



KENYATTA NATIONAL HOSPITAL



Annual Report and Financial Statements FOR THE YEAR ENDED 30TH JUNE 2006

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VISION

“To be a regional centre of excellence in the provision of innovative and specialized healthcare”

MISSION

“To provide specialized quality healthcare, facilitate medical training, research and participate in national health planning and policy.”

CORE VALUE

Quality Healthcare:	We provide quality healthcare to our patients
Customer Satisfaction:	We are client driven and always endeavour to meet client's needs.
Staff:	Staff is our most valuable resource. We therefore purposefully invest in their welfare and development
Teamwork:	We embrace the spirit of teamwork in all our activities.
Professionalism, Integrity and Ethics:	We uphold Professionalism, Integrity and Ethics in our work and all other activities.
Client's Dignity:	We uphold the dignity of our clients.
Fairness and Equality:	We believe in fairness and equality in our activities and practices
Innovativeness:	Innovativeness is the driving force in all our endeavours.
Corporate Social:	We shall practice good corporate citizenship at all times.

CORPORATE INFORMATION
MEMEBRS OF BOARD OF MANAGEMENT



Mr. J. Kinyua
P.S. Treasury



Mrs. Margaret W. Wanjohi
Chairperson



Dr. Hezron Nyangito
P.S. Health



Dr. J. N. Micheni
Director



Prof. Z. Ngumi
UON



Prof. J. Gitonyi
*Principal College of
Health, UON*



Dr. T. King'ond
Director, KMTC



Mr. Yuda Komora
Member



Mrs Ruth Mumo
Member



Mr Herbert Ojwang
Member



Mr. Muthusi Kitonga
Member

- Dr. J. N. Micheni was appointed Chief Executive Officer w.e.f 1st December 2006.
- Mrs. Margaret W. Wanjohi was appointed Chairman board of Management w.e.f 18th December, 2006

SENIOR MANAGEMENT



Charles Kabetu
Deputy Director (CS)



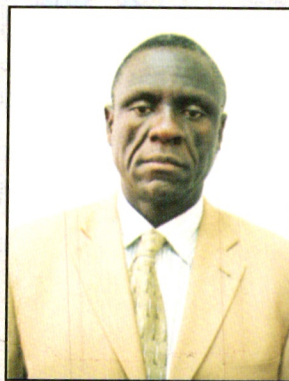
Dr. Jotham C. Micheni
Director/Chief Executive Officer



Mrs. M. M. Itambo
Deputy Director (AS)



Mr. F. A. Oyombe
Personnel & Training Manager



Mr J. O. Auma
Supplies & Procurement Manager



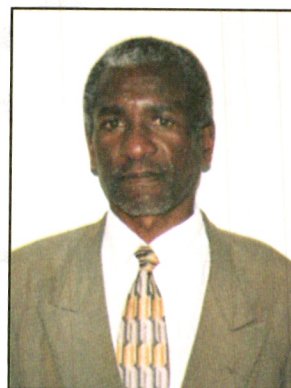
Mr. J. N. Mugo
Finance Manager



Mrs. L. I. Shitakha
Planning Manager



Dr. S. Monda
Chairman Private Wing



Eng. C K. Mutura
Hospital Engineer



Mrs. Gladys Owira
Chief Nurse

BOARD COMMITTEES

1. AUDIT COMMITTEE

Mrs. Ruth Mumo	Chairperson
Dr. Timothy King'onde	Director, KMTC
Mr. Muthusi Kitonga	Member
Mr. Fred Kihara	Rep. PS. Ministry of Finance
Mr. F. Karimba	Rep. PS. Ministry of Health
Dr. John Kibosia	Ag. Director, KNH

2. FINANCE, PLANING & DEVELOPMENT COMMITTEE

Prof. Alfred Mutema	Chairman
Prof. J. Kitonyi	principal CHS, UON
Mr. F. Karimba	Rep. PS. Ministry of Health
Mr. Fred Kihara	Rep. PS. Ministry of Finance
Dr. John Kibosia	Ag. Director, KNH
Dr. Jotham Micheri	DD(CS)

3. TENDER COMMITTEE

Mr. Herbert Ojwang	Chairman
Mr. Muthusi Kitonga	Vice-Chairman
Prof. Zipporah Ngumi	University of Nairobi
Dr. John Kibosi	Ag. Director, KNH
Dr. Jotham Micheri	DD(CS)
Mr. Joseph Mugo	Finance Manager
Eng. M. Muchiri	Hospital Engineer
Mrs. Gladys Owira	Chief Nurse
Mr. J. O. Auma	Supplies & procurement Manager- secretary

4. TERMS AND CONDITIONS OF SERVICE

Mr. Yuda Komora	Chairman
Mrs. Ruth Mumo	Member
Mr. Muthusi Kitonga	Member
Prof. J. Kitonyi	principal, CHS UON
Dr. Timothy King'onde	Ag. Director, KMTC
Mr. Fred Kihara	Rep. PS. Ministry of Finance
Mr. F. Karimba	Rep. PS. Ministry of Health
Dr. John Kibosia	Ag. Director, KNH

5. STANDARDS, QUALITY, ETHICS AND RESEARCH COMMITTEE

Prof. J. Kitonyi	Chairman
Prof. Zipporah Ngumi	University of Nairobi
Dr. John Kibosia	Ag. Director
Dr. Timothy King'onde	Director, KMTC
Mr. F. Karimba	Rep. PS, Ministry of Health

ESTABLISHMENT

The Hospital is established in Kenya under the state Corporations Act as per Legal Notice No. 109 of 6th April 1987.

OFFICES

Registered Office

Hospital Road, along Ngong Road

P.O. Box 20723 – 00202

Nairobi.

Tel: 2726300, 2726550

Fax: 2725272

Email address: knhadmin@knh.or.ke

AUDITORS

Controller & Auditor General

Kenya National Audit Office

P.O. Box 30084 – 00100

NAIROBI

BANKERS

National Bank of Kenya Limited

Hospital Branch

P.O. Box 30763 – 00100

NAIROBI

Kenya Commercial Bank Limited

Moi Avenue Branch

P.O. Box 30081

NAIROBI

REPORT OF MEMBERS OF BOARD OF MANAGEMENT

The Board of Management present their annual report together with audited financial statement for the year ended 30th June 2006.

PRINCIPAL ACTIVITIES

The Principal Activity of the Hospital is to offer specialized healthcare, provide facilities for medical education, training and research and participate as a National Referral Hospital in National Health Planning.

RESULTS

The results for the year ended 30th June 2006 are set out on pages 18 to 21.

