

REPUBLIC OF KENYA



Enhancing Accountability

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REPORT

OF

THE AUDITOR-GENERAL

ON

**MUKURWE-INI SUB-COUNTY LEVEL 4
HOSPITAL**

**FOR THE YEAR ENDED
30 JUNE, 2023**

COUNTY GOVERNMENT OF NYERI

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MUKURWE-INI SUB-COUNTY HOSPITAL
(County Government of Nyeri)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2023



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

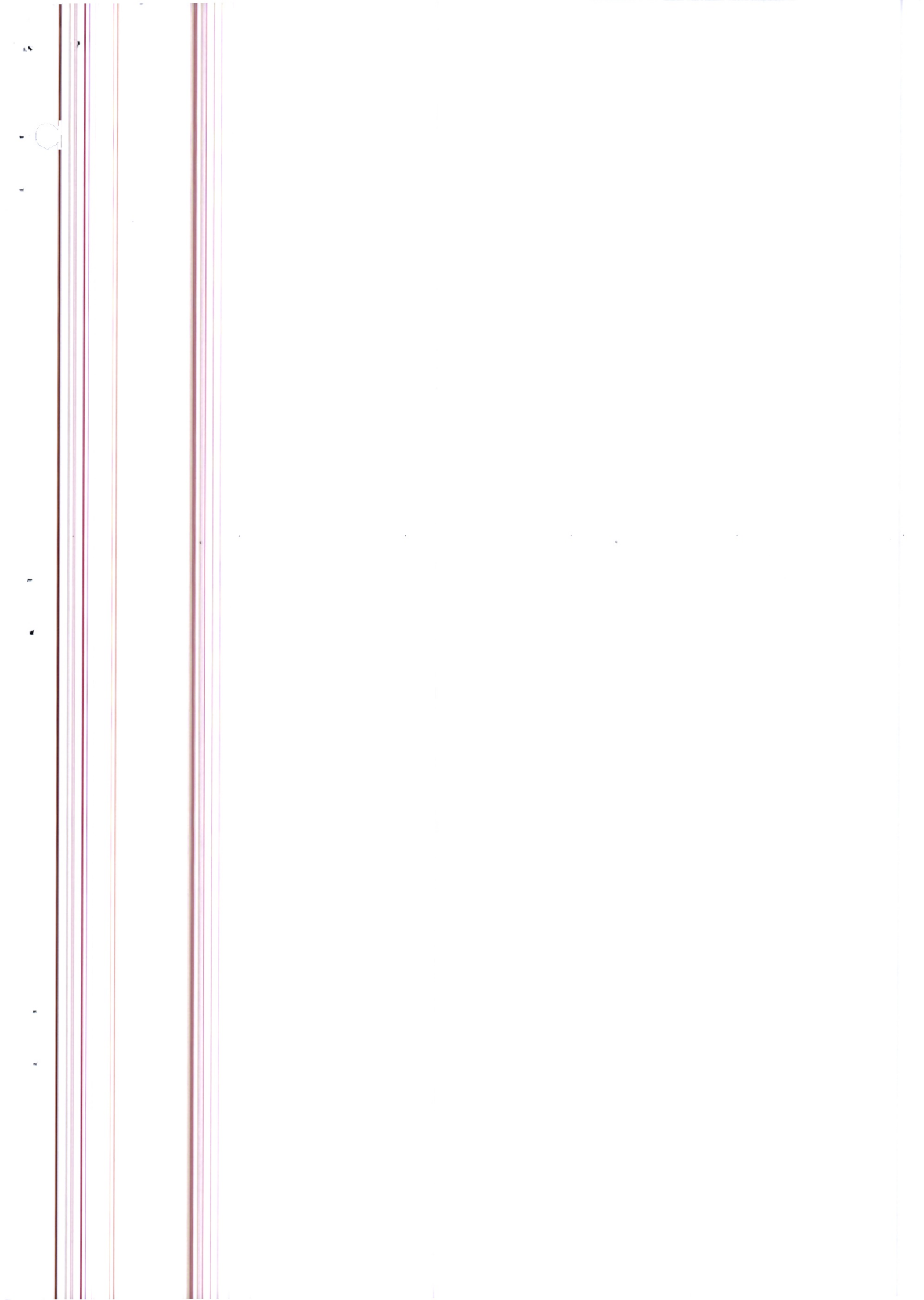


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1. Acronyms & Glossary of Terms

Provide a list of all acronyms and glossary of terms used in the preparation of this report e.g.

CSR	Corporate Social Responsibility
OSHA	Occupational Health & Safety Act
PFMA	Public Financial Management Act
MED SUP	Medical Superintendent
Fiduciary Management	Key management personnel who have financial responsibility in the entity.
NHIF	National Hospital Insurance Fund
HMIS	Health Management Information System
CCTV	Closed Circuit Television
MCH	Maternal and Child Health

2. Key Entity Information and Management

(a) Background information

Mukurwe-ini Subcounty Hospital is a Level 4 hospital established under gazette notice number 12240 and is domiciled in Nyeri County under the Health Department. The hospital is governed by a Board of Management.

(b) Principal Activities

The principal activities of the facility are:

- 24- hour inpatient and outpatient clinical services including maternity services
- Weekly specialists’ clinics (Medical, Surgical, Orthopaedic, Psychiatry, Gynaecology and Paediatric)
- Daily clinics such as TB, HIV, Nutrition, Maternal and Child Health including Family Planning, Antenatal, Postnatal and Child Welfare Clinics (CWC)
- Dental Services
- Theatre Services
- Laboratory and radiology services
- Pharmacy

The vision and mission of the facility is as outlined below:

VISION: An effective and high-quality health care system that is accessible, equitable and affordable for every Kenyan.

MISSION: To provide and participate in provision of integrated and high quality promotive, preventive, curative and rehabilitative health care services to all Kenyans

(c) Key Management

The *hospital’s* management is under the following key organs:

- County department of health
- Board of Management
- Accounting Officer/ Medical Superintendent
- Management

(d) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2023 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Medical Superintendent	Dr. Duncan K. Kagwa
2.	Head of finance	Catherine Wanjiku Thuo
3.	Head of supply chain	Milcah Wangu Weru
4.	Health Administrator	Wickliffe Mbae Kaburu

(e) Fiduciary Oversight Arrangements

- Clinical Research and Standards Committee.
- Audit committee
- Risk Committee
- County Assembly
- Parliamentary committees
 - Other oversight committees

(f) Entity Headquarters

P.O. Box 139- 10103
Mukurwe-ini
Mukurwe-ini- Karatina Road
MUKURWEINI, KENYA.

(g) Entity Contacts

Telephone: (+254) 720 747 323
E-mail: mukurweini.hospital@gmail.com

(h) Entity Bankers

Bank: Kenya Commercial Bank
Branch: Mukurwe-ini
Account No.: 1175309648

(i) Independent Auditors

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

(j) Principal Legal Adviser

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

(k) County Attorney

P.O. Box 112 10100
Nyeri, Kenya

3. The Board of Management

Photo	NAME
	Eng. Peter Kiama Chairman Higher diploma in Mechanical Engineering and Executive MBA - independent member
	Dr Mundia Wahome Bachelor of Medicine and Surgery - independent member
	Mr.Francis Gatangi Bachelor of Science in Botany and Zoology - independent member
	Ms. Evah Mumbi Maina Master in Public Reproductive Health and Degree in Nursing and Public Health - independent member
	Ms. Julia Karoki Degree in Purchasing and Supplies Management and CPA(K) - independent member
	Mr.Peter Ndiritu Bachelor of Science in Mathematics and Chemistry - independent member
	Mr.Patrick Mbugua
	Dr. Duncan Kiarie Kagwa Secretaty

4. Key Management Team

Ref	Management	
1.	Manager 1	Dr Duncan Kiarie Kagwa Medical Superintendent
3.	Manager 2	Wycliffe Mbae Kaburu Health Administrator
4.	Manager 3	Eunice Wachira Nurses Service Manager
5.		Catherine Wanjiku Thuo Accountant

5. Chairman's Statement

The Mukurweini hospital made significant progress in the financial year 2022-2023. During the year, several development projects were undertaken and completed that will impact service delivery in the facility. These included:

Purchase of orthopedic equipment, whose main motivation is to provide curative and rehabilitative treatment to clients with orthopaedic problems. This will make it possible for clients to procure quality orthopedic implants and other accessories at an affordable rate as well as generating revenue for the hospital.

Installation of solar lighting in the facility that will ultimately contribute in reduction of cost of electricity.

The board also aims at utilization of renewable energy to cut down on energy related costs.

The board of management was keen on undertaking projects that would lead to improved quality of care and cost therein.

Farther more, focus on increased range of service delivery led to establishment of a High Dependence Unit (HDU) for management of critical patients to improve on treatment outcomes.

Support from development partners led to installation of a 3000 litre liquid oxygen tank and piping installation done to theatre and wards for convenient and effective oxygen delivery to patients. This greatly reduced budgetary allocation to purchase of oxygen hence freeing resources for other critical services.

Other successes achieved during the financial year include;

1. Improved quality of care due to increase in the number of healthcare workers and improved health infrastructure.
2. Reduction in hospital pending bills.
3. Increased revenue collection.
4. Support from development partners and county government.
5. The renewal of the mandate of the board of management for a further period of three years.

