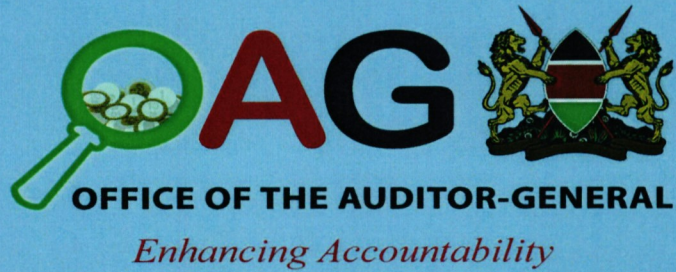


REPUBLIC OF KENYA



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**REPORT**

**OF**

**THE AUDITOR-GENERAL**

**ON**

**STATE DEPARTMENT FOR  
EARLY LEARNING AND  
BASIC EDUCATION**

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



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**MINISTRY OF EDUCATION  
STATE DEPARTMENT FOR EARLY LEARNING AND BASIC EDUCATION**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED  
30 JUNE 2020**

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**Prepared in accordance with the Cash Basis of Accounting Method under the International Public Sector  
Accounting Standards (IPSAS)**

**MINISTRY OF EDUCATION**  
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**I. KEY ENTITY INFORMATION AND MANAGEMENT**

**(a) Background information**

The Ministry of Education was established through the Presidential Executive Order No. 1 of June 2018 (Revised) on “Organization of the Government of the Republic of Kenya”. The order created four State Departments namely; Early Learning and Basic Education, Vocational and Technical Training, University Education and Research and Post-Training and Skills Development. Each of the State Departments is headed by a Principal Secretary.

The Ministry is headed by the Cabinet Secretary for Ministry of Education, Prof George A.O. Magoha, CBS who is responsible for the overall policy and strategic direction of the entity.

The Cabinet Secretary is assisted by two Chief Administrative Secretaries; namely Ms Mumina Bonaya and Zack Kinuthia

The State Departments under Ministry of Education are outlined below;

- (i)** The State Department of Early Learning and Basic Education whose Principal Secretary is Dr. Belio R. Kipsang, CBS
- (ii)** The State Department for Vocational and Technical Training headed by Dr. Julius Jwan,
- (iii)** The State Department for University Education and Research is headed by Amb. Nabukwesi,
- (iv)** The State Department for Post-Training and Skills Development is headed by Mr. Alfred Cheruiyot

The accompanying financial statements constitute the financial statements for the State Department of Early Learning and Basic Education.

The vision, mission, core values and core function of the **State Department of Early Learning and Basic Education** under **Ministry of Education** include:

**Vision**

Quality and inclusive education, training and research for sustainable development

**Mission**

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To provide, promote and coordinate competence based equitable learner centered education and training and research for sustainable development

**Mandate**

The sub sector has the mandate of provision of basic education to all citizens while addressing the demands of the Constitution, Kenya Vision 2030 and the Sustainable Development Goals. In so doing, the sub sector is mandated to: develop strategies to address internal efficiencies in the education system; improve financial management and accountability; and to make education in the country more inclusive, relevant and competitive regionally and internationally. In order to execute this mandate, the sub sector is organized into administration and technical departments with specific functions in the delivery of education and training services under four programs of (i) primary education; (ii) secondary education; (iii) quality assurance and standards and (iv) general administration, planning and support services.

**Core Values**

**Access and equity** - Every Kenyan has a right to access quality and relevant education and training. The State Department shall therefore create an enabling environment, opportunities and mechanisms to provide pathways to those seeking to pursue quality education at all levels.

**Inclusivity and respect for cultural and social diversity**- National values shall be respected and promoted in all Education institutions and this includes principles that pay attention to the people with disability and respect human dignity while ensuring equity, equality and protection of marginalized learners.

**Non-discrimination** - There shall be no discrimination on grounds of race, colour, gender, religion, national or social origin, economic status, political or other opinions.

**Quality and Relevance** - Emphasis shall be placed on demand driven and outcome based education.

**Life-long Learning** - The education programmes will be designed to operate within a framework of open-ended and flexible structures in the context of lifelong education and training.

**Entrepreneurship Culture**—Education examination and competence assessment shall be centred on promoting and developing innovation, creativity and entrepreneurial minds for self-reliance.

**Partnerships** -Creating and promoting an enabling environment for Public-Private Partnerships for enhancing investment in delivery of education.

**Information and Communication Technology**- Promoting integration of information and communication technology

**Core Functions**

The core functions of the State Department of Early Learning and Basic Education include:

- a) Education Policy Management;
- b) Management of Continuing Education;
- c) Administration of Early Childhood Education,
- d) Education Standards and Norms;
- e) Management of Education Standards;

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- f) Management of National Examinations and Certification;
- g) Curriculum Development;
- h) Quality Assurance in Education;
- i) Primary and Secondary Education Institutions Management;
- j) Teacher Education and Management;
- k) School Administration and Programme;
- l) Registration of Basic Education and Training Institutions;
- m) Special Needs Education Management;
- n) Representation of Kenya in UNESCO;
- o) Adult Education Management

**(b) Key Management**

The State Department's day –to-day management is under the following key organs:

- i) The Ministry is headed by the Cabinet Secretary, Prof. George A. O. Magoha . As the Cabinet Secretary he guides the overall policy direction of the Ministry. The Cabinet Secretary, in carrying out the mandate of Early Learning and Basic Education is assisted by the Principal Secretary in charge of Early Learning and Basic Education.
- ii) The Principal Secretary oversees the management of the State Department and is the administrative head of the State Department. The Principal Secretary is also the Accounting Officer of the State Department. To manage the State Department, the Principal Secretary is supported by a team of technical directors and heads of support of departments.
- iii) The Management of the Ministry comprises eleven (10) technical directorates and various administrative and support departments. The technical directorates include: Primary Education; Secondary Education; Field Coordination and Co-Curriculum Activities; Teacher Education and Early Childhood Development and Education; Schools Audit; Policy, Partnerships and East African Community Affairs; Projects Coordination and Delivery; Adult and Continuing Education; Quality Assurance and Standards and Special Needs Education. The support departments include the Central Planning and Projects Monitoring Unit, Finance, Accounts, Human Resource Management and Development, Administration, Supply Chain Management.

**(c) Fiduciary Management**

The key management personnel who held office during the financial year ended 30<sup>th</sup> June 2019 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Cabinet Secretary, Ministry of Education	Prof. George A. O. Magoha, CBS
2.	Principal Secretary, State Department Early	Dr. Belio R. Kipsang, CBS

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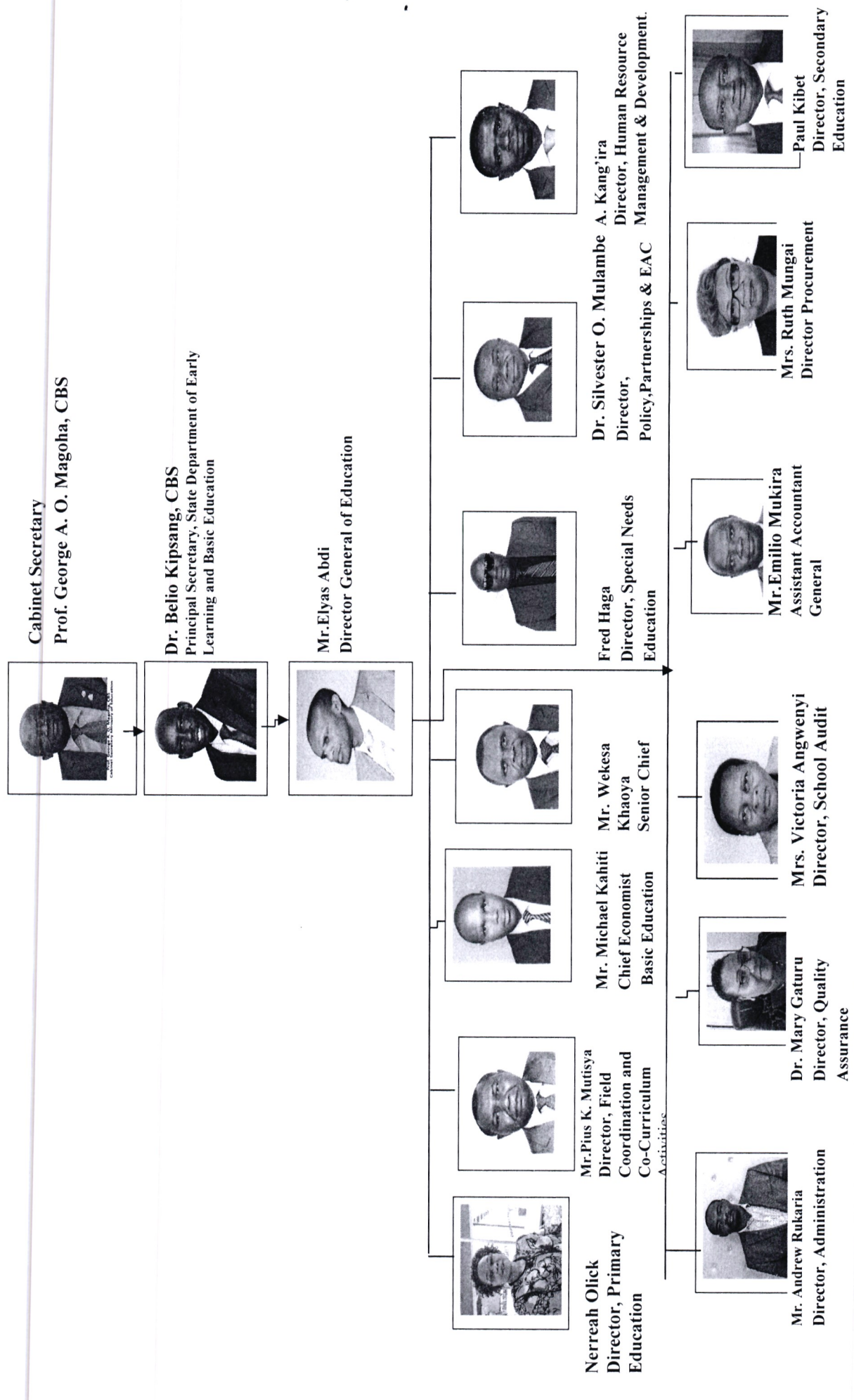
**For the year ended 30 June, 2020**

	Learning and Basic Education	
3.	Director General of Education	Elyas Abdi
4.	Secretary, Administration	Andrew Rukaria
5.	Director, Primary Education	Nerreah Olick
6.	Director, Secondary Education	Paul Kibet
7.	Director, Field Coordination and Co-Curriculum Activities	Pius K. Mutisya
8.	Chief Finance Officer	Martin Wekesa Khaoya
9.	Director, School Audit	Victoria G. Angwenyi
10.	Director, Policy, Partnerships & EAC	Dr. Silvester O. Mulambe
11.	Director, Human Resource Mngt & Dev.	Paul Kang'ira
12.	Director, Adult and Continuing Education	Irreuous N. Kinara
13.	Director, Teacher Education and ECDE	Abdi Sheikh Habat
13.	Director, Quality Assurance and Standards	Dr. Mary Gaturu
14.	Director, Special Needs Education	Fred Haga
15.	Director, Planning	Michael M. Kahiti
16.	Assistant Accountant General	CPA E. Mukira Gichigo
17.	Head, Supply Chain Management Services	Regina W. Kanyi

# STATE DEPARTMENT FOR EARLY LEARNING AND BASIC EDUCATION Reports and Financial Statements

For the year ended 30 June, 2020

## Senior Management – State Department of Early Learning and Basic Education





Prof. George A. O. Magoha, CBS  
Cabinet Secretary Ministry of Education

**Prof. George Magoha** was sworn in as Cabinet Secretary, Ministry of Education, on March 26, 2019. He is a Professor of Transplant Surgery. Before his appointment as Cabinet Secretary, Prof. Magoha was the Chairman of the Kenya National Examinations Council (KNEC) where he served from March 09, 2016 to March 08, 2019. He was also an Honorary Consultant Surgeon and Urologist at Kenyatta National Hospital and Nairobi Hospital. Before joining KNEC, Prof. Magoha served as Vice-Chancellor, University of Nairobi for 10 years from January 2005 to January 2015. Previously, he was Chairman of the African Network of Scientific and Technological Institutions and the Kenya Medical Practitioners and Dentists Board.

For two years, from August 2013 to August 2015, Prof. Magoha served as the President of the Association of Medical Councils of Africa. He also served as the Chairman of Kenya Association of Urological Surgeons (KAUS) from 1997 to 2013. While serving as Vice Chancellor of the University of Nairobi, Prof. Magoha was elected President of the Association of African Universities (AAU) in 2011, a position he held until 2013. He has been serving as a member of the AAU executive board since 2005.

Prof. Magoha served as a Commissioner at the Commission for University Education (CUE), previously called Commission for Higher Education (CHE), from 2005 to 2013. For his exemplary service, Prof. Magoha the Kenya Medical Association honoured Prof Magoha with Distinguished Service Award for services he offered to the Medical Profession in 2008. He represented the African Continent in the Confucius Council in Beijing, China from 2009-2015.

Born in 1952, Prof. Magoha undertook his primary education in Yala, Siaya County and Nairobi County before joining Starehe Boys Centre and Strathmore College for his high school education. He then proceeded to the University of Lagos in Nigeria where he studied Medicine. He furthered his studies in Surgery and Urology at Lagos University Teaching Hospital, University College Hospital, Ibadan; Royal College of Surgeons, Dublin, Ireland and Royal Postgraduate Medical School Hammersmith Hospital, London, Department of Urology, where he earned various academic awards.

He trained in executive management at the Stanford University, Graduate School of Business, and has many international professional honours and awards. Locally, the awards include Chief of the Order of Burning Spear (CBS), Moran of the Burning Spear (MBS) and Elder of the Burning Spear (EBS). Prof. Magoha joined the University of Nairobi as a Lecturer in Urological Surgery in 1988 and rose through the ranks to become a full Professor in 2000. He served in various administrative positions at the University of Nairobi as Director, School Audit, Chairman of the Academic Department of Surgery in 1997, Dean of the School of Medicine, Principal of the College of Health Sciences, Deputy Vice-Chancellor in charge of Administration and Finance to Vice-Chancellor in January 2005.

Prof. Magoha has published more than 60 peer-reviewed publications and supervised to completion over 40 Master of Medicine (Surgery) students. He is a member of many professional bodies in Urology and Surgery including British Association of Urological Surgeons (BAUS) and Société Internationale d'Urologie (SIU). He is actively involved in research in male erectile dysfunction; prostate, testicular and penile cancers; circumcision, and HIV/AIDS. He is a fellow of the International College of Surgeons (ICS), African Academy of Sciences (AAS) and the Kenya National Academy of Sciences (KNAS), among others.



Dr. Belio R. Kipsang, CBS  
**Principal Secretary**  
State Department, of Early  
Learning and Basic Education

Dr. Belio R. Kipsang is currently the Principal Secretary, State Department of Basic Education. He previously served as Managing Trustee/Chief Executive Officer (CEO) Coffee Development Fund and; Deputy CEO and Head of Operations Higher Education Loans Board where he also previously held various Strategic Management positions.

