

REPUBLIC OF KENYA



*Enhancing Accountability*

**REPORT**

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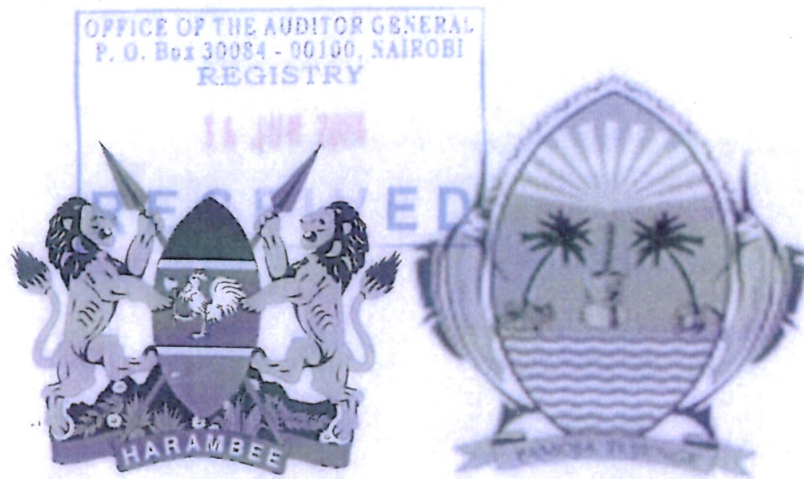
**JIBANA SUB-COUNTY LEVEL 4 HOSPITAL**

**FOR THE YEAR ENDED  
30 JUNE, 2022**

**COUNTY GOVERNMENT OF KILIFI**

DATE: 24/09/24  
M.L.  
Abdirahman





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**JIBANA SUB-COUNTY LEVEL 4  
HOSPITAL  
(Kilifi County Government)**

**ANNUAL REPORT AND FINANCIAL  
STATEMENTS**

**FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2022**

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



*Jibana sub county hospital (kilifi County Government)*  
*Annual Report and Financial Statements for The Year Ended 30<sup>th</sup> June 2022*

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## **I. Key Entity Information and Management**

### **a) Background information**

Jibana Sub-County Hospital is a level 4 hospital established and is domiciled in Kilifi County under the Health Department and is governed by a Board of Management.

Jibana Sub County Hospital has been in existence for more than a century, having been established in the early 1900s to cater for the health needs of the residents of the then Kaloleni District. Since then it has grown to become the referral hospital serving Sub-County and private hospitals in more than 8wards in the Region with a population of more than **50,000** people.

### **b) Principal Activities**

The vision of the hospital is to bring healthcare of international standards to this region, to evolve as a premier hospital in the county and to touch the lives of the people we serve through excellence in clinical care, quality and commitment, while its mission is to provide compassionate, accessible, high quality, cost effective healthcare to one all.

The main mandate of Jibana Sub County Hospital is to provide curative, preventive, promotive and rehabilitative health services. It offers specialized clinical services in various disciplines. It serves as a teaching facility where clinical students, nursing students and community health workers train.

The Following are the key Objectives of the Hospital:

- To provide High quality healthcare services,
- To provide Super-specialized healthcare services
- To train different levels of health cadres

### **i. VISION**

The Vision of JSCH is to provide excellent, efficient, accessible, equitable and affordable health care system for all

### **ii.MISSION**

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The principal activity/ mission of the hospital is participate in the provision of high quality promotive, preventive, curative and rehabilitative health care services to all

**c) Key Management**

The hospital's management is under the following key organs:

- County department of health
- County Department of Finance
- Board of Management
- Accounting Officer/ Medical Superintendent
- Hospital Management Team

**d) Fiduciary Management**

The key management personnel who held office during the financial year ended 30<sup>th</sup> June 2022 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Medical superintendent	Mr Festus Mangi Yaa
2.	Head of finance	Mrs Serah Kadzo Katana
3.	Head of supply chain	Mr Ryan Vidzo
4.	Head of Clinical Services	Mrs Rehema Nzemeru
5.	Head of Nursing Services	Mrs Claris Kasichana Kalama

**e) Fiduciary Oversight Arrangements**

The fiduciary oversight of the county is done by:

**i) The County Assembly**

The County assembly, pursuant to the constitution of Kenya, 2010 and the County Government Act, 2012 under Article 8(1) has fiduciary oversight role over the execution of the functions of the County Government., it approves the budget and expenditure of the County Government in accordance with article 207 of the constitution of Kenya.



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It also approves the borrowings of the County Government in accordance of the constitution 212of the Constitution of Kenya 2010.

**ii The Controller of budget**

The controller of budget has fiduciary oversight role of the County Government under article 22(5) of the Constitution of Kenya, 2010 by approving withdrawal from the public funds only when satisfied that the is authorized by law.

**iii County executive committee**

The County Executive Committee exercise executive authority in accordance with the constitution and county legislation.

**iv. Internal Auditor Department**

The internal Audit Department of the County Government of Kilifi ensures that the internal controls exist and are adhered to. The internal Audit reports to the county Audit Commits

**f. Entity Headquarters**

P.O. Box 183  
Kaloleni, Kenya

**g. Entity Contacts**

Telephone: (254) 793745785  
E-mail: jibanahospital@gmail.com

**Entity Bankers**

Kenya Commercial Bank  
Mariakani Branch  
P.O. Box.....  
Mariakani

**h. Independent Auditors**

Auditor General  
Office of Auditor General

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Anniversary Towers, Institute Way  
P.O. Box 30084  
GPO 00100  
Nairobi, Kenya

**i. Principal Legal Adviser**

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

**j. County Attorney**



P.O. Box. 519  
Kilifi, Kenya




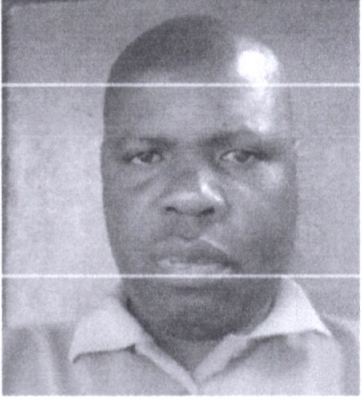


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**II. The Board of Management**

Ref	Name	Position
1	Mr.Reynolds Mwalukombe	Chairman
2	Mr.Augustus Mgute	Vice Chair
3	Mr Festus Yaa	Secretary
4	Mr. Hezron Tsuma	Member
5	Mr.Japhet Ria	Member
6	Mrs. Mercy Mkala	Member
7	Mrs. Loice Madzundu	Member
8	Mrs. Katrina Tsuma	Member
9	Mr. John Chachi	Member



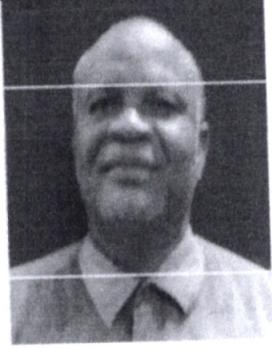
	Name	Details of qualifications and experience	Photo
1.	Mr.Reynolds Mwalukombe	Mr.mwalukombe is the chair person of the hospital board he holds a degree in bachelor of law and bachelor of social law at shivaji university, India	
2.	Mr.Augustus Mgute	Mr.Mgute is the vice chairman of board he holds certificate in nursing and midwifery at st.lukes hospital and pumuani maternity in Nairobi	

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3.	Mr. Festus Yaa	Mr. Yaa is the hospital in charge and the secretary of the hospital board who holds diploma in clinical medicine and surgery	
4.	Mr. Hezron Tsuma	He is a member of the hospital board and he holds bachelor's degree in computer sciences 2 <sup>nd</sup> class upper division	
5.	Mr.Japhet Ria	He is a member of the hospital board and he holds a marters in business adminstrstion at Kenya Methodist university.	
6.	Mrs. Mercy Mkala	Mrs. Mkala is a member of the hospital board and she holds a diploma in community development and social wok at clobal institute of management and commerce	



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7.	Mrs. Loice Madzundu	Mrs. madzundu is a member of the hospital board and she holds a certificate in motor vehicle electrician grade 11	
8.	Mrs. Katrina Tsuma	Mrs. tsuma is a member of the hospital board and she holds a certificate in beauty and colonist therapy	
9.	Mr. John Chachi	He is a member of the hospital board and he holds he also represent the disable in the community and holds a diplomer in biblr theology with ART	

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**III. Management Team**

Ref	Name	Position
1	Mr Festus Yaa	Facility In charge
3	Mrs. Claris Kasichana	Nursing Officer In charge
4	Mrs. Serah Kadzo Katana	Hospital Accountant
5	Mr. Ryan Vidzo	Procurement Officer



#### **IV. CHAIRMAN'S STATEMENT**

Jibana SubCounty Hospital exists and operates within broader socio-economic and political context. The understanding of this environment is critical in enabling the hospital to position itself strategically to take advantage of emerging opportunities and deal with threats. As a public hospital, jibana sub county hospital is governed by the policies and regulations set forth by both the ministry of healthy and the county department of health services. Jibana sub county hospital main mandate is to provide curative and rehabilitative services. It offers specialized clinics in various disciplines. Being a center of excellence Jibana Sub County is set and ready for the dynamic healthcare and environmental changes. In playing its constitutionally mandated role for health service delivery, the Jibana sub county hospital will focus on translating the broader GoK health sector strategic aspirations into operational implementation imperatives. In so doing, JSCH has always been guided by a clear strategic imperative including its vision and mission statements and core organizational principles and values. The key strengths for Jibana sub county hospital include;

- Highly skilled personnel
- Strategic physical location
- Price leadership
- Adequate land for future expansion
- Strong linkage with the community.

The hospital needs to take advantage and maximize on these strengths to have a competitive edge in the market and to ensure best service delivery to our clients. However the hospital is facing a myriad of challenges including but not limited to; understaffing, old and dilapidated infrastructure, lack of inadequate ICT system, inadequate and obsolete working tools and equipments, inadequate security surveillance system.

These challenges are hindering the provision of optimal health care service delivery to our clients and need to be addressed to ensure efficient services. future plans of the hospital is to establish a civil servants clinic, introduce a 24-hrs OPD services, increasing our bed capacity and conduct complex surgeries e.g renal transplants ,heart surgeries and neuron-sciences among others.

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It is in this regard that I have the pleasure to present the Jibana Sub County Level 4 Hospital financial statement for 2021-2022 ending 30<sup>th</sup> June 2022. The financial statement presents the financial performance of HSIF fund in relation to ensuring affordable and quality healthcare.

**Mr. Reynolds Mwalukombe**

**Chairperson**

**Board of Management**

Date.....  .....