The hospital faced challenges during the year that the board of management endeavoured to get lasting solution for effective service delivery. Some of the major challenges included;

1. Network challenges with the hospital HMIS. There were frequent down time and challenges in getting support services and generating reports. The board of management is keen on installing a better system in the coming financial year to address the challenges.

2. Limited financial resources. The resources available could not sufficiently cover all the operations of the hospital despite the increased revenue collection. The board of management is determined to see continued revenue increase and implementing cost cutting measures for the facility to adequately fund its operations.
3. Frequent power outage. Following the installation of various medical equipment in the facility that draw a lot of power, the transformer serving the facility and other customers was frequently overloaded leading to power failure. This increased the cost of running the standby generator.

The board appreciates the county government of Nyeri, the department of health, the hospital management team and the staff for the commitment to implement recommendations by the board.

During the coming financial year, the board of management will work on actualizing the construction of a bio digester whose feasibility study is ongoing. The board of management will also be seeking public private partnership and support from other development partners to fund developments in the facility. The board will engage the political leaders to lobby for expansion of the outpatient block for better patient experience. To cut down on expenses on cooking gas, a bulk liquefied petroleum gas will be installed to leverage on economies of scale.



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Name PETER KIAMA MAINA
Chairman to the Board

6. Report of The Medical Superintendent

During the financial year 2022-2023, Mukurweini hospital was steadfast in provision of quality affordable and accessible health care services to patients. A total of 52,068 patients were treated in the outpatient departments though this was a reduction from 55,816 treated in the financial year 2021-2022. A total of kshs 59,059,370 was generated as revenue from rendering services in the financial year 2022-2023 compared to kshs 41, 482,987 generated in the financial 2021-2022.

This achievement was realised through the support of the county government of Nyeri, National Government, local leaders and other development partners such as Grounds for Health, Centre for Health Solutions, Safaricom Foundation among others.

During the year, there were mile stones achieved in various aspects of service delivery. In human resource, there were 5 support staff posted to the facility, 1 sonographer, 1 anaesthesiologist, 3 medical officer interns, 8 clinical officer interns among other staff that helped address shortage in human resource. Capacity building to improve the skills and knowledge of staff was undertaken in the facility and in collaboration with other partners. Many staff attended trainings and mentorship programs to equip them for service delivery.

Several development projects were undertaken and completed to improve service delivery. These included purchase of orthopaedic equipment, purchase of assorted medical equipment, installation of solar lighting, refurbishment of new born unit, refurbishment of theatre, replacement of plumbing works, installation of local area network system, construction of a canopy in MCH and installation of CCTV. In service delivery, a High Dependence Unit was established and equipped for management of patients needing critical care.

During the year, Safaricom Foundation supported the facility by renovating the paediatric ward and maternity ward, procuring a delivery bed and supplying a water tank in a bid to improve child and maternal health.

The facility improved in its revenue collection to kshs 59,059,370. This was attributed mainly to cash collection amounting to kshs 29,882,164 and NHIF claims amounting to kshs 29,152,306. The delayed payment of claims by NHIF affected revenue collectable from NHIF. Other insurances contributed 60,900 to the annual revenue. The facility was also supported with 9,000,000 from county for development. The facility had a pending bill of kshs 5,637,745. During the year, AON/MINET was entered into a contract with the facility for teachers to receive health care services.

The major success reported during the year include, improved infrastructure, improved clinical service delivery and improved revenue collection.

However, there were challenges experienced during the year that affected service delivery. These included,

1. Frequent electric power outage. The overload of the transformer supplying the facility resulted in frequent power outage, damage to electrical equipment including computer, increased expenditure on fuelling the stand by generator.
2. Frequent water rationing. Low water pressure and rationing affected water supply to the facility.
3. Frequent HMIS down time. The HMIS system experienced frequent down time resulting in delayed service delivery and inaccurate data collection for the services rendered.
4. Pending bills. Due to insufficient funds, all the pending bills were not cleared.
5. Delay in delivery of purchased commodities. This affected availability of commodities for service delivery.
6. Delayed repair of medical equipment with closed system and equipment whose sole suppliers had not been prequalified with the county.

The following mark the way forward for the facility in the year 2023-2024.

Installation of bulk liquefied petroleum gas for kitchen to reduce the cost of cooking gas.


Installation of a hospital tailored HMIS for accurate data.

Fostering public private partnership in resource mobilization for improved working environment and service delivery.

Improving revenue collection to meet budgetary needs.

Lobby for placement of critical medical equipment for ease of getting reagents, servicing and repair to reduce down time.

Staff capacity building for effective service delivery and customer relations.


.....
Name **DUNCAN KAGWA**
Secretary to the Board

7. Statement of Performance Against Predetermined Objectives

Mukurweini hospital has *six* strategic pillars/ themes/issues and objectives within the current Strategic Plan for the FY 2022- FY 2023. These strategic policy objectives are as follows;

1. Eliminate Communicable Conditions
2. Halt and reverse the rising burden of non-communicable conditions
3. Provide Essential Health Services
4. Reduce the burden of violence and injuries
5. Minimise exposure to health risk factors
6. Strengthen collaboration with health-related sectors

Mukurweini hospital developed its annual work plans based on the above six policy objectives. The strategic objectives are meant to actualize service delivery which is the core mandate of the hospital. Assessment of the Board's performance against its annual work plan is done on a quarterly basis. The hospital achieved its performance targets set for the FY 2022-2023 period for its six strategic policy objectives, as indicated in the diagram below:

Strategic Pillar/Theme/ Issues	Objective	Key Performance Indicators	Target	Achievements
Service Delivery	Eliminate Communicable Conditions			
		Proportion HIV+ pregnant mothers receiving preventive ARV's to reduce risk of mother to child transmission (PMTCT)	100%	100%
		% Of children under 1 year of age fully immunized	84%	98%
		% Of children receiving three doses of Penta3 (containing vaccine (HIB/Hib/DPT3)	81%	83%
		Number of newly diagnosed TB cases	73	114
		No. Of eligible HIV clients on ARVs	1011	1096

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		No. Of children under five years treated for Diarrhoea with ORS & Zinc	40	56
		Proportion of Pregnant Women receiving TT2 Plus immunization	460	471
	Halt and Reverse Increase in Non-Communicable Conditions			
		No. Of Women of Reproductive Age screened for cervical cancer	508	800
		Number of new Outpatients with mental health conditions per 100,000 population	68	80
		Number of new Outpatients diagnosed with high blood pressure per 100,000 population	136	150
		Number of new Outpatients diagnosed with Diabetes per 100,000 population	44	50
	Reduce the Burden of Violence and Injuries			
		Road traffic injuries in OPD as a % of all diagnoses	5	6
		No. Of new outpatient cases attributed to other injuries	1275	1118
		% Of Patients with injury related conditions dying in the facility	17	15
	Provide Essential Health Care			
		No Of Pregnant women attending at least 4 ANC visits	409	450

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		No Of Women of reproductive age (WRA) receiving family planning (FP) commodities	409	600
		No of deliveries conducted by skilled attendants in health facilities	742	650
		Number of children Under 5 dying in health facility	14	10
		Fresh Stillbirth rate per 1,000 births in health facilities	0	5
		Number of Facility Maternal deaths per 100,000 deliveries	0	0
		Proportion low birth weight in health facilities rate per 1,000 births	28	39
		Proportion of Children under 5 years attending Child Welfare Clinics for growth monitoring (new cases)	397	366
	Minimize exposure to health risk factors			
		Percentage of children 0-5 (<6 months) months who were exclusively breastfed	100	100
		Proportion of Children under 5 years attending Child Welfare Clinics who are under weight	346	330
		Proportion of Children under 5 years attending Child Welfare Clinics who are stunted	97	60
	Strengthen Collaboration with Health-Related Sectors			

		No. meetings held with health related sectors	4	4

The targets were derived from the overall performance contract for the department of health and the hospital annual work plan, cascaded to departments and incorporated in the staff performance appraisal.

8. Corporate Governance Statement

Board of Management

Mukurwe-ini Subcounty Hospital (Nyeri County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2023

The hospital board of management held six management meeting in the financial year 2022-2023. One of the meeting was held virtually. All the meetings had quorum and the absent members gave apologies for unavailability.

The chairperson is nominated by the CECM and appointed by the Governor. Board members representing organisations are nominated by their organisation for appointment by the CECM. The board members serve a term of three years and membership can be renewed for one final term of three years. The removal from office is guided by the Nyeri County Health Services Act 2015 third schedule section 6. The term of the members lapsed during the financial year and renewal of the term for all the members was done in accordance with Nyeri County Health Service Act 2015 section 9. The members were appointed according to the Nyeri county health services act 2015.

A board member can be removed from office for the following reasons.

1. If a member resigns by issuing a one month notice to the executive secretary
2. Be removed from office by the executive secretary on advice by the CECM team in consultation with the governor for the following reasons.
 - Serious violation of the constitution.
 - Gross misconduct.
 - Physical or mental incapacity to perform functions of the office.
 - Incompetency
 - Bankruptcy
 - Being absent from three consecutive meetings of the board without permission from the chairperson.

Functions of the board include;

1. Providing oversight over the administration of the hospital,
2. Promoting the development of the hospital,
3. Approving plans and programs for implementing health strategies in the hospital,
4. Approving budget estimates before submission for approval by the fund board
5. and carrying out other functions assigned by the executive secretary.

The board members were inducted and trained on their roles and responsibilities. The board members are paid allowances according to guidelines issued by the salaries and remuneration commission that include sitting allowance, transport allowance and lunch allowance. The allowances paid are as indicated below.