BOARD OF MANAGEMENT

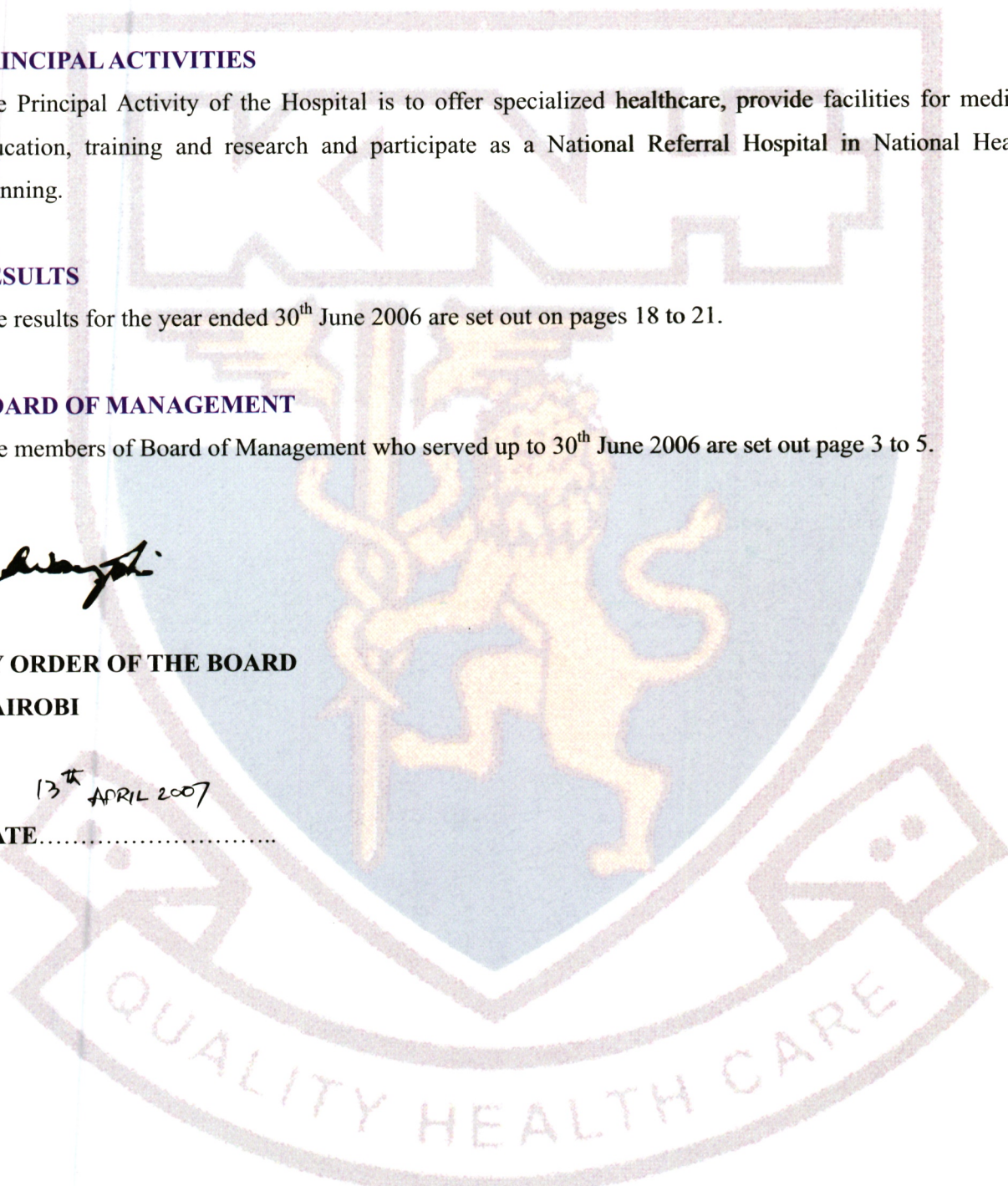
The members of Board of Management who served up to 30th June 2006 are set out page 3 to 5.



BY ORDER OF THE BOARD
NAIROBI

13th APRIL 2007

DATE.....



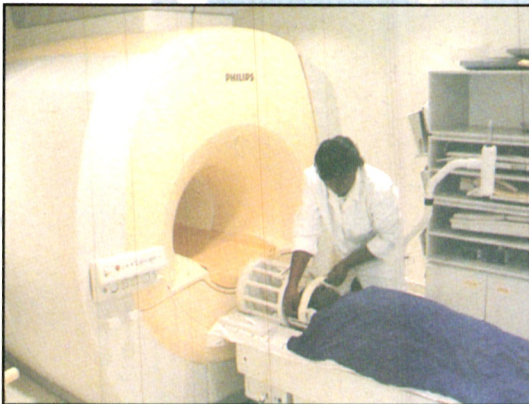
CHAIRMAN'S REPORT



Mrs. Margaret W. Wanjohi

It is with great pleasure that I present the Hospital Annual Report for the period ended 30th June 2006. The Hospital considers it important, to report to our stakeholders and the general public on activities of the year and the accomplishments realized during the year. Some of the achievements realized during the year include:

Acquisition of MRI



MRI Improvement of diagnostic capability of the hospital

During the year the Hospital concluded a contract with Philips Medical Systems for delivery, installation, testing, training and commissioning of the state of Art MRI. This has improved the diagnostic capability of the Hospital in achievement of its mandate.

Acquisition of Gamma Camera



Within the same period, the Hospital received from the Atomic Engineering a Gamma Camera, which is critical in treatment of cancer. The equipment has a capacity to carry high number of tests in a day.

Comprehensive Care Center/ Patient Support Center



During the period, the Hospital completed the rehabilitation of Comprehensive Care Center for HIV/AIDS related cases, joining one of the few Hospitals within the region to incorporate a comprehensive care center concepts in HIV/AIDS patient management.

Performance Contract

During the year the Government instituted the performance Contract for the Public service. This was a freely negotiated performance agreement between the Government, acting as the owner of a Government Agency and the Government Agent. It clearly specifies the intention, obligations and responsibilities of the two contracting parties. I am happy to report that the Hospital Board of Management negotiated and signed a performance contract with the Ministry of Health.



The New Casualty was finally rehabilitated and handed over to the Hospital and the Hospital is now in process of equipping the unit in readiness for occupation.

New Casualty



Computerization

The Board of Management implemented the phase 1 of computerization project involving cash collection points and patients' registration centers' and we are happy to note that revenue generation and cash collection has improved from Kshs. 1.3 billion in 2004/2005 to over Kshs. 1.852 billion in the year under review. The Board will continue with implementation of phase 11 to cover critical areas within the next financial year.

Strategic Plan

The Strategic Plan is the cornerstone for the design and development of a performance contract. Indeed the objectives articulated in the strategic plans for KNH are linked to the Government priorities and objectives as set out from time to time. I am happy to report that the Hospital prepared and launched its first five-year Strategic Plan for 2005-2010. The Hospital carried out a self-assessment and identified areas of weakness and threats and how they can be matched with opportunities and strengths. I thank the Government for its commitment to support and facilitate the realization of the Hospital mission.

Revenue

During the year under review, Government of Kenya grants amounted to Kshs. 2,858,014,959, which was same the previous year. Cost sharing revenue generated amounted to Kshs. 1.852 billion, which is over 40% increase from previous year revenue of Kshs. 1.3 billion. The board will continue to review and implore new areas of revenue generation. We are in the process of preparing waivers and exemptions policy for consideration by the Government.

Expenditure

It is the mandate of the Board to ensure good welfare of both patients and staff. Over 70% of total expenditure was utilized on staff and 30% on patients. There is big strain on the financial resources and we have embarked on a negotiation with the Government to increase funding. Due to limited Government funding the Board will continue to explore and institute prudent budgetary control and cost cutting measures.

Future Outlook

Year 2006/2007 is a challenging one. My Board will grapple with the following in the year to come:

- a) Operationalise the Strategic Plan and ensure it is linked to the National policy documents and development plans.
- b) Finalize the implementation of automated Health Management Information System (HIMS) and
- c) Formalize the status of the Hospital through an Act of Parliament and ensure good corporate governance.