Dr. Richard Belio Kipsang is a holder of PhD degree in Education (Educational Administration and Planning from The Catholic University of Eastern Africa, a Masters of Arts degree in Economics and a Bachelors (Honours) degree in Education (Business and Economics) both from the University of Nairobi. He has had extensive professional trainings and commands numerous expose to local and international conferences and workshops in areas of education financing and administration, leadership, management, micro-enterprise development, fraud, corruption and combating economic crime, agricultural value chain financing, computing and other areas of business and management among others particularly in prestigious institutions such as the London School of Economics (LSE) in the UK, Harvard University in the USA, State University of New York in the USA, among other institutions in Kenya, Germany, Belgium, Sweden, Denmark, Thailand among others. He is a member of Institute of Directors of Kenya.

**(d) Fiduciary Oversight Arrangements**

**(i) Human Resources Management Advisory Committee Activities**

Their duties include:

- Review of promotions of officers in Job Group A-P
- Review of confirmations in appointment
- Review of disciplinary matters
- Review of re-designation of officers from one cadre to another and
- Confirmation of surcharge of officers found to have misused government resources
- Overall coordination of the training functions in the State Department
- Review and implementation of the State Department training plan
- Review of induction of newly appointed officers and activities around long term training

**(ii) The Budget Implementation Committee**

Their duties include:

- To review and consider the cash flow plans. this shall involve regular review of the Ministerial cash plan and approval of any changes to the initial cash flow plan to be communicated to the National Treasury.
- To review the utilization of donor funds voted for the State Department
- To advice Accounting Officer on any Challenges related to the budget implementation.
- To review and recommend reallocation of expenditures.
- To review and approve the submission of the expenditure returns, IPPD, Pending bills and A-I-A returns and recommend actions to be taken.
- To prepare budgets in consultation with Heads of Directorates/Departments.

**(e) Entity Headquarters**

**State Department of Early Learning and Basic Education**

P.O. Box 9583 - 00200

Jogoo House "B"

Harambee Avenue

Nairobi, Kenya

**Entity Contacts**

Telephone: +254-020-3318581

Email: [ps@education.go.ke](mailto:ps@education.go.ke)

Website: [www.education.go.ke](http://www.education.go.ke)

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**(f) Entity Bankers**

Central Bank of Kenya  
Haile Selassie Avenue  
P.O. Box 60000  
City Square 00200  
Nairobi, Kenya

**(g) Independent Auditors**

Auditor General  
Office of the Auditor General  
Anniversary Towers, University Way  
P.O. Box 30084  
GOP 00100  
Nairobi, Kenya

**(h) Principal Legal Adviser**

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

## **II. FORWARD BY THE CABINET SECRETARY**

The Ministry of Education (MOE) is comprised of the State Department of Early Learning and Basic Education; the State Department of Vocational and Technical Training; the State Department of University and Research; and the State Department of Post Training and Skills Development. The vision of the Ministry is “*Quality and inclusive education, training and research for sustainable development*”.

The mission of the Ministry is “To provide, promote and coordinate competence based equitable learner centred education and training and research for sustainable development.” The sector’s overall goal is to increase access to education and training; improve quality and relevance of education, reduce inequality as well as exploit knowledge and skills in science, technology and innovation for global competitiveness.

During the 2018/19 FY the Ministry implemented 8 programmes including Primary Education; Secondary Education; Quality Assurance and Standards; University Education, Technical Vocational Education and Training; Research, Science Technology and Innovations; Youth Training and Development; and General Administration, Planning and Support Services.

To support implementation of the 8 programs the Government allocated a total of Ksh 96,007,367,100 billion to the State Department of Early Learning and Basic Education during the 2018/19 FY. Out of this, Kshs. 86,758,536,122 billion was voted under Recurrent while kshs. 9,248,830,978 billion was voted under Development. The Ministry’s budget performance based on economic classification in the FY under review is provided in the attached Financial Statement.

### **Performance of Programs in the State Department of Early Learning and Basic Education**

Provision of quality and inclusive basic education has been a priority of the Kenya Government since independence, as stipulated in relevant policy documents, including Kenya Vision 2030, Constitution of Kenya, 2010 and the Basic Education Act, 2013.

In the year 2018/19 the State Department was allocated a total Ksh. 98,738 billion. Out of the total allocation the Primary Education Programme received Ksh. 21,465 billion (20.9%), Secondary Education Programme received Ksh. 68,393 billion (70%), Quality Assurance and Standards was allocated Ksh. 4,320 billion (4.4%) and Ksh. 4,560 billion (4.6%) went to General Administration, Planning and Services. This is shown in figure 1 below.

Of the total budget allocation 63% was utilized in Subsidies and 26% was spent on Grants and Transfers to other Government Units. 7% was utilized in paying for Goods and Services while Compensation to Employees took 4%. This is illustrated in figure 2 below.

Figure 1: Total Budget Allocation by Programmes in 2019/20 Financial Year

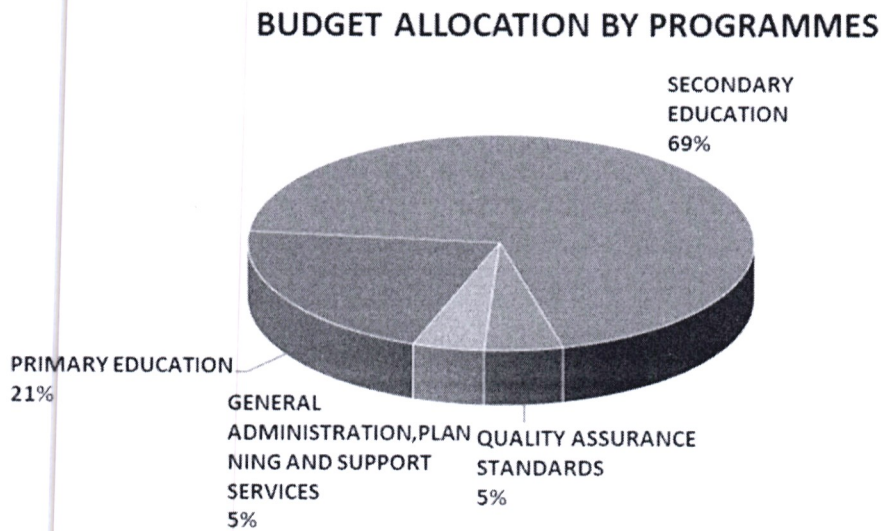
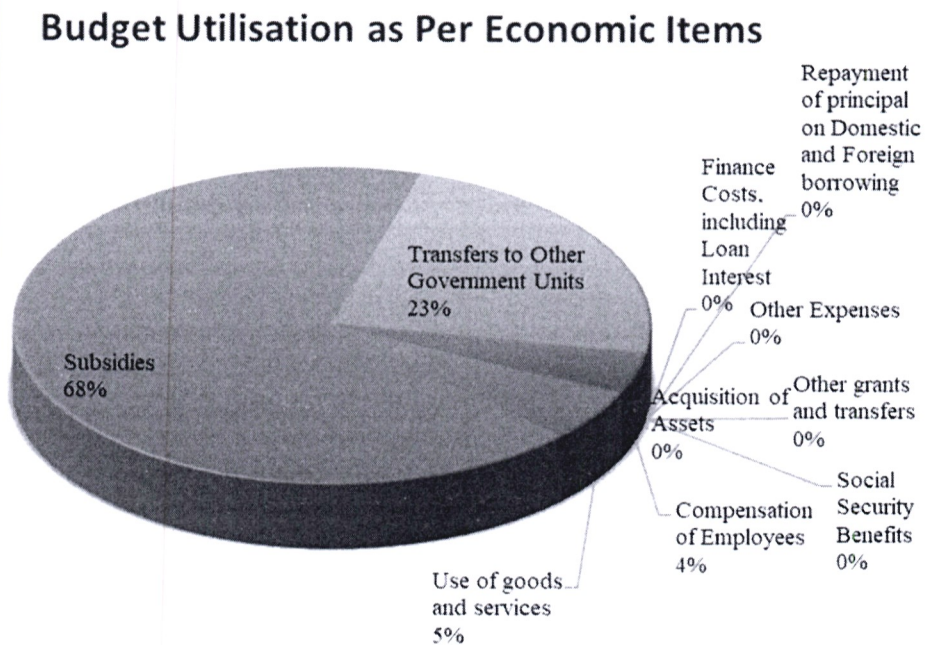


Figure 2: Budget Utilization by Expenditure Items in 2019/20 Financial Year



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	Actual Payments
Compensation of Employees	3,754,061,173
Use of goods and services	4,572,293,033
Subsidies	58,777,196,398
Transfers to Other Government Units	20,396,351,806
Other grants and transfers	5,640,099
Social Security Benefits	2,062,368
Acquisition of Assets	24,500
<b>Total Payments</b>	<b>87,507,629,378</b>

	Approved Budget Allocation	Actual Payments	Variance
Compensation of Employees	3,844,330,000	3,754,061,173	90,268,827
Use of goods and services	4,646,710,675	4,572,293,033	74,417,642
Subsidies	59,698,486,218	58,777,196,398	921,289,820
Transfers to Other Government Units	26,106,515,692	20,396,351,806	5,710,163,886
Other grants and transfers	18,000,000	5,640,099	12,359,901
Social Security Benefits	4,000,000	2,062,368	1,937,632
Acquisition of Assets	24,500	24,500	-
Finance Costs, including Loan Interest	-	-	-
Repayment of principal on Domestic and Foreign borrowing	-	-	-
Other Expenses	-	-	-
<b>Total Payments</b>	<b>94,318,067,085</b>	<b>87,507,629,378</b>	<b>6,810,437,707</b>

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**I. Pre-Primary Education:** The Constitution of Kenya places the mandate of Early Childhood Development Education in the County Governments. The State Department has the mandate of developing ECDE policies, quality assurance and standards, examinations and assessments and implementation of programmes agreed with the County Governments where the Ministry has an added advantage. The State Department has prioritized the pre-primary level of education as it's the foundation of all other levels of the Education and Training. A National Education Sector Strategic Plan (NESSP) covering pre-primary education was developed and disseminated in collaboration with County Governments in 2019/20 financial year. Collaboration with the County Governments has greatly improved and investment in the sub-sector has substantially increased. The growth in the sub-sector is demonstrated by the achievements detailed hereunder.

Access to pre-primary education continued to grow buoyed by expansion of centres across the country. The number of pre-primary centres increased from 41,779 in 2017 to 42,317 in 2018 and further to 46,530 in 2019. There were 25,381 public and 16,398 private pre-primary centres in 2017, 25,589 public and 16,728 private pre-primary centres in 2018; and 28,383 public and 18,147 private pre-primary centres. The net increment in the number of centres was 4,751 for the period, attributed to the efforts of county governments. Enrolment increased from 3,167,855 in 2017, 3,199,841 in 2018 to 3,293,813 in 2019 representing Gross Enrolment Rate of 76.5%, 76.6% and 77.1% respectively. The number of children of the right age attending ECDE increased with the gap between GER and NER reducing over the period. NER increased from 74.9 % in 2017 and further to 76.9% in 2018. The 2019/20 NER could not be established due to data gaps in the age specific information on pupils enrolled in each class.

The primary education program has six sub programs implemented under it, which include free primary education, special needs education, early childhood education and development, primary teachers' education, adult and continuing education and school health meals and nutrition and other donor funded initiatives to support desired outcomes.

**II. Free Primary Education:** Free Primary Education (FPE) funding is based on enrolment and is used to procure instructional materials and sustain school operations to actualize the constitutional provision of free compulsory basic education and right to education to every child. In the review period, the Ministry disbursed to public primary schools, KES 12.58 billion for 8,879,685 pupils, KES 12.64 billion for 8,896,932 and KES 12,72b for 8,959,719 pupils respectively. Primary schools totalled 31,449 in 2017, 31,783 in 2018 and 32,344 in 2019. There were 23,139 public and 8,310 private primary schools in 2017, 23,336 public and 8,447 private primary schools in 2018; and 23,286 public and 9,058 private primary centres. Applications for funding continues to be received from newly registered primary schools.

Enrolment in both public and private primary schools increased from 10.29 million in 2017 and to 10.39 million in 2018 but declined to 10.07 million in 2019. FPE grants support eligible primary school learners at the rate of KES 1420/= annually. Moreover, other strategic interventions like

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school meals, low cost boarding, primary school's infrastructure improvement, community mobilization and stakeholder's supports continues to enhance enrolment in primary schools.

These efforts have resulted in an improvement of GER in primary schooling from 104% in 2017 to 99.6 in 2019. The Net Enrolment Rates (NER) increased by 1.2 percentage points to 92.4 per cent in 2018. The Primary Completion Rate (PCR) was 81.90 in 2019. The Primary to Secondary Transition Rate (PSTR) increased from 83% in 2017 and 2018 and stood at 95% for 2019 propelled by the 100% transition policy. The Government initiative in paying examination fees for all KCPE candidates in both public and private has also seen candidature improve from 1,003,44621 in 2017, 1,060,710 in 2018 and 1,088,989 in 2019.

#### **Primary Schools Infrastructure Improvement**

During the period under review a number of primary schools undertook construction and renovation of classrooms including provision for schools affected by emergencies. These included 279 schools in 2017/18 and 307 schools in 2018/19 FY. This achievement was made given budgetary provisions of KES 200M in 2017/18 and 200M in 2018/19 FY. These funds were used for construction of 130 new classrooms, 300 Renovations/Rehabilitation works, 1 Kitchen/Dining Hall, 20 6-doors Toilets, three (3) Dormitories, two (2) Administration blocks and procurement of furniture. However, the second batch of 150M for 2019/20 tranche two of disbursement was not actualized due to impact of Covid-19 mitigation measures on government development budget. This included 30M allocated for two schools affected by the natural disaster, that is Kamutuandu and Solai Nyankinya dam disaster schools in Tharaka Nithi and Nakuru respectively. The challenge of high demand for the infrastructural improvement in ASAL's, marginalized areas and newly registered upcoming schools still persist and far outstrip the available resources. The infrastructure requirements include classroom constructions, renovations and rehabilitations, toilets and wash facilities upgrades, administration blocks, kitchen and stores, dormitories among others. Supporting primary school infrastructure greatly contributes to the 'Big four' agenda as it cuts across manufacturing in materials used, contributes to housing aspects which is part of promoting quality learning environment in primary education by improving accessibility, teacher's welfare and Water Sanitation and hygiene (WASH) facilities improvement.

#### **Expanding Education Opportunities in ASALs (and other Hardship Areas)**

During the period under review, the Ministry extended support KSh.400 M each year from 2017/18 to 2019/20 to Low Cost Boarding public schools (LCBs) for learner's upkeep and workers' wages support. The LCBS learners are given a capitation of KShs 3,070 per student which is disbursed in two tranches during the Month of February and September. Consequently, the learners are not expected to pay hefty additional fees and are drawn from local communities faced with challenges of nomadism, drought, cattle rustling, high poverty incidences and cultural practices that impact negatively on education. Enrolment in the LCBs increased from 112,023 in FY 2017/18 to 126,804 in 2018/19. In FY 2019/20 the enrollment dropped to 84786 with 1426 support staff in boarding wings.