Allowance		Level 4
Sitting allowance	Chairperson	4,000
	Members	2,500
Lunch allowance where lunch in not provided	Chairperson and members	500

Transport: reimbursed on production of receipts for public service vehicles or AA rates not exceeding kshs 5,000 for level 5 hospitals, kshs 2,000 for District Hospitals and kshs 1,500 for Sub-District Hospitals.

Members declared any conflict of interest before conducting any business of the board for any direct or indirect interest in the outcome of the decision of the board. The member complied with the conduct governing public officers.

During the financial year, the board achieved the following.

- Provided oversight through the meetings held and following through the recommendations of the board.
- Reviewed and approved budget estimates and other hospital plans.
- Lobbied and approved procurement of orthopaedic equipment to improve on orthopaedic services.
- Oversaw implementation and completion of various projects in the hospital.

9. Management Discussion and Analysis

Clinical/operational performance

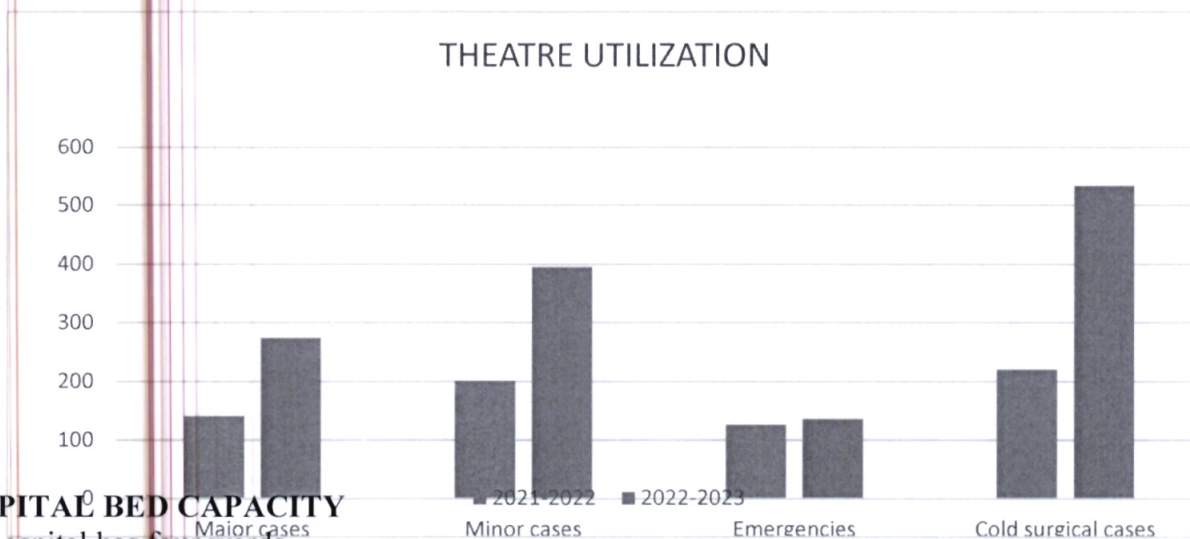
- *Bed capacity of the hospital.*
- *Overall patient attendance during the year for both inpatient and outpatient.*
- *Accident and Emergency attendance*
- *Specialised clinic attendance*
- *Average length of stay for in patient.*
- *Bed occupancy rate*
- *Mortality rate*
- *Surgical theatre utilisation (number of operations over a period of time)*
- *Sponsorships and partnerships*

Financial performance that includes: -

- *Revenue sources,*
- *Utilisation of funds etc*

SURGICAL THEATRE UTILIZATION

	2021-2022	2022-2023
MAJOR CASES	141	274
MINOR CASES	201	395
EMERGENCIES	126	136
COLD SURGICAL CASES	220	533
	688	1338



HOSPITAL BED CAPACITY

The hospital has four wards.

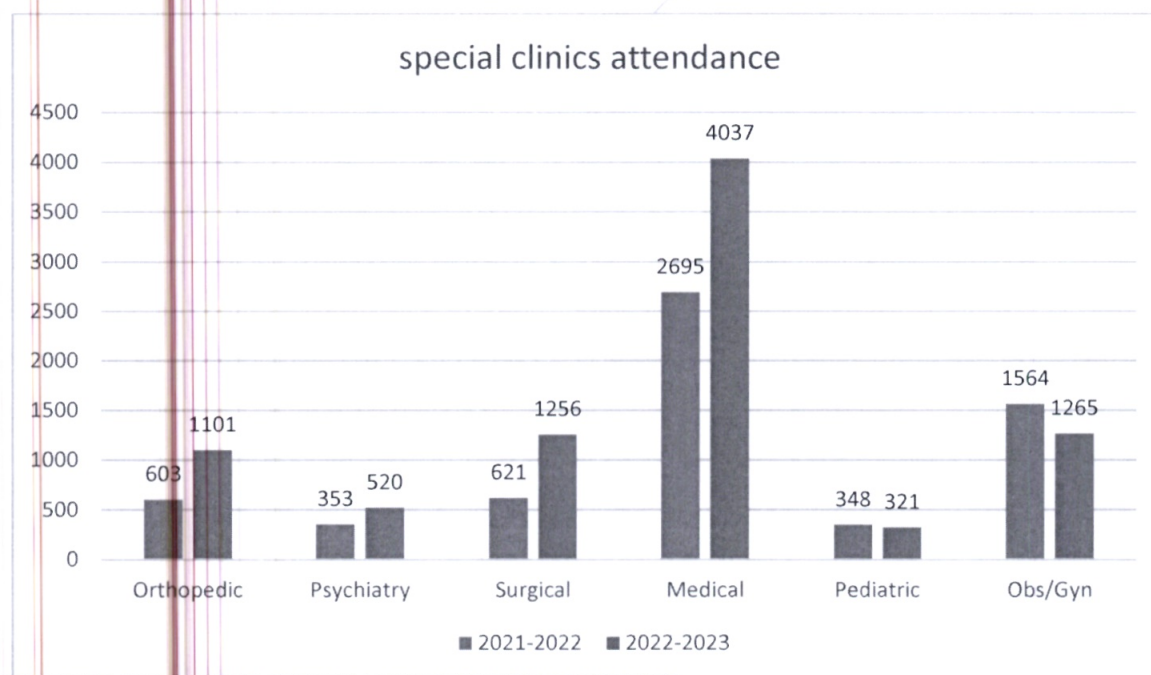
WARD	AUTHORISED BEDS	AVAILABLE BEDS	% OCCUPANCY	AVERAGE LENGTH OF STAY (DAYS)
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Mukurwe-ini Subcounty Hospital (Nyeri County Government)
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	2021-2022	2022-2023	2021-2022	2022-2023	2021-2022	2022-2023	2021-2022	2022-2023
MALE WARD	36	36	36	36	72	83	6	10
FEMALE WARD	36	36	36	36	63	82	6	13
PEDIATRIC WARD	36	36	36	36	37	40	5	9
MATERNITY WARD	36	36	24	24	44	62	4	4
TOTAL	144	144	132	132	57	67	6	9

SPECIAL CLINICS ATTENDANCE

CLINIC	2021-2022	2022-2023
ORTHOPEDIC	603	1101
PSYCHIATRY	353	520
SURGICAL	621	1256
MEDICAL	2695	4037
PEDIATRIC	348	321
OBS/GYN	1564	1265



FACILITY TOP TEN OUTPATIENT MORBIDITY

UNDER 5 YEARS

2021-2022	2022-2023
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Mukurwe-ini Subcounty Hospital (Nyeri County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2023

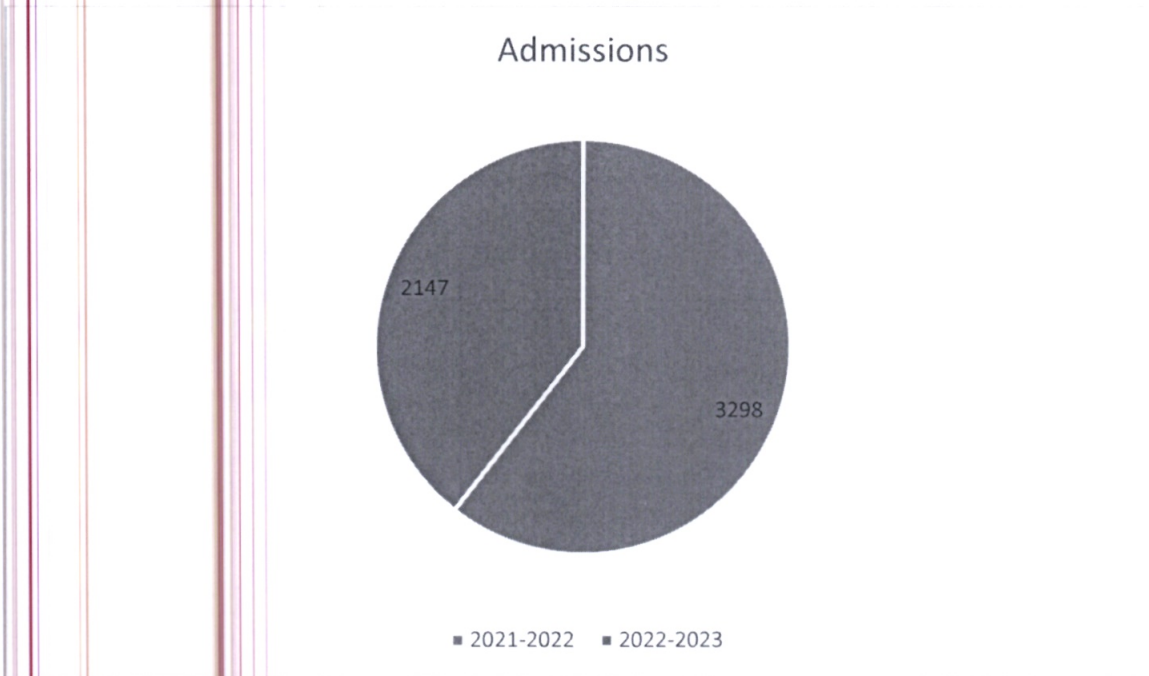
UPPER RESPIRATORY TRACT INFECTIONS	1377	RESPIRATORY TRACT INFECTION	1424
TONSILITIS	544	TONSILITIS	302
DISEASES OF THE SKIN	228	OTHER INJURIES	200
LOWER RESPIRATORY TRACT INFECTION	221	DISEASES OF THE SKIN	168
EYE INFECTIONS	49	DIARRHOEA	92
DIARRHOEA	46	ASTHMA	62
EAR INFECTION	30	PNEUMONIA	42
INTESTINAL WORMS	30	VIOLENCE RELATED INJURIES	32
URINARY TRACT INFECTIONS	24	BURNS	32
PNEUMONIA	21	URINARY TRACT INFECTIONS	28