I have the confidence that we shall re-dedicate ourselves to ensure that the Hospital conforms to critical contribution towards better quality health care for speedy economic recovery and wealth creation for the nation.

I wish to conclude by registering my Boards gratitude to all the stakeholders who helped us make 2005/2006 a successful year for the Hospital, the Treasury and Ministry of Health in particular, our development partner, business partners and our patients. I trust that all of you will continue supporting our endeavor in providing quality healthcare to all.

MRS. MARGARET W. WANJOHI
CHAIRPERSON

Sign.....*Margaret W. Wanjohi*.....Date.....13th APRIL 2007.....

REPORT FROM THE CHIEF EXECUTIVE OFFICER



Dr. Jotham N. Micheni

“It is my pleasure to report to you highlights of our operation during the period under review and the plans for the coming year. During the period, the Hospital made notable progress in the following areas.”

Patient Care Services

This was achieved through improvement of equipment both for diagnostic and therapeutic purposes and the introduction of new services such as:

Comprehensive care center through the support of Family health International (FHI), Aids care and Treatment Services (ACTS) and Presidential Emergency plan for Aids Relief (PEPFAR)

- Establishment of a recovery center for victims of Gender Violence.
- Couple Counseling center in partnership with Lords Healthcare
- Prevention of Mother to Child Transmission (PMTCT) services.

Human Resource

During the period under review, the Hospital Management made achievements in three key areas geared towards improving staff motivation and

productivity. Among them was revision and implementation of staff salaries in July 2005, staff rationalization and restructuring and revision of Terms and Conditions of Services.

Financial Resource

Over the period there has been improved revenue generation and collection. This is partly due to the Computerization of patient registration and billing leading to effective collection and accounting of revenue. The hospital has also established a Debt management unit to improve collection of debts. In order to ensure prudent financial management, the Hospital has put in place mechanisms, which have made it possible for effective financial reporting.

Upgrading of Equipment and Rehabilitation of Physical Facilities

In an effort to continue providing quality healthcare services to the patients, the Hospital has continued to acquire and replace equipment as well as rehabilitate physical facilities. Currently, the Hospital is in the process of replacing laundry equipment and equipping the new Accident and Emergency department.

Improved Management Practices

In line with the Government Reforms initiatives, the Hospital has adopted performance Contracts Management Approach. During the period under review the Board, CEO and Departmental Managers signed performance contracts. Among the prime features of performance contract are the requirements for measurability of performance, integration of management systems and periods reporting of achievements. This approach has improved the utilization of available resources leading to better services delivery to patients.

Supplies and Procurement Management

In the year 2005 the Government enacted the Public Procurement and Disposal Act, 2005. The Hospital has fully implemented the guidelines contained in the Act. Consequently, the Hospital has been able to put all supplies contracts in place on time. This has led to:

- Competitive, transparent procurement methods.
- Reduced wastage and improved stock management
- Reduced procurement cycle
- Availability of quality materials
- Reduction of Annual stock holding

ISO 9001:2000 Quality Management system Certification

In order to improve service delivery and benchmark Hospital process to meet international standards the hospital during the period under review initiated development of the following:

- Patient Service Charter
- Departmental Standard Operating procedures
- Hospital Quality Manual

Future Outlook

During the period under review, the Hospital made remarkable achievements. I believe this is a significant stride towards fulfilling our mandate. Nevertheless, there are still major challenges ahead. However, with the new performance contract management system already in place, the Hospital is well positioned to meet its clients and stakeholders expectations.



An outreach in Nyeri District

Appreciation

Our achievements would not have been possible without the support of the Government through the Ministry of Health, Board of Management, employees, stakeholders, clients and development partners. I take this opportunity to sincerely thank them all and request them to continue supporting the Hospital in the future.

DR. JOTHAM N. MICHENI
CHIEF EXECUTIVE OFFICER

STATEMENT OF CORPORATE GOVERNANCE

Kenyatta National Hospital governance is a culture built on principle of integrity, accountability and transparency. The Hospital is managed under the direction of the Board of Directors whose responsibility is to maximize long-term economic value for all stakeholders. The Board and its Committees oversee the corporate governance, advises management in developing financial plans, corporate strategy, goals and objectives as well as evaluating management's performance in pursuing and achieving those goals.

Board of Directors

Kenyatta National Hospital has adopted high standards and applies strict rules of conduct, based on best practices. As part of this commitment the Board has adhered to the Guidelines on corporate Governance. The Board consists of eleven members, including a non-executive Chairman/person and the Chief Executive Office. The full Board of Management held 10 meetings during the financial year ended 30th June 2006 while Board Committees held 82 meetings. The Board committees set up are five whose members are stated in pages 4 and 5. the committees reinforce the Board's independence and legitimacy in areas where there is potential for conflict of interest.

STATEMENT OF BOARD OF MANAGEMENT MEMBERS RESPONSIBILITIES

The state Corporations Act requires the Members of Board of Management to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the Hospital for that year. It also requires the directors to ensure that the hospital keeps proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Hospital.

The member of Board of Management accept responsibility for the annual financial statements for the year ended 30th June 2006 which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates in the manner required by state Corporations Act. The Members of Board of Management are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Hospital and of its operation results. The Members of Board of Management further accept responsibility for the maintenance of accounting records, which may be relied upon in the preparation on financial statements as well as adequate system of internal financial control.

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

MRS. MARGARET W. WANJOHI
CHAIRPERSON

Sign.....*Margaret Wanjohi*..... date.....^{13th} APRIL 2007.....

DR. JOTHAM N. MICHENI
DIRECTOR/CHIEF EXECUTIVE OFFICER

Sign.....*Jotham N. Micheni*..... date.....^{13th} APRIL 2007.....

REPUBLIC OF KENYA



KENYA NATIONAL AUDIT OFFICE

**REPORT OF THE CONTROLLER AND AUDIT GENERAL ON THE FINANCIAL
STATEMENTS OF KENYATTA NATIONAL HOSPITAL FOR THE YEAR ENDED 30 JUNE
2006**

I have audited the financial statements of Kenyatta National Hospital for the year ended 30 June 2006 in accordance with the provisions of section 14 of the Public Audit Act, 2003. 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. The financial statements are in agreement with the books of account.

Respective Responsibilities of the Board of Management and the Controller and Auditor General

The board is responsible for the preparation of financial statement, which gives a true and fair view of the state of affairs of the Hospital and of its operating results. My responsibility is to express an independent opinion on the financial statements based on my audit.

Basis of Opinion

The audit was conducted in accordance with the International Standards on Auditing. Those standards require that the audit be planned and performed with a view to obtaining reasonable assurance that the financial statements are free from material misstatement. An audit includes an examination, on a test basis, of evidence supporting the amounts and disclosures in the financial statements. It also includes an assessment of the accounting policies used and significant estimates made by the Board, as well as an evaluation of the overall presentation of the financial statements. I believe the audit provides a reasonable basis for my opinion.

1. Short Term Deposits

The Hospital balance sheet reflects short-term deposits of Kshs. 151,391,579. However, according to note 5 to the financial statements, the short-term deposits comprise deposits in Euro Bank Ltd. of Kshs. 429,660,514 all of which have been provided for against bad debts and Kshs. 103,581,385 in Housing Finance Company of Kenya. The deposits were made in the Commercial Banks contrary to Treasury circular No. 10 of 1992 which requires that any surplus fund be invested in Treasury bills and bonds. Apart from the breach of the financial regulations, it is not possible to express an opinion on the recoverability of these amounts.