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In addition, teachers and members of schools' boards from 57 LCBs were trained on financial management; a needs assessment was conducted in 15 schools to facilitate dialogue on the potential of establishing additional LCBs; an advocacy and community sensitization was conducted for 400 participants drawn from ASALs; and monitoring was carried out on 16 schools. NACONEK has carried out a baseline assessment of 188 LCBS in the FY 2018/2019. The preliminary findings indicate there is a need to update data of all LCBs. In 2019/20 monitoring was done in sampled counties on the LCB's statuses with indication that most of the facilities are run down with enrolment fluctuation is of main concern. Some learners still face parental pressure to conform to unfavorable cultural practices.

**Special Needs Education:** It is the practice that before learners are placed in SNE institutions, they are subjected to an assessment. This is to determine the category and severity of their condition. Currently, the assessment services are offered at the 47 county Educational Assessment and Resource Centres (EARCs) and at the National Referral Psycho-Assessment Centre at the Kenya Institute of Special Education (KISE). These Centres also offer guidance and counselling and rehabilitation services on disabilities and special needs. Learners and persons with visual impairments can also access the services at the Kenya Institute for the Blind (KIB). These centres operate with limited capacity of qualified personnel, essential equipment and requisite assessment skills.

There are 3,043 public SNE primary Educational institutions in the country. Of these, 2,718 are non-boarding integrated institutions and 339 are boarding special primary schools/units. The total enrolment of learners in special primary institutions and units currently stands at 136,081 pupils of which 39,629 are in boarding special schools/units, and 100,827 enrolled in non-boarding integrated schools. The SNE public primary institutions increased by 2%, from 2,865 in 2017 to 2927 in 2018 and further by 6%, to 3,043 in 2019. Similarly, SNE public secondary institutions increased by 2.8%, from 106 in 2017 to 109 in 2018 and further by 4.6%, to 114 in 2019. Enrolments in public SNE primary institutions increased by 26%, from 108,221 learners in 2017 to 136,081 learners in 2019. Enrolment in public secondary institutions increased by 19%, from 4,019 in 2017 to 4,794 in 2019. The increase in institutions has been accompanied by an increase in the number of special needs learners. Whereas learners with various disabilities are enrolled at primary level, those who transition to secondary education are mainly those with hearing, physical and visual impairments. Learners with mental and multiple disabilities rarely transition to secondary schools.

In the FY 2017/2018, KSh.153, 673,820 was disbursed as FPE funds to 108,221 learners with disabilities enrolled in 2,866 special schools, integrated programmes and units at the rate of KSh. 1,420 per learner. The learners also received FPE top up amounting to KSh. 252,908,300 at the rate of KSh. 2,300. In addition, KSh.455 Million was disbursed to 31,153 learners enrolled in 290 boarding special and integrated schools/ units as SNE grants to support boarding and personnel emolument expenses for non-teaching staff who provide essential services for learners with disabilities in schools.

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In the FY 2018/2019, Kshs 279,201,600.00 was disbursed as FPE top-up to 121,392 SNE learners enrolled in 2935 SNE primary schools. In addition, Kshs 445,162,231.35 was disbursed as grants to 31,519 learners in 290 special/integrated schools and units to subsidize boarding and personnel emoluments expenses.

**Digital literacy program (DLP)**

In FY 2019/20 the Ministry through Kenya Institute of Curriculum Development (KICD) received funding for digital content. KICD implemented the On-line course for primary school teachers on both ICT integration in learning and implementation of CBC completed and rolled out where 9,000 teachers were trained. In addition, vetted Grade 3 interactive digital content was put under curation and finalization of the new Universal Design for Learning (UDL) platform for SNE digital content development and utilization was done.

In FY 2019/2020, the Ministry was allocated Kshs 800 million for establishment of smart classrooms across the country under the Digital Literacy Programme to support the implementation of the Competency – Based Curriculum. A total of 8,000 public primary schools were identified from the counties to benefit from Kshs 97,500 to establish the smart classrooms which included refurbishment of existing Grade 4 classrooms by improving on security (burglar proof on windows and doors) of the classrooms, establish electrical wiring, construction of a storage and charging cabinet and fixing of a white board in the classroom. The approvals were done but disbursements failed because of the failure to receive the exchequer.

**National School Based Nutrition and Deworming**

The program is implemented by SHNM in partnership with the Ministry of Health and Kenya Medical Research Institute (KEMRI) and supported by development partners (Deworm the World, Children's Investment Fund Foundation, Evidence Action etc.). Under the program, teachers were trained on safe deworming and subsequently they administered drugs to children of pre-primary and primary school going age. The drugs are donated to the country by the World Health Organization on request by the Ministry of Health. During the FY 2019/20 6,134,128 teachers and learners benefitted in terms of drugs, deworming, food rations and basic nutrition capacity building.

**Sanitary Towels Provision**

The Ministry of Education has been coordinating the sanitary towels programme whose overall objective is to provide sanitary towels to all menstruating girls in public primary schools throughout the school calendar. The intervention targets menstruating girls in schools whose greatest challenge is absenteeism related to their reproductive health issues. Information from schools show that girls who lack sanitary towels often use crude and unhygienic methods to manage their menstruation. These

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measures often result in mild to severe or chronic health complications contributing to low hygiene levels among the girls. The provision has ensured access, retention, performance and transition of the vulnerable girls in all regions across the country. In the 2019 /2020 Financial Year, the Ministry received KShs 375,000,000 for sanitary towels for 1,300,000 girls in 47 counties across the country. However, the programme targets class 6, 7 and 8 girls, the age at which menstruation is most likely to commence for majority of girls, though, many more girls who are at puberty stage and are in lower classes are left out of this programme. The programme requires more budgetary allocation to cater for all menstruating girls in primary schools throughout the school calendar.

In the 2018/2019 and 2019/ 2020 Financial Years, the programme was being handled by the Ministry of Public Service, Gender and Youth. The programme was transferred back to the Ministry of Education in 2019/2020 Financial Year. However, monitoring was not done due to COVID – 19 pandemics.

**Child Friendly Schools (CFS) Programme**

During the period under review the Ministry sensitized 5,000 KEPSHA members.. Induction of 140 Head Teachers and teachers was carried out in Turkana on SMS based testing and data analysis. The ministry also monitored CFS implementation and identified CFS champions. APBET teachers in Nairobi were inducted on CFS under the Out of School Children Programme. Children's councils were established although in 2019/20 few CFS activities were done due to austerity measures.

**Kenya Primary Education Development (PRIEDE) Project**

In order to strengthen school management systems during the period under review, the project facilitated training for head teachers and five BOM members from the 4000 target SIP schools on preparation of school improvement plans and management of school resources. Two Hundred and fifty (250) school auditors were also capacity build on risk-based audit approach. The auditors then carried out onsite audits in the 4000 SIP schools to establish capacity of schools to manage and account for resources at school level. The Kenya National Examination Council KNEC carried out KCPE school specific analysis and (2013, 2014, 2015, 2016, 2017 and 2018) reports for the 4,000 pilot schools disseminated while those of more than 22,000 primary schools made available on KNEC website ([www.knec.ac.ke](http://www.knec.ac.ke)). The reports provide feedback to schools on the areas of strength and weakness. The reports provide schools with information needed for identify schools' priorities and strategies when developing a School Improvement Plan (SIP) aimed at helping the individual learner improve on the learning achievement.

Based on the satisfactory SIPs, the Ministry disbursed KShs. 500,000 (1st Tranche KShs. 300,000 & 2nd Tranche 200,000) to each of the 4000 target schools, totaling to KShs. 2 Billion. Three thousand,

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nine hundred and ninety-nine [3999 (99.9 %)] SIP schools reported to have completed utilizing the grant on implementing the identified top priorities in the SIP. This enabled provision of supplementary text books benefiting a total 1,934, 583 pupils in classes 3-8 and a total 34,737 teachers. The grant has also enabled improvement of learning environment through renovation of classrooms, sanitary facilities and water harvesting in the schools. As a result, most of the schools recorded a positive deviation in 2017 and 2018 KCPE, implying that improved governance, management, and accountability systems at school level had proportionate positive influence on achievement of learning outcomes.

The examination and assessment analysis for 2019 KCPE and KCSE is in progress and will be finalized in the FY 2020/2021.

**III. Secondary Education Program**

The Secondary Education Programme has five sub programs implemented under it, which include: Secondary Bursary Management Services, Free Day Secondary Education: Secondary School Education Services, In-service Training (CEMASTEAM); and Special Needs Education.

**Free Day Secondary Education**

In the FY2019/20, KES 59.42 Billion was disbursed to 8845 public secondary schools to support 3.045 million students enrolled in these schools. It is important to note that the capitation per student increased from KSh. 12,870 in 2016/17 to 22,244 in 2017/18 FY. Overall, the number of secondary schools increased from 10655 schools in 2017 (9111 public and 1544 private) to 11,399 schools in 2018 (9643 public and 1756 private) and reduced to 10,463 in 2019 (8933 public and 1530 private). The GER increased from 69% in 2017 to 70.3% in 2018. The NER increased from 51.1% in 2017 and then to 53.2% in 2018. This indicates how the FDSE program continues to spur access to secondary education. As part of Free day secondary education, the GOK started the supply of instructional materials and provision of Medical insurance for students in public secondary schools.

**Textbook supply to Secondary schools:** In an effort to ensure a student textbook ratio of 1:1, the Government of Kenya supplied textbooks to secondary schools for Form 1 to Form 4. In the FY 2018/19, 32,840,474 textbooks were distributed to secondary school. This included 14,786,293 books for 14 elective subjects and 18,054,181 textbooks for six core subjects. No textbooks were supplied in 2019/20. This is in line with the instructional materials policy developed by the Ministry of Education. 97% of the schools have reported achieving a student book ratio of 1.1 in core subjects for forms 1 to 4. This initiative should be sustained to ensure that learners have different textbooks and learning materials at their disposal.

**Medical insurance for secondary school students:** Due to the importance of Good health in contributing to the ability for students to learn the GOK started providing medical insurance to all students in public secondary schools. In the FY 2019/20, at a cost of 4.11 Billion, 3.045 million

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students were insured. The major challenges are some students are still not registered on the NEMIS portal and limited awareness of the benefits of this insurance scheme.

**Secondary School Infrastructure Improvement**

Improving secondary school infrastructure aims at enhancing access, transition, equity, relevance and quality education by funding schools to construct new or rehabilitate, expand and equip their infrastructure. This is necessary to bridge the gap in infrastructure needed for the 100% transition programme. The demand is an additional 15191 classrooms, 7601 Laboratories and 7601 WASH facilities that will continue to rise annually due to increases in enrolment at this level. This will result in existing schools having an optimal level of a minimum of 3 streams. Further, increased enrolment will require additional laboratories to enhance provision of science, technology, engineering and mathematics subjects.

In the period under review, KES 6.4 Billion was disbursed to 2903 schools and was used to construct 2998 classrooms, 464 laboratories 147 dormitories, 48 libraries, 44 administration Blocks and 312 WASH facilities. In the 2018/19 FY KES 2.1 Billion was disbursed to 864 schools and was used to develop 1140 classrooms, 198 laboratories, 14 libraries, 70 dormitories, 24 administration blocks and 26 Dining halls. In the 2019/20 FY KES 600 million (1.24) was disbursed to 248 schools and was used to develop 342 classrooms, 74 laboratories and 148 WASH facilities.

**National Secondary Schools Rehabilitation Initiative:** The aims of expanding national schools are twofold. First, is to enhance access to national schools hence improve equity in line with the Kenya Constitution 2010, national cohesion and integration. Second, is to improve and expand infrastructural facilities to allow for more students to transit from primary to secondary schools. This will not only stimulate academic excellence but also improve education standards in all counties. In 2018/19, KES 300M was disbursed to 42 National schools, These schools utilised these funds to construct 57 classrooms, 9 laboratories, 12 ablution blocks, 1 administration block. 8 dormitories, 2 offices, 1 bore hole, 1 bakery, 3 perimeter walls. 1 Dining Hall and 1 Gate. In 2019/20, KES 160M has been disbursed to 15 schools and these schools are in the process of approval and construction of various additional infrastructure facilities.

**Grants to Secondary Schools in ASAL and Pockets of Poverty**

This fund is used to enhance equity as it enables the learners in ASAL and Pockets of Poverty to access Secondary of Education. Part of this fund is used to Service gratuity where grants are disbursed to schools for retiring Board of Management (BoM) employees in secondary schools with Pay Change/ Advice GP 33 who were employed before 1993 when the Ministry was disbursing grants directly to retired BoM employees. In 2018/19 these funds were not disbursed to secondary schools as they were utilized to reduce the deficit created in the disbursement of FDSE grants to schools. However, KES 9.992 Million was paid as gratuity to 84 BOM retirees in secondary schools. As the Government implements 100% transition full free day secondary education, the funding for this

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programme will be limited to meet the demands of many schools targeted in ASAL and pockets of poverty areas and needs more funding.

**Supply of Science Laboratory Equipment to Schools**

In order to provide skills that alleviate unemployment by enabling the youth to be self-employed and compete in the global job market, there is increased need to promote science as the avenue through which self-sustaining skills can be imparted. As a result, the government, with the support of other stakeholders, has increasingly prioritized construction of science laboratories, science rooms, provision of laboratory equipment and science kits mainly in public secondary schools to improve quality of education and support quality in the 100% transition to free day secondary education. This programme has not been funded for FY 2018/19 and FY 2019/20. According to MOE 2016 statistical survey, there were a total of 5,444 (66%) public secondary schools with at least one science laboratory and 8053 schools without laboratories compared to 819 private schools with at least one laboratory and 324 schools without laboratories. In these schools, students get into contact with laboratory apparatus and materials for the first-time during KCSE. Hence, the need for continued and up scaling of funding to a level that can construct and equip new laboratory infrastructure in secondary schools.

**Secondary Schools Computer Supply:**

ICT provides capabilities and skills needed for a knowledge-based economy. It is envisaged that ICT will be a universal tool for education training and management. To achieve this vision, the government will equip all public secondary schools with appropriate ICT infrastructure and provide appropriate competencies and policies in order to embrace digital learning process as envisaged in the new curriculum. In FY2019/20 the funds were used to procure 2085 computers that were distributed to 218 secondary schools. Since its inception, the programme has only covered approximately 35% of targeted public secondary schools and to meet the increasing demand as more schools are established and being connected with electricity.

**Secondary Education Quality Improvement Project (SEQIP):**

The Kenya Secondary Education Quality Improvement Project (SEQIP) is Government of Kenya/World Bank 6 -year intervention to improve the quality of education to enhance transition from primary to secondary Education at a cost of €175.5 Million (KShs.20 Billion equivalent). During the financial year 2016/2017, the Ministry received 1% of the total credit from the World Bank (KShs. 200 million) which was utilized to develop the Key Project Documents leading to declaration of project effectiveness on 7th December, 2017. During the Supplementary Budget for 2017/2018 Financial year, the project was allocated KShs. 558,676,452.75 to fund the project start up activities. The Sub sector spent Kshs. 61,429,832 for Capacity Building of the Project

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Implementation team and initiation of procurement of Consultancies for implementation of the Project components.