OVER 5 YEARS


2021-2022		2022-2023	
ARTHRITIS, JOINT PAIN	3305	ARTHRITIS, JOINT PAINS	2514
UPPER RESPIRATORY TRACT INFECTIONS	2656	OTHER INJURIES	2138
OTHER INJURIES	2224	RESPIRATORY INFECTIONS	1874
URINARY TRACT INFECTION	1134	URINARY TRACT INFECTION	712
DISEASES OF THE SKIN	904	DISEASES OF THE SKIN	410
OTHER LOWER RESPIRATORYTRACT INFECTIONS	572	ASTHMA	406
ASTHMA	546	PNEUMONIA	324
DIARRHOEA	400	DIARRHOEA	240
VIOLENCE RELATED INJURIES	215	HYPERTENSION	202
DENTAL DISORDERS	195	VIOLENCE RELATED INJURIES	202

HOSPITAL ADMISSIONS

2021-2022	3,298
2022-2023	2,147



During the year the facility collected 59,059,370. Out of this, 3% (1,771,781) was retained by the health fund for fund administration, 20% of 97% amounting to 11,457,518 was retained for primary health care services and the remaining 45,830,071 was allocated to hospital services.


.....
Name Duncan Kagwa
Secretary to the Board

10. Environmental And Sustainability Reporting

Mukurweini Sub-County hospital exists to transform lives through provision of quality, affordable, equitable and accessible health care services. It provides comprehensive promotive, preventive, curative and rehabilitative services in delivering on its mandate. Below is an outline of the organisation's policies and activities that promote sustainability.

The hospital endeavours to optimise outpatient attendance for maximum utilization of health services. Efforts have been made to increase hospital bed turn over and high bed occupancy for better utilization of hospital resources that consequently lead to improved revenue collection. In this regard, clinical audits and quarterly data review are done for corrective measures.

Efforts have been made to optimize utilization of diagnostic services both medical and radiological to maximise revenue.

Customer satisfaction survey are done to receive input from clients on areas of improvement in service delivery.

Outreach activities are conducted especially in rehabilitative services to gain touch with clients and create awareness on availability of the services offered.

Public participation in assessing client's perception of the operations of the hospital through community score card.

The hospital endeavours to schedule preventive maintenance of equipment and infrastructure for optimum functionality and limited down time.

The facility adopted cost cutting measures that included installation of solar lighting to cut cost on electricity.

The management lobbied for staff deployment and replacement of staff that exited service through various ways for there to be a good successional plan that shares knowledge and cultivates the next generation.

Expansion projects were considered with construction of an outpatient block initiated to improve working environment and client experience.

The hospital invested in new equipment with improved efficiency rating for effective service delivery and reduced cost of operations.

i) Environmental performance

The hospital is guided by the public health act cap 242 section 118 and the Kenya healthcare waste management policy and other guidelines.

In environmental performance, the following measures have been instituted.

1. Improved waste management through use of a modern incinerator,
2. Minimising medical waste generation, waste segregation at point of generation and safe transport, proper waste handling and disposal, provision of appropriate waste management equipment.
3. Disposal of pharmaceutical products in accordance with NEMA guidelines.
4. The management planted about one hundred trees in the hospital land to improve on its tree cover.

The main short coming was lack of a sewerage system. Occasionally, heavy rain fall caused the hospital septic tank to overflow.

ii) Employee welfare

The hiring process is conducted centrally through the county public service board. Consideration is made on gender ratio and stakeholders are involved.

The hospital conducts continuous professional education for capacity building and skills improvement to its staff. The staff are trained on short courses and recommendation made for staff to undertake farther training in their areas of specialization. On job training is conducted to improve on skills. Recommendation is made for re-designation of staff who have acquired higher qualifications.

Annual appraisal system has been adopted and staff are appraised on their performance. Staff are recognized for their good performance.

The hospital has put measures to frequently assess and improve the working environment for occupational safety in line with Occupational Safety and Health Act 2007.

iii) Market place practices-

a) Responsible competition practice.

The hospital is guided by public procurement and disposal act 2021 and the regulations. The procurement procedures adopted give equal opportunity to all to participate. All procurement processes are done through competitive bidding and in accordance with public procurement and disposal act 2021.

The hospital has sensitized staff on public officer's integrity and ethics, principles of public service and professionalism in service delivery.

The hospital has an integrity and anti-corruption committee that sensitizes the staff on corruption and monitors and reports on occurrences of corrupt activities.

b) Responsible Supply chain and supplier relations

Suppliers are an integral part of the hospital's commodities and services supply chain. The management fosters good relations with suppliers to take better advantage of supplier capabilities, reduce costs, ensure supply chain continuity, increase responsiveness of suppliers and manage price volatility.

The hospital adheres to terms of contracts entered into with contractors.

It is committed to making payment for services rendered and goods received.

Goods and services are procured for the available resources.

c) Responsible marketing and advertisement

The hospital adheres to the Medical Practitioners and Dentist (practitioners and health facilities) advertisement rules 2016.

The hospital embraces transparency in presentation of any information on goods and services. Specifications for commodities are made in a way that does not give undue advantage to certain products while disadvantaging others. It has respect for consumer privacy and cultivates a culture of integrity and transparency in its operations.

d) Product stewardship

The hospital undertakes verification through inspection of products purchased for conformity to standards and specifications provided to ensure quality of products. Comparative information is sought on pricing of goods and services through market surveys.

iv) Corporate Social Responsibility / Community Engagements

The hospital undertook community outreaches and engaged the community in assessing the hospital score card. The facility conducted cervical cancer screening in collaboration with grounds for health. Consultant Medical outreaches were held in health centres to decongest the specialist medical clinic and take specialist services close to the clients.

11. Report of The Board of Management

The Board members submit their report together with the Audited Financial Statements for the year ended June 30, 2023, which show the state of the Mukurweini hospital affairs.

Principal activities

The principal activities of the entity are provision of healthcare services and generation of revenue for financing health care services.

Results

The results of the entity for the year ended June 30 2023 are set out on pages 1 to 22.

Board of Management

The members of the Board who served during the year are shown on page v. During the year, 2022-2023, no director(s) retired/ resigned.

Auditors

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

By Order of the Board


.....
Name

Secretary to the Board

12. Statement of Board of Management's Responsibilities

Section 164 of the Public Finance Management Act, 2012 requires the Board of Management to prepare financial statements in respect of that hospital, which give a true and fair view of the state of affairs of the hospital at the end of the financial year/period and the operating results of the hospital for that year/period. The Board of Management is also required to ensure that the hospital keeps proper accounting records which disclose with reasonable accuracy the financial position of the hospital. The council members are also responsible for safeguarding the assets of the hospital.

The Board of Management is responsible for the preparation and presentation of the hospital's financial statements, which give a true and fair view of the state of affairs of the hospital for and as at the end of the financial year (period) ended on June 30, 2023. 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 hospital; (v) selecting and applying appropriate accounting policies, and (vi) making accounting estimates that are reasonable in the circumstances.

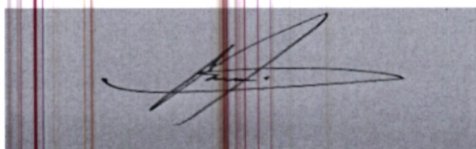
The Board of Management accepts responsibility for the hospital financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012. The Board members are of the opinion that the hospital financial statements give a true and fair view of the state of hospitals transactions during the financial year ended June 30, 2023, and of the hospitals financial position as at that date. The Board members further confirm the completeness of the accounting records maintained for the hospital's, which have been relied upon in the preparation of the hospital's financial statements as well as the adequacy of the systems of internal financial control.

In preparing the financial statements, the Directors have assessed the hospital's ability to continue as a going concern.