2. Stocks

The stock balance of Kshs. 263,270,314 as at 30 June 2006 excludes deficits and surplus of stocks amounting to Kshs. 99,028,798 and Kshs. 56,921,406 respectively. Also excluded was a deficiency of capital items amounting to Kshs. 591,255. Although management did explain in the previous years that a board of inquiry was appointed to investigate the cause of the deficits and surpluses, the outcome of the investigations has not been seen. In the absence of an explanation of the causes of the deficit and surpluses of stock, the accuracy of stocks figure of Kshs. 263,270,314 reflected in the financial statements could not be confirmed.

3. Debtors

The debtors balance sheet figure of Kshs. 1,777,616,731 include, private wing debtors and returned cheques debtors amounting to Kshs. 10,585,087 and Kshs. 2,990,060 respectively which were not supported. Also included in these debtors are brought forward figures amounting to Kshs. 16,436,921 that were not explained. The debtors further include an amount of Kshs. 80,056,221 due from the National Hospital Insurance Fund. However the financial statements of NHIF for the year ended 30 June 2006 do not reflect this figure amongst its creditors. Furthermore management did not explain why this figure was reduced from previous years figure of Kshs. 86,324,856 to Kshs. 80,056,221 included in the financial statements as at 30 June 2006. under the circumstances, it is not possible to confirm the accuracy and completeness of debtors balance of Kshs. 1,777,616,731 as at 30 June 2006.

4. Salary of Director

The Hospital continued to pay salary to its Director who has been on compulsory leave since 1 May 2005. According to the Hospital's term and conditions of service, compulsory leave is normally for 30 days and may be extended for another 30 days. In the year under review the Director was paid a total of Kshs. 3,155,580 in form of total earnings. It is therefore, not possible to confirm the propriety of the salary and allowances amounting to Kshs. 3,155,580 paid to the director when on compulsory leave during the year 2005/2006.

5. Payment of Legal Fees - Kshs. 17,920,000

The Hospital procured legal services through single sourcing without the approval of the Board. As at 30 October 2006 a total of Kshs. 17,920,000 had been paid to three law firms for the drafting of an Enabling Act for the Hospital. Drafting of statutes is normally done by the State Law Office. The Hospital has not justified why it did not utilize these services from the Government. Besides there was no budgetary provision to accommodate this expenditure, and the funds had to be reallocated from other items of the hospital to meet the expenditure.

6. Prepayments – Kshs. 31,733,576.00

The balance sheet under current assets reflects Kshs. 31,733,576.00 against prepayments item. Available information indicates that the prepayments were made to three firms at Kshs. 15,792,611.35, Kshs. 2,213,309.25 and Kshs. 13,727,655.00, respectively. In addition payment for one firm is in dispute and the matter has been referred to arbitration while prepayment in respect of the second firm is under investigation by CID. In the circumstances, it has not been possible to confirm the prepayment balance of Kshs. 31,733,576.00 as at 30 June 2006.

Opinion

Except for the matters set out in the foregoing paragraphs, in my opinion, proper books of account have been kept and the financial statements give a true and fair view of the state of affairs of the Hospital as at 30 June 2006 and of its surplus and cash flows for the year then ended and comply with state Corporations Act, Cap 446 of the Laws of Kenya.



P.ON KOMORA
CONTROLLER AND AUDITOR GENERAL

Nairobi
16 April 2007



QUALITY HEALTH CARE

STATEMENT OF INCOME AND EXPENDITURE

INCOME		2005/2006 Kshs.	2004/2005 Kshs.
Government of Kenya Grants		2,858,010,960	2,670,014,959
Grants (projects)	A	62,764,066	42,387,227
A.I.A./Cost Sharing			
Gross Revenue	B	1,329,136,208	1,304,772,542
Investment Income		9,872,867	10,516,298
Surplus/(Deficit) private Wing		(7,445,371)	(35,694,771)
Gain on disposal of Fixed Assets		408,480	
		4,252,747,211	3,991,996,255
Expenditure			
Personal Emoluments	C	1,044,506,024	775,585,495
Traveling & accommodation	D	17,322,881	3,982,724
Gratuity & Pension	E	101,023,902	91,277,440
Extraneous Allowances		38,686,545	43,119,895
Medical & Dentists Practitioners Allowance		117,504,769	128,441,975
Risk Allowance		141,600,646	146,765,512
House Allowance		826,223,394	833,376,358
Medical Allowance		72,147,191	73,647,322
Passage & leave allowances		20,938,975	20,830,102
Other Allowances	F	24,758,183	19,194,023
Transport Operating Expenses	G	5,268,214	9,757,673
Telephone, Telex & Teletype		13,497,925	20,734,468
Board Expenses	H	12,095,064	16,484,810
Electricity, Water & Conservancy	I	87,247,565	87,697,853
Purchase of Drugs	J	211,442,107	228,499,343
X-Ray & Therapy Supplies	K	12,527,800	17,100,992
Printing & Stationery	L	11,535,940	15,004,039
Advertising & Publicity	M	9,067,680	6,274,639
Maint. Plant Machinery & equip.	N	103,516,566	54,884,777
Fuel & Gases	O	77,606,911	67,382,387
Bank Charges		1,296,694	3,997,284
Dressings, Sutures & Appliances	P	95,279,186	104,745,068
Laboratory Chemicals & Reagents	Q	35,503,403	26,172,561
Legal Expenses		99,384,367	29,970,853
Medical Equipment & Materials	R	92,610,357	86,883,622
Medical Expenses (staff)	S	131,969,739	107,383,963
Maintenance Land & Buildings	T	41,974,963	27,933,123
Public Health Expenses	U	1,017,450	1,517,083
Depreciation Expenses		133,255,963	140,558,235
Patients Food	V	50,098,728	49,498,150
Doctors & Nurses Food		3,294,486	8,793,156
Senior Staff Canteen		5,341,078	6,151,272
Cleansing Materials	W	18,079,826	24,157,437
Uniform & Clothing	X	39,201,693	20,296,369
Staff funeral & welfare Expenses	Y	2,791,344	2,033,411
Millenniums Payments	Z	37,972,904	11,320,018
Staff Training & Development	ZI	32,100,914	21,901,363
Bad Debts written off		-	25,343,984
Provision for Loss on Short-Term Investments		-	429,660,514
Valuation of Assets		43,610,955	-
Audit Fees		850,000	-
VCT Study Projects	Z2	22,374,910	15,526,320
PMCT Studying Project	Z3	5,453,270	4,971,245
PIPS Study Project	Z4	19,910,541	12,597,018
ARV Study Project	Z5	4,459,116	7,181,486
Amkeni & Asthma Project	Z6	830,287	635,315
Total Expenditure		3,867,180,454	3,829,271,069
Stock Decreases (increase) main Hospital		13,128,261	168,170,077
		3,880,308,714	3,997,441,146
(Deficit) surplus for the year		372,438,497	(5,444,891)