The total amount of money Disbursed to the Ministry to finance the Project activities during the FY 2018/2019 was 2,305,926,153.00. The Sub-sector spent a total of KShs. 685,916,169 on provision of textbooks, Conducting needs assessment to inform prioritization for the Minimum Package for School Safety Infrastructure (MPSSI) and for procurement of assistive devices for Learners with Special Needs, capacity Building of all the Project Implementation teams both at the national and the County levels and meeting the cost of consultancy services across the Ministry's interventions under SEQIP. In 2018/19 these funds were not disbursed to secondary schools as they were utilized to reduce the deficit created in the disbursement of FDSE grants to schools. However, KES 9.992 Million was paid as gratuity to 84 BOM retirees in secondary schools. As the Government implements 100% transition full free day secondary education, the funding for this programme will be limited to meet the demands of many schools targeted in ASAL and pockets of poverty areas and needs more funding.

### **Secondary Schools Computer Supply**

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### **Secondary Teachers Education Services**

Currently, there are three diploma Teacher Training Colleges in operation (Kagumo, Lugari and Kibabii). In 2017 the students' enrolment in Kagumo was 866(504 males, 362 females), Lugari was 508(270 males, 238 females) and Kibabii was 946 (491 males, 455 females). The total enrolment in the Three Diploma Colleges was 2320 (1265 males, 1055 females). The strategic objectives of the programmes were to rehabilitate Kagumo Diploma TTC and complete construction of Kibabii, and Lugari TTCs.

### **Secondary Special Needs Education**

Currently there are 37 special secondary schools and 110 integrated secondary schools (as per September 2019 NEMIS data) which offer Special Needs Education with an enrollment of 14,153 SNE learners. In the FY 2019/2020 the Secondary school education Special Needs Education was

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allocated Kshs 348 million. The funds were used in the provision of enhanced capitation grants to the learners and procurement of assistive devices for learners. The money was inadequate to meet the minimum guaranteed capitation demand of the enrolled learners at this level.

**Quality Assurance and Standard**

The ministry has continued to offer quality assurance across the three levels of curriculum management that is; curriculum development, curriculum implementation and curriculum evaluation. This is done through development of Standards, assessment of standards and quality in all school programs, chairing subject panels in curriculum development and curriculum assessment as well as training of teachers and officers on curriculum implementation.

During the period under review 8,000 schools were assessed in 2017/2018 and 10,096 schools in 2018/2019 and 12433 schools in 2019/2020. In the period under review, quality assurance monitored the implementation of 8 co curriculum activities in 2017/2018 and 8 activities in 2018/19 and 7 activities in 2019/2020. The ministry quality assured teaching practice assessment of teachers in ECDE, PTE, TACE, SNE and DTE. In the period under review, 3518 teachers were assessed in 2017/2018, in 2018/2019, 6870 teachers were assessed and 4545 teachers were assessed in 2019/2020.

During the period under review, the ministry developed the National Quality Assurance and Standards Framework (NEQASF). This was developed up to 50% in the year 2017/2018 and 100% in 2018/2019. The ministry carried out a survey on the status of quality in the country which informed the development of the NEQASF. The NEQASF has developed a platform for automation of the Quality Assurance. The Ministry has conducted a data needs analysis for and developed schools self assessment tools in readiness for automation. In the year 2018/2019, 400 Quality assurance officers were trained on CBC implementation. This aimed at enhancing the capacity of quality assurance officers in monitoring of CBC implementation in schools. Training of all quality assurance officers was scheduled to take place in 2019/2020. This was hampered by the COVID pandemic restriction.

**Co-Curricula Activities:** The management of co-curricular activities has succeeded in all the levels during the period under review. The activities coordinated by the ministry includes; Music festivals, Drama festivals, Primary games and sports, Secondary games and sports, Special needs schools games and sports and Science and Engineering fairs. The winners at the various national competitions have competed favorably in international competitions whereby the secondary schools have emerged the winners in the Federation of East African games for the 3 years under review. There is also the E.A Community Essay writing competition which is an outreach program by member states to sensitize the people on the regional integration. The winners are awarded during the heads of states Summit each year and before then, member states hold their national ceremonies to award national winners.

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In order to bridge the funding deficit, funding at the sub counties, counties and regions have been enhanced from the FPE and FDSE capitation. In FY 2018/2019, the same formulae was used but this time at Ksh.40 (Total Kshs.340 M) and Ksh.650 per student(Total Kshs.1.625 Billion) in primary and secondary schools capitation respectively.

In FY 2019/2020, the same funding formulae was used at Kshs.40 per child (Total Kshs. 340M) from FPE funds and Kshs. 650 per secondary student (Total Kshs. 1.755 Billions) from FDSE funds which was proportionally subdivided to all the three levels; sub counties, counties and regions. The activities scheduled for the 2<sup>nd</sup> half of the FY 2019/2020 could not be completed when the schools were abruptly closed due to Covid-19 pandemic. Most of the activities for term one 2020 were only up to the County level. Consequently, the unspent funds by the field officers were recalled back. At school level, FPE and FDSE Capitation of Ksh.76 and 1,500 per student is utilized to run the activities both at the school level and taking the teams to the Sub county level. The Sub- county, County, Regional, National and East Africa regional competitions are partially funded through the direct budgetary allocations for co-curricular activities. In 2017/2018, the vote had Ksh.765 million, Ksh.713 in FY 2018/2019, and Ksh.702 million was allocated in the FY2019/2020. In addition some Ksh.73.5 million was allocated in 2018/2019, and Ksh.65 million in 2019/2020 to specifically support the national and E.A music festivals. This money was distributed to the various levels as shown below; Sub-counties Ksh.172.5 million (Kshs. 500,000 per sub-county), Counties Kshs. 141 million (Kshs 3.0 million per county) and regions Kshs.40 million (Kshs. 5 million per region) and the rest left at the headquarters to run the national level competitions. These funds were inadequate to run all the co-curricular activities at the sub-counties, counties and regions.



**Prof. George A. O. Magoha, CBS  
Cabinet Secretary**

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**III. STATEMENT OF PERFORMANCE AGAINST MDA'S PREDETRMINED OBJECTIVES**

The *Vision, Mission and Strategic Objectives* guiding the Kenya NESSP 2018-2022 are outlined as follows:

***Vision:*** 'Quality and inclusive education, training and research for sustainable development'

***Mission:*** 'To provide, promote and coordinate competence based equitable learner centred education, training and research for sustainable development'

***Strategic Objectives:***

**Introduction**

Section 81 (2) (f) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Accounting officer when preparing financial statements of each National Government entity in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board includes a statement of the national government entity's performance against predetermined objectives.

The key development objectives of the *National Education Strategic Plan (NESSP) 2018-2022* are to:

- a) *Improve access and participation in Education and Training*
- b) *Increase equity and inclusiveness in Education and Training*
- c) *Improve Quality and relevance in Education and Training*
- d) *Improve governance and accountability in Education and Training*

**Progress on attainment of Strategic development objectives**

For purposes of implementing and cascading the above development objectives to specific sectors, all the development objectives were made specific, measurable, achievable, realistic and time-bound (SMART) and converted into development outcomes. Attendant indicators were identified for reasons of tracking progress and performance measurement: Below we provide the progress on attaining the stated objectives:

<b>MDA Program</b>	<b>Objective</b>	<b>Outcome</b>	<b>Indicator</b>	<b>Performance</b>
Primary Education Program	To enhance access and equity of primary education.	Increased enrolment and improved inclusivity in	% increase in Gross Enrolment Rates (GER) and Net Enrolment	In FY 19/20 primary education GER improved from 104 % to 100.2% and

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		primary education	Rates (NER)	increased the NER from 91.2% to 92.5%.
Secondary Education Program	To enhance access and equity of secondary education.	Increased enrolment and improved inclusivity in secondary education	% increase in Gross Enrolment Rates (GER) and Net Enrolment Rates (NER)	In FY 19/20 secondary education GER improved from 70.3 % to 78.5% and increased the NER from 51.1% to 53.3%.
Quality Assurance and Standards	To develop, maintain and enhance education quality standards	Improved quality and relevance of primary and secondary education	% improvement in learning outcomes	The proportion of learners attaining minimum proficiency (50% benchmark) in Mathematics, increased with 5 percentage points from 71.1% at Baseline (2017) to 76.1 % at Endline (2019).

**IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING**

Two-to-three pages

*The Ministry of Education exists to transform lives. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy, which is founded on three pillars: putting the customer/Citizen first, delivering relevant goods and services, and improving operational excellence. Below is a brief highlight of our achievements in each pillar*

**1. Sustainability strategy and profile -**

The Government of Kenya (GoK) is committed to providing quality education, training, science and technology to all Kenyans. This is in line with the provisions of the Constitution of Kenya. Specifically, Articles 43(f) and 53(1) (b) of the Constitution provide for the right to education and the right to free and compulsory basic education, respectively. In Kenya's development blueprint, education and training is meant to provide the required knowledge, skills and attitudes necessary to contribute to the country's transformation into a newly industrializing, middle-income country that provides high quality of life to all its citizens by 2030. Education is also an enabler in the achievement of GoK's Big Four Agenda (housing, universal health, manufacturing and food security). Therefore, in fully achieving the aforementioned, MoE recently developed an all-inclusive sector-wide plan, the National Education Sector Strategic Plan (NESSP) 2018-2022, that spells out policy priorities, programmes and strategies for the education sector.

To realize national educational aspirations as provided in the Constitution and Vision 2030, which includes numeracy, literacy, life skills and industry relevant skills, various policy reforms have been rolled out. One key reform is the introduction of CBC, which is aimed at creating an ethical, engaged and empowered citizen. It seeks to nurture every learner's potential by ensuring all learners acquire the core competencies as provided in the Basic Education Curriculum Framework (BECF). CBC emphasizes formative rather than summative evaluations. In the implementation of the new curriculum, the 8-4-4 structure will eventually be replaced by the 2-6-6-3 structure, which consists of 2 years of pre-primary (for ages 4-5); 3 years of lower primary and 3 years of upper primary (for ages 6-11); and 3 years of junior secondary as well as 3 years of senior secondary (for ages 12-17 years).

Kenya is a signatory to several international conventions and agreements, including those on commitment to the development of education. The conventions and agreements underscore the need to eliminate all forms of discrimination and barriers, which then open doors for all citizens to be served with their right to education. To illustrate Kenya's commitment to the conventions and agreements signed, the country was one of the few that were close to meeting the Universal Primary Education under the Millennium Development Goals and the Education for All targets. To achieve the targets, Kenya adopted the Free Primary Education Policy (2003) and Free Day Secondary Education Policy (2008). In the current global orientation, Kenya has ratified Sustainable Development Goals and inherently showed its commitment to SDG4, which calls for inclusive and equitable quality education and promotion of lifelong learning opportunities for all. The SDG-4 is domesticated in the 2018-2022 National Education Sector Strategic Plan (NESSP).

**2. Environmental performance**

The Ministry of Education has adopted and domesticated the National Environmental Policy from the Ministry responsible for Environment. The Ministry has mainstreamed the environmental aspects into education and training through the Education for Sustainable Development Policy. The success of implementation of this policy has seen schools for environmental clubs and implement the school greening programmes at school level. Major shortcomings in the implementation of environmental programmes in the Ministry include inadequate funding due to the non-core nature of the mandate, expansive geographical spread of our schools and field offices and many uncoordinated partners. The Ministry is finalizing its e-waste management policy in an effort to guide the disposal of e-waste as the roll out of ICT integration in teaching and learning in the education institutions; and governance and management of the education system gains highest priority.

**3. Employee welfare**

In the period under review the sub sector carried out sensitization to 108 members of staff in 2018/19 and 2019/2020 FY drawn from the Ministry's headquarters and field offices on handling of public complaints. The Ministry screened members staff on blood pressure, cancer, diabetes, Sexually Transmitted Infections (STI) and BMI through various service providers. Other services provided to members of staff included sensitization of members of staff on blood safety, dental health, family planning and counseling, as more were sensitized on Alcohol and Drug Abuse (ADA) prevention measures. In the same period, members of staff were counseled and tested for HIV status both at the Headquarters and in the field and 115,840 condoms distributed to members of staff and other stakeholders.

The sub sector also undertook training needs analysis; inducted newly recruited Chief Education Officers; conducted pre-retirement training and sensitizations; undertook promotional courses such as SLDP, Senior Management Course, Customer Care and Public Relations; short-term skills enhancement courses including basic counseling skills, sensitization and dissemination of HIV and AIDs information, support and care for people living with HIV and AIDS, emerging threats and security response among others. In addition to the short term training programs, the sub sector also sponsored officers for masters, bachelors and diploma courses locally and overseas. The state department also provided industrial attachment opportunities to over 120 youths in tertiary institutions. There has been a decline in number of staff with capacities enhanced due to financial constraints.

The Ministry has made a commitment in the ISO 9001:2015 Quality Management System to improve the welfare of staff, protect them in their work environment, protect the Government facilities, equipment and assets as well as the safety of information through the Information Security Management System (ISMS) Standard.

In spite of these achievements, the sub sector faced a lot of challenges that are a major hindrance to its achieving the set goals of eradication of illiteracy as envisioned in the Vision

2030. This is attributed to various factors key among them is an aging workforce where 360, 487 and 492 officers left the service under natural attrition by 2019/2020 occasioning the state department to operate with current staff of 4,471 against an Authorized establishment of 8,994. Inadequate manpower is a hindrance to the State Department achieving its mandate of provision of education services to Kenyans.

**4. Market place practices-**

*The organisation should outline its efforts to:*

*a) Responsible competition practice.*

*Explain how the organisation ensures responsible competition practices with issues like anti-corruption, responsible political involvement, fair competition and respect for competitors*

*b) Responsible Supply chain and supplier relations- explain how the organisation maintains good business practices, treats its own suppliers responsibly by honouring contracts and respecting payment practices.*

*c) Responsible marketing and advertisement-outline efforts to maintain ethical marketing practices*

*d) Product stewardship- outline efforts to safeguard consumer rights and interests*

**5. Community Engagements-**

Government services by their nature are social services which are guaranteed to citizens by the Constitution. As guided by the Constitution of Kenya all programs implemented in the State Department of Early Learning and Basic Education in terms of policy formulation, development of strategic plans, MTEF budget formulation, project implementation arrangements; and monitoring and evaluation are accomplished through an extensive stakeholder consultation process. The key stakeholders include the Government and its Agencies, Development Partners, Civil Society, Non-Government Organizations, Faith Based Organizations, Political leaders, Community Leaders, Parents and Learners.

V. STATEMENT OF ENTITY MANAGEMENT RESPONSIBILITIES

Section 81 (1) of the Public Finance Management Act, 2013 requires that, at the end of each financial year, the accounting officer for a National Government Entity shall prepare financial statements in respect of that entity. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant accounting standards as prescribed the Public Sector Accounting Standards Board of Kenya from time to time.

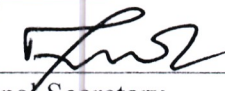
The Accounting Officer in charge of the State Department of Basic Education is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2017. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the entity; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

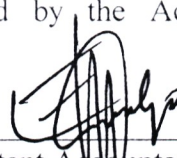
The Accounting Officer in charge of the State Department of Basic Education accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the *entity's* financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2017, and of the entity's financial position as at that date. The Accounting Officer charge of the State Department of Basic Education further confirms the completeness of the accounting records maintained for the State Department, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.