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

Approval of the financial statements

The Hospital's financial statements were approved by the Board on 15th May 2024
and signed on its behalf by:



.....
Name: PETER KIAMA MAINA
Chairperson
Board of Management



.....
Name: JUNCOW KARIWA
Accounting Officer

REPUBLIC OF KENYA



Telephone: +254-(20) 3214000
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HEADQUARTERS
Anniversary Towers
Monrovia Street
P.O. Box 30084-00100
NAIROBI

REPORT OF THE AUDITOR-GENERAL ON MUKURWE-INI SUB-COUNTY LEVEL 4 HOSPITAL FOR THE YEAR ENDED 30 JUNE, 2023 - COUNTY GOVERNMENT OF NYERI

PREAMBLE

I draw your attention to the contents of my report which is in three parts:

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements.
- B. Report on Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure Government achieves value for money and that such funds are applied for the intended purpose.
- C. Report on the Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, the risk management environment, and the internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

An unmodified opinion does not necessarily mean that an entity has complied with all relevant laws and regulations and that its internal controls, risk management and governance systems are properly designed and were working effectively in the financial year under review.

The three parts of the report are aimed at addressing the statutory roles and responsibilities of the Auditor-General as provided by Article 229 of the Constitution, the Public Finance Management Act, 2012 and the Public Audit Act, 2015. The three parts of the report, when read together constitute the report of the Auditor-General.

REPORT ON THE FINANCIAL STATEMENTS

Adverse Opinion

I have audited the accompanying financial statements of Mukurwe-ini Sub-County Level 4 Hospital - County Government of Nyeri set out on pages 1 to 26, which comprise of the

statement of financial position as at 30 June, 2023, and the statement of financial performance, statement of cash flows, the statement of comparison of budget and actual amounts 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 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, because of the significance of the matters discussed in the Basis for Adverse Opinion section of my report, the financial statements do not present fairly, the financial position of the Mukurwe-ini Sub-County Level 4 Hospital - County Government of Nyeri as at 30 June, 2023, and of its financial performance and its cash flows for the year then ended, in accordance with the International Public Sector Accounting Standards (Accrual Basis) and do not comply with the Health Act, 2017, the County Governments Act, 2012 and the Public Finance Management Act, 2012.

Basis for Adverse Opinion

1. Inaccuracies in the Financial Statements

1.1 Variances Between the Statement of Cash Flows and the Statement of Financial Performance

The statement of cash flows reflects amounts which were at variance with the amounts reflected in the statement of financial performance as detailed below:

Item	Notes to the Financial Statements	Amount as per Statement of Cash Flows Kshs.	Amount as per Statement of Financial Performance Kshs.	Variance Kshs.
Rendering of Services - Medical Service Income	8	43,488,723	79,561,338	36,072,615
Medical/Clinical Costs	10	12,424,023	42,264,075	29,840,052

The variances were not analyzed or explained.

Further, the statement of cash flows reflects cash and cash equivalents balance of Kshs.8,431,513 at the end of the year which differs with the recalculated balance of Kshs.11,875,873 resulting to an unexplained variance of Kshs.3,444,360.

In addition, the net cash flows used in investing activities is wrongly reflected as Kshs.8,199,150 instead of Kshs.3,844,840 resulting to an unexplained variance of Kshs.4,354,310.

1.2 Statement of Comparison of Budget and Actual Amounts

The statement of comparison of budget and actual amounts reflects amounts which were at variance with the amounts reflected in the statement of financial performance as detailed in the table below:

Item	Notes to the Financial Statements	Statement of Comparison of Budget Actual Amounts on Comparable Basis Kshs.	Statement of Financial Performance Actual Amounts Kshs.	Variance Kshs.
Transfers from the County Government	8	47,029,577	9,000,000	38,029,577
Medical/Clinical Costs	10	18,767,595	42,264,075	23,496,480
Repairs and Maintenance	14	4,018,331	4,335,390	317,059

In the circumstances, the accuracy and completeness of the financial statements could not be confirmed.

2. Unbalanced Statement of Financial Position

The statement of financial position reflects net assets totalling Kshs.42,298,203 which differs with the accumulated surplus of Kshs.25,179,293 resulting to an unexplained variance of Kshs.17,118,910 hence the statement of financial position is unbalanced.

In addition, the trial balance reflected a total debit balance of Kshs.118,226,669 against total credit balance of Kshs.112,229,958 resulting to an unexplained variance of Kshs.5,996,711.

In the circumstances, the accuracy and completeness of the financial statements could not be confirmed.

3. Unsupported Property, Plant and Equipment Balance

The statement of financial position and Note 22 to the financial statements reflects property, plant and equipment balance of Kshs.3,844,840 which only includes non-current assets which were acquired in the year under review. The property, plant and equipment and intangible assets balances which were acquired in the prior years were not disclosed in the financial statements despite the Hospital owning various assets which include land and buildings, specialized and non-specialized medical equipment, furniture and fittings, motor vehicles, ICT equipment and intangible assets. Further, the ownership documents for land were not provided for audit.

In addition, it was noted that Management did not maintain a fixed asset register to control its assets. This was contrary to Regulation 136(1) of the Public Finance Management (County Governments) Regulations, 2015 which states that the Accounting Officer shall be responsible for maintaining a register of assets under his or her control or possession as prescribed by the relevant laws. In addition, there was no evidence to show that the fund has ever evaluated its assets to ascertain the correct market values.

In the circumstances, the accuracy, completeness and ownership of the property, plant and equipment balance of Kshs.3,844,840 could not be confirmed.

4. Unsupported Rendering of Services - Medical Service Income

The statement of financial performance and Note 8 to the financial statements reflects revenue from rendering of services amounting to Kshs.79,561,338 includes Kshs.59,059,370 relating to total collections. However, supporting documents for the total collections amount were not provided for audit.

In the circumstances, the accuracy and completeness of the rendering of services revenue amounting to Kshs.59,059,370 could not be confirmed.

5. Variances in Receivables from Exchange Transactions

The statement of financial position and Note 19 of the financial statements reflects receivables from exchange transactions balance of Kshs.17,657,083. The amount relates to dues from National Health Insurance Fund (NHIF) whose records indicate a balance of Kshs.18,226,473 resulting to an unexplained variance of Kshs.569,390. Further, review of the ledgers provided, revealed that this balance includes Kshs.10,461,973 which has been outstanding for more than six (6) months while the contract between the Hospital and NHIF indicates the period to pay genuine claims is within 30 days of submission

In the circumstances, the accuracy, completeness and recoverability of receivables from exchange transactions of Kshs.17,657,083 could not be confirmed.

6. Non-Disclosure of Employee Costs paid by the County Government

The statement of financial performance and Note 11 to the financial statements reflects employees costs totalling Kshs.3,174,234 for casuals and contractual staff. The Hospital received services from seventy-one (71) medical staff employed and paid by the county government. However, the expenditure was not disclosed in the financial statements and the payroll was not provided for audit verification.

In the circumstances, the accuracy and completeness of employee costs amounting to Kshs.3,174,234 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Mukurwe-ini Sub-County Level 4 Hospital Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical

responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my adverse opinion.

Key Audit Matter

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

Other Matter

Unresolved Prior Year Audit Issues

In the audit report of the previous year, several issues were raised under the Report on Financial Statements and Report on Lawfulness and Effectiveness in Use of Public Resources. However, Management had not indicated the current status of the issues and resolved or given any explanation for the failure to implement the recommendations. Further, the issues are not disclosed in the financial statements on implementation status of Auditor-General's recommendations.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229 (6) of the Constitution, because of the significance of the matters discussed in the Basis for Adverse Opinion and Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources sections of my report, based on the audit procedures performed, I confirm that public resources have not been applied lawfully and effectively.

Basis for Conclusion

1. Deficiencies in Implementation of Universal Health Coverage

Review of Hospital records and interviews on verification of services offered, equipment used and medical specialists in the Hospital at the time of audit revealed that the Hospital did not meet the requirements of Kenya Quality Model for Health Policy Guidelines due to staff deficits by 30 staff requirements or 30% of the authorized establishment.

Staff Requirements	Level 4 Hospital Standard	Number in Hospital	Variance	Percentage %
Medical Officers	16	3	13	81
Anesthesiologists	2	1	1	50
General Surgeons	2	2	0	0
Gynecologists	2	2	0	0
Pediatrics	2	1	1	50
Radiologists	2	0	2	100
Kenya Registered Community Health Nurses	75	62	3	17
Total	101	71	30	30

In addition, the Hospital lacked the necessary equipment and machines outlined in the Health Policy Guidelines as detailed below:

Service	Level 4 Hospital Standard	Actuals in the Hospital	Variance	Percentage %
Beds	150	124	26	17
Resuscitaire (2 In Labor & 1 In Theatre)	2	2	0	0
New Born Unit Incubators	5	5	0	0
New Born Unit Cots	5	0	5	100
Functional ICU Beds	6	0	6	100
High Dependency Unit (Hou) Beds	6	4	2	33
Renal Unit with at least 5 Dialysis Machines	5	0	5	100
Two Functional Operational Theatres- Maternity & General	2	2	0	0

The deficiencies contravened the First Schedule of Health Act, 2017 and imply that accessing the highest attainable standard of health, which includes the right to health care services, including reproductive health care as required by Article 43(1) of the Constitution of Kenya, 2010 may not be achieved.

In the circumstances, the Hospital may not be able to deliver on its mandate.