**BALANCE SHEET
AS AT 30 JUNE 2006**

Non-Current Assets		2005/2006 Kshs.	2004/2005 Kshs.
Property, Plant & -Equipment	2	2,377,086,364	2,213,296,179
Work-in-progress	3	567,739,372	473,609,161
		2,944,825,736	2,686,905,340
 Current Assets			
Stocks	4	263,270,314	258,185,310
Prepayments		31,733,576	76,800,787
Short-term Deposits	5	151,391,579	148,096,762
Less provision for loss			
Debtors	5a	1,777,616,731	1,397,400,343
Grants receivable	5b	238,167,914	-
Bank balances & cash	6	633,596,635	850,832,028
Total Current Assets		3,095,776,750	2,731,315,230
 Current liabilities			
Creditors & Accruals	7	917,614,940	756,431,684
General & Patients & Deposit		634,413,872	526,807,115
Provision for loss in Investment		429,660,514	429,660,594
Total current liabilities		1,981,689,326	1,712,899,313
Net current Assets		1,114,087,424	1,018,415,917
Total assets		4,058,913,160	3,705,321,256
 Financed by:-			
Capital reserve	8	3,182,145,421	3,182,145,421
Accumulated fund		876,767,739	523,175,835
Total fund		4,058,913,160	3,705,321,256

MRS MARGARET W. WANJOHI
CHAIRPERSON

SIGN.  DATE 13th APRIL 2007

DR. JOHN. MICHENI
DIRECTOR/CHIEF EXECUTIVE OFFICER

SIGN.  DATE 13th APRIL 2007

CASH FLOW STATEMENT

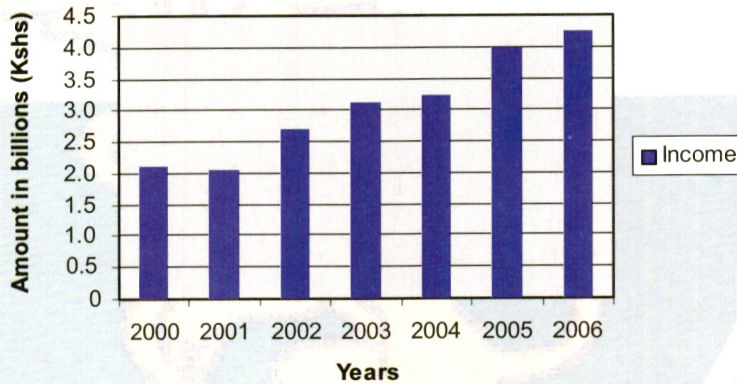
	2005/2006	2004/2005
	KShs.	KShs.
Cash Flow From Operating Activities		
Net Surplus / (deficit) For The Year	372,438,496	(5,444,891)
Adjusted For: -		
Depreciation	137,969,017	141,281,666
Provision for Loss on Investments	-	429,660,514
Bad Debts Written Off	-	25,343,984
GOK Grants	(2,858,010,960)	(2,670,014,959)
Donations (Projects)	(62,764,066)	(42,387,227)
Prior Period Adjustments	(13,024,579)	(30,383,086)
Grant Omitted	-	11,000,000
Others	3,250,037	4,649,330
Gain on disposal of Fixed Assets	408,480	
Operating Deficit Before Working Capital Changes	(2,419,733,574)	(2,136,294,671)
(Increase) / Decrease In Stock	(5,085,004)	143,579,418
(Increase) / Decrease In Prepayment	45,067,211	-
(Increase) / Decrease In Debtors	(380,216,388)	(820,216,347)
(Increase) / Decrease In GOK Grant Receivable	(238,167,914)	-
Increase / (Decrease) In Creditors	161,183,256	70,674,852
Increase / (Decrease) In General Deposits	107,606,757	103,808,626
Net Cash From Operating Activities	(309,612,083)	(502,153,451)
Cash Flows From Investing Activities		
Purchase Of Fixed Assets	(315,106,051)	(24,919,835)
(Increase) / Decrease In Work In Progress	(94,130,211)	(122,137,032)
Proceeds On Disposal Of Fixed Assets	571,500	-
Interest from investments	3,294,817	
Net Cash Outflows From Investing Activities	(405,369,945)	(147,056,867)
Cash Flows From Financing Activities		
GOK Grants	2,858,010,960	2,670,014,959
Other Donations	62,764,066	42,387,227
Net Cash Inflows From Financing Activities	2,920,775,026	2,712,402,186
(Decrease)/Increase In Cash and Cash Equivalents	(213,940,575)	(73,102,802)
Cash and Cash Equivalents Beginning	998,928,790	1,072,031,592
Cash and Cash Equivalents Ending	784,988,215	998,928,790

STATEMENT OF CHANGE IN ACCUMULATED FUND

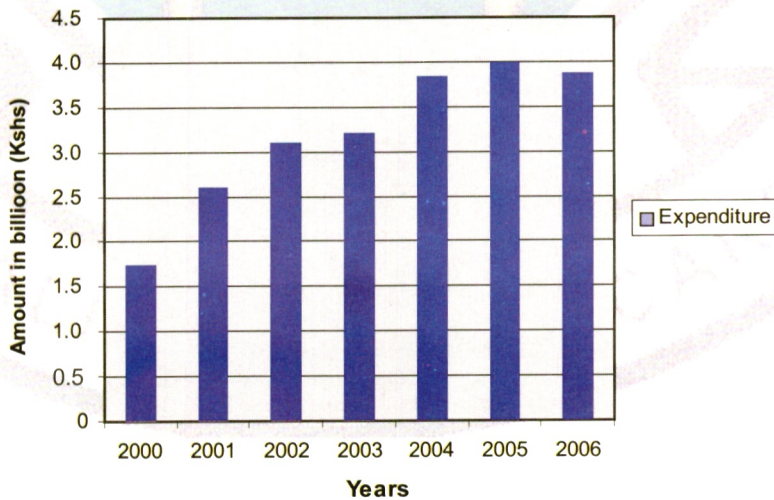
	2005/2006	2004/2005
	Kshs	Kshs
Balance b/d	523,175,835	486,767,528
Prior period adjustment (see note)	(13,024,579)	30,383,086
deficit / surplus for the year	345,292,943	(5,444,891)
adjustment/ accumulated funds PW	(5,822,013)	11,470,112
Balance c/d	849,622,186	523,175,835

The Hospital is fully owned by the Government of Kenya and does not have share capital. Prior period adjustment relate to items in property, plant & equipment that were overcast in 2004 - 2005 financial year.

Income for Kenyatta National Hospital



Expenditure for Kenyatta National Hospital



NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 30 JUNE 2006

1. SIGNIFICANT ACCOUNTING POLICIES

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

A. Basis of Preparation

The financial statements are prepared under historical cost convention and accrual system of accounting. The financial statements are presented in functional currency; Kenya shillings and rounded to the nearest thousand and prepared under historical cost convention and accrual system of accounting.

B. Depreciation

Items of property, plant and equipment are stated at cost less accumulate depreciation. Depreciation is charged on a reducing balance basis over the useful lives of the assets. The annual rates generally used are:

Buildings	2.5%
Plant & Machinery	12.5%
Furniture and fittings	12.5%
Motor Vehicles	25.0%
Tractors	37.5%
Computers and Duplicating Machines	30.0%
Medical Equipment	12.5%

Medical equipments that are digital/computerized in nature are depreciated at 30%.

Free hold land is not depreciated as it is deemed to have an indefinite life.

C. Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefit will accrue to the Hospital and can be reliably measured.

D. Grants

Government of Kenya Grants are recognized where there is reasonable assurance that the grant will be received.

E. Cash and Cash Equivalents

For purposes of cash flow statement, cash and cash equivalents comprise cash in hand, bank balances and short-term deposits held with banks and financial institutions.