30<sup>th</sup> April. 2024

## **V. REPORT OF CHIEF EXECUTIVE OFFICERS**

### **a) BACKGROUND**

Jibana Sub County Hospital has been in existence for more than a century, having been established in the early 1900s Started as a dispensary to cater for the health care of the community in Jibana Tsangwa village. Since then it has grown to become a sub county hospital serving more than 50,000 people around jibana sub county.

Jibana Sub County Hospital exists and operates within a broader socioeconomic and political context. The understanding of this environment is critical in enabling the hospital to position itself to take advantage of emerging opportunities and deal with threats. Of fundamental importance in this environment is government policy. As a public hospital, Jibana Sub County Hospital is governed by the policies and regulations set forth by both the National and County government departments responsible for health services

The hospital, having been commissioned in 1969, has seen a lot of development by the Kenyan government providing more funds to improve the in-patient capacity and outpatient facilities to its present state. The main mandate of Jibana Sub County Hospital is to provide curative, preventive, promotive and rehabilitative health services. It offers specialized clinical services in various disciplines. It serves as a centre for training for medical students and health workers. The hospital has 33 staff: consisting of 2 clinical officers, 2 County contracted staffs, 8 Nurses, 8 Casuals and 13 regular workers. The hospital has outsourced Cleaning, laundry and Security services, which equates to approximately 10% of the budget

### **b) FINANCE**

#### **i) Revenue**

The hospital's revenue is derived from Facility improvement funds (FIF), County grants, and donors. During this financial year the hospital has realized great improvement of revenue compared to the last financial 2020/2021.



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**ii. Expenditure**

The total expenditures during the period amounted to Kshs. 2,621,564 representing 95.19% total approved budget. Top drivers of the budget were Medical drugs, Staff remunerations, Non-pharmaceuticals, patient's food, Laboratory, Contracted Services among others. High Utilization rate realized.

**c) CHALLENGES**

Jibana sub county hospital based on the population that its serves is faced with a lot of challenges ranging from Global issues, financial constraints, inadequate human resource, environmental challenges, infrastructural i.e. dilapidated buildings, and technological growth that the hospital have to adopt in order to succeed in the healthcare service delivery.

**d) LOOKING FORWARD**

Modern Technology transformation is one of the pillars of the Strategic Plan. The hospital has embarked on this journey to increase operational efficiencies, enhance customer experience through consistent and patient-focused service delivery and informed decision-making aided by business intelligence. Crucial to this will be the implementation of the key operational systems, the Hospital Information Management System (HMIS)).

I look forward to your continued support in the year 2022/2023

Signed: \_\_\_\_\_



**Mr. Festus Yaa**

**Facility In charge**

Date.....

*30<sup>th</sup> April, 2024.*

**VI. Statement Of Performance Against Predetermined Objectives**

Section 164 Subsection 2 (f) of the Public Finance Management Act, 2012 requires the accounting officer to include in the financial statement, a statement of the County Government entity's performance against predetermined objectives.

JSCH has 6 strategic pillars/ themes/issues and objectives within the current Strategic Plan for the FY 2022- FY 2023. These strategic pillars/ themes/ issues are as follows;

1. Clinical services and products
2. Healthcare financing and sustainability
3. Quality improvement
4. Human resource development
5. Infrastructure development
6. Leadership and governance
7. Health information
8. Research and training

JSCH develops its annual work plans based on the above six pillars/Themes/Issues.

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 eight strategic pillars, as indicated in the diagram below:

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<b>Objective</b>	<b>Key Performance Indicators</b>	<b>Activities</b>	<b>Achievements</b>
<ul style="list-style-type: none"> <li>To Establish and enhance good clinical governance</li> </ul>	<ul style="list-style-type: none"> <li>Hospital Drug formulary in place</li> <li>No of stock-out tracer drugs</li> <li>No of prescription reviewed</li> </ul>	<ul style="list-style-type: none"> <li>Rational use of Medications</li> <li>Provision of Health products</li> <li>Monthly Clinical Audits</li> </ul>	<ul style="list-style-type: none"> <li>Hospital Drug formulary in</li> <li>%reduction in morbidity an mortality.</li> </ul>
<ul style="list-style-type: none"> <li>To strengthen Emergency Preparedness</li> </ul>	<ul style="list-style-type: none"> <li>Training reports</li> <li>Committee Minutes</li> </ul>	<ul style="list-style-type: none"> <li>Train staffs on Emergency preparedness.</li> <li>Form Emergency Preparedness Committee</li> <li>Conduct Annual Emergency Drill</li> </ul>	<ul style="list-style-type: none"> <li>10 Staffs Train</li> <li>Committee is in existence.</li> <li>Two Emergenc conducted.</li> </ul>
<ul style="list-style-type: none"> <li>To Expand work space through infrastructural Development</li> </ul>	<ul style="list-style-type: none"> <li>Completion Certificates</li> <li>Project Committee Evaluation Report.</li> <li>Survey Reports</li> </ul>	<ul style="list-style-type: none"> <li>To construct and complete operating Theater.</li> <li>Construction of radiology building.</li> </ul>	<ul style="list-style-type: none"> <li>Construction o operating th</li> <li>Construction o radiology bu 100%</li> </ul>



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<ul style="list-style-type: none"> <li>• To ensure Quality Diagnostic Services</li> </ul>	<ul style="list-style-type: none"> <li>• Registers</li> <li>• Client satisfaction report</li> </ul>	<ul style="list-style-type: none"> <li>• Expand the scope of 24 hours specialized services</li> <li>• Introduce new specialized Services</li> <li>• Adhere to Quality Standards</li> </ul>	<ul style="list-style-type: none"> <li>• Marternity servi operating 24,</li> <li>• Out patient ser operating 24,</li> </ul>
<ul style="list-style-type: none"> <li>• To enhance Routine Maintenance of Infrastructures</li> </ul>	<ul style="list-style-type: none"> <li>• Job Card Reports</li> <li>• Project Committee Reports</li> <li>• Completion Certificates</li> </ul>	<ul style="list-style-type: none"> <li>• Renovation of Ward four</li> <li>• Renovation of Maternity Ward</li> <li>• Renovation of administration roof</li> <li>• Servicing of Photocopier Machines</li> <li>• Servicing of Various Medcal Equipment's</li> <li>• Servicing and Maintenance of Laundry Machine.</li> </ul>	<ul style="list-style-type: none"> <li>• Ward four renc completed</li> <li>• Administration 100% Comp</li> <li>• Photocopiers sc and function.</li> <li>• ICU and Theat equipment's and operatio</li> <li>• Laundry machi serviced and</li> </ul>

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<ul style="list-style-type: none"> <li>• Facilitate prudent Financial Management</li> </ul>	<ul style="list-style-type: none"> <li>• Financial Reports</li> <li>• % increase in Resource allocation to departments</li> </ul>	<ul style="list-style-type: none"> <li>• Provide Mpesa payments</li> <li>• Strengthen use of financial and procurement policies and guidelines</li> </ul>	<ul style="list-style-type: none"> <li>• M-pesa paym Linkage Stag</li> <li>• Financial and procurement and guidelin</li> </ul>
<ul style="list-style-type: none"> <li>• Improved performance management</li> </ul>	<ul style="list-style-type: none"> <li>• Human Resource Department established and functional</li> <li>• Human Resource Reports</li> <li>• Staff Appraisal Reports</li> </ul>	<ul style="list-style-type: none"> <li>• Establish Human Resource Department</li> <li>• Conduct Quarterly and Annual Staff Appraisal</li> </ul>	<ul style="list-style-type: none"> <li>• Human Resour Department</li> <li>• Staff Appraisal</li> </ul>
<ul style="list-style-type: none"> <li>• To develop Staff</li> </ul>	<ul style="list-style-type: none"> <li>• % staff trained</li> <li>• Training Needs Report</li> <li>• Key Competencies Identified and developed</li> </ul>	<ul style="list-style-type: none"> <li>• Carry out and Implement training Needs Assessment</li> <li>• Training of Staff on specialized Areas</li> </ul>	<ul style="list-style-type: none"> <li>• Training needs Identified</li> </ul>
<ul style="list-style-type: none"> <li>• Staff Motivation</li> </ul>	<ul style="list-style-type: none"> <li>• Staff Satisfaction Report</li> <li>• Client Satisfaction</li> <li>• Minutes</li> </ul>	<ul style="list-style-type: none"> <li>• Staff Recognition, rewards and Sactions</li> <li>• Annual Staff Party</li> </ul>	<ul style="list-style-type: none"> <li>• All staffs awa annual staff j</li> <li>• Annual staff pa</li> </ul>

		<ul style="list-style-type: none"> <li>• Improving The staff Levels</li> <li>• Staff involvement on decision making</li> <li>• Remuneration</li> </ul>	<p>done success</p> <ul style="list-style-type: none"> <li>• All Staffs are in in decision n through vari committes, F Department: staff meeting</li> </ul>
<ul style="list-style-type: none"> <li>• Enhance policy formulation, dissemination and implementation</li> </ul>	<ul style="list-style-type: none"> <li>• CEO Performance Contract report</li> <li>• %increase in hospital performance</li> <li>• No of staff Meetings</li> <li>• No of HMB meetings</li> </ul>	<ul style="list-style-type: none"> <li>• Monthly staff meeting</li> <li>• Quarterly Board meeting</li> <li>• Implementation of strategic plan</li> </ul>	<ul style="list-style-type: none"> <li>• CEO perform contract sign</li> <li>• Quarterly board meetings Ac Few Special</li> </ul>
<ul style="list-style-type: none"> <li>• Strengthen, coordinate and manage health</li> </ul>	<ul style="list-style-type: none"> <li>• ICT Policy document</li> <li>• System Maintenance register</li> </ul>	<ul style="list-style-type: none"> <li>• Develop and implement ICT policy</li> <li>• Maintain ICT infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>• Quarterl and mai the syste</li> </ul>



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information		to ensure full functionality of the system	
<ul style="list-style-type: none"> <li>Strengthen coordinate and manage medical products supply chain</li> <li>Enhance ethical research activities</li> </ul>	<ul style="list-style-type: none"> <li>% reduction on stock outs</li> <li>HMIS report</li> <li>Bin cards</li> <li>Complete registers</li> <li>Sops in place.</li> </ul>	<ul style="list-style-type: none"> <li>Annual Forecasting</li> <li>Prepare monthly and Annual Report</li> <li>Prepare documentation of services provided</li> </ul>	<ul style="list-style-type: none"> <li>Forecasting done</li> <li>Annual and mc reports done</li> <li>Stock outs reduced 30%</li> </ul>
<ul style="list-style-type: none"> <li>Timely provision of health products</li> </ul>	<ul style="list-style-type: none"> <li>Client Satisfaction</li> <li>Availability of Products</li> <li>% of reduction in stock-out</li> </ul>	<ul style="list-style-type: none"> <li>Strengthening of procurement process</li> <li>Implementation of procurement plan</li> <li>Strengthen Commodity Management cycle</li> </ul>	<ul style="list-style-type: none"> <li>Procurement plan in place and functional</li> <li>Reduction in stock-out by approximately 30%</li> </ul>

## **VII. Corporate Governance Statement**

JSCH Board of Management is responsible for the corporate governance of the Hospital and is accountable to Ministry of Health, County department of health Kilifi County for ensuring that the Hospital complies with the laws and the highest standards of corporate governance and business ethics. The Board members attach great importance to the need to conduct the business and operations of the Hospital with integrity and in accordance with generally accepted corporate practice and endorse the internationally developed principles of good corporate governance.