2. Lack of Quarterly Revenue Reports

The statement of financial performance and Note 8 to the financial statements reflects Kshs.79,561,338 in relation to the rendering of services - medical income. However, the Hospital did not provide evidence to show that quarterly revenue reports were prepared and submitted the same to the County Treasury with a copy to the Auditor-General as per the requirement of Regulations 64(1) of the Public Finance Management (County Governments) Regulations, 2015 which requires the Accounting Officer or receiver of revenue or collector of revenue to prepare a quarterly report not later than the 15th day after the end of the quarter.

In the circumstances, Management was in breach of the regulations.

3. Lack of Revenue Safeguards and Controls

The statement of financial performance and Note 8 to the financial statements reflects Kshs.79,561,338 in relation to the rendering of services - medical income. However, it was noted that there was no segregation of duties in revenue collection because the same person receives revenue, issues receipts and carries out the banking of revenue. This was contrary to Regulation 63(1(a) of the Public Finance Management (County Governments) Regulations, 2015 which states that an Accounting Officer and a receiver of revenue are personally responsible for ensuring that - (a) adequate safeguards exist and are applied for the prompt collection and proper accounting for, all county government revenue and other public moneys relating to their county departments or agencies.

In the circumstances, Management was in breach of the regulations.

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, because of the significance of the matters discussed in the Basis for Adverse Opinion and Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, based on the audit procedures performed, I confirm that internal controls, risk management and overall governance were not effective.

Basis for Conclusion

1. Expired Drugs

The statement of financial position and Note 21 to the financial statements reflects inventory balance of Kshs.13,252,813. Review of pharmacy records revealed that drugs worth Kshs.626,062 had expired in the Hospital stores with some having expired for more than five (5) years.

In the circumstances, the effectiveness of internal controls on the management of drugs could not be confirmed.

2. Poor Controls over Issuance of Pharmaceutical Supplies to Pharmacy

The statement of financial performance reflects medical/clinical costs of Kshs.42,264,075 as disclosed in Note 10 to the financial statements. Included in this amount are pharmaceutical supplies costs of Kshs.24,146,116 which comprised of drugs supplied, inspected, accepted and issued in bulk to the pharmacy without control from the main store. Further, the drugs could not be traced to specific patients and the revenue or amount charged. In addition, there was no reconciliations between received drugs, drugs issued to the patients, breakages, spillage and revenue generated.

In the circumstances, the effectiveness of internal controls on the issuance and management of pharmaceutical supplies could not be confirmed.

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal controls, 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 the Board of Management

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the International Public Sector Accounting Standards (Accrual Basis) and for maintaining effective internal controls 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 controls, risk management and governance.

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

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

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

The Board of Management is responsible for overseeing the Hospital's financial reporting process, reviewing the effectiveness of how Management 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 controls 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 controls 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 controls may not prevent or detect misstatements and instances of noncompliance. 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 controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of 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 Hospital's ability to continue 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 Hospital to cease to continue to continue 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 Hospital to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

I communicate with 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.



FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

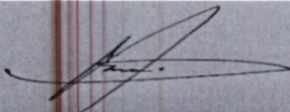
Nairobi

14 June, 2024


14. Statement of Financial Performance for The Year Ended 30 June 2023

Description	Note	2022-2023 FY	2021-2022 FY
		Kshs	Kshs
Revenue from non-exchange transactions			
Transfers from the County Government	6	9,000,000	10,000,000
In-kind contributions from the County Government	7	16,375,383	9,762,353
		25,375,383	19,762,353
Revenue from exchange transactions			
Rendering of services- Medical Service Income	8	79,561,338	41,482,987
Revenue from rent of facilities	9	36,000	24,000
Revenue from exchange transactions		79,597,338	41,506,987
Total revenue		104,972,721	61,269,340
Expenses			
Medical/Clinical costs	10	42,264,075	17,388,832
Employee costs	11	3,174,234	14,090
Board of Management Expenses	12	183,500	417,700
Depreciation and amortization expense	13		
Repairs and maintenance	14	4,335,390	4,082,512
Grants and subsidies	15	11,644,919	8,769,507
General expenses	16	20,823,771	25,119,353
Total expenses		82,425,889	55,791,994
Other gains/(losses)			
Medical services contracts Gains/Losses	17	2,844,885	
Total other gains/(losses)		2,844,885	
Net Surplus / (Deficit) for the year		19,701,947	5,477,346

The Hospital's financial statements were approved by the Board on ____15th May 2025__ and signed on its behalf by:



.....
Chairman
Board of Management



.....
Head of Finance
ICPAK No: 18296

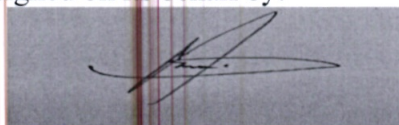


.....
Medical Superintendent

15. Statement of Financial Position As At 30th June 2023

Description	Note	FY 2022-2023	FY 2021-2022
		Kshs	Kshs
Assets			
Current assets			
Cash and cash equivalents	18	8,431,513	3,676,723
Receivables from exchange transactions	19	17,657,083	2,357,400
Receivables from non-exchange transactions	20	7,046,960	2,008,218
Inventories	21	13,252,813	6,749,325
Total Current Assets		46,388,369	14,791,666
Non-current assets			
Property, plant, and equipment	22	3,844,840	
Total Non-current Assets		3,844,840	
Total assets		50,229,209	14,791,666
Liabilities			
Current liabilities			
Trade and other payables	23	7,935,006	9,314,320
Total Current Liabilities			
Non-current liabilities			
Total Liabilities			
Net assets			
Accumulated surplus/Deficit		25,179,293	5,477,346
Capital Fund			
Total Net Assets and Liabilities			

The Hospital's financial statements were approved by the Board on 15th May 2025 and signed on its behalf by:



.....
Chairman
Board of Management



.....
Head of Finance
ICPAK No: 18296



.....
Medical Superintendent

16. Statement of Changes in Net Asset for The Year Ended 30 June 2023

Mukurwe-ini Subcounty Hospital (Nyeri County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2023

Description	Revaluation reserve	Accumulated surplus/Deficit	Capital Fund	Total
As at July 1, 2021				
Revaluation gain				
Surplus/(deficit) for the year	5,477,346			
Capital/Development grants				
As at June 30, 2022	5,477,346			
At July 1, 2022				
Revaluation gain				
Surplus/(deficit) for the year	19,701,947			
Capital/Development grants				
At June 30, 2023	25,179,293			

17. Statement of Cash Flows for The Year Ended 30 June 2023

Description	Note	FY 2022/2023	FY 2021/2022
		Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from the County Government - Grant		9,000,000	10,000,000
Transfers from the County Government - AIE		43,488,723	28,371,862
Total Receipts		52,488,723	38,371,862
Payments			
Medical/Clinical costs		(12,424,023)	(7,819,672)
Employee costs		(3,174,234)	(14,090)
Board of Management Expenses		(183,500)	(417,700)
Repairs and maintenance		(3,839,205)	(3,877,662)
General expenses		(20,823,771)	(22,701,885)
Total Payments		(40,444,733)	(34,831,009)
Net cash flows from operating activities		12,043,990	3,540,853
Cash flows from investing activities			
Purchase of property, plant, equipment & intangible assets		(3,844,840)	
Net cash flows used in investing activities		8,199,150	
Cash flows from financing activities			
Proceeds from borrowings			
Repayment of borrowings			
Capital grants received			
Net cash flows used in financing activities		0	
Net increase/(decrease) in cash and cash equivalents		8,199,150	3,540,853
Cash and cash equivalents as at 1 July	18	3, 676,723	
Cash and cash equivalents as at 30 June	18	8,431,513	

18. Statement of Comparison of Budget and Actual Amounts for Year Ended 30 Jun 2023

Description	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% of utilisation
	A	b	c=(a+b)	D	e=(c-d)	f=d/c%
	Kshs	Kshs	Kshs	Kshs	Kshs	
Revenue						
Transfers from the County Government	47,029,577		47,029,577	47,029,577	0	100%
Grants from donors and development partners	9,000,000		9,000,000	9,000,000	0	100%
Total income	56,029,577		56,029,577			%
Expenses						
Medical/Clinical costs	25,888,692		25,888,692	18,767,595	7,121,097	82%
Employee costs	3,202,623		3,202,623	3,174,234	28,389	99%
Remuneration of directors	183,500		183,500	183,500	0	%
Repairs and maintenance	4,335,390		4,335,390	4,018,331	317,059	93%
Grants and subsidies	11,644,919		11,644,919	11,644,919	0	100%
General expenses	20,823,771		20,823,771	20,823,771	0	100%
Surplus for the period	1,595,601		1,595,601	9,062,146		88%
Capital expenditure						%

Notes to the Financial Statements

1. General Information

Mukurweini hospital is established by and derives its authority and accountability from Health Act 17 of 2017. The entity is wholly owned by the Nyeri County Government and is domiciled in Nyeri County in Kenya. The entity's principal activity is health care service delivery.

2. Statement of Compliance and Basis of Preparation

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant, and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts and actuarially determined liabilities at their present value. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgement in the process of applying the *Mukurweini hospital* accounting policies. The areas involving a higher degree of judgment or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note xx The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the *Mukurweini hospital*. The financial statements have been prepared in accordance with the PFM Act, and (*include any other applicable legislation*), and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

3. Adoption of New and Revised Standards

i. New and amended standards and interpretations in issue effective in the year ended 30 June 2023.