F. Stocks

Stocks comprise of drugs, laboratory materials, stationery, electrical and mechanical spares, fuel gas and lubricants. Stocks have been valued at the lower of cost and net realizable value. Obsolete stocks have been excluded from the stocks figure.

G. Trade and Other Debtors

Trade and other debtors are stated at their cost. No provision is made for bad and doubtful debts; rather direct write off is made.

H. Trade and Other Creditors

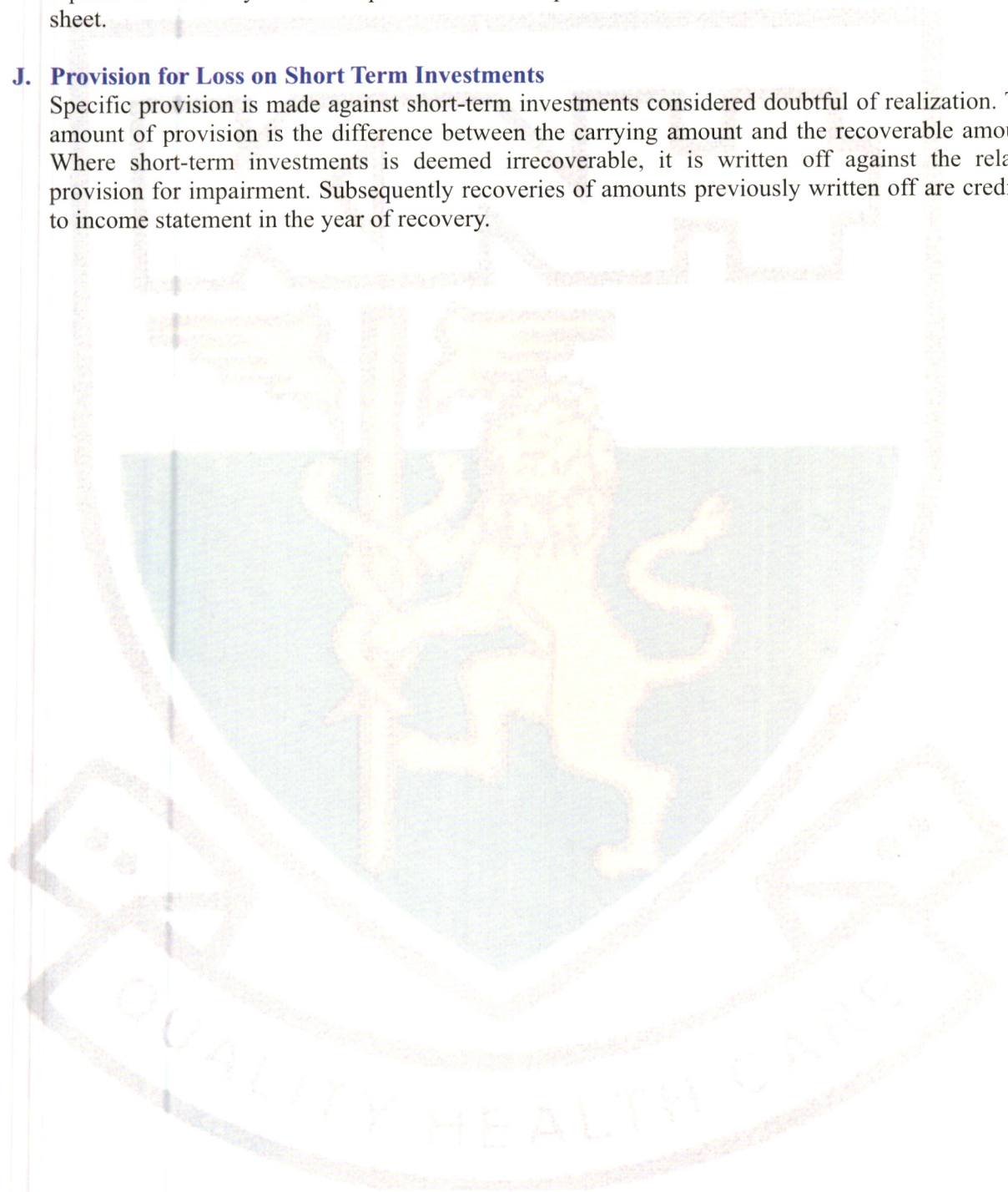
Trade and other creditors are stated at their cost.

I. Patients deposits

The Hospital receives deposits from patients as advance for services to be rendered. This represents a liability to the Hospital clients for deposits received has been included in the balance sheet.

J. Provision for Loss on Short Term Investments

Specific provision is made against short-term investments considered doubtful of realization. The amount of provision is the difference between the carrying amount and the recoverable amount. Where short-term investments is deemed irrecoverable, it is written off against the related provision for impairment. Subsequently recoveries of amounts previously written off are credited to income statement in the year of recovery.



**KENYATTA NATIONAL HOSPITAL ANNUAL REPORT & FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2006**

2 PROPERTY, PLANT AND EQUIPMENT

MAIN HOSPITAL

DESCRIPTION	LAND	BUILDING	PLANT, MACHINERY & MEDICAL EQUIPMENT	MOTOR VEHICLES	FURNITURE, FITTINGS & OFFICE EQUIPMENT	GRAND TOTAL
Cost/Valuation	81,500,000	1,855,866,689	1,818,263,780	58,773,266	213,031,414	4,027,435,148
Less overcasts			1,381,409	2,766,078		4,147,487
Add undercasts			525,000	5,775,600	4,646,273	10,946,873
Additions	-	-	254,459,859	4,738,299	23,274,293	282,472,451
Disposal	-	-		2,344,884		2,344,884
Total Cost	81,500,000	1,855,866,689	2,071,867,230	64,176,203	240,951,979	4,314,362,101
Depreciation B/F	-	399,333,799	1,242,562,609	54,095,758	123,483,618	1,819,475,784
Less overcasts						-
Add undercasts		2,037,499	3,225,028	1,152,791	13,567,896	19,983,215
Dep for the year	-	36,362,385	78,413,394	1,585,657	16,894,527	133,255,963
Acc. Depreciation on disposal				(2,127,524)		(2,127,524)
Total Depreciation	-	437,733,683	1,324,201,031	54,706,682	153,946,041	1,970,587,437
Net Book Value 30/06/05	81,500,000	1,456,532,891	575,701,171	5,033,992	89,547,796	2,208,315,850
Net Book Value 30/06/06	81,500,000	1,418,133,006	747,666,199	9,469,521	87,005,938	2,343,774,664

PRIVATE WING

DESCRIPTION	LAND	BUILDING	PLANT, MACHINERY & MEDICAL EQUIPMENT	MOTOR VEHICLES	FURNITURE, FITTINGS & OFFICE EQUIPMENT	GRAND TOTAL
Cost/Valuation		397,198	3,689,448		9,544,636	13,631,282
Additions		-	-	-	32,633,600	32,633,600
Disposal		-	-	-	-	-
Total Cost	-	397,198	3,689,448	-	42,178,236	46,264,882
Depreciation B/F	-	64,727	2,054,919	-	6,174,822	8,294,468
Dep for the year	-	8,312	204,316	-	4,500,427	4,713,055
Total Depreciation	-	73,039	2,259,235	-	10,675,249	13,007,523
Net Book Value 30/06/05	-	332,471	1,634,529	-	3,369,814	5,336,814
Net Book Value 30/06/06	-	324,159	1,430,213	-	31,502,987	33,257,360