### **a) Board of Management**

The Board of Management is composed of non-executive members elected by the governor of Kilifi County. The Appointed Board of Management to be held accountable and responsible for the efficient and effective governance of the hospital. Members of the Board have a range of skills and experience and each brings an independent judgment and considerable knowledge to the Board's discussions. The board term is two years renewal subject to performance.

#### **Summarized below are the key roles and responsibilities of the Board:**

- Approve and adopt strategic plans and annual budgets, set objectives and review key risk and performance areas.
- Resource Mobilization
  - Determine overall policies and processes to ensure integrity of the Hospital's management of risk and internal contracts; and
  - Review at regular meetings Management's performance against approved budget.

The full Board meets at least 4 times a year and the Chairperson has bi-weekly meetings/Consultations with the Chief Executive Officer. The Board members are given appropriate and timely information so that they can maintain full and effective control over strategic, financial, operational and compliance issues. Except for direction and guidance on general policy, the Board has delegated authority for conduct of day-to-day business to the Chief Executive Officer. The Board nonetheless retains responsibility for

establishing and maintaining the Hospital's overall internal control, financial, operational and compliance framework.

**b) Board Meetings**

The Board as per the Annual work plan meets quarterly or additionally when necessary to consider matters of overall control of the hospital. The Board agenda and work plan are prepared early in the year and adequate notice, agenda and Board papers are circulated within stipulated timelines. The Main Board held 10 meetings attended by selected members.

**c) Board Remuneration**

Non-Executive Members provide services to the hospital to which they are entitled to an allowance the allowance is paid as per the government of Kenya allowance circulars.

**d) Committees of the Board**

The Board has five standing committees, which meet regularly under the terms of reference set by the Board. The standing committees as follows:

- Finance sub-committee
- Quality and Development Committee
- Resource Mobilization Committee
- Audit Sub Committee



### **VIII. Management Discussion and Analysis**

The considerations in restructuring an organization are effective coordination of roles and responsibilities to avoid overlap and duplication of roles and effort; clear accountability for results; enhanced teamwork and effective communication; and career development for staff. Appropriate structures also allow the organization to resource and sustain essential skills and expertise in the organization.

The overall leadership and governance of JSCH will be vested in the Hospital Management Board. The Board members are appointed in accordance with the policies of the County Government of Kisumu. The day-to-day management of the hospital is vested on the Facility Incharge.

The Facility Incharge will be assisted in performing the functions of his or her position by the Senior Management Team (SMT), which consists of the Facility Incharge with the four Directors and the Hospital Management Team (HMT). The HMT is made up of the divisional heads and heads of departments. JSCH has developed a governance framework defining the respective roles of Directors and Management.

The overall annual performance is as illustrated below:

#### **a) Clinical/Operational Performance**

##### **Summary table:**

		<b>FY 2020-2022</b>	<b>FY 2020-2021</b>
<b>Bed capacity</b>		21	25
<b>Patient Attendance:</b>	OPD Visits	6479	7595
	Admissions	394	4
<b>patient</b>			
<b>Accident and Emergency (Casualty) attendance</b>		3822	4
<b>Specialised Clinics attendance</b>		0	0
<b>Average Length of Stay (In-patients) in Days</b>		3 Days	3 Days
<b>Bed Occupancy rate</b>		5.7%	6.8%
<b>Mortality rate</b>		0	0
<b>Surgical Theatre utilization</b>	Major	0	0
	Minor	0	0
	Circumcision	0	0
	<b>Total</b>	<b>0</b>	<b>0</b>
<b>Maternity (Total Deliveries)</b>		263	418

**JIBANA SUB COUNTY Hospital (Kilifi County Government)**  
**Annual Report and Financial Statements for The Year Ended 30<sup>th</sup> June 2022**

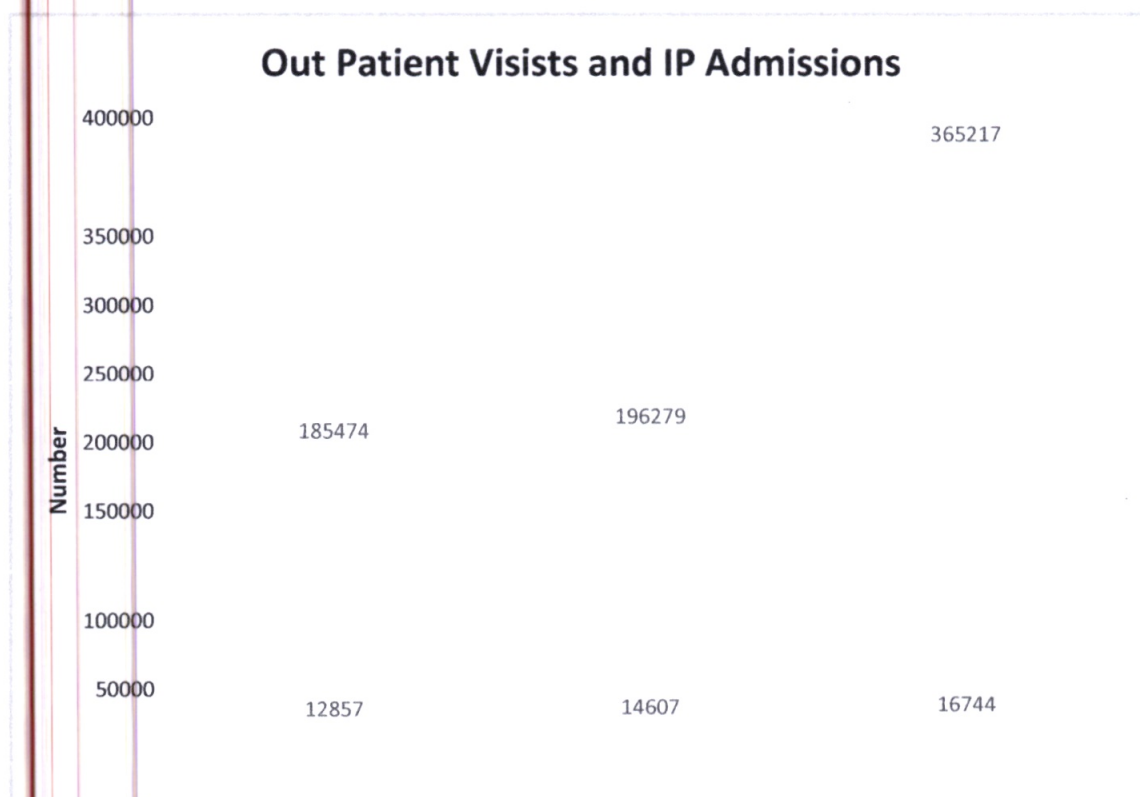
**b) Tables and Charts:**

**1. Bed Capacity**

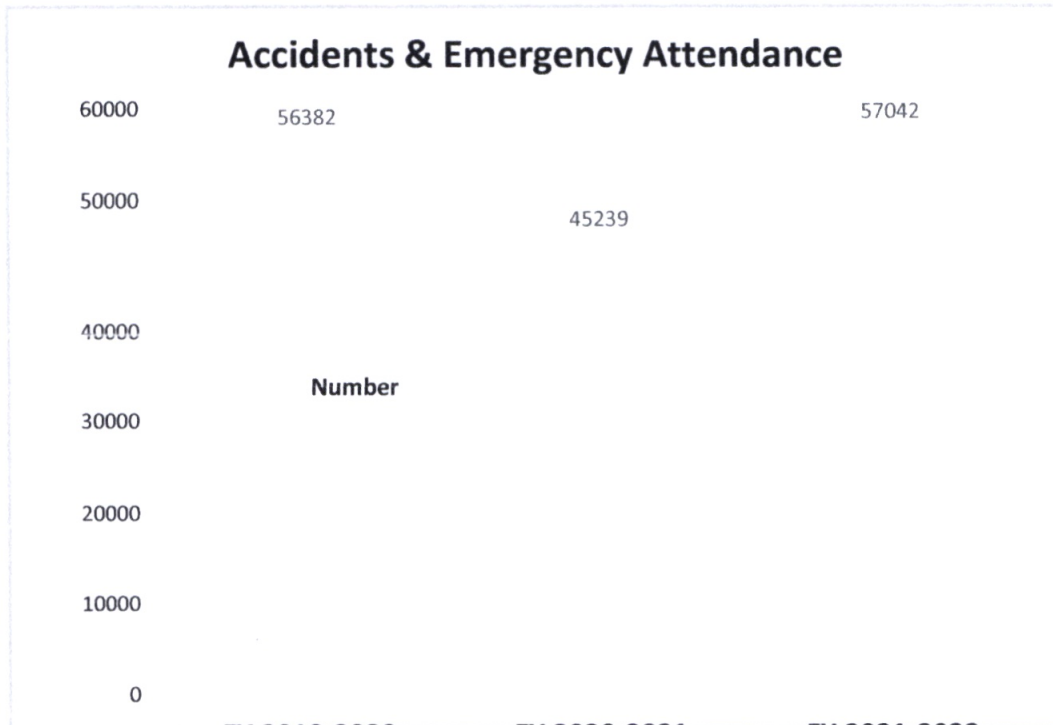
	<b>FY 2010-2021</b>	<b>FY 2021-2022</b>
<b>Available Beds</b>	21	25

The number of Beds reduced in the financial year 2022/2023 due to closure of the COVID 19 Isolation Ward.