The Accounting Officer in charge of the State Department of Basic Education confirms that the entity has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further the Accounting Officer confirms that the entity's financial statements have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

**Approval of the financial statements**

The *entity's* financial statements were approved and signed by the Accounting Officer on 30/9 2020.

  
Principal Secretary  
Dr. Bello Kipsang

  
Assistant Accountant General  
E. Mukira Gichigo  
ICPAK Member Number: 19940

# 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 STATE DEPARTMENT FOR EARLY LEARNING AND BASIC EDUCATION FOR THE YEAR ENDED 30 JUNE, 2020**

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### **REPORT ON THE FINANCIAL STATEMENTS**

#### **Qualified Opinion**

I have audited the accompanying financial statements of State Department for Early Learning and Basic Education set out on pages 1 to 27, which comprise the statement of assets and liabilities as at 30 June, 2020, and the statement of receipts and payments, statement of cash flows and the summary statement of appropriation-recurrent and development combined for the year then ended, 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 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 State Department for Early Learning and Basic Education as at 30 June, 2020, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012.

#### **Basis for Qualified Opinion**

##### **1.0 Undisclosed Bank Accounts**

As disclosed in Note 12A to the financial statements, the statement of assets and liabilities reflects bank balances amounting to Kshs.1,527,776,487 as at 30 June, 2020. However, the State Department maintained fifteen (15) holding or suspense accounts with various commercial banks for disbursement of subsidies, grants and transfers to other government entities and in which unspent and unreconciled balances amounting to Kshs.130,604,529 were held as at 30 June, 2020. The balances were not included in the reported bank balances of Kshs.1,527,776,487. In addition, Management was in breach of Regulation 107(2)(a) and (b) of the Public Finance Management (National Government) Regulations, 2015 which provides for the clearing of suspense accounts to relevant cost centers on a monthly basis as well as conducting monthly reconciliations to confirm the balance of each account.

In view of the foregoing, the accuracy and completeness of the bank balances of Kshs.1,527,776,487 as at 30 June, 2020 could not be ascertained.

## **2.0 Accounts Receivables and Suspense Account**

The statement of assets and liabilities reflects a balance of Kshs.70,099,009 in respect of accounts receivables which, as disclosed in Note 13 to the financial statements, includes district suspense of Kshs.68,962,383 which was not adequately supported with the relevant supporting documents or schedules. In addition, Management had not carried out any investigations on the cause of the suspense account.

In the circumstances, the correctness and accuracy of accounts receivables balance of Kshs.70,099,009 as at 30 June, 2020 could not be confirmed.

## **3.0 Payment of Rent without Valid Lease Agreements**

The statement of receipts and payments reflects an expenditure of Kshs.4,572,964,454 under use of goods and services which, as disclosed in Note 6 to the financial statements, includes payments totalling to Kshs.150,490,607 in respect of rentals of produced assets. The latter balance includes an amount of Kshs.86,109,234 being rental charges for office space for various State Department's offices in the counties. However, valid lease agreements and approvals for the procurement of the offices were not provided for audit verification.

In the circumstances, the accuracy and validity of the payments amounting to Kshs. 86,109,234 included in the reported expenditure of Kshs.150,490,609 for rentals of produced assets could not be confirmed.

## **4.0 Subsidies**

The statement of assets and liabilities reflects subsidies totalling Kshs.58,778,993,798 for the year ended 30 June, 2020. The following observations were made with regard to the expenditure:

### **4.1 Subsidy Overpayments**

The subsidies balance includes an amount of Kshs.1,815,126,548 being overpayment of subsidies to two thousand six hundred and ten (2610) public secondary schools in different counties. The overpayment arose from erroneous computations of July and September, 2019 disbursements, inflation of enrolment numbers in January, 2020 and double payments to some schools.

### **4.2 Disbursements to Schools whose Existence is Doubtful**

Included in the subsidies balance is an expenditure of Kshs.26,835,700 disbursed to five (5) schools whose existence was in doubt since registration certificates, Teachers Service Commission (TSC) appointment letters and posting of the Principals, Boards of Management minutes approving opening of bank accounts and other documents required under the State Department for Early Learning and Basic Education annual guidelines on disbursement of Free Day Secondary Education Funds (FDSE) were not provided.

In the circumstances, it is not possible to confirm the accuracy and validity of the reported subsidies of Kshs.58,778,993,798 for the year ended 30 June, 2020.

## **5.0 Unsupported Transfers to Moiben Teachers Training College**

As disclosed in Note 8 to the financial statements, the statement of receipts and payments reflects an expenditure of Kshs.20,387,731,550 in respect of transfers to other government units which include an amount of Kshs.25,000,000 disbursed to Moiben Teachers Training College. Construction of the institution commenced in the financial year 2014/2015 under the mentorship of Tambach Teachers Training for the training of diploma science teachers.

Although the bills of quantities indicated that the contract sum for the construction was Kshs.121,050,383, the State Department had disbursed Kshs.261,500,000 to the institution as at the time of audit and no explanation was provided for the excess disbursements. Further, the progress status for the construction could not be confirmed as complete architectural drawings and the signed contract(s) were not provided for audit scrutiny.

Consequently, it was not possible to confirm the validity of the Kshs.25,000,000 included in the total reported transfer to other government units and the value for money on the cumulative transfers of Kshs.261,500,000 to Moiben Teachers Training College.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the State Department for Early Learning and Basic Education 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 audit 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.

### **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. I have determined that there are no Key Audit Matters to communicate in my report.

### **Other Matter**

#### **1.0 Pending Bills**

Note 20.1 and Note 20.2 to the financial statements indicates that the State Department had pending bills totalling Kshs.91,853,036 as at 30 June, 2020. Management has not explained why the bills were not settled during the year when they occurred. Failure to settle bills during the year to which they relate distorts the financial statements and

adversely affects the budgetary provisions for the subsequent year as they form a first charge.

## 2.0 Delay of Exchequer Releases

Exchequer issues totalling Kshs.540,406,486 were received in the bank account of the State Department during the month of June, 2020 as detailed below:

<b>Date Funds Received in the Bank Account</b>	<b>Amount Received (Kshs.)</b>
15 June, 2020	213,100,663
25 June, 2020	314,640,943
30 June, 2020	12,664,880
<b>Total</b>	<b>540,406,486</b>

The delay in Exchequer release may have resulted in low absorption of the budget thus negatively affecting timely implementation of the programmes of the State Department and provision of services to the public.

## 3.0 Unresolved Prior Year Matters

Various prior year audit issues remained unresolved as at 30 June, 2020. Management has not provided reasons for the delay in resolving the prior year audit issues. Further, the status of the unresolved issues and the timeframe within which Management expected to resolve the issues was not indicated under the progress on follow up of auditor's recommendations section of the financial statements as required by the Public Sector Accounting Standards Board.

## 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, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

### **Basis for Conclusion**

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.

### **Responsibilities of Management and those Charged with Governance**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for such 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.

In preparing the financial statements, Management is responsible for assessing the State Department's ability to sustain services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless the Management is aware of the intention to terminate the State Department or to 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.

Those charged with governance are 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 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 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 applicable 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 sustain its services. 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 the State Department to cease to sustain its services.
- 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 State Department 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**

**24 May, 2021**

MINISTRY OF EDUCATION

STATE DEPARTMENT FOR EARLY LEARNING AND BASIC EDUCATION

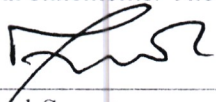
Reports and Financial Statements

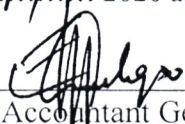
For the year ended 30 June, 2020

VII. STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 30 JUNE 2020

	Note	2019-2020 Kshs	2018-2019 Kshs
<b>RECEIPTS</b>			
Proceeds from Domestic and Foreign Grants	1	37,133,403	388,866,352
Transfers from National Treasury	2	85,194,795,003	95,131,489,693
Proceeds from Sale of Assets	3	1,366,685,975	1,359,785,127
Other Revenues	4	85,568,010	62,662,246
<b>TOTAL REVENUES</b>		<b>86,684,182,391</b>	<b>96,942,803,418</b>
<b>PAYMENTS</b>			
Compensation of Employees	5	3,754,061,173	3,861,982,156
Use of goods and services	6	4,572,964,454	6,438,772,849
Subsidies	7	58,778,993,798	59,633,897,605
Transfers to Other Government Units	8	20,387,731,550	25,381,569,547
Other grants and transfers	9	5,640,099	12,753,213
Social Security Benefits	10	2,062,368	2,740,535
Acquisition of Assets	11	-	-
<b>TOTAL PAYMENTS</b>		<b>87,501,453,442</b>	<b>95,331,715,905</b>
<b>SURPLUS/DEFICIT</b>		<b>(817,271,051)</b>	<b>1,611,087,513</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on 30.9.2020 and signed by:

  
Principal Secretary  
Dr. Belio Kipsang


  
Assistant Accountant General  
E. Mukira Gichigo  
ICPAK Member Number: 19940

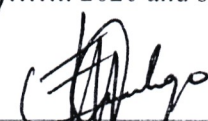
**MINISTRY OF EDUCATION  
STATE DEPARTMENT FOR EARLY LEARNING AND BASIC EDUCATION  
Reports and Financial Statements  
For the year ended 30 June, 2020**

**VIII. STATEMENT OF ASSETS AND LIABILITIES FOR THE YEAR ENDED 30 JUNE 2020**

	Note	2019-2020 Kshs	2018-2019 Kshs
<b>FINANCIAL ASSETS</b>			
Cash and Cash Equivalents			
Bank Balances	12A	1,527,776,487	2,269,415,235
Cash Balances	12B	35,419	76,916
Total Cash And Cash Equivalents		<b>1,527,811,906</b>	<b>2,269,492,151</b>
Accounts Receivables - Outstanding Imprest and Clearance Accounts	13	70,099,009	143,917,647
<b>TOTAL FINANCIAL ASSETS</b>		<b>1,597,910,915</b>	<b>2,413,409,798</b>
LESS: FINANCIAL LIABILITIES			
Accounts Payables - Deposits	14	64,897,059	81,985,288
<b>NET FINANCIAL ASSETS REPRESENTED BY</b>		<b>1,533,013,856</b>	<b>2,331,424,510</b>
Fund balance b/fwd	15	2,331,424,511	751,238,338
Prior year adjustments	16	18,860,396	(30,901,340)
Surplus/Deficit for the year		(817,271,051)	1,611,087,513
<b>NET FINANCIAL POSITION</b>		<b>1,533,013,856</b>	<b>2,331,424,511</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on 30.6.2020 and signed by:

  
Principal Secretary  
Dr. Belio Kipsang

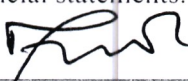
  
Assistant Accountant General  
E. Mukira Gichigo  
ICPAK Member Number: 19940

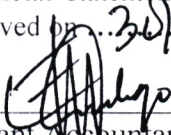
MINISTRY OF EDUCATION  
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 Reports and Financial Statements  
 For the year ended 30 June, 2020

IX. STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2020

	Note	2019-2020 Kshs	2018-2019 Kshs
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
<b>Receipts for operating income</b>			
Proceeds from Domestic and Foreign Grants	1	37,133,403	388,866,352
Transfers from National Treasury	2	85,194,795,003	95,131,489,693
Other Revenues	4	85,568,010	62,662,246
		<b>85,317,496,416</b>	<b>95,583,018,291</b>
<b>Payments for operating expenses</b>			
Compensation of Employees	5	3,754,061,173	3,861,982,156
Use of goods and services	6	4,572,964,454	6,438,772,849
Subsidies	7	58,778,993,798	59,633,897,605
Transfers to Other Government Units	8	20,387,731,550	25,381,569,547
Other grants and transfers	9	5,640,099	12,753,213
Social Security Benefits	10	2,062,368	2,740,535
		<b>87,501,453,442</b>	<b>95,331,715,905</b>
<b>Adjusted for:</b>			
Changes in receivables		73,818,638	568,248,212
Changes in payables		(17,088,229)	1,846,088
Adjustments during the year	16	18,860,396	(30,901,340)
<b>Net cash flow from operating activities</b>		<b>(2,108,366,221)</b>	<b>790,495,346</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from Sale of Assets	3	1,366,685,975	1,359,785,127
Acquisition of Assets	11	-	-
<b>Net cash flows from Investing Activities</b>		<b>1,366,685,975</b>	<b>1,359,785,127</b>
<b>CASHFLOW FROM BORROWING ACTIVITIES</b>			
<b>NET INCREASE IN CASH AND CASH EQUIVALENT</b>		<b>(741,680,246)</b>	<b>2,150,280,473</b>
<b>Cash and cash equivalent at BEGINNING of the year</b>		<b>2,269,492,152</b>	<b>119,211,679</b>
<b>Cash and cash equivalent at END of the year</b>		<b>1,527,811,906</b>	<b>2,269,492,152</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved by ..... 2020 and signed by:

  
 Principal Secretary  
 Dr. Belio Kipsang

  
 Assistant Accountant General  
 E. Mukira Gichigo  
 ICPAK Member Number: 19940

MISSOURI EDUCATION STATE DEPARTMENT FOR EARLY LEARNING AND BASIC EDUCATION Reports and Financial Statements  
 For the year ended 30 June, 2020

X. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED FOR THE YEAR ENDED 30 JUNE 2020

Code	Revenue/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation Difference to Final Budget
a	b	c=a+b	d	e=c-d	f=d/c %		
<b>RECEIPTS</b>							
	Proceeds from Domestic and Foreign Grants	17,211,640	137,788,360	155,000,000	37,133,403	117,866,597	24%
	Exchequer releases	90,644,305,008	2,086,162,077	92,730,467,085	85,194,795,003	7,535,672,082	92%
	Proceeds from Foreign Borrowings	45,000,000	(45,000,000)	-	-	-	
	Proceeds from Sale of Assets	681,300,000	681,300,000	1,362,600,000	1,366,685,975	(4,085,975)	100%
	Other Receipts	35,000,000	35,000,000	70,000,000	85,568,010	(15,568,010)	122%
	<b>Total Receipts</b>	<b>91,422,816,648</b>	<b>2,895,250,437</b>	<b>94,318,067,085</b>	<b>86,684,182,391</b>	<b>7,633,884,694</b>	<b>92%</b>
<b>Payments</b>							
21	Compensation of Employees	1,974,000,000	1,870,330,000	3,844,330,000	3,754,061,173	90,268,827	98%
22	Use of goods and services	4,552,996,992	93,713,684	4,646,710,675	4,572,964,454	73,746,221	98%
25	Subsidies	59,561,865,698	136,620,520	59,698,486,218	58,778,993,798	919,492,420	98%
263	Transfers to Other Government Units	25,312,737,803	793,777,889	26,106,515,692	20,387,731,550	5,718,784,142	78%
261/2/4	Other grants and transfers	9,000,000	9,000,000	18,000,000	5,640,099	12,359,901	31%
27	Social Security Benefits	2,000,000	2,000,000	4,000,000	2,062,368	1,937,632	52%
31	Acquisition of Assets	10,216,156	(10,191,656)	24,500	-	-	
	<b>Grand Total</b>	<b>91,422,816,648</b>	<b>2,895,250,437</b>	<b>94,318,067,085</b>	<b>87,501,453,442</b>	<b>6,816,613,643</b>	<b>93%</b>
	<b>Surplus/Deficit</b>	-	-	-	<b>(817,271,051)</b>	<b>817,271,051</b>	


STATE DEPARTMENT FOR EARLY LEARNING AND BASIC EDUCATION Reports and Financial Statement

For the year ended 30 June, 2020

- (a) **Proceeds from Domestic and Foreign Grants-** The department under-collected AIA by 76% due to failure from the donor failing to meet their commitments
- (b) **The state Department under spent the budgetary allocation as follows**
  - i. **Transfers to Other Government Units-** The department underspent up to 22% due to insufficient Exchequer and Covid-19 pandemic that led to Schools closure
  - ii. **Other Grants and Transfers -**The department underspent up to 69% due to failure by UNICEF and GPE in honouring their commitments and Covid-19 pandemic that led to suspension of programmes
  - iii. **Social Security Benefits-** The department underspent up to 48% due to officers who were transferred to other state departments and ministries who were due
- (c) The State Department had a budget under **Equalization Fund of Kshs. 2,249,500**. The budget was domiciled at the national Treasury. Ac/ no 1-7031-7031100501-00001001-0501019999-2630201-00000001-000. Under this account the department spent Kshs. Nil, the balance remaining Kshs. 2,249,500.
- (d) *The changes between the original and final budget are as a result of reallocations within the budget through the supplementary allocations*
- (e) **The Kshs.** 15,568,010- Other Receipts is in respect of unclaimed funds for the PRIEDE project, which had accumulated for years.

