,987	152,097
[13] a.) Corporation Tax		
Loss for the year	(30,919,667)	(18,840,675)
Tax for the year (30%)	-	-

N/B; In this financial year, corporation taxes were not paid due to losses.

b.) Going Concern

The loss of **Kshs. 30,919,667** from a loss of **Kshs. 18,840,675** was attributed by;

Low funding from the parent ministry (Ministry of Education), Reduced sales revenue due to Covid -19 pandemic which forced schools to close down from March 2020 and change of curriculum.

Going forward, we have requested the ministry to increase funding and realign the Unit Act to be in tandem with the current curriculum where more functions of ministry to be directed to the Unit.

SCHOOL EQUIPMENT PRODUCTION UNIT

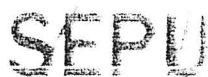
Annual Reports and Financial statements

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[14]	PROPERTY, PLANT & EQUIPMENT								
		Land	Buildings	Motor vehicles	Computers & Accessories	Machinery & Equipment	Furniture & Fittings	TOTAL	
			2.50%	25%	30%	15%	12.50%		
		Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.
	COST								
	Balance as at 01.07.2018	63,000,000	35,074,533	3,321,155	1,425,048	9,568,136	967,300		113,356,172
	Additions	-	-	-	146,950	2,328,520	464,510		2,939,980
	Disposal	-	-	-	-	-	-		-
	Balance as at 30.06.2019	63,000,000	35,074,533	3,321,155	1,425,048	9,568,136	967,300		116,296,152
	DEPRECIATION								
	Balance as at 01.07.2018	-	5,200,246	2,977,663	1,010,647	8,984,801	246,236		18,419,593
	Charge for the year	-	746,857	85,873	168,405	436,737	148,197		1,586,069
	Balance as at 30.06.2019	-	5,947,103	3,063,536	1,179,052	9,421,538	394,433		20,005,662
	NET BOOK VALUE								
	Balance as at 30.06.2019	63,000,000	29,127,430	257,620	245,996	146,325	572,867		93,350,238
	Balance as at 30.06.2018	63,000,000	29,874,287	343,493	414,401	583,062	721,064		94,936,307
		Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.		Kshs.

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

	2020	2019
	Kshs	Kshs
[15] Inventories		
Chemical Stocks	1,408,186	824,860
Equipment stocks	8,926,648	12,379,034
Workshop stocks	2,936,217	4,196,118
Work in Progress (W.I.P)	1,777,253	-
	15,048,304	17,400,012
[16] Receivables & Prepayments		
Trade Receivables	32,702,769	33,942,817
Other Current Assets		
Staff Advances	1,030,317	982,040
	33,733,086	34,924,857
Less: Provision for doubtful debts	(30,793,239)	(25,956,938)
	2,939,847	8,967,919
Add Receivable from Ministry of Education	75,086,881	75,086,881
Total Net Debtors	78,026,728	84,054,800
The receivable from Ministry of Education represent the amount of down payment to Vulcan Lab Equipment. After the court ruling, the Kshs. 70,000,000 was transferred to National Treasury.		
[17] Cash & Bank balances		
Kenya Commercial Bank Limited	596,982	2,350,773
National Bank of Kenya Limited	288,091	145,232
Co - operative Bank (Haba na Haba)	444	2,067
Cash at Hand	23,201	38,216
	908,717	2,536,288
[17 i.] Cash and Cash Equivalents		
Cash and Cash Equivalents consist of cash on hand, cash at bank and Investments.		
Cash in hand and at bank	908,717	2,536,288
Investment (Call Deposit) (18)	5,550,687	22,231,649
Cash and Cash Equivalents	6,459,404	24,767,937