**2. Patient Attendance: OPD Visits and Inpatient Admissions**



**3. Accident and Emergency (Casualty) attendance**

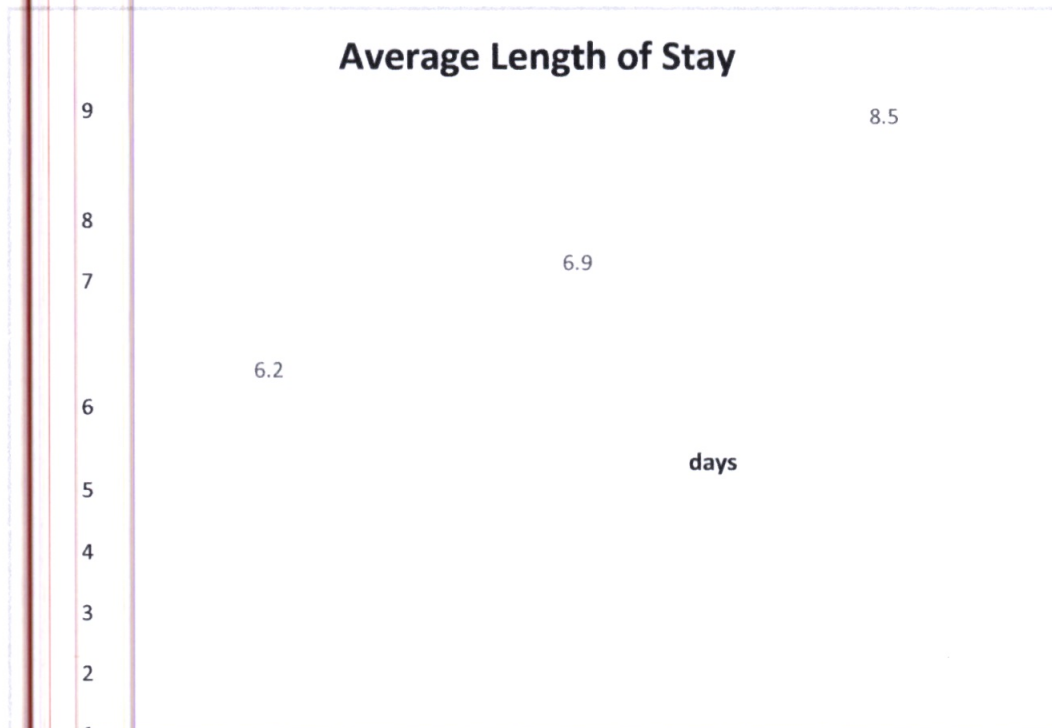


**4. Specialised Clinics attendance**

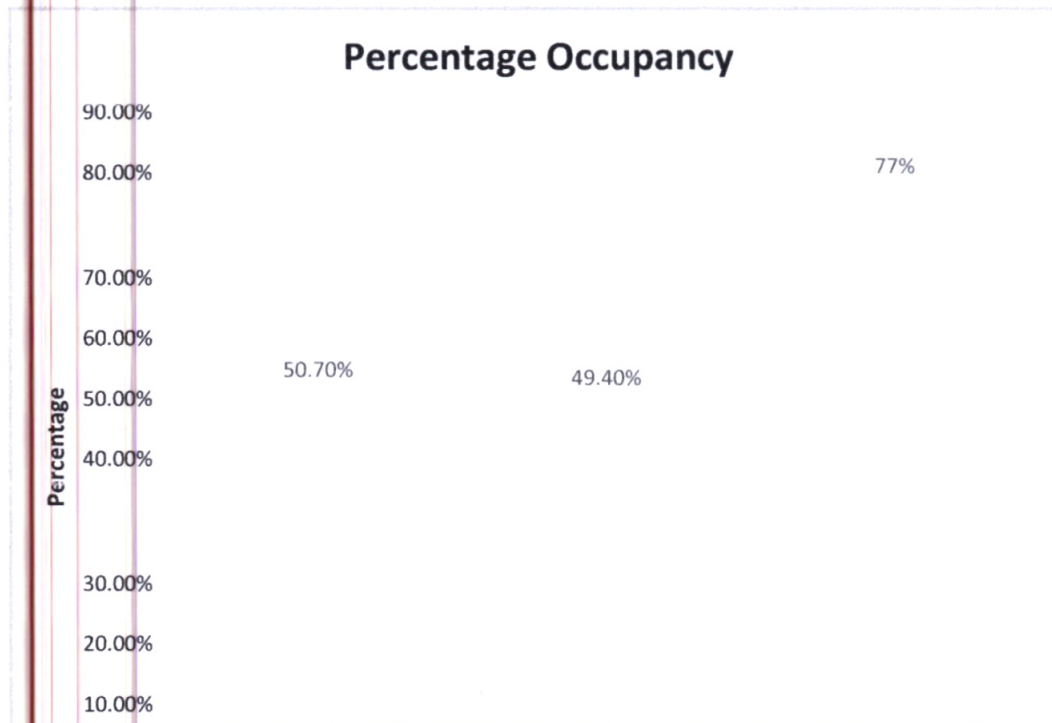




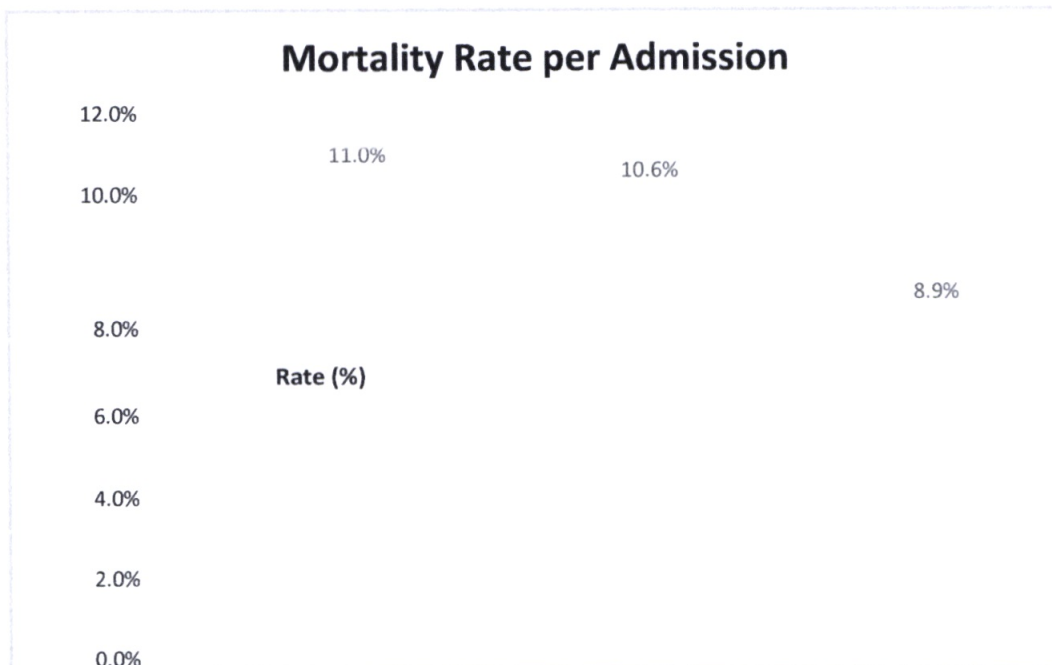
**5. Average Length of Stay (In-patients) in Days**



**6. Bed Occupancy rate**

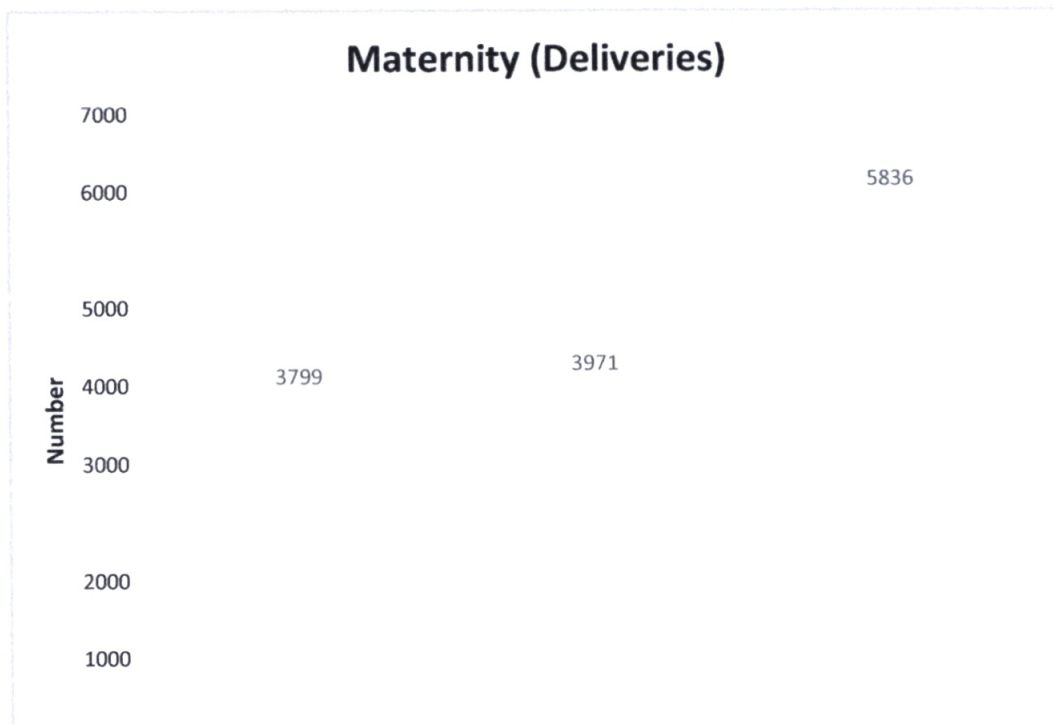


**7. Mortality rate**



The is a notable decrease in mortality rates over the period.