The entity financial statements were approved on 30/9/2020 and signed by:

  
 \_\_\_\_\_  
 Principal Secretary  
 Dr. Belio Kipsang

  
 \_\_\_\_\_  
 Assistant Accountant General  
 E. Mukira Gichigo  
 ICPAK Member Number: 19940

**MI R E I A T**  
**STATE DEPARTMENT FOR EARLY LEARNING AND BASIC EDUCATION Reports and Financial Statement**  
 For the year ended 30 June, 2020

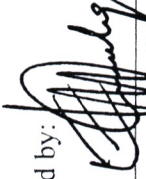
**XI. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT FOR THE YEAR ENDED 30 JUNE 2020**

Code	Revenue/Expense Item	Original Budget	Adjustments	Final Budget	Basis		% of Utilisation	Difference to Final Budget f=d/c %
					a	b		
	<b>RECEIPTS</b>							
	Exchequer releases	83,642,635,655	4,662,145,218	88,304,780,873	82,663,011,933	5,641,768,940	94%	
	Proceeds from Sale of Assets	681,300,000	681,300,000	1,362,600,000	1,366,685,975	(4,085,975)	100%	
	Other Receipts	35,000,000	35,000,000	70,000,000	70,000,000	-	100%	
	<b>Total Receipts</b>	<b>84,358,935,655</b>	<b>5,378,445,218</b>	<b>89,737,380,873</b>	<b>84,099,697,908</b>	<b>5,637,682,965</b>	<b>94%</b>	
	<b>PAYMENTS</b>							
21	Compensation of Employees	1,974,000,000	1,870,330,000	3,844,330,000	3,754,061,173	90,268,827	98%	
22	Use of goods and services	4,533,785,352	106,925,324	4,640,710,675	4,572,964,454	67,746,221	99%	
25	Subsidies	59,561,865,698	136,620,520	59,698,486,218	58,778,993,798	919,492,420	98%	
263	Transfers to Other Government Units	18,268,068,450	3,263,761,030	21,531,829,480	16,965,730,222	4,566,099,258	79%	
261/2/4	Other grants and transfers	9,000,000	9,000,000	18,000,000	5,640,099	12,359,901	31%	
27	Social Security Benefits	2,000,000	2,000,000	4,000,000	2,062,368	1,937,632	52%	
31	Acquisition of Assets	10,216,156	(10,191,656)	24,500	-	-	-	
	<b>Grand Total</b>	<b>84,358,935,655</b>	<b>5,378,445,218</b>	<b>89,737,380,873</b>	<b>84,079,452,114</b>	<b>5,657,928,759</b>	<b>94%</b>	
	<b>Surplus/Deficit</b>				<b>20,245,794</b>	<b>-20,245,794</b>		

Notes

- a) The state Department under spent the budgetary allocation as follows
  - i. **Transfers to Other Government Units-** The department underspent up to **21%** due to insufficient Exchequer and Covid-19 pandemic that led to suspension of programmes
  - ii. **Other Grants and Transfers -**The department underspent up to **69%** due to failure by UNICEF and GPE in honouring their commitments and Covid-19 pandemic that led to suspension of programmes
  - iii. **Social Security Benefits-** The department underspent up to **48%** due to officers who were transferred to other state departments and ministries who were due

b) *The changes between the original and final budget are as a result of reallocations within the budget through the supplementary allocations*

The entity financial statements were approved on 2019..... 2020 and signed by:  
  
Assistant Accountant General  
E. Mukira Gichigo  
ICPAK Member Number: 19940

  
Principal Secretary  
Dr. Belio Kipsang

STATE DEPARTMENT FOR EARLY LEARNING AND BASIC EDUCATION Reports and Financial Statement

For the year ended 30 June, 2020

XII. SUMMARY STATEMENT OF APPROPRIATION: DEVELOPMENT FOR THE YEAR ENDED 30 JUNE 2020

Code	Revenue/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
a	b	c=a+b	d	e=c-d	f=d/c %		
<b>RECEIPTS</b>							
	Proceeds from Domestic and Foreign Grants	17,211,640	137,788,360	155,000,000	37,133,403	117,866,597	24%
	Exchequer releases	7,001,669,353	(2,575,983,141)	4,425,686,212	2,531,783,070	1,893,903,142	57%
	Proceeds from Foreign Borrowings	45,000,000	(45,000,000)	-	15,568,010	-	
	<b>Total Receipts</b>	<b>7,063,880,993</b>	<b>(2,483,194,781)</b>	<b>4,580,686,212</b>	<b>2,584,484,483</b>	<b>2,011,769,739</b>	<b>56%</b>
<b>Payments</b>							
22	Use of goods and services	19,211,640	(13,211,640)	6,000,000	-	6,000,000	0%
263	Transfers to Other Government Units	7,044,669,353	(2,469,983,141)	4,574,686,212	3,422,001,328	1,152,684,884	75%
	<b>Grand Total</b>	<b>7,063,880,993</b>	<b>(2,483,194,781)</b>	<b>4,580,686,212</b>	<b>3,422,001,328</b>	<b>1,158,684,884</b>	<b>75%</b>
	<b>Surplus/Deficit</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(837,516,845)</b>	<b>837,516,845</b>	

(a) **Proceeds from Domestic and Foreign Grants**- The department under-collected AIA by 24% due to failure from the donor failing to meet their commitments

(b) **Exchequer Releases**-The state department received less Exchequers by 43%

(c) The state Department under spent the budgetary allocation as follows

i. **Transfers to Other Government Units**- The department underspent up to 25% due to budgetary cuts

ii. **Use of Goods** -The department underspent up to 100% due Covid-19 pandemic that led to suspension of programmes

(d) The State Department had a budget of **Equalization Fund** Kshs. 2,249,500. The budget was domiciled at the national Treasury. Ac/ no 1-7031-7031100501-00001001-0501019999-2630201-00000001-000. Under this account, the department spent Kshs. Nil, the balance remaining Kshs. 2,249,500.

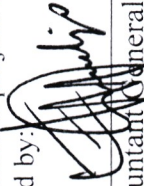
(e) The changes between the original and final budget are as a result of reallocations within the budget through the supplementary allocations

(f) **The Kshs.** 15,568,010- Other Receipts is in respect of unclaimed funds for the PRIEDE project which had accumulated for years

The entity financial statements were approved on 30/6/2020 and signed by:



Principal Secretary  
Dr. Belio Kipsang



Assistant Accountant General  
E. Mukira Gichigo  
ICPAK Member Number: 19940

**MINISTRY OF EDUCATION**  
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**XIII. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES**

Programme/Sub-programme	Original Budget	Adjustments	Final Budget	Actual on comparable basis	Budget utilization difference
	2020 Kshs	Kshs	2020 Kshs	Date, 2020 Kshs	Kshs
<b>PRIMARY EDUCATION</b>	<b>19,884,651,009</b>		<b>19,884,651,009</b>	<b>13,945,222,287</b>	<b>5,939,428,722</b>
Free Primary Education	15,454,824,497		15,454,824,497	11,098,135,598	4,356,688,899
Special Needs Education	943,276,675		943,276,675	857,560,878	85,715,797
Early Child Development and Education	3,917,415		3,917,415	2,592,560	1,324,855
Primary Teachers Training and In-servicing	646,320,524		646,320,524	464,817,668	181,502,856
Alternative Basic Adult and Continuing Education	64,143,039		64,143,039	61,608,451	2,534,588
School Health, Nutrition and Meals	1,982,777,718		1,982,777,718	1,451,406,089	531,371,629
ICT Capacity Development	789,391,141		789,391,141	9,101,041	780,290,100
<b>SECONDARY EDUCATION</b>	<b>65,430,550,096</b>		<b>65,430,550,096</b>	<b>65,098,578,981</b>	<b>331,971,115</b>
Secondary Bursary Management Services	44,939,756		44,939,756	44,508,775	430,981
Free Day Secondary Education	64,256,157,040		64,256,157,040	64,159,077,940	97,079,100
Secondary Teachers Education Services	725,420,000		725,420,000	500,210,000	225,210,000
Secondary Teachers In-Service	204,033,300		204,033,300	203,476,700	556,600
Special Needs Education	200,000,000		200,000,000	191,305,566	8,694,434
<b>QUALITY ASSURANCE STANDARDS</b>	<b>4,686,315,598</b>		<b>4,686,315,598</b>	<b>4,306,750,790</b>	<b>379,564,808</b>
Curriculum Development	1,744,087,569		1,744,087,569	1,587,087,568	157,000,001
Examination and Certification	1,504,000,000		1,504,000,000	1,504,000,000	-
Co-Curriculum Activities	1,438,228,029		1,438,228,029	1,215,663,222	222,564,807
<b>GENERAL ADMINISTRATION, PLANNING AND SUPPORT SERVICES</b>	<b>4,316,550,382</b>		<b>4,316,550,382</b>	<b>4,150,901,384</b>	<b>165,648,998</b>
Headquarters Administrative Services	1,749,842,755		1,749,842,755	1,608,880,609	140,962,146
County Administrative Services	2,566,707,627		2,566,707,627	2,542,020,775	24,686,852
<b>TOTAL</b>	<b>94,318,067,085</b>		<b>94,318,067,085</b>	<b>87,501,453,442</b>	<b>6,816,613,643</b>

(NB: This statement is a disclosure statement indicating the utilisation in the same format at the Entity's budgets, which are programme based. Ensure that this document is completed to enable consolidation by the National Treasury)

**MINISTRY OF EDUCATION**  
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**XIV. SIGNIFICANT ACCOUNTING POLICIES**

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

**1. Statement of Compliance and Basis of Preparation**

The financial statements have been prepared in accordance with Cash-basis International Public Sector Accounting Standards (IPSAS) as prescribed by the Public Sector Accounting Standards Board (PSASB) and set out in the accounting policy note below. This cash basis of accounting has been supplemented with accounting for; a) receivables that include imprests and salary advances and b) payables that include deposits and retentions.

The financial statements comply with and conform to the form of presentation prescribed by the PSASB. The accounting policies adopted have been consistently applied to all the years presented.

**2. Reporting Entity**

The financial statements are for State Department for Early Learning and Basic Education. The financial statements encompass the reporting entity as specified under section 81 of the PFM Act 2012 and also comprise of the following development projects implemented by the entity:

- i. Kenya Primary Education Development Project*
- ii. Secondary Education quality Improvement Project*
- iii. Education for Young People Programme*

**3. Reporting Currency**

The financial statements are presented in Kenya Shillings (KShs), which is the functional and reporting currency of the Government and all values are rounded to the nearest Kenya Shilling.

**4. Significant Accounting Policies**

The accounting policies set out in this section have been consistently applied by the Entity for all the years presented.

**a) Recognition of Receipts**

The Entity recognises all receipts from the various sources when the event occurs and the related cash has actually been received by the Entity.

**i.**

**Tax Receipts**

Tax receipts are recognized in the books of accounts when cash is received. Cash is considered as received when notification of tax remittance is received. (Check if this policy is applicable to entity)

**MINISTRY OF EDUCATION  
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---

**SIGNIFICANT ACCOUNTING POLICIES**

**ii. Transfers from the Exchequer**

Transfers from the exchequer are recognized in the books of accounts when cash is received. Cash is considered as received when payment instruction is issued to the bank and notified to the receiving entity.

**iii. External Assistance**

External assistance is received through grants and loans from multilateral and bilateral development partners.

Grants and loans shall be recognized in the books of accounts when cash is received. Cash is considered as received when a payment advice is received by the recipient entity or by the beneficiary.

In case of grant/loan in kind, such grants are recorded upon receipt of the grant item and upon determination of the value. The date of the transaction is the value date indicated on the payment advice. A similar recognition criteria is applied for loans received in the form of a direct payment.

During the year ended 30<sup>th</sup> June 2020, there were no instances of non-compliance with terms and conditions which have resulted in cancellation of external assistance loans.

**iv. Other receipts**

These include Appropriation-in-Aid and relates to receipts such as proceeds from disposal of assets and sale of tender documents. These are recognized in the financial statements the time associated cash is received.

**b) Recognition of payments**

The Entity recognises all payments when the event occurs, and the related cash has been paid out by the Entity.

**v. Compensation of Employees**

Salaries and wages, allowances, statutory contribution for employees are recognized in the period when the compensation is paid.

**vi. Use of Goods and Services**

Goods and services are recognized as payments in the period when the goods/services are paid for. Such expenses, if not paid during the period where goods/services are consumed, shall be disclosed as pending bills.

**vii. Interest on Borrowing**

Borrowing costs that include interest are recognized as payment in the period in which they are paid for.

MINISTRY OF EDUCATION  
STATE DEPARTMENT FOR EARLY LEARNING AND BASIC  
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**SIGNIFICANT ACCOUNTING POLICIES**

**viii. Repayment of Borrowing (Principal Amount)**

The repayment of principal amount of borrowing is recognized as payment in the period in which the repayment is made.

**ix. Acquisition of Fixed Assets**

The payment on acquisition of property plant and equipment items is not capitalized. The cost of acquisition and proceeds from disposal of these items are treated as payments and receipts items respectively. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration and the fair value of the asset can be reliably established, a contra transaction is recorded as receipt and as a payment.

A fixed asset register is maintained by each public entity and a summary provided for purposes of consolidation. This summary is disclosed as an annexure to the financial statements.