Standard	Effective date and impact
<p>IPSAS 41: Financial Instruments</p>	<p>Applicable: 1st January 2023</p> <p>The objective of IPSAS 41 is to establish principles for the financial reporting of financial assets and liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of an Entity’s future cash flows. IPSAS 41 provides users of financial statements with more useful information than IPSAS 29, by:</p> <ul style="list-style-type: none"> • Applying a single classification and measurement model for financial assets that considers the characteristics of the asset’s cash flows and the objective for which the asset is held; • Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and • Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between an Entity’s risk management strategies and the accounting treatment for instruments held as part of the risk management strategy.
<p>IPSAS 42: Social Benefits</p>	<p>Applicable: 1st January 2023</p> <p>The objective of this Standard is to improve the relevance, faithful representativeness and comparability of the information that a reporting Entity provides in its financial statements about social benefits. The information provided should help users of the financial statements and general-purpose financial reports assess:</p> <p>(a) The nature of such social benefits provided by the Entity.</p>

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Standard	Effective date and impact
	<p>(b) The key features of the operation of those social benefit schemes; and</p> <p>(c) The impact of such social benefits provided on the Entity’s financial performance, financial position and cash flows.</p>
<p>Amendments to Other IPSAS resulting from IPSAS 41, Financial Instruments</p>	<p>Applicable: 1st January 2023</p> <p>a) Amendments to IPSAS 5, to update the guidance related to the components of borrowing costs which were inadvertently omitted when IPSAS 41 was issued.</p> <p>b) Amendments to IPSAS 30, regarding illustrative examples on hedging and credit risk which were inadvertently omitted when IPSAS 41 was issued.</p> <p>c) Amendments to IPSAS 30, to update the guidance for accounting for financial guarantee contracts which were inadvertently omitted when IPSAS 41 was issued.</p> <p>Amendments to IPSAS 33, to update the guidance on classifying financial instruments on initial adoption of accrual basis IPSAS which were inadvertently omitted when IPSAS 41 was issued.</p>
<p>Other improvements to IPSAS</p>	<p>Applicable 1st January 2023</p> <ul style="list-style-type: none"> • <i>IPSAS 22 Disclosure of Financial Information about the General Government Sector.</i> <p>Amendments to refer to the latest System of National Accounts (SNA 2008).</p> <ul style="list-style-type: none"> • <i>IPSAS 39: Employee Benefits</i> <p>Now deletes the term composite social security benefits as it is no longer defined in IPSAS.</p> <ul style="list-style-type: none"> • <i>IPSAS 29: Financial instruments: Recognition and Measurement</i> <p>Standard no longer included in the 2023 IPSAS handbook as it is now superseded by IPSAS 41 which is applicable from 1st January 2023.</p>

ii) New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2023.

Standard	Effective date and impact
IPSAS 43	<p><i>Applicable 1st January 2025</i></p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p>
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<p><i>Applicable 1st January 2025</i></p> <p>The Standard requires:-</p> <ul style="list-style-type: none"> i. Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: ii. Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.

iii) Early adoption of standards

The Entity did not early – adopt any new or amended standards in the financial year or *the entity adopted the following standards early (state the standards, reason for early adoption and impact on entity’s financial statements.)*

4. Summary of Significant Accounting Policies

a. Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other Government entities

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the *Entity* and can be measured reliably. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, the amount is recorded in the statement of financial position and realised in the statement of financial performance over the useful life of the asset that has been acquired using such funds.

ii) Revenue from exchange transactions

Rendering of services

The entity recognizes revenue from rendering of services by reference to the stage of completion when the outcome of the transaction can be estimated reliably. The stage of completion is measured by reference to labour hours incurred to date as a percentage of total estimated labour hours. Where the contract outcome cannot be measured reliably, revenue is recognized only to the extent that the expenses incurred are recoverable.

Sale of goods

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the buyer, usually on delivery of the goods and when the amount of revenue can be measured reliably, and it is probable that the economic benefits or service potential associated with the transaction will flow to the entity.

Interest income

Interest income is accrued using the effective yield method. The effective yield discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount. The method applies this yield to the principal outstanding to determine interest income for each period.

Rental income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and included in revenue.

Notes to the Financial Statements (Continued)

b. Budget information

The original budget for FY 2022-2023 was approved by Board on **28th July 2022**. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities.

c. Property, plant and equipment

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the entity recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus or deficit as incurred. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset initially measured at its fair value.

Trade and other receivables

Trade and other receivables are recognized at fair values less allowances for any uncollectible amounts. Trade and other receivables are assessed for impairment on a continuing basis. An estimate is made of doubtful receivables based on a review of all outstanding amounts at the year end.

Financial liabilities

Classification

The entity classifies its liabilities as subsequently measured at amortized cost except for financial liabilities measured through profit or loss.

Notes to the Financial Statements (Continued)

d. Inventories

Inventory is measured at cost upon initial recognition. To the extent that inventory was received through non-exchange transactions (for no cost or for a nominal cost), the cost of the inventory is its fair value at the date of acquisition.

Costs incurred in bringing each product to its present location and conditions are accounted for as follows:

- Raw materials: purchase cost using the weighted average cost method.
- Finished goods and work in progress: cost of direct materials and labour, and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs.

After initial recognition, inventory is measured at the lower cost and net realizable value. However, to the extent that a class of inventory is distributed or deployed at no charge or for a nominal charge, that class of inventory is measured at the lower cost and the current replacement cost. Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or distribution. Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the Entity.

Notes to the Financial Statements (Continued)

e. Changes in accounting policies and estimates

The Entity recognizes the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy are applied prospectively if retrospective application is impractical.

f. 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. For the purposes of these financial statements, cash and cash equivalents also include short term cash imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.

g. Comparative figures

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

h. 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 June 30, 2023.

5. Significant Judgments and Sources of Estimation Uncertainty

The preparation of the Entity's financial statements in conformity with IPSAS requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Estimates and assumptions.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Entity based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Entity. Such changes are reflected in the assumptions when they occur.(IPSAS 1.140)

Useful lives and residual values

The useful lives and residual values of assets are assessed using the following indicators to inform potential future use and value from disposal:

- The condition of the asset based on the assessment of experts employed by the Entity.
- The nature of the asset, its susceptibility and adaptability to changes in technology and processes.
- The nature of the processes in which the asset is deployed.
- Availability of funding to replace the asset.
- Changes in the market in relation to the asset.

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions is included in Note xxx. Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the reporting date and are discounted to present value where the effect is material.

Notes to Financial Statements Continued

6. Transfers from the County Government

Description	FY 2022/2023	FY 2021/2022
	KShs	KShs
Unconditional grants		
Operational grant	9,000,000	10,000,000
Total government grants and subsidies	9,000,000	10,000,000

6 b Transfers from The County Government

Name of the Entity sending the grant	Amount recognized to of financial performance* KShs	Amount deferred under deferred income KShs	Amount recognised in capital fund.	Total grant income during the year	Comparative Period
			KShs	KShs	KShs
Nyeri County Government	9,000,000	0	0	9,000,000	10,000,000
Total	9,000,000	0	0	9,000,000	10,000,000

7. In Kind Contributions from The County Government

Description	FY 2022-2023	FY 2021-2022
	KShs	KShs
Salaries and wages	0	0
Medical supplies-Drawings Rights (KEMSA)	0	0
Pharmaceuticals and Non-Pharmaceutical Supplies (other suppliers)	16,375,383	7,837,363
Utility bills	0	1,924,990
Total grants in kind	16,375,383	9,762,353

8. a) Rendering of Services-Medical Service Income

Description	FY 2022/2023	FY 2021/2022
	Kshs	Kshs
Total Collections	59,059,370	39,125,587
NHIF Receivables	17,657,083	2,357,400
Waivers and Exemptions	2,844,885	
Total revenue from the rendering of services	79,561,338	41,482,987

b) AIE RECEIVED

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Date	Particulars	Amount Received
29/06/2023	4th Quarter	8,238,241.00
11/05/2023	3rd Quarter	10,373,258.00
24/01/2023	2nd Quarter	12,236,823.00
07/11/2022	1st Quarter	6,810,530.00
07/09/2022	1st Quarter	9,370,724.00
		47,029,576.00
Less: Prior year's Votebook Balance included in 1st AIE		3,540,853.00
		43,488,723.00

9. Revenue From Rent of Facilities

Description	FY 2022/2023	FY 2021/2022
	Kshs	Kshs
Commercial property	36,000	24,000
Total Revenue from rent of facilities	36,000	24,000

10. Medical/ Clinical Costs

Description	FY 2022/2023	FY 2021/2022
	Kshs	Kshs
Dental costs/ materials	0	46,300
Laboratory chemicals and reagents	2,441,360	2,276,286
Public health activities	0	
Food and Ration	10,338,570	4,847,895
Uniform, clothing, and linen	178,400	199,060
Dressing and Non-Pharmaceuticals	2,918,839	4,451,082
Pharmaceutical supplies	24,146,116	4,020,951

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Sanitary and cleansing Materials	264,170	322,740
Purchase of Medical gases	37,799	261,900
X-Ray/Radiology supplies	205,812	962,616
Other medical related clinical costs (<i>small tools</i>)	1,733,009	0
Total medical/ clinical costs	42,264,075	17,388,832

Medical costs for cashflow

		Kshs.
Total medical cost on statement financial performance		42,264,075
Unpaid at the end of the year:		
Food and Ration	3,465,673	
Non-Pharmaceutical	145,600	
Laboratory materials	217,000	
Sanitary and cleaning materials	77,000	
Fungicides	52,040	(3,957,313)
In-Kind Supplies		(16,375,383)
Paid for FY 21/22		(7,908,673)
Actual cash outflow for the year		12,424,023