**9. Maternity (Total Deliveries)**



**Financial performance that includes**

**Revenue Sources**

JSCH revenue Sources Includes:

- Conditional Grants
- User Fees Comprising of
  - Cash collection
  - Nhif Collections

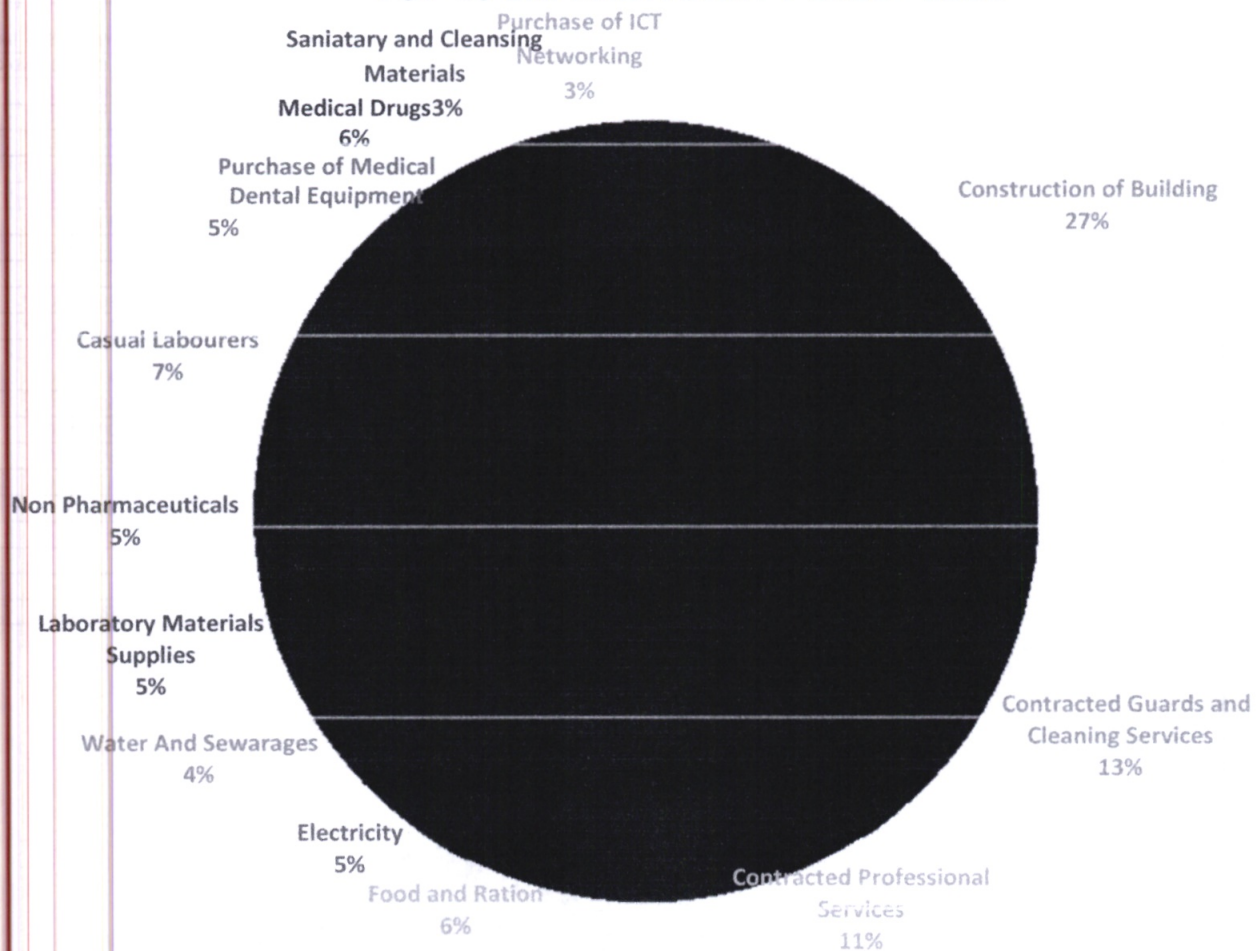
Analysis of revenue performance for the two financial years is as listed below:



**COMPARATIVE ANALYSIS OF REVENUE FY**

ACTUAL REVENUE JULY - JUNE YEAR 2021-2022 (PREVIOUS)	
	CASH    NHIF    OTHERS    WAIVER    EXEMPT
782508260	
104208160	
2398310	
2339010	
8450577	
7890748	
1379482	
175920	
98852413	
1089163	
693750	
921790	
10239759	
0	
349637	
10498122	
16500	
399465	
399050	
11330963	
18941800	
351710	
574745	
218967	
943271	
380660	
10918925	
2343220	
33028	
368888	
11139495	
118850	
209036	
10258866	
78125	
985916	
1109310	
3998730	
1200730	
617643	
11905212	
14164550	
0	
364475	
632530	
24002437	

**TOP 15 EXPENDITURE FY 2020 - 2021**

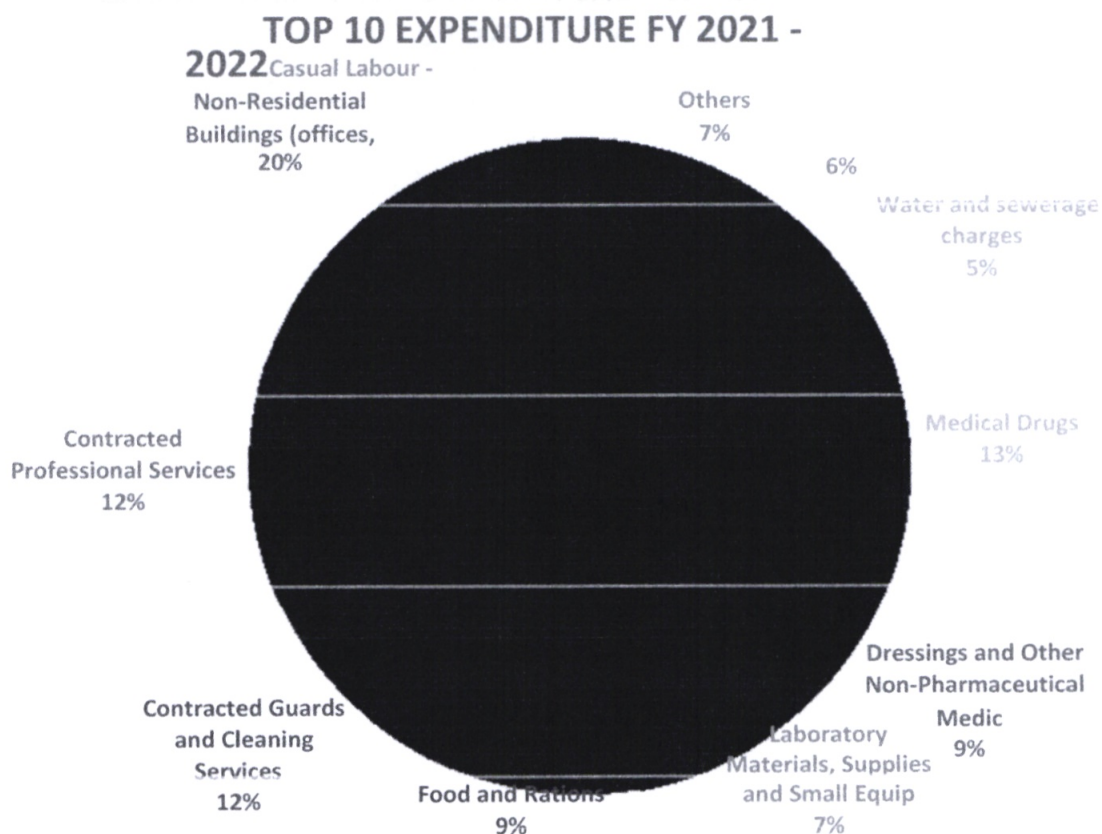


**A. EXPENDITURE RETURNS FY 2021 - 2022**

**JIBANA SUB COUNTY Hospital (kilifi County Government)**  
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FACILITY EXPENDITURE FY 2021/2022				
EXPENDITURE				
ITEM CODE	ITEM DESCRIPTION	APPROVED ESTIMATES	EXPENDITURE/PAYMENTS	BALANCE
		FY 2021/2022	FY 2021/2022 Q1 ,Q2 , Q3 AND Q4	
2110202	Casual labour	806,346.00	789,102.00	17,244.00
2210201	Telephone, Telex, Facsimile and Mobile Phone Services	76,400.00	76,400.00	-
2210303	Domestic – Daily Subsistence Allowance	744,350.00	742,100.00	2,250.00
2210802	Boards, Committees, Conferences and Seminar	98,500.00	98,500.00	-
2211001	Medical Drugs	65,550.00	65,545.00	5.00
2211002	Dressing and Other Non-Pharmaceutical Medical Items	90,250.00	90,250.00	-
2211004	Fungicides, Insecticides and Sprays	10,000.00	4,000.00	6,000.00
2211005	chemical and industrial gases/medical gases	10,000.00	-	10,000.00
2211006	Purchase of workshop Tools, Spares and Small Equipment	36,437.00	26,970.00	9,467.00
2211008	Laboratory Materials, Supplies and Small Equipment	182,334.16	181,450.00	884.16
2211101	General Office Supplies (papers, pencils, forms, small office equipment	143,910.00	143,910.00	-
2211103	Sanitary and Cleaning Materials, Supplies and Services	125,000.00	59,800.00	65,200.00
2211201	Refined Fuels and Lubricants for transport	115,550.00	100,000.00	15,550.00
2211204	Other Fuels (wood, charcoal, cooking gas etc?	41,500.00	39,600.00	1,900.00
2211301	Bank Charges	17,507.00	17,507.00	-
2220105	Routine Maintenance – Vehicles	187,230.00	186,430.00	800.00
2220205	Maintenance of Buildings and Stations – Non-Residential	3,224.00	-	3,224.00
2220210	Maintenance of Computers, Software, and Networks	-	-	-
3111002	Purchase of Computers	-	-	-
	<b>TOTALS</b>	<b>2,754,088.16</b>	<b>2,621,564.00</b>	<b>132,524.16</b>

**Utilization Rate 99.99%**





## **IX. Environmental And Sustainability Reporting**

### **Two-to-three pages)**

Jsch exists to transform lives. It's what guides us to deliver our strategy, putting the client/Citizen first, delivering health services, and improving operational excellence.

Below is an outline of the organisation's policies and activities that promote sustainability. *(Tailor make as appropriate).*

#### ***i) Sustainability strategy and profile***

JSCH and its stakeholders are increasingly emphasizing on the need to ensure sustainability for both its investments and its resource mobilization and financing capabilities with an objective of ensuring that JSCH going concern is secured. The hospital has conducted a basic assessment of available options for feasible financing tools that would assure the hospital of its long-term sustainability. The hospital has reviewed its current resource mobilization strategies and proposed feasible sustainability financing options, which include:

- Introduction of new specialized services such as heart surgery services, renal transplant, neurosurgical services, oncology services etc.
- Public Private Partnership
- Upgrading the hospital to national referral to get more funding
- Enhancing Client satisfaction through quality service care
  - Bringing on board more financial institutions i.e. lobbying for more engagement with other insurance firms

#### ***ii) Environmental performance***

JSCH is using the National Health Care Waste Management policy guideline which is guiding us in the management of the waste that we generate in the organization and we have a copy of the policy.

#### ***Successes***

- We are having colour-coded bins [receptacles] at all generation points in the departments.
- There are segregation posters alongside the receptacles to guide in the segregation of waste.

- We have waste treatment equipment within the organization that helps us treat our waste and we only dispose off non-contaminated waste to the dumping site.
- The general cleanliness of the organization is well maintained both indoors and grounds.

### ***Challenges***

- Frequent breakdown of the equipment and the cost of repair.
- High cost electricity bill.
- Shortage of staffs.
- Delay of funds disbursement.