CONSOLIDATED

Net Book Value 30/06/05	81,500,000	1,456,865,362	577,335,700	5,033,992	92,917,610	2,213,652,664
Net Book Value 30/06/06	81,500,000	1,418,457,165	749,096,413	9,469,521	118,508,925	2,377,086,364

		2005/2006	2004/2005
		Kshs.	Kshs.
3	WORKS IN PROGRESS		
	Balance B/F	473,609,160	351,472,129
	Rehabilitation of Doctors & Nurses Flats	17,809,627	29,249,553
	Computerisation	3,151,494	16,082,608
	Equipment & Supplies Lot 2	36,851,394	30,550,993
	Consultancy fees		2,024,019
	Re-roofing Radiology Department		2,600,995
	Completion of Casualty	10,616,200	29,215,424
	Maint. Of Plant & Machinery		345,940
	Replacement of Kitchen & Equipment		12,030,000
	Purchase of Furniture & Equipment	5,892,624	37,500
	Rehabilitation of C.S.S.D	428,399	-
	Equipment & Supplies Medical & Surgical	24,235,409	-
	Burns Centre	7,260,563	-
	Less: Amount Capitalised	-12,115,500	
		567,739,372	473,609,161
4	STOCK	263,270,315	258,185,310
5	SHORT TERM DEPOSITS		
	National Bank of Kenya	47,810,195	46,825,652
	Euro Bank Ltd (in liquidation)	429,660,514	429,660,514
	Less Provision	-429,660,514	-429,660,514
	Housing Fin Co. of Kenya	103,581,385	101,271,109
		151,391,579	148,096,762
5a	DEBTORS		
	Debtors include institutional, NHIF and individual patients offered medical services on credit.		
5b	GRANT RECEIVABLE		
	This relates to Government of Kenya Grant (Kshs. 238,167,914) for the month of June 2006 and which was received in July 2006 after year end. The amount has been accrued in line with IAS No. 20-(Accounting for Government Grants and Disclosure of Government Assistance)		
6	CASH AND BANK BALANCES		
	CASH BANK BALANCES	2005/2006	2004/2005
	CASHBOOK	Kshs.	Kshs.
	ACCOUNT		
	Recurrent		
	General	120,440,847	110,830,759
	Payroll		
	Administration	103,069,454	243,487,998
	Patient Deposit	33,640,745	20,374,748
	Revenue	60,680,070	73,250,241
	Development	161,823,663	228,336,776
	VCT	1,329,859	1,686,221
	Heart Fund	15,201,866	7,672,984

PMCT Program	0100358463500	-138,759	737,965
Pension Trust			
Fund	0100358005100	37,920,060	38,983,429
Private Wing	0100385005800	109,709,946	122,746,503
JICA	0100358005500	340,004	345,004
Recurrent KCB	229-997-210	388,864	389,364
Disaster Fund	0100358005900	1,881,483	-
Adjustments		(12,691,737)	(186,000,000)
			187,990,038
		633,596,365	850,832,028
7 CREDITORS AND ACCRUALS			
Trade & other Creditors		883,098,396	692,658,081
Deferred Income		-	-
Accrued Expenses		43,922,472	56,281,556
Unpaid Pensions		(8,112,685)	1,651,688
Unpaid salaries		(247,623)	(238,078)
Retention Bond		(1,045,620)	6,078,437
		917,614,940	756,431,684
8 CAPITAL RESERVES			
Balances B/F		3,182,145,421	3,182,145,421
9 CONTINGENT LIABILITIES		96,010,455	-
<p>This amount relates to penalties and interests on unpaid income tax assessment made by Kenya Revenue Authority the previous years. This amount is under negotiations between the Hospitals, KRA, Treasury and Ministry of health for waiver of interest and penalties. Management is of the opinion that chances of succeeding in getting the waiver are minimal</p>			
10 RETIREMENT BENEFITS OBLIGATION			
<p>The Hospital operates Staff Superannation Scheme for its employees. The scheme is a defined scheme and it provides for payment of pension and related benefits to the members. The investments of the schemes assets are managed by investment manager, Old Mutual Asset Manager (K) Limited on behalf of Trustees.</p> <p>The Hospitals contribution to the scheme for the year to 30th June, 2006 amounted to Kshs. 97,543,989 (2004/2005 Kshs. 70,953,056)</p>			
11 COMPARATIVES			
<p>Where necessary, comparative figures have been provided to indicate the position in the previous year.</p>			

12 GOVERNMENT OF KENYA GRANTS

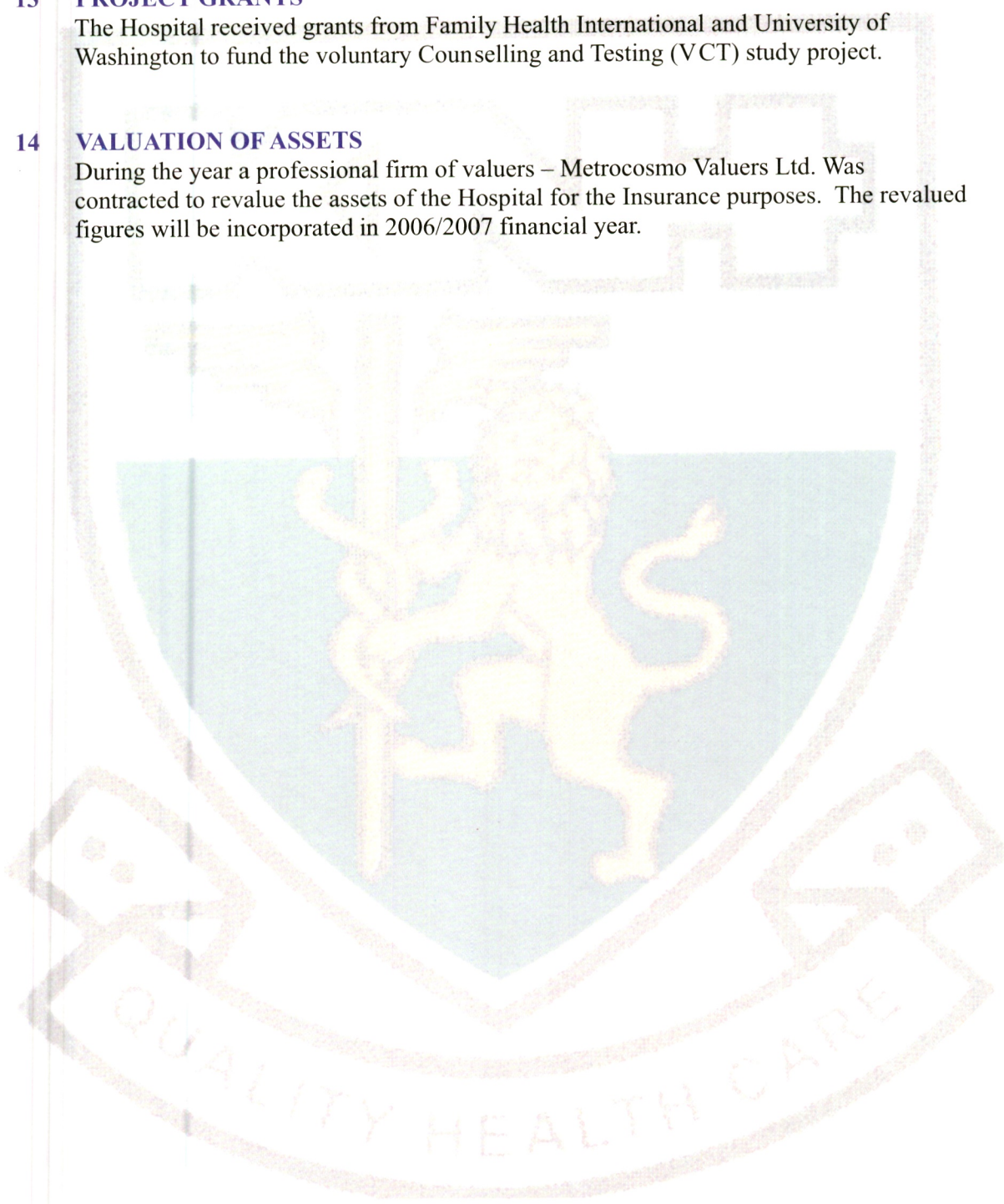
The Hospital received grants from Government of Kenya to cater for personnel emoluments and capital expenditure.