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

	2020 Kshs	2019 Kshs
[18] Investment (Call Deposit)		
Co-operative Bank of Kenya Limited	5,550,687	22,231,649
	<u>5,550,687</u>	<u>22,231,649</u>
19 i.) Retained Earnings		
Retained Earnings	12,695,780	31,536,455
Loss	(30,813,401)	(18,840,675)
	<u>(18,117,621)</u>	<u>12,695,780</u>
ii.) Revaluation Reserve		
Revaluation Reserve on land	63,000,000	63,000,000
Revaluation Reserve on Buildings	<u>4,633,650</u>	<u>4,633,650</u>
	<u>67,633,650</u>	<u>67,633,650</u>
iii.) Capital & Reserves		
Opening balance		
Government Development Grant	71,085,064	71,085,064
	-	-
	<u>71,085,064</u>	<u>71,085,064</u>
The accumulated grants and loans received from/ or through the Kenya Government net of accumulated trading losses prior to incorporation in 1976.		
iv.) Deferred Special Grant		
Opening balance	44,167,394	61,091,615
Development Grant utilized	-	(16,924,221)
	<u>44,167,394</u>	<u>44,167,394</u>
[20] Trade & Other Payables		
Trade Payables	12,247,808	8,239,115
Accrued Audit Fees	350,000	350,000
Retirement benefits (pensions)	816,066	816,066
Provision for Dividend to National Treasury	1,500,000	1,500,000
Gratuity for Pension Scheme	1,404,070	1,404,070
National Social Security Funds (Penalty – FY;2004)	480,000	-
Provision for Corporate tax	11,681,848	11,681,848
M. Korongo & Advocates	1,570,717	-
	<u>30,050,509</u>	<u>23,991,099</u>

APPENDIX 1: PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor. We have nominated focal persons to resolve the various issues as shown below with the associated time frame within which we expect the issues to be resolved.

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1.	Receivables and Prepayments	The long outstanding debts are waiting to be written off as the management seeks the authority from National Treasury.	Salome A. Odek Head of Finance & Accounts	Not resolved In progress	30 th June 2021
2.	Trade and Other Payables	The long outstanding trade and other payables are waiting to be written off as the management seeks the authority from National Treasury.	Salome A. Odek Head of Finance & Accounts	Not resolved In progress	30 th June 2021
3.	Land	Management written to Commissioner of Lands concerning land recovery.	Mr. Dickson L. Ole Keis Managing Director	Not resolved In progress	30 th June 2021
4.	Supply of School Equipment	i.) The court case of Vulcan Lab Equipment was concluded. ii.) The accounts receivable of Kshs. 75,086,881 is not yet finalized.	Mr. Dickson L. Ole Keis Managing Director	i.) Resolved ii.) Not Resolved, in progress	i.) 30 th June 2020 ii.) 30 th June 2021

Managing Director/ C.E.O

Date.....31/8/2020.....

Ag. Head of Finance & Accounts

Date.....31/8/2020.....

Chairman Board of Directors

Date.....31/8/2020.....

**Break Down of Transfers From State Department of Early Learning & Basic Education
(Ministry of Education)**

FY 2019/2020

a. Recurrent Grants				
		<u>Bank Statement Date</u>	<u>Amount (KShs)</u>	<u>FY to which amounts relate</u>
	Kenya Commercial Bank	15/08/2019	3,725,000.00	2019/20
	Kenya Commercial Bank	30/10/2019	3,725,000.00	2019/20
	Kenya Commercial Bank	28/01/2020	3,725,000.00	2019/20
	Kenya Commercial Bank	23/04/2020	3,725,000.00	2019/20
		Total	14,900,000.00	
b. Development Grants				
		<u>Bank Statement Date</u>	<u>Amount (KShs)</u>	<u>FY to which amounts relate</u>
	Kenya Commercial Bank	-	-	-
		Total	-	-

The above amounts have been communicated to and reconciled with the parent Ministry.

Ag. Head of Finance & Accounts (SEPU)

Date.....31/8/2020.....



Head of Accounting Unit

Ministry of Education

Date.....31/8/2020.....