### ***iii) Employee welfare***

Hiring process involves bringing new employees on board. This is the mandate of the County Public Service Board reference made from the Public Service Commission Human Resource Manual and procedures May 2016, mentioned in section B which provides the rules governing recruitment and appointment of new officers.

Improvement of employee skills and career management is done through employee sponsorship to further their studies in line with their careers. This is done by sponsorship and supporting employees to attend short courses offered by the government institutions.

Training programs are based on the identified needs from the training needs assessments and are emphasized for performance improvement addressing both individual and organizational goals.

Performance management system is a process conducted by the employer to identify areas of weakness and support the individuals in order to get better results. It's an annual exercise intended to provide employees with clear understanding of job expectations, regular feedback on performance, advice and steps for improving performance, rewards for good performance and actions for poor performance. It helps to measure performance and ultimately the achievement of intended results for the organization.

The Human Resource Manual procedures also provides for guidelines and standards for the prevention and protection of officer against accidents and occupational hazards

arising at the work place. It provides for guidelines, procedures and modalities for the administration and payment of compensation for work related injuries and accidents contracted while and in the course of employment.

**iv) Market place practices**

**a) Responsible completion practices**

This is effectively done through proper use of the available website for advertisement purposes as well as making good use of the instituted internal committees to help minimize anticorruption.

**b) Responsible supply chain and supplier relations**

Ensures best involvement of suppliers in the tendering process and feedback given to suppliers in good time.

**c) Responsible marketing and advertisement**

Effectively done through the use of website and daily newspapers  
Corporate social responsibility/community engagement

**d) Corporate social responsibility**

Support to adolescent leaving with HIV/Aids being trained on photography supported by partner program to ensure self-reliance.



**X. Report of The Board of Management**

The Board members submit their report together with the Audited Financial Statements for the year ended June 30, 2022, which show the state of the hospital's affairs.

**Principal activities**

The principal activities of the entity are to provide quality and affordable preventive, promotive, rehabilitative and curative health services in both east and central Africa.

**Results**

The results of the entity for the year ended June 30 are set out on page 1 to 9

**Board of Management**

The members of the Board who served during the year are shown on page xii.

**Auditors**

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

By Order of the Board

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Festus mangi yaa

*SECRETARY OF THE BOARD*

Date.....*30<sup>th</sup> April, 2024.*

**XI. 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 JSCH, 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 entity for that year/period. The Board of Management is also required to ensure that the JSCH keeps proper accounting records, which disclose with reasonable accuracy the financial position of the entity. The council members are also responsible for safeguarding the assets of the entity.

The Board of Management is responsible for the preparation and presentation of the JSCH financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2022. 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 JSCH 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 JSCH financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2022 and of the entity's financial position as at that date. The Board members further confirm the completeness of the accounting records maintained for the Hospital, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.

***JIBANA SUB COUNTY Hospital (kilifi County Government)***  
***Annual Report and Financial Statements for The Year Ended 30<sup>th</sup> June 2022***

Nothing has come to the attention of the Board of management to indicate that the JSCH 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 30<sup>th</sup> April 2024 signed on its behalf by



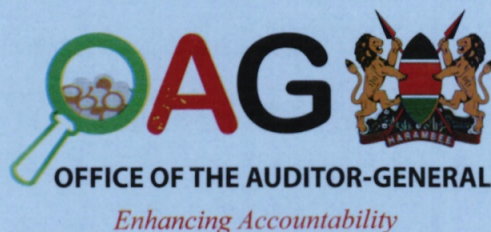
.....  
**Name: Rynolds mwalukombe**  
**Chairperson**  
**Board of Management**



.....  
**Name: Festus mangi yaa**  
**Accounting Officer**



# REPUBLIC OF KENYA



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HEADQUARTERS  
Anniversary Towers  
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NAIROBI

## REPORT OF THE AUDITOR-GENERAL ON JIBANA SUB-COUNTY LEVEL 4 HOSPITAL FOR THE YEAR ENDED 30 JUNE, 2022 - COUNTY GOVERNMENT OF KILIFI

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### 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 the 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, risk management environment and 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

#### Qualified Opinion

I have audited the accompanying Financial Statements of Jibana Sub-County Level 4 Hospital - County Government of Kilifi set out on pages 1 to 24, which comprise of the

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*Report of the Auditor-General on Jibana Sub-County Level 4 Hospital for the year ended 30 June, 2022 - County Government of Kilifi*



statement of financial position as at 30 June, 2022 and the statement of financial performance, statement of net assets, statement of cash flows and 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 of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Jibana Sub-County Level 4 Hospital - County Government of Kilifi as at 30 June, 2022 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Public Finance Management Act, 2012, the County Government Act, 2012 and the Health Act, 2017.

### **Basis for Qualified Opinion**

#### **1. Non-Disclosure of Inventories**

The financial statements presented for audit for the financial year ended 30 June, 2022 indicated that the Hospital held inventories relating to pharmaceutical and non-pharmaceuticals of undetermined values which were not disclosed in the financial statements.

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

#### **2. Non-Disclosure of Property, Plant and Equipment**

The Hospital Management prepared and presented its financial statements under the accrual basis of accounting. However, in preparation of its financial statements, Management did not disclose its non-current assets contrary to the requirements of International Public Sector Accounting Standard (IPSAS 17) which require an entity to recognize its assets.

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

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the Jibana Sub-County Level 4 Hospital in accordance with ISSAI 130 on the Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.



## Key Audit Matters

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.

## REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

### Conclusion

As required by Article 229(6) of the Constitution and based on the audit procedures performed, except for the matters described in the Basis for lawfulness and effectiveness in use of public resources section of my report, I confirm that nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

### Basis for Conclusion

#### 1. Non-Compliance with Kenya Quality Model for Health Policy Guidelines

##### 1.1. Failure to Meet the Staffing Requirement

Jibana Sub-County Level 4 Hospital was gazetted as a Level 4 Hospital under gazette notice number CXII-NO.36 of 01 April, 2010. According to the Kenya Quality Model for Health Checklist designed for Level 4 Hospitals, the recommended staffing consisting of one hundred and one (101) staff per Hospital, as tabulated here below:

No.	Category of Staff	Level 4 Standard	Current Number	Variance
1	Medical Officers	16	0	16
2	Anaesthesiologists	2	0	2
3	General Surgeons	2	0	2
4	Gynaecologists	2	0	2
5	Pediatricians	2	0	2
6	Radiologists	2	0	2
7	Kenya Registered Community Health Nurses	75	8	67
	<b>Total</b>	<b>101</b>	<b>8</b>	<b>93</b>

##### 1.2. Failure to Offer Essential Services

Kenya Quality Model for Health requires that Level 4 Hospitals to offer services as per the requirements. However, Jibana Sub-County Level 4 Hospital has no capacity to offer such services other than minor surgeries, gynecological and tuberculosis management.



### 1.3. Shortage in Bed Capacity

Kenya Quality Model for Health checklist applicable to Level 4 Hospitals require, bed capacity of one hundred and fifty (150). However, Jibana Sub-County Level 4 Hospital as at the time of audit had only twenty-three (23) beds resulting to a shortfall of one hundred and twenty-seven (127) beds.

### 1.4. Inadequate Hospital Equipment and Machines

According to the Kenya Quality Model for Health checklist for Level 4 Hospitals, a Level 4 Hospital should have hospital equipment and machines as tabulated here below;

No.	Item Description	Level 4 Standard	Current Number	Variance
1	Newborn Incubators	5	2	3
2	Cots	5	0	5
3	Resuscitaires	3	3	0
4	Intensive Care Unit Beds	6	0	6
5	High Dependency Unit Beds	6	0	6
6	Renal Unit Machines	5	0	5
7	Operating Theatres	2	1	1
	<b>Total</b>	-	-	-

However, there were variances noted for all the equipment and machines.

In the circumstances, Management was in breach of the Universal Health Coverage guidelines and may not be able to offer the required services of a level 4 status Hospital.

## 2. Idle Equipment and Machines

Physical verification of the Hospital assets revealed that, the Hospital had a maternity theatre, three (3) resuscitaire machines, the operating table, oxygen plant, theatre lamps, two (2) incubator and Anesthetic machines in the theatre that remain idle due to lack of specialized medical personnel. Further, the Hospital has one (1) full mammogram machine and a biochemistry machine that are not functional and therefore not able to offer the required services.

In the circumstances, the Hospital may not be able to optimize on the required services of a Level 4 status Hospital.

## 3. Lack of Adequate Storage for Pharmaceuticals and Failure to Dispose Expired Drugs

Audit inspection carried out in the Hospital's stores revealed that, the Hospital had quarantined expired drugs as required by the health management protocols. However, the quarantined medicines, had not been disposed. Further, the Hospital does not have adequate storage space to maintain the quality of the drugs stored. This is contrary to the Pharmacy and Poisons Board (PPB) Guidelines for Good Distribution Practices for Health Products and Technologies in Kenya, Section 2.4.2 which requires that Storage areas



should have sufficient capacity to allow the orderly storage of the various categories of health products and technologies, namely usable products, products in quarantine, released, rejected, returned, or recalled products.

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

#### **4. Use of Outlawed Asbestos Roofing**

The Hospital buildings were constructed in the early years of 1900 using asbestos roofing. However, Asbestos was classified as hazardous waste under the Waste Management Regulations, 2006. The National Environmental Management Authority issued National Guidelines on Safe Management and Disposal of Asbestos in 2011 and published the guidelines in 2012. The Hospital has not complied with the guidelines hence exposing the facility workers and the surrounding environment to hazardous materials.

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

The audit was conducted in accordance with the 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 comply, 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 THE EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE**

#### **Conclusion**

As required by Section 7(1)(a) of the Public Audit Act, 2015, and based on the audit procedures performed, I confirm that, nothing else has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

#### **Basis for Conclusion**

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal 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 those Charged with Governance**

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 control as Management determines is necessary to enable the preparation of financial statements that are free from material



misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal control, risk management and overall governance.

In preparing the financial statements, Management is responsible for assessing the Hospital's ability to sustain 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.

Those charged with governance are 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 control would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal controls 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 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 the Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that are identified during the audit.