**5. In-kind contributions**

In-kind contributions are donations that are made to the Entity in the form of actual goods and/or services rather than in money or cash terms. These donations may include vehicles, equipment or personnel services. Where the financial value received for in-kind contributions can be reliably determined, the Entity includes such value in the statement of receipts and payments both as receipts and as payments in equal and opposite amounts; otherwise, the contribution is not recorded.

**6. Third Party Payments**

Included in the receipts and payments, are payments made on its behalf to third parties in form of loans and grants. These payments do not constitute cash receipts and payments and are disclosed in the payment to third parties in the statement of receipts and payments as proceeds from foreign borrowings.

**7. Cash and Cash Equivalents**

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year.

**Restriction on Cash**

Restricted cash represents amounts that are limited/restricted from being used to settle a liability for at least twelve months after the reporting period. This cash is limited for direct use as required by stipulation.

Amounts maintained in deposit bank accounts are restricted for use in refunding third party deposits. As at 30th June 2020, this amounted to Kshs xxx compared to Kshs xxx in prior period as indicated on note xxxx.

There were no other restrictions on cash during the year.

## **SIGNIFICANT ACCOUNTING POLICIES**

### **8. Accounts Receivable**

For the purposes of these financial statements, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year are treated as receivables. This is in recognition of the government practice where the imprest payments are recognized as payments when fully accounted for by the imprest or AIE holders. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

### **9. Accounts Payable**

For the purposes of these financial statements, deposits and retentions held on behalf of third parties have been recognized on an accrual basis (as accounts payables). This is in recognition of the government practice of retaining a portion of contracted services and works pending fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. This is an enhancement to the cash accounting policy adopted by National Government Ministries and Agencies. Other liabilities including pending bills are disclosed in the financial statements.

### **10. Pending Bills**

Pending bills consist of unpaid liabilities at the end of the financial year arising from contracted goods or services during the year or in past years. As pending bills do not involve the payment of cash in the reporting period, they recorded as 'memorandum' or 'off-balance' items to provide a sense of the overall net cash position of the Entity at the end of the year. When the pending bills are finally settled, such payments are included in the Statement of Receipts and Payments in the year in which the payments are made.

### **11. Budget**

The budget is developed on a comparable accounting basis (cash basis except for imprest and deposits, which are accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament on June 2019 for the period 1<sup>st</sup> July 2019 to 30<sup>th</sup> June 2020 as required by Law and there were two supplementary adjustments to the original budget during the year.

A comparison of the actual performance against the comparable budget for the financial year under review has been included in the financial statements.

Government Development Projects are budgeted for under the MDAs but receive budgeted funds as transfers and account for them separately. These transfers are recognised as inter-entity transfers.

### **12. Comparative Figures**

Where necessary, comparative figures for the previous financial year have been amended or reconfigured to conform to the required changes in presentation.

**MINISTRY OF EDUCATION  
STATE DEPARTMENT FOR EARLY LEARNING AND BASIC  
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**Reports and Financial Statements**  
**For the year ended 30 June, 2020**

---

**SIGNIFICANT ACCOUNTING POLICIES**

**13. Subsequent Events**

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30<sup>th</sup> June 2020.

**14. Errors**

Material prior period errors shall be corrected retrospectively in the first set of financial statements authorized for issue after their discovery by: i. restating the comparative amounts for prior period(s) presented in which the error occurred; or ii. If the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and net assets/equity for the earliest prior period presented.

During the year, errors that have been corrected are disclosed under note 26 explaining the nature and amounts.

**15. Related Party Transactions**

Related party relationships are a normal feature of commerce. Specific information with regards to related party transactions is included in the disclosure notes.

**MINISTRY OF EDUCATION  
STATE DEPARTMENT FOR EARLY LEARNING AND BASIC  
EDUCATION**

**Reports and Financial Statements  
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**XV. NOTES TO THE FINANCIAL STATEMENTS**

**1 PROCEEDS FROM DOMESTIC AND FOREIGN GRANTS**

Name of Donor	Date received	Amount in foreign currency	2019-2020 Kshs	2018-2019 Kshs
<b>Grants Received from Bilateral Donors (Foreign Governments)</b>				
G-UNITED				-
GPE- PRIEDE			37,133,403	388,866,352
UNICEF				-
<b>TOTAL</b>			<b>37,133,403</b>	<b>388,866,352</b>

*(Provide explanation with regards to specific projects and programmes that the donors have supported and whether the donations are restricted. Direct payments are those made by the donors directly to the beneficiaries or suppliers. These should be shown in a separate column)*

**2 EXCHEQUER RELEASES**

Description	Reference of the transfer	Date of transfer	2019-2020 Kshs	2018-2019 Kshs
Total Exchequer Releases for quarter 1			29,468,166,508	15,660,889,115
Total Exchequer Releases for quarter 2			7,844,154,062	20,715,397,985
Total Exchequer Releases for quarter 3			45,618,180,496	36,636,166,200
Total Exchequer Releases for quarter 4			2,264,293,937	22,119,036,393
<b>TOTAL</b>			<b>85,194,795,003</b>	<b>95,131,489,693</b>

*The entity received less exchequer to the tune of Kshs. 6,810,437,707.*

**3 PROCEEDS FROM SALE OF ASSETS**

	2019-2020 Kshs	2018-2019 Kshs
Receipts from the Sale of Inventories, Stocks and Commodities	1,366,685,975	1,359,785,127
<b>TOTAL</b>	<b>1,366,685,975</b>	<b>1,359,785,127</b>

*This is purely for services offered*

**MINISTRY OF EDUCATION  
STATE DEPARTMENT FOR EARLY LEARNING AND BASIC  
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**Reports and Financial Statements  
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**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**4 OTHER REVENUES**

	2019-2020 Kshs	2018-2019 Kshs
Receipts from Administrative Fees and Charges	70,000,000	62,662,246
Other Miscellaneous Revenue	15,568,010	-
<b>TOTAL</b>	<b>85,568,010</b>	<b>62,662,246</b>

*The Kshs.* 15,568,010- Other Miscellaneous Revenue is in respect of unclaimed funds for the PRIEDE project which had accumulated for

**5 COMPENSATION OF EMPLOYEES**

	2019-2020 Kshs	2018-2019 Kshs
Basic salaries of permanent employees	2,335,189,327	2,362,958,204
Basic wages of temporary employees	121,186,121	105,097,811
Personal allowances paid as part of salary	1,277,896,615	1,375,431,881
Employer Contributions Compulsory national social security schemes	5,673,317	3,858,173
Employer Contributions Compulsory national health insurance schemes	14,115,794	14,636,087
<b>TOTAL</b>	<b>3,754,061,173</b>	<b>3,861,982,156</b>

**MINISTRY OF EDUCATION  
STATE DEPARTMENT FOR EARLY LEARNING AND BASIC  
EDUCATION**

**Reports and Financial Statements  
For the year ended 30 June, 2020**

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**6 USE OF GOODS AND SERVICES**

	2019-2020 Kshs	2018-2019 Kshs
Utilities, supplies and services	82,331,210	78,460,390
Communication, supplies and services	17,713,288	45,322,523
Domestic travel and subsistence	52,978,515	142,297,223
Foreign travel and subsistence	852,346	10,717,388
Printing, advertising and information supplies & services	12,045,446	23,453,736
Rentals of produced assets	150,490,607	163,031,009
Training expenses	6,724,582	23,067,544
Hospitality supplies and services	20,982,974	54,096,946
Specialised materials and services	14,472,320	1,478,423,924
Office and general supplies and services	38,527,610	64,925,554
Other operating expenses	4,041,473,889	4,099,974,695
Routine maintenance – vehicles and other transport equipment	47,862,180	100,651,363
Routine maintenance – other assets	33,478,289	48,366,597
Fuel Oil and Lubricants	53,031,198	105,983,957
<b>TOTAL</b>	<b>4,572,964,454</b>	<b>6,438,772,849</b>

**7 SUBSIDIES**

Description	2019-2020 Kshs	2018-2019 Kshs
Subsidies to Public Corporations	58,778,993,798	59,633,897,605
<b>TOTAL</b>	<b>58,778,993,798</b>	<b>59,633,897,605</b>

**8 GRANTS AND TRANSFERS TO OTHER GOVERNMENT ENTITIES**

Description	2019-2020 Kshs	2018-2019 Kshs
Current grants to Government Agencies and Other Levels of Government (2630100)	16,853,736,739	19,473,204,956
Capital Grants to Government Agencies and other level of Government (2630200)	1,647,316,879	3,002,563,620
Other Current ,transfers, grants and subsidies(2640400)	125,000,000	
Other capital Grants and transfers (2640500)	1,761,677,932	2,905,800,971
<b>TOTAL</b>	<b>20,387,731,550</b>	<b>25,381,569,547</b>

**MINISTRY OF EDUCATION  
STATE DEPARTMENT FOR EARLY LEARNING AND BASIC  
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**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

The above transfers were made to the following self-reporting entities in the year:

<b>Description</b>	<b>Recurrent Kshs</b>	<b>Development Kshs</b>	<b>Total Kshs</b>	<b>2018-2019 Kshs</b>
<b>Transfers to SAGAs and SCs</b>				
The Kenya Scouts Association	92,812,500	-	92,812,500	76,962,500
Centre for Maths Science and Tech Education in Africa	718,369,381	52,510,000	770,879,381	730,095,434
Kenya Institute for The Blind	23,250,000	-	23,250,000	30,380,000
Lugari Teachers Training College	40,000,000	42,500,000	82,500,000	124,200,000
National Council for the Nomadic Education in Kenya	190,000,000	-	190,000,000	136,404,860
The President's Award Kenya	30,000,000	-	30,000,000	29,800,000
Kenya National Commission for UNESCO	294,800,000	-	294,800,000	307,800,000
Kenya National Examination Council	4,200,868,712	434,669,810	4,635,538,522	4,387,529,845
Kenya Institute of Curriculum Development	1,415,087,568	157,000,000	1,572,087,568	6,416,151,176
School Equipment Production Unit	14,900,000	-	14,900,000	19,700,000
Kenya Institute of Special Education	196,773,258	85,600,000	282,373,258	285,132,348
Kenya Education Management Institute	88,900,000	-	88,900,000	90,160,000
Kibabii Teachers Training College	150,000,000	92,500,000	242,500,000	302,600,000
Kagumo Teachers Training College	85,000,000	12,700,000	97,700,000	108,700,000
Kenya Girls Guide Association	32,187,500	-	32,187,500	26,987,500
Moiben Teachers Training College	-	25,000,000	25,000,000	-
<b>TOTAL</b>	<b>7,572,948,919</b>	<b>902,479,810</b>	<b>8,475,428,729</b>	<b>13,072,603,663</b>

We have confirmed these amounts with the recipient entities and attached these confirmations as an Appendix to this financial statements

**MINISTRY OF EDUCATION  
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**Reports and Financial Statements**

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**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**9 OTHER GRANTS AND TRANSFERS**

	2019-2020	2018-2019
	Kshs	Kshs
Scholarships and other educational benefits (2640100)	5,640,099	12,753,213
<b>Total</b>	<b>5,640,099</b>	<b>12,753,213</b>

**10 SOCIAL SECURITY BENEFITS**

	2019-2020	2018-2019
	Kshs	Kshs
Government pension and retirement benefits	2,062,368	2,740,535
<b>TOTAL</b>	<b>2,062,368</b>	<b>2,740,535</b>

**11 ACQUISITION OF ASSETS**

	2019-2020	2018-2019
	Kshs	Kshs
<b>Non Financial Assets</b>		
Purchase of Specialised Plant, Equipment and Machinery		-
Sub Total		- -
<b>Financial Assets</b>		-
<b>TOTAL</b>		- -

*(Where Financial Assets are purchased, explanation should be given as to the nature of the assets purchased and the institutions where such investments are made.)*

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**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**12A: Bank Accounts**

Name of Bank, Account No. & currency	Amount in bank account currency	Indicate whether recurrent, Development, deposit e.t.c	Exc rate (if in foreign currency)	2019-2020 Kshs	2018-2019 Kshs
Central Bank of Kenya,1000384263,KShs	Kshs.	Recurrent		14,341,100	11,410,619
Central Bank of Kenya,1000384287,KShs	Kshs.	Deposit		64,897,059	81,985,288
Central Bank of Kenya,1000384271,KShs	Kshs.	Development		354,429	665,787
Central Bank of Kenya,1000307398,KShs	Kshs.	Develop- Priede A		98,359,842	190,207,086
Central Bank of Kenya,1000307404,KShs	Kshs.	Develop- Priede B		585,962,074	137,436,104
Central Bank of Kenya,1000307412,KShs	Kshs.	Develop- Priede Gok		10,964,744	10,461,495
Central Bank of Kenya,1000318201,KShs	Kshs.	Develop- Sequip		751,818,959	1,832,600,712
Kenya Commercial Bank,1102291331,KShs	Kshs.	Develop- Unicef		1,078,280	4,648,145
<b>Total</b>				<b>1,527,776,487</b>	<b>2,269,415,236</b>

**Disclosure**

In addition to the above, the state department had clearing accounts in various banks as follows;

First Community Bank	0009535501
Absa Bank	010011203000003
Co-operative Bank	01141844277500
Kenya Commercial Bank	1261272668
National Bank of Kenya	01071218697500
Family Bank	068000023804
Consolidated Bank	10011203000003
Standard Chartered Bank	0108087627300
Equity Bank	0470279070896

**12B: CASH IN HAND**

	2019-2020 Kshs	2018-2019 Kshs
Cash in Hand – Held in domestic currency	35,419	76,916
<b>TOTAL</b>	<b>35,419</b>	<b>76,916</b>

**MINISTRY OF EDUCATION  
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Cash in hand should also be analysed as follows:

	2019-2020 Kshs	2018-2019 Kshs
Headquarters, National Treasury Building, Cash office		
Location 1 Recurrent	15,419	76,916
Location 2 Development	20,000	
<b>TOTAL</b>	<b>35,419</b>	<b>76,916</b>

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**13: ACCOUNTS RECEIVABLE - OUTSTANDING IMPRESTS**

Description	2019-2020 Kshs	2018-2019 Kshs
Government Imprests	306,300	526,017
Domestic debtors and advances	830,326	349,259
District Suspense accounts	68,962,383	143,042,371
<b>TOTAL</b>	<b>70,099,009</b>	<b>143,917,647</b>

**14. ACCOUNTS PAYABLE**

	2019-2020 Kshs	2018-2019 Kshs
Deposits	64,897,059	81,985,288
Other Liabilities		
<b>TOTAL</b>	<b>64,897,059</b>	<b>81,985,288</b>

**15. FUND BALANCE BROUGHT FORWARD**

	2019-2020 Kshs	2018-2019 Kshs
Bank accounts	2,269,415,236	119,175,026
Cash in hand	76,916	36,653
Receivables - Outstanding Imprests	143,917,647	712,165,859
Payables - Deposits	(81,985,288)	(80,139,200)
<b>TOTAL</b>	<b>2,331,424,511</b>	<b>751,238,338</b>

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**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**16. PRIOR YEAR ADJUSTMENTS**

Description of the error	Balance b/f FY 2018/2019 as per Financial statements Kshs	Adjustments Kshs	Adjusted Balance b/f FY 2018/2019 Kshs
Bank account Balances	2,269,415,235	(18,860,396)	2,250,554,839
Cash in hand	76,916	-	76,916
Accounts Payables	81,985,288	-	81,985,288
Receivables	143,917,647	37,720,792	181,638,439
	<b>2,495,395,086</b>	<b>18,860,396</b>	<b>2,514,255,482</b>

Out of Kshs. 2,269,415,235 cash at the bank the National treasury recovered Kshs. 18,860,396 from our accounts being unspent recurrent and development bank balances. In addition to the above, receivables to the tune of Ksh. 37,720,792 came in as expenditure and they were recognised in the current year 2019/2020. Therefore, the net effect was Kshs. 18,860,396 as an inflow.