11. Employee Costs

Description	FY 2022/2023	FY 2021/2022
	Kshs	Kshs
Salaries, wages, and allowances	3,174,234	0
Other employee costs (<i>casual wages</i>)		14,090
Employee costs	3,174,234	14,090

12. Board of Management Expenses

Description	FY 2022/2023	FY 2021/2022
	Kshs	Kshs
Total	183,500	417,000

13. Depreciation and Amortization Expense

Description	FY 2022/2023	FY 2021/2022
	Kshs	Kshs
Property, plant and equipment		
Total depreciation and amortization		

14. Repairs And Maintenance

Description	FY 2022/2023	FY 2021/2022
	Kshs	Kshs
Property- Buildings	1,689,310	809,745
Medical equipment	54,820	1,636,144
Furniture and fittings	98,600	0
Computers and accessories	1,060,150	190,790
Motor vehicle expenses	570,000	591,060
Maintenance of plant	862,510	0
Total repairs and maintenance	4,335,390	4,082,512

Repairs and Maintenance

	Kshs.	Kshs.
As per statement of financial performance		4,335,390
Unpaid at the end of the year:		
Building & Maintenance	205,535	
Maintenance of Plant	60,250	
Maintenance of Office Equipment	29,000	
Computer Accessories	112,000	(406,785)
Paid for financial year 21/22		(89,400)
Actual cash outflow for the year		3,839,205

15. Grants And Subsidies

Description	FY 2022/2023	FY 2021/2022
	Kshs	Kshs
Other grants and subsidies(<i>primary health and Fund Administration</i>)	11,644,919	8,769,507
Total grants and subsidies	11,644,919	8,769,507

16. General Expenses

Description	FY 2022/2023	FY 2021/2022
	Kshs	Kshs
Advertising and publicity expenses		
Catering expenses	29,590	34,145
Insecticides and rodenticides	104,266	12,700
Gas Expenses	1,369,800	1,431,550

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Description	FY 2022/2023	FY 2021/2022
	Kshs	Kshs
Bank charges	31,961	8,000
Household Items	106,165	30,000
Contracted services	5,909,736	9,823,828
Electricity expenses	5,151,877	5,195,966
Fuel and Lubricants	2,455,000	2,600,000
Travel and accommodation allowance	1,309,600	1,227,138
Courier and postal services	18,900	0
Printing and stationery	2,103,796	2,104,666
Water and sewerage costs	1,908,980	2,230,130
Telephone and mobile phone services	324,100	421,230
Total General Expenses	20,823,771	25,119,353

17. Medical Services Contracts Gains /Losses

Description	FY 2022/2023	FY 2021/2022
	KShs	KShs
Waivers and Exemptions	2,844,885	
Total Gain/Loss	2,844,885	

18. Cash And Cash Equivalents

Description	FY 2022/2023	FY 2021/2022
	KShs	KShs
Current accounts	8,431,513	3,676,723
Total cash and cash equivalents	8,431,513	

27 (a). Detailed Analysis of Cash and Cash Equivalents

Description		FY 2022-2023	FY 2021-2022
Financial institution	Account number	KShs	KShs
a) Current account			
Kenya Commercial bank		8,431,513	3,676,723
Sub- total			
Grand total			

19. Receivables From Exchange Transactions

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Description	FY 2022-2023	FY 2021-2022
	KShs	KShs
Medical services receivables	17,657,083	2,357,400
Total receivables	17,657,083	2,357,400

(Entity to state the expected credit loss rates for various categories of its receivables. The entity should also disclose how ECL was arrived at in line with provisions of IPSAS 41.)

Analysis of Receivables From Exchange Transactions

Description	FY 2022-2023		FY 2021-2022	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	17,657,083	100%	2,357,400	%
Total (a+b)		100%		%

20. Receivables From Non-Exchange Transactions

Description	FY 2022- 2023	FY 2021- 2022
	KShs	KShs
Transfers from the County Government	7,046,960	2,008,218
Total	7,046,960	2,008,218

(Undisbursed donor funds refer to funds expected where conditions for disbursements have been met by the recipient as at the reporting date)

Analysis of Receivables From Non-Exchange Transactions

Description	FY 2022-2023		FY 2021-2022	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	7,046,960	100%	2,008,218	100%
Total (a+b)		100%		%

21. Inventories

Description	FY 2022-2023	FY 2021-2022
	KShs	KShs
Pharmaceutical supplies	4,950,823	18,639,622

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Laboratory Supplies	5,035,899	
Food supplies	90,753	124,050
Printing	322,320	
Non-Pharmaceutical Supplies	2,827,018	
General supplies	26,000	185,260
Total	13,252,813	18,948,932

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Notes to the Financial Statements (Continued)

22. Property, Plant and Equipment

Description	Land	Buildings and Civil works	Motor vehicles	Furniture, fittings, and office equipment	ICT Equipment	Plant and medical equipment	Capital Work in progress	Total
	Ksh	Ksh	Ksh	Ksh	Ksh	Ksh	Ksh	Ksh
Cost								
At 1 July 2022 (current year)								
Additions		915,575			2,929,265			
Disposals								
Transfer/adjustments								
At 30th Jun 2023								
Depreciation and impairment								
At 1 July 2022 (previous year)								
Depreciation for the year								
Disposals								
Impairment								
At 30 June 2023								
At July 2022 (current year)								
Depreciation								
Disposals								
Impairment								
Transfer/adjustment								
At 30th June 2023								
Net book values								
At 30 th Jun 2022 (previous)								
At 30 th Jun 2023 (current)								

Notes to the Financial Statements (Continued)

23. Trade and other Payables

Description	FY 2022-2023		FY 2021-2022	
	KShs		KShs	
Trade payables	7,935,006			
Total trade and other payables				
Ageing analysis:	FY 2022-2023	% of the Total	FY 2021-2022	% of the total
Under one year	7,935,006	%		%
Total		%		%

24. Cash Generated from Operations

Description	FY 2022-2023		FY 2021-2022	
	KShs		KShs	
Surplus for the year before tax	19,701,947		5,477,346	
Adjusted for:				
Depreciation				
Non-cash grants received				
Impairment				
Gains and losses on disposal of assets				
Contribution to provisions				
Contribution to impairment allowance				
Working Capital adjustments				
Increase in inventory				
Increase in receivables				
Increase in deferred income				
Increase in payables				
Increase in payments received in advance				
Net cash flow from operating activities				

19. Appendices

Appendix 1: Progress on Follow Up of Auditor Recommendations

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

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)

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 the 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.



Accounting Officer

*Mukurwe-ini Subcounty Hospital (County Government of Nyeri)
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Appendix II: Projects Implemented by The Entity

Projects

Projects implemented by the Hospital Funded by development partners

Project title	Project Number	Donor	Period/ duration	Donor commitment	Separate donor reporting required as per the donor agreement (Yes/No)	Consolidated in these financial statements (Yes/No)
1	Renovations of maternity and paediatric ward	Safaricom foundation	2 months		No	No
2						

Status of Projects completion

(Summarise the status of project completion at the end of each quarter, i.e. total costs incurred, stage which the project is etc)

SN	Project	Total project Cost	Total expended to date	Completion % to date	Budget	Actual	Sources of funds
1	Installation of CCTV	1,269,000	1,269,000	19/04/2023	1,400,000	1,269,000	County Government Grant
2	Installation of Local Area Network (LAN)	1,296,265	1,296,265	22/02/2023	1,300,000	1,296,265	County Government Grant
3	Solar Lighting	489,500	489,500	17/01/2023	500,000	489,500	County Government Grant

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4	MCH/CCC Canopy	416,376	416,376	12/04/2023	500,000	416,376	County Government Grant
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**Mukurwe-ini Subcounty Hospital (County Government of Nyeri)
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Appendix III: Inter-Entity Confirmation Letter

[Insert your Letterhead]

[Insert name of beneficiary entity]

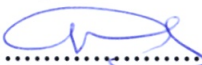
[Insert Address]

The *[insert SC/SAGA/Fund name here]* wishes to confirm the amounts disbursed to you as at 30th June 20XX as indicated in the table below. Please compare the amounts disbursed to you with the amounts you received and populate the column E in the table below Please sign and stamp this request in the space provided and return it to us.

Confirmation of amounts received by <i>[Insert name of beneficiary entity]</i> as at 30 th June 20XX							
Reference Number	Date Disbursed	Amounts Disbursed by <i>[SC/SAGA/Fund]</i> (KShs) as at 30th June 20XX				Amount Received by <i>[beneficiary entity]</i> (KShs) as at 30 th June 20XX (E)	Differences (KShs) (F)=(D-E)
		Recurrent (A)	Development (B)	Inter– Ministerial (C)	Total (D)=(A+B+C)		
Total							

In confirm that the amounts shown above are correct as of the date indicated.

Head of Accounts Department of the beneficiary entity:

Name CATHERINE H. THW Sign  Date 15/5/24

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Appendix IV Reporting of Climate Relevant Expenditures

Project Name	Project Description	Project Objectives	Project Activities	Quarter				Source Of Funds	Implementing Partners
				Q1	Q2	Q3	Q4		

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Appendix V: Disaster Expenditure Reporting Template

Programme	Sub programme	Disaster Type	Category of disaster related Activity that require expenditure reporting (response/recovery/mitigation/preparedness)	Expenditure item	Amount (Kshs.)	Comments