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

  
FCPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

Nairobi

01 July, 2024




**JIBANA SUB COUNTY Hospital (Kilifi County Government)**  
**Annual Report and Financial Statements for The Year Ended 30th June 2022**

**XIII. Statement of Financial Performance for The Year Ended 30 June 2022**

**JIBANA LEVEL 4 HOSPITAL**                      **STATEMENT OF FINANCIAL**  
**PERFORMANCE FOR THE YEAR ENDED 30th JUNE 2022**


	Note	FY2021/2022	FY2020/2021
		KShs	KShs
<b>Revenue from non-exchange transactions</b>			
Transfers from HSIF Fund	5	2,849,076	-
<b>Total revenue</b>		<b>2,849,076</b>	-
<b>Expenses</b>			
Medical/ Clinical Costs	6	401,045	-
Employee costs	7	789,102	-
General Expenses	8	1,312,011	-
Board of Management Expenses	9	24,500	-
Repair and Maintenance	10	225,900	-
<b>Total expenses</b>		<b>2,752,558</b>	-
<b>Surplus/( deficit) for the period</b>		<b>96,518</b>	-

The Hospital's financial statements were approved by the Board on 30th April 2024 signed on its behalf by:

  
 .....

**Chairman**

**Board of Management**



**Head of Finance**

**ICPAK No: 30736**

  
 .....

**Chief Executive Office**



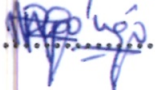
*JIBANA SUB COUNTY Hospital (Kilifi County Government)*  
*Annual Report and Financial Statements for The Year Ended 30<sup>th</sup> June 2022*

**XIV. Statement of Financial Position as of 30<sup>th</sup> June 2022**

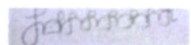
	Note	FY2021/2022	FY2020/2021
		KShs	KShs
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	11	192,623	-
Receivables from Non exchange transactions	12	50,741	-
<b>Total Current Assets</b>		<b>243,364</b>	-
<b>Total assets</b>		<b>243,364</b>	
<b>Net assets</b>			
Accumulated surplus		243,364	-
<b>Total net assets and liabilities</b>		<b>243,364</b>	-
		-	0

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial were approved on 30<sup>th</sup> june 2022 and signed by:

The Hospital's financial statements were approved by the Board on 30<sup>th</sup> April 2024 and signed on its behalf by:

.....  


**Chairman**  
**Board of Management**

.....  


**Head of Finance**  
**ICPAK No: 30736**

.....  


**Chief Executive Officer**

*JIBANA SUB COUNTY Hospital (Kilifi County Government)*  
*Annual Report and Financial Statements for The Year Ended 30<sup>th</sup> June 2022*

**Statement of Changes in Net Asset for the Year Ended 30 June 202**

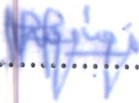

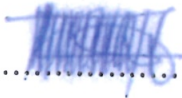
**JIBANA LEVEL 4 HOSPITAL**

**STATEMENT OF CHANGES IN NET ASSETS AS AT 30 JUNE 2022**

	Accumulate d surplus	Total
	KShs	KShs
Balance as at 1 July 2020	146,847	146,847
Adjustments	-	
Surplus/(deficit) for the period	-	-
Balance as at 30 June 2021	146,847	146,847
Balance as at 1 July 2021	146,847	146,847
Surplus/(deficit) for the period	96,518	-
Balance as at 30 June 2022	243,365	146,847

*(The notes set out on pages 10 to 24 form an integral part of the Annual Financial Statements.)*

The Hospital's financial statements were approved by the Board on 30<sup>th</sup> April 2024 and signed on its behalf by:

.....	.....	.....
		
Chairman	Head of Finance	Medical superintendent
Board of Management	ICPAK No: 30736	



*JIBANA SUB COUNTY Hospital (Kilifi County Government)*  
Annual Report and Financial Statements for The Year Ended 30<sup>th</sup> June 2022

**XV. Statement of Cash Flows for the Year Ended 30 June 2022**

**JIBANA LEVEL 4 HOSPITAL**

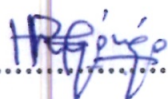
**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2022**

	Note	FY2021/2022	FY2020/2021
		KShs	KShs
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Transfers from HSIF Fund	5	2,798,335	-
<b>Total Receipts</b>		<b>2,798,335</b>	-
<b>Payments</b>			
Medical/ Clinical Costs	6	401,045	-
Employee costs	7	789,102	-
General Expenses	8	1,312,011	-
Board of Management Expenses	9	24,500	-
Repair and Maintenance	10	225,900	-
<b>Total Payments</b>		<b>2,752,558</b>	-
<b>Net cash flows from operating activities</b>		<b>45,777</b>	-
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>45,777</b>	-
Cash and cash equivalents at 1 JULY 2020		146,847	-
<b>Cash and cash equivalents at 30 JUNE 2021</b>	<b>11</b>	<b>192,624</b>	-

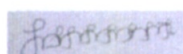
1

(IPSAS 2 allows an entity to present the cash flow statement using the direct or indirect method but encourages the direct method. PSASB also recommends the use of direct method of cash flow preparation. The above illustration assumes direct method)

The notes set out on pages 10 to 24 form an integral part of the Annual Financial Statements. The Hospital's financial statements were approved by the Board on 30<sup>th</sup> April 2024 and signed on its behalf by:

.....  


**Chairman**  
**Board of Management**

.....  


**Head of Finance**  
**ICPAK No: 30736**

.....  


**Chief Executive Officer**



**JIBANA SUB COUNTY Hospital (Kilifi County Government)**  
**Annual Report and Financial Statements for The Year Ended 30<sup>th</sup> June 2022**

**XVI. Statement of Comparison of Budget and Actual Amounts for the Year Ended 30 June 2022**

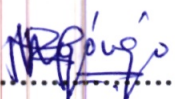
**JIBANA LEVEL 4 HOSPITAL**

**STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE PERIOD ENDED 30<sup>th</sup> JUNE 2022**

	Original budget	Adjustments	Final budget	Actual on	ance difference	%
	2022	2022	2022	comparable basis	2022	utilisation
	KShs	KShs	KShs	KShs	KShs	2022
<b>Revenue</b>						
Transfers from County Govt & FIF Revenue	1,266,149	1,487,939	2,754,088	2,798,335	(44,247)	102%
<b>Total income</b>	<b>1,266,149</b>	<b>1,487,939</b>	<b>2,754,088</b>	<b>2,798,335</b>	<b>(44,247)</b>	<b>102%</b>
<b>Expenses</b>						
Medical/ Clinical Costs	403,000	80,134	483,134	401,045	82,089	83%
Employee costs	206,346	600,000	806,346	789,102	17,244	98%
Board of Management Expenses	20,000	10,000	30,000	24,500	5,500	82%
General Expenses	556,803	607,351	1,164,154	1,312,011	(147,857)	113%
Repair and Maintenance	80,000	190,454	270,454	225,900	44,554	84%
<b>Total expenditure</b>	<b>1,266,149</b>	<b>1,487,939</b>	<b>2,754,088</b>	<b>2,752,558</b>	<b>1,530</b>	<b>100%</b>
<b>Surplus for the period</b>		-	-	<b>45,777</b>	<b>(45,777)</b>	

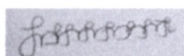
**Budget notes**

The Hospital's financial statements were approved by the Board on 30<sup>th</sup> April 2024 and signed on its behalf by

  
 .....

**Chairman**

**Board of Management**

  
 .....

**Head of Finance**

**ICPAK No: 30736**

  
 .....

**Chief Executive  
Officer**

**JIBANA SUB COUNTY Hospital (Kilifi County Government)**  
**Annual Report and Financial Statements for The Year Ended 30<sup>th</sup> June 2022**

**XVII. Notes to the Financial Statements**

**1. General Information**

JSCH entity is established by and derives its authority and accountability from PFM Act 2012.

The entity is wholly owned by the Kilifi County Kenya and is domiciled in Kaloleni Kenya. The entity's principal activity are to provide quality and affordable preventive, promotive, rehabilitative and curative health services in both east and central Africa.

**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 entity's 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 xvii. The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the entity.

The financial statements have been prepared in accordance with the PFM Act 2012, 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**

IPSASB deferred the application date of standards from 1<sup>st</sup> January 2022 owing to Covid 19.

This was done to provide entities with time to effectively apply the standards. The deferral was set for 1<sup>st</sup> January 2023.



**JIBANA SUB COUNTY Hospital (Kilifi County Government)**  
**Annual Report and Financial Statements for The Year Ended 30<sup>th</sup> June 2022**

**Notes to the Financial Statements (Continued)**

**i. New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2022.**

Standard	Effective date and impact:
<p><b>IPSAS 41:</b> Financial Instruments</p>	<p><b>Applicable: 1st January 2023:</b></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.</p> <p>IPSAS 41 provides users of financial statements with more useful information than IPSAS 29, by:</p> <ul style="list-style-type: none"> <li>• 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;</li> <li>• Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and</li> <li>• 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.</li> </ul>
<p><b>IPSAS 42:</b> Social Benefits</p>	<p><b>Applicable: 1st January 2023</b></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</p>



**JIBANA SUB COUNTY Hospital (Kilifi County Government)**  
**Annual Report and Financial Statements for The Year Ended 30<sup>th</sup> June 2022**

	<p>financial reports assess:</p> <p>(a) The nature of such social benefits provided by the Entity;</p> <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><b>Applicable: 1st January 2023:</b></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><b>Applicable 1st January 2023</b></p> <ul style="list-style-type: none"> <li>• <i>IPSAS 22 Disclosure of Financial Information about the General Government Sector.</i></li> </ul> <p>Amendments to refer to the latest System of National Accounts (SNA 2008).</p> <ul style="list-style-type: none"> <li>• <i>IPSAS 39: Employee Benefits</i></li> </ul> <p>Now deletes the term composite social security benefits as it is no longer defined in IPSAS.</p> <ul style="list-style-type: none"> <li>• <b>IPSAS 29: Financial instruments: Recognition and Measurement</b></li> </ul> <p>Standard no longer included in the 2021 IPSAS handbook as it is now</p>

**JIBANA SUB COUNTY Hospital (Kilifi County Government)**  
**Annual Report and Financial Statements for The Year Ended 30<sup>th</sup> June 2022**

	superseded by IPSAS 41 which is applicable from 1 <sup>st</sup> January 2023.
IPSAS 43	<p><b><i>Applicable 1<sup>st</sup> January 2025</i></b></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><b><i>Applicable 1<sup>st</sup> January 2025</i></b></p> <p>The Standard requires,</p> <p>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:</p> <p>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.</p>

**ii. Early adoption of standards**

The entity did not early – adopt any new or amended standards in the year 21/22

**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



**JIBANA SUB COUNTY Hospital (Kilifi County Government)**  
**Annual Report and Financial Statements for The Year Ended 30<sup>th</sup> June 2022**

***Notes to the Financial Statements (Continued)***

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.