**17. CHANGES IN RECEIVABLE**

Description of the error	2019 - 2020 KShs	2018 - 2019 KShs
Outstanding Imprest as at 1 <sup>st</sup> July 2019 (A)	143,917,647	712,165,859
Imprest issued during the year (B)	223,647,101	519,648,083
Imprest surrendered during the Year (C)	297,465,739	1,087,896,295
Net changes in account receivables D= A+B-C	<b>70,099,009</b>	<b>143,917,647</b>

**18. CHANGES IN ACCOUNTS PAYABLE – DEPOSITS AND RETENTIONS**

Description of the error	2019 - 2020 KShs	2018 - 2019 KShs
Deposit and Retentions as at 1 <sup>st</sup> July 2019 (A)	81,985,288	80,139,200
Deposit and Retentions held during the year (B)	12,235,302	5,033,555
Deposit and Retentions paid during the Year (C)	(29,323,531)	(3,187,467)
Net changes in account receivables D= A+B-C	<b>64,897,059</b>	<b>81,985,288</b>

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**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**19. RELATED PARTY DISCLOSURES**

Related party disclosure is encouraged under non-mandatory section of the Cash Basis IPSAS.

The following comprise of related parties to the State Department for Early Learning and Basic

- Key management personnel that include the Cabinet Secretaries and Accounting Officers
- Other Ministries Departments and Agencies and Development Projects;
- County Governments; and
- State Corporations and Semi-Autonomous Government Agencies.

**Related party transactions:**

	2019-2020 Kshs	2018-2019 Kshs
Key Management compensation	67,388,256	41,585,396
Transfers to the Other Ministries Departments and Agencies		
Transfers to other State Corporations and Semi-Autonomous Government Agencies	8,232,928,729	13,072,603,663
Transfers to Government Development Projects	1,651,421,647	2,471,856,405
Transfers from Counties		
<b>TOTAL</b>	<b>9,951,738,632</b>	<b>15,586,045,464</b>

**20. OTHER IMPORTANT DISCLOSURES**

**20.1: PENDING ACCOUNTS PAYABLE (See Annex 1)**

Description	Balance b/f FY 2018/2019 Kshs	Additions for the period Kshs	Paid during the year Kshs	Balance c/f FY 2019/2020 Kshs
Construction of civil works	-	1,353,660	-	1,353,660
Supply of goods	-	23,723,608	-	23,723,608
Supply of services	7,136,846	65,693,968	7,136,846	65,693,968
<b>Total</b>	<b>7,136,846</b>	<b>90,771,236</b>	<b>7,136,846</b>	<b>90,771,236</b>

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**MINISTRY OF EDUCATION  
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**20.2: OTHER PENDING PAYABLES (See Annex 3)**

<b>Description</b>	<b>Balance b/f FY 2019/2020 Kshs</b>	<b>Additions for the period Kshs</b>	<b>Paid during the year Kshs</b>	<b>Balance c/f FY 2019/2020 Kshs</b>
Amounts due to National Government entities	1,455,300	1,081,800	1,455,300	1,081,800
<b>Total</b>	<b>1,455,300</b>	<b>1,081,800</b>	<b>1,455,300</b>	<b>1,081,800</b>

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**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**21. PROGRESS ON FOLLOW UP OF PRIOR YEARS AUDITOR'S 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.

<b>Reference No. on the external audit Report</b>	<b>Issue / Observations from Auditor</b>	<b>Management comments</b>	<b>Focal Point person to resolve the issue (Name and designation)</b>	<b>Status: (Resolved / Not Resolved)</b>	<b>Timeframe: (Put a date when you expect the issue to be resolved)</b>
1	Unaccounted receivables Kshs 143,917,647	The field stations have returned the unspent cash	Accounts Dir. Field services	Resolved	Resolved
2	Bank Remittance above Payrolls Kshs 2,132,188	There was no excess remittance as the payslip	HRM	Resolved	Resolved
3	Overpayments Kshs 105,905,782	The department has recovered over funded schools and compensated those who were under funded	Accounts NEMIIS Accounting Officer		
4	Irregular Payments to Kenya Secondary Schools Head Association Kshs 13,051,941	The funds were paid to co-fund centralized co-curricular activities as detailed in the circular from the Principal Secretary dated 7th February, 2017	Dir. Field services Accounting Officer		
5	Construction of New Mama Ngina Girl's High School Kshs 183,160,230	The Public Procurement and Asset Disposal Act, 2015 was adhered to	Procurement Accounting Officer		
6	Overpayment Kshs 369,905,960	The Department has migrated from manual disbursement to the NEMIS platform which Error free.	ICT Accounting Officer		

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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)
7	Irregular Payments Kshs 8,028,000	Registration of Schools have been harmonised. Registration of schools has been digitalised	ICT Accounting Officer		
8	Duplication of Payments to Existing and Non-Existing Schools Kshs 1,140,178	Registration of schools has been digitalised. Recovery was done	ICT Accounting Officer		
9	Duplication in School Registration Numbers Kshs 919,171802	Registration of schools has been digitalised.	ICT Accounting Officer		
10	Acquisition of Unauthorized Loans by Shanzu Teachers College	Due process was followed and necessary approvals sought	Legal Accounting Officer		
11	Non-Compliance to a Third Rule on Salary Deductions	Third rule was not flouted. The officers failed to surrender imprest on time hence pecking order used	DHRM	Resolved	Resolved
12	Installation of CCTV System Kshs 1,173,400	The project was approved by the BOM to be undertaken in two phases as shown in attached minutes.	The project was approved in two phases by BOM		
13	Irregular Disbursement of Secondary School Funds Kshs 8,438,326	A recovery from these primary schools has been initiated.	Dir. Primary Accounting Officer		
14	Flawed Procurement Process	Corrective measures being undertaken	Legal Accounting Officer		
15	Irregular Expenditure on Infrastructure	Corrective measures being	Legal Accounting		

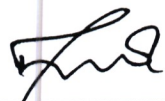
**MINISTRY OF EDUCATION  
STATE DEPARTMENT FOR EARLY LEARNING AND BASIC  
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**Reports and Financial Statements  
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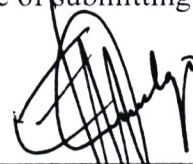
Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe (Put a date when you expect the issue to be resolved)
	Funds Kshs 25,828,050	undertaken	Officer		
16	Construction of Multipurpose Hall Kshs 43,314,289	The Public Procurement and Asset Disposal Act, 2015 was adhered to	Procurement Accounting Officer		
17	Infrastructure Funds	Disbursement based on need assessment by field officers	Dir. Field services Accounting Officer		
18	Construction of a Wall	The Public Procurement and Asset Disposal Act, 2015 was adhered to	Dir. Secondary Accounting Officer		

**Guidance Notes:**

- (i) Use the same reference numbers as contained in the external audit report;
- (ii) Obtain the "Issue/Observation" and "management comments", required above, from final external audit report that is signed by Management;
- (iii) Before approving the report, discuss the timeframe with the appointed Focal Point persons within your entity responsible for implementation of each issue;
- (iv) Indicate the status of "Resolved" or "Not Resolved" by the date of submitting this report to National Treasury.



Principal Secretary  
Dr. Belio Kipsang



Assistant Accountant General  
E. Mukira Gichigo  
ICPAK Member Number: 19940

MINISTRY OF EDUCATION  
STATE DEPARTMENT FOR EARLY LEARNING AND BASIC EDUCATION Reports and Financial Statements  
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ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To- Date	Outstanding Balance 2020	Outstanding Balance 2019	Comments
	A	B	C	d=a-c		
<b>Construction of civil works</b>						
1. Parwen Contractors Ltd	1,154,350		-	1,154,350	-	Late Submission
2. Parwen Contractors Ltd	199,310		-	199,310	-	Late Submission
<b>Sub-Total</b>	<b>1,353,660</b>		-	<b>1,353,660</b>	-	
<b>Supply of goods</b>						
3. Bensta Ltd	778,000	17-MAR-2020	-	778,000	-	Budget Cuts
4. Panesar Kenya Ltd	769,990	17-MAR-2020	-	769,990	-	Budget Cuts
5. Prestan General Supplies	167,400	17-MAR-2020	-	167,400	-	Budget Cuts
6. Upstream Sinedel Enterprises	474,000	23-MAR-2020	-	474,000	-	Budget Cuts
7. Andalmte Agencies	474,000	25-JUN-2020	-	474,000	-	Budget Cuts
8. CMC Motors Group Ltd	6,181,253	09-JAN-2020	-	6,181,253	-	Budget Cuts
9. Toyota Kenya Limited	14,878,965.36	09-JAN-2020	-	14,878,965.36	-	Budget Cuts
<b>Sub-Total</b>	<b>23,723,608.36</b>		-	<b>23,723,608.36</b>	-	
<b>Supply of services</b>						
10. E-Gap Ltd	3,191,640	03-MAR-2020	-	3,191,640	-	Budget Cuts
11. Dama Services Limited	18,649,500	25-JAN-2020	-	18,649,500	-	Budget Cuts
12. Heritage Associates Ltd	25,891,248	25-JAN-2020	-	25,891,248	-	Budget Cuts
13. Nation Media Group PLC	99,900	21-APR-2020	-	99,900	-	Budget Cuts
14. The Standard Group PLC	87,680	21-APR-2020	-	87,680	-	Budget Cuts
15. Walter Onditi Ouma	384,000	30-AUG-2018	-	384,000	-	Budget Cuts
16. Odesey International Ltd	17,040,000	25-JAN-2020	-	17,040,000	-	Budget Cuts
17. City Lodge Hotel	350,000	29-NOV-2019	-	350,000	-	Insufficient documentation
<b>Sub-Total</b>	<b>65,693,968.00</b>		-	<b>65,693,968.00</b>	-	
<b>Grand Total</b>	<b>90,771,236.36</b>		-	<b>90,771,236.36</b>	-	

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**ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES**

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2020	Outstanding Balance 2019	Comments
		a	b	c	d=a-c		
	Sub-Total						
	Grand Total						

**ANNEX 3 - ANALYSIS OF OTHER PENDING PAYABLES**

Name	Brief Transaction Description	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2020	Outstanding Balance 2019	Comments
<b>Amounts due to National Govt Entities</b>							
1.	Moi Nyeri Complex Primary School	703,800	12-MAR-2020	-	703,800	-	Insufficient documentation
2.	Kenya Institute of Curriculum Development	270,000	10-MAR-2020	-	270,000	-	Budget Cuts
3.	Kenya School of Government Ltd	108,000	23-APR-2020	-	108,000	-	Late Submission
	Sub-Total	<b>1,081,800</b>		-	<b>1,081,800</b>	-	
	Grand Total	<b>1,081,800</b>		-	<b>1,081,800</b>	-	

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**ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER**

Asset class	Historical Cost b/f (Kshs) 2018/2019	Additions during the year (Kshs)	Disposals during the year (Kshs)	Transfers in/(out) during the year	Historical Cost c/f (Kshs) 2019/2020
Land	-	-	-	-	-
Buildings and structures	4,475,007,916	-	-	-	4,475,007,916
Transport equipment	647,611,846	-	-	-	647,611,846
Office equipment, furniture and fittings	592,888,879	-	-	-	592,888,879
ICT Equipment	265,171,822	-	-	-	265,171,822
Machinery and Equipment	24,441,138	24,500	-	-	24,441,138
<b>Total</b>	<b>6,005,121,601</b>	<b>24,500</b>	<b>-</b>	<b>-</b>	<b>6,005,146,101.00</b>

*NB: The balance as at the end of the year is the cumulative cost of all assets bought and inherited by the Ministry, Department or Agency. Additions during the year should tie to note 18 on acquisition of assets during the year. Ensure this section is complete covering all the entities assets)*

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**ANNEX 5 – LIST OF PROJECTS IMPLEMENTED BY THE ENTITY (insert entity's name)**

Ref	Project Name	Principal activity of the project	Accounting Officer	Project consolidated in these financial statements (yes/no)
1	Kenya Primary Education Development Project	Improve Early Grade Mathematics Competency and strengthen management systems at schools	Dr Belio Kipsang	Yes
2	Secondary Education Quality Improvement Project	Improving Student Learning and Transition from Primary to Secondary in targeted areas	Dr Belio Kipsang	Yes
3	Education for Young People Programme (UNICEF)	To expand and improve early childhood development and education for vulnerable and disadvantaged children	Dr Belio Kipsang	Yes

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**ANNEX 6 – LIST OF SCs, SAGAs AND PUBLIC FUNDS UNDER THE STATE DEPARTMENT OF EARLY LEARNING AND BASIC EDUCATION**

Ref	SC, SAGA or Public Fund's name	Principal activity of entity	Accounting Officer	Amount transferred during the year	Inter- entity reconciliations done?(yes/no)
1	The Kenya Scouts Association			92,812,500	Yes
2	Centre for Maths Science and Tech Education in Africa			770,879,381	Yes
3	Kenya Institute for The Blind			23,250,000	
4	Lugari Teachers Training College			82,500,000	Yes
5	National Council for the Nomadic Education in Kenya			190,000,000	Yes
6	The President's Award Kenya			30,000,000	Yes
7	Kenya National Commission for UNESCO			294,800,000	Yes
8	Kenya National Examination Council			4,635,538,522	Yes
9	Kenya Institute of Curriculum Development			1,572,087,568	Yes
10	School Equipment Production Unit			14,900,000	Yes
11	Kenya Institute of Special Education			282,373,258	Yes
12	Kenya Education Management Institute			88,900,000	Yes
13	Kibabii Teachers Training College			242,500,000	Yes
14	Kagumo Teachers Training College			97,700,000	
15	Kenya Girls Guide Association			32,187,500	Yes
16	Moiben Teachers Training College			25,000,000	
	<b>TOTAL</b>			<b>8,475,428,729</b>	

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**ANNEX 8- REPORTS GENERATED FROM IFMIS**

The following financial Reports Generated from IFMIS should be generated and attached as appendices to these financial statements.

- i. GOK IFMIS Comparison Trial Balance
- ii. FO30 (Bank reconciliations) for all bank accounts
- iii. GOK IFMIS Receipts and Payments Statement
- iv. GOK IFMIS Statement of Financial Position
- v. GOK IFMIS Statement of Cash Flows
- vi. GOK IFMIS Notes to the Financial Statements
- vii. GOK IFMIS Statement of Budget Execution
- viii. GOK IFMIS Statement of Deposits
- ix. GOK IFMIS Budget Execution by Programme and Economic Classification
- x. GOK IFMIS Budget Execution by Heads and Programmes
- xi. GOK IFMIS Budget Execution by Programmes and Sub-programmes