**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.

**b) Budget information**

The original budget for Board approved FY 2021/2022 on Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the entity upon receiving the respective approvals in order to conclude the final budget. Accordingly, the entity recorded additional appropriations on the FY 2021/2022 budget following the Board's approval. The entity's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a



**JIBANA SUB COUNTY Hospital (Kilifi County Government)**  
**Annual Report and Financial Statements for The Year Ended 30<sup>th</sup> June 2022**

***Notes to the Financial Statements (Continued)***

classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget.

A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented under section ~~xxx~~ of these financial statements.

**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 is initially measured at its fair value.

The hospital did not disclose an undetermined value of assets including Land, Buildings, motor vehicles and various other specialised equipment since the hospital adopted accrual basis in the year under IPSAS 33 and took advantage of the three year relief period as we engage professional valuers.

**d) Research and development costs**

The Entity expenses research costs as incurred. Development costs on an individual project are recognized as intangible assets when the Entity can demonstrate:

**JIBANA SUB COUNTY Hospital (Kilifi County Government)**  
**Annual Report and Financial Statements for The Year Ended 30<sup>th</sup> June 2022**

***Notes to the Financial Statements (Continued)***

- The technical feasibility of completing the asset so that the asset will be available for use or sale
- Its intention to complete and its ability to use or sell the asset
- The asset will generate future economic benefits or service potential
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development.

Following initial recognition of an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete and the asset is available for use. It is amortized over the period of expected future benefit. During the period of development, the asset is tested for impairment annually with any impairment losses recognized immediately in surplus or deficit.

***Notes to the Financial Statements (Continued)***

**Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. Losses arising from impairment are recognized in the surplus or deficit.

**i) 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



**Notes to the Financial Statements (Continued)**

- 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.

The hospital used IPSAS 33 which agrees that where a first time adopter takes advantage of the exemption that provides a three year transitional relief period to not recognize and/ or measure certain assets:

- a. For inventory, current replacement costs; and
- b. For investment property of a specialized nature, depreciated replacement costs.

**j) 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.

**k) Comparative figures**

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



***Notes to the Financial Statements (Continued)***

**1) 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, 2022

**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.

**JIBANA SUB COUNTY Hospital (Kilifi County Government)**  
**Annual Report and Financial Statements for The Year Ended 30<sup>th</sup> June 2022**

*Notes to the Financial Statements (Continued)*

**5. Transfers from HSIF Fund**

Description	FY2021/2022
	KShs
Grants – operations	2,849,076
<b>Total</b>	<b>2,849,076</b>

**6. Medical/ Clinical Costs**

Description	FY2021/2022
	KShs
Sanitary and cleaning Materials	59,800
Dressing and Non-Pharmaceuticals	90,250
Laboratory chemicals and reagents	181,450
Insecticides and rodenticides	4,000
Pharmaceutical supplies	65,545
<b>Total</b>	<b>401,045</b>

**7. Employee cost**

Description	FY2021/2022
	KShs
Salaries, wages, and allowances	708,102
Employer Contributions to Compulsory National Social Security	32,400
Staff medical expenses and Insurance cover	48,600
<b>Total</b>	<b>789,102</b>

**8. General Expenses**

Description	FY2021/2022	FY2020/2021
	KShs	KShs
Telephone and mobile phone services	96,181	-
Printing and stationery	153,960	-
Travel and accommodation allowance	795,710	-
Conferences and delegations	102,500	-
Fuel expenses	139,600	-
Bank charges	8,060	-
Advertising and publicity expenses	16,000	-
<b>Total</b>	<b>1,312,011</b>	-



**JIBANA SUB COUNTY Hospital (Kilifi County Government)**  
**Annual Report and Financial Statements for The Year Ended 30<sup>th</sup> June 2022**

*Notes to the Financial Statements (Continued)*

**9. Board of Management Expenses**

Description	FY2021/2022	FY2020/2021
	KShs	KShs
Sitting allowance	24,500	-
<b>Total</b>	<b>24,500</b>	<b>-</b>

**10. Repair and Maintenance**

Description	FY2021/2022	FY2020/2021
	KShs	KShs
Motor vehicle expenses	186,430	-
Computers	12,500	-
Maintenance of civil works	26,970	-
<b>Total</b>	<b>225,900</b>	<b>-</b>

**11. Cash And Cash Equivalents**

Description	FY2021/2022
	KShs
Current account	192,623
<b>Total cash and cash equivalents</b>	<b>192,623</b>

**Detailed Analysis of Cash and Cash Equivalents**

Description	Account number	KShs
Current account		
<b>Co-Operative Bank</b>		
KCG JIBANA SUB COUNTY HOSPITAL HSIF	1141779145300	192,623
<b>Grand total</b>		<b>192,623</b>

**12. Receivables from Non-Exchange Transactions**

Description	FY2021/2022
	KShs
<b>Current Receivables</b>	
Transfers from county HSIF Fund	50,741
<b>Total receivables from exchange transactions</b>	<b>50,741</b>



*the Financial Statements (Continued)*

generated from operations

	FY2021/2022
	KShs
<b>Profit for the year before tax</b>	<b>96,518</b>
<b>Adjusted for:</b>	
Depreciation	-
Losses on disposal of assets	-
Net income	-
Expense cost	-
<b>Net Capital adjustments</b>	
Increase in inventory	-
Increase in receivables	(50,741)
Increase in payables	-
<b>Cash flow from operating activities</b>	<b>45,777</b>



to the Financial Statements (Continued)

lated party balances

<b>Related party transactions</b>	
	<b>FY2021/2022</b>
	<b>KShs</b>
fers from HSIF	2,849,076
<b>Key management remuneration</b>	
	<b>FY2021/2022</b>
	<b>KShs</b>
l of Members allowances	24,500
	<b>24,500</b>

ment of Kenya

overnment of Kenya is the principal shareholder of the *entity*, holding 100% of the *entity's* equity interest. The Governme has provided full guarantees to all long-term lenders of the entity, both domestic and external. Other related parties inclu



*Notes to the Financial Statements (Continued)*

**Property, Plant and Equipment**

Description	Furniture, fittings, and office equipment	ICT Equipment	Plant and medical equipment	Total
	Shs	Shs	Shs	Shs
<b>Cost</b>				
<b>Depreciation Rate</b>	<b>12.50%</b>	<b>30%</b>		
At 1 July 2020	-	-	-	-
Additions	-	-	-	-
<b>At 30<sup>th</sup> June 2021</b>	-	-	-	-
At 1 <sup>st</sup> July 2021	-	-	-	-
Additions	-	-	-	-
<b>At 30<sup>th</sup> June 2022</b>	-	-	-	-
<b>Depreciation and impairment</b>				
At 1 July 2020	-	-	-	-
Depreciation for the year	-	-	-	-
<b>At 30 June 2021</b>	-	-	-	-
At July 2021	-	-	-	-
Depreciation	-	-	-	-
<b>At 30<sup>th</sup> June 2022</b>	-	-	-	-
<b>Net book values</b>				
At 30 <sup>th</sup> June 2021	-	-	-	-
At 30 <sup>th</sup> June 2022	-	-	-	-

The hospital did not disclose an undetermined value of assets including Land, Buildings, motor vehicles and various other specialised equipment since the hospital adopted accrual basis in the year under IPSAS 33 and took advantage of the three year relief period as we engage professional valuers.

**Notes to the Financial Statements (Continued)**

Using the end of the year figures, the sensitivity analysis indicates the impact on the statement of financial performance if current floating interest rates increase/decrease by one

percentage point as a decrease/increase of KShs xxx (20xx: KShs xxx). A rate increase/decrease of 5% would result in a decrease/increase in surplus of KShs xxx (20xx – KShs xxx).

**iv) Capital Risk Management**

The objective of the entity's capital risk management is to safeguard the Hospital's ability to continue as a going concern. The entity capital structure comprises of the following funds:

	2021/22
	Kshs
Revaluation reserve	0
Retained earnings	0
Capital reserve	0
<b>Total funds</b>	0
Total borrowings	0
Less: cash and bank balances	(0)
Net debt/ ( <i>excess cash and cash equivalents</i> )	0
<b>Gearing</b>	%

**1. Related Party Balances**

**Nature of related party relationships**

Entities and other parties related to the entity include those parties who have the ability to exercise control or exercise significant influence over its operating and financial decisions. Related parties include management personnel, their associates, and close family members.

**Government of Kenya**

The Government of Kenya is the principal shareholder of the *entity*, holding 100% of the *entity's* equity interest. The Government of Kenya has provided full guarantees to all long-term lenders of the *entity*, both domestic and external. Other related parties include:



*Notes to the Financial Statements (Continued)*

- i) The National Government;
- ii) The Parent Ministry;

Description	2021/22
	Kshs
<b>Transactions with related parties</b>	
<b>a) Services offered to related parties</b>	
Services	0
Sales of services	0
<b>Total</b>	<b>0</b>
<b>b) Grants from the Government</b>	
Grants from County Government	0
Grants from the National Government Entities	0
Donations in kind	0
<b>Total</b>	<b>0</b>
<b>c) Expenses incurred on behalf of related party</b>	
Payments of salaries and wages for employees	0
Payments for goods and services for xxx	0
<b>Total</b>	<b>0</b>
<b>d) Key management compensation</b>	
Directors' emoluments	0
Compensation to the medical Sup	0
Compensation to key management	0
<b>Total</b>	<b>0</b>

**Notes to the Financial Statements (Continued)**

**2. Segment Information**

*(Where an organisation operates in different geographical regions or in departments, IPSAS 18 on segmental reporting requires an entity to present segmental information of each geographic region or department to enable users understand the entity's performance and allocation of resources to different segments)*

**3. Contingent Liabilities**

<b>Contingent liabilities</b>	<b>2021/22</b>
	<b>Kshs</b>
Court case xxx against the company	0
Bank guarantees in favour of subsidiary	0
<b>Total</b>	<b>0</b>

*(Give details)*

**4. Capital Commitments**

<b>Capital Commitments</b>	<b>2021/22</b>
	<b>Kshs</b>
Authorised For	0
Authorised And Contracted For	0
<b>Total</b>	<b>0</b>

*(NB: Capital commitments are commitments to be carried out in the next financial year and are disclosed in accordance with IPSAS 17. Capital commitments may be those that have been authorised by the board but at the end of the year had not been contracted or those already contracted for and ongoing)*

There were no material adjusting and non- adjusting events after the reporting period.

**6. Ultimate And Holding Entity**

The entity is a State Corporation/ or a Semi- Autonomous Government Agency under the Ministry of xxx. Its ultimate parent is the Government of Kenya.

**7. Currency**

The financial statements are presented in Kenya Shillings (Kshs).

**I. Appendices**

**Appendix 1: Progress on Follow up Of Auditor Recommendations**

New hospital reporting for the first time