13 PROJECT GRANTS

The Hospital received grants from Family Health International and University of Washington to fund the voluntary Counselling and Testing (VCT) study project.

14 VALUATION OF ASSETS

During the year a professional firm of valuers – Metrocosmo Valuers Ltd. Was contracted to revalue the assets of the Hospital for the Insurance purposes. The revalued figures will be incorporated in 2006/2007 financial year.



A Grants (Projects)		2005/2006	2004/2005
A/C No.	Particulars	Kshs	Kshs
		Amount	Amount
5-005	Projects	3,986,435	16,645,868
5-066	Voluntary Counselling and Testing (VCT)	27,145,554	19,213,919
5-082	Partners In Prevention Study (PIPS)	21,449,626	
5-114	Prevention of Mother to Child Trasmision (PMCT)	9,612,587	5,697,565
5-117	Asthma Study	569,864	829,876
		62,764,066	42,387,228
B A.I.A./Cost Sharing			
5-011	Inpatient Fees	461,273,999	487,875,613
5-012	NHIF - Inpatient Fees	72,316,832	68,393,095
5-013	Boarding Fees	64,686,599	9,854,670
5-014	Out-patient Fee	9,000,743	14,069,155
5-015	Laboratory Fee	35,127,533	40,535,492
5-015A	Laboratory Fee	116,000	112,000
5-016	Physiotherapy Fee	2,484,270	4,030,620
5-017	Occupational Therapy Fees	850,623	1,728,345
5-018	Workmens Compensation	185,887	158,340
5-019	Renal Unit Fee	23,061,912	24,980,955
5-020	Mausoleum Charges	18,370,920	27,055,725
5-021	Pharmacy Fee	98,156,449	106,560,455
5-022	Heart Unit Fee	17,304,577	10,603,676
5-023	Medical Records	103,826,212	93,701,460
5-024	Ear Nose & Throats (ENT)	3,410,944	5,265,850
5-025	Ophthalmology Fee	346,990	1,103,297
5-026	Medicine	188,884	241,526
5-027	Obs & Gynaecology	15,672,616	24,986,691
5-028	Medicine (SOPC)	111,865	-
5-029	Theatres	11,563,191	16,370,416
5-030	Radiotherapy Fee	6,976,900	8,179,415
5-031	Radiology Fee	42,222,134	35,273,590
5-031A	Radiology Fee (PW)	542,650	83,750
5-032	Dental Charges	8,708,499	6,346,312
5-033	Nursing Fee	7,369,730	15,197,162
5-034	Casualty/Orthopaedic Fee	462,920	454,499
5-035	Family Planning Clinic	1,170,765	1,311,850
5-062	Donations - Paediatrics	-	609,800
5-065	Voluntary Counselling & Testing (VCT)-Training Income	1,426,500	-
5-070	Rent from leased properties	4,313,357	2,570,992
5-071	Government Rent	65,142,428	69,808,233
5-072	Rent from leased shops	1,222,275	491,026
5-073	Doctors Suites	6,904,225	7,075,752
5-074	Mausoleum Car Hire	68,909	24,900
5-091	Sale of Artificial Limbs	64,800	11,200
5-092	Sale of IV Fluids	-	-
5-093	Seminars and Training	1,701,842	1,753,813
5-094	Senior Staff Canteen	2,322,363	3,086,660
5-094A	Senior Staff Canteen (PW)	34,100	
5-095	Pigs Will	391,000	98,940
5-096	Sale of Stores	361,509	567,586
5-097	Fax and Telex	100	650
5-098	Miscellaneous Income	19,905,503	25,605,209
5-101	Ethics & Research Fees	561,675	448,113
5-102	Waste Incineration Charges	164,931	-
5-104	Sale of Souvenirs	7,570	18,170
5-105	Sale of Scratch Cards	-	2,800
5-106	Skin Laser Treatment	158,266	426,535
5-107	Respiratory Infectious Diseases	675,560	1,340,960
5-108	Neuro Physiology	765,565	835,810
5-109	Practicum Charges	10,000	-
5-110	Comprehensive Care Centre (C.C.C)	6,800	158,525
5-111	Bus Park Fees	2,325,000	2,250,000
5-113	RIDD	-	-
5-115	Continuous Medical Education (CME)	321,500	15,000
5-118	Patient Support Centre	1,282,325	
5-200	Patient Support Centre-Income	101,500	
5-098A	Private Wing Revenue	213,385,963	183,097,908
		1,329,136,208	1,304,772,542

		2005/2006 KShs.	2004/2005 KShs.
C	Personal Emoluments		
A/C No.	Particulars	Amount	Amount
900-6001	Salaries and Wages	982,484,359	708,357,111
900-6021	Honoraria and Locums	203,509	(92,997)
900-6714	Investment Admin. Charges	9,758,968	7,069,758
900-6788	Special Project (Casuals)	3,810,268	7,210,480
900-6789	Special Locum	48,313,820	53,045,768
900-6726	Payroll & Admin. Charges	(64,900)	(4,624)
		1,044,506,024	775,585,495
D	Travelling & Accommodation		
880-6500	Repatriation of Patients	21,440	9,350
900-6032	Travelling & Accommodation	17,301,441	3,973,374
		17,322,881	3,982,724
E	Pension and Service Gratuity		
900-6026	Hospital Contribution-Staff Superannuation	97,543,989	70,384,445
900-6028	Service Gratuity	735,187	1,013,851
900-6029	Group Personal Accidents	-	15,351,217
900-6027	Group Life Assurance Scheme	2,744,726	4,527,926
		101,023,902	91,277,440
F	Other Allowances		
900-6017	Acting Allowance	2,443,086	499,317
900-6018	Special Duty Allowance	13,133,698	9,451,307
900-6019	Responsibility Allowance	536,622	372,468
900-6022	Transport Allowance	5,598,964	5,706,531
900-6023	Uniform Allowance	3,045,600	3,164,400
900-6795	Motor Expenses (Mileage)	214	-
900-6031	Non Practice Allowance	-	-
		24,758,183	19,194,023
G	Transport Operating Expenses		
840-6210	Maintenance of Motor Vehicles	3,840,179	1,535,753
840-6390	General & Motor Vehicle Insurance	-	4,356,358
880-6460	Transport Operating Expenses	1,428,036	3,865,561
		5,268,214	9,757,673
H	Board Meeting Expenses		
873-6690	Board Meeting Expenses	12,095,064	16,444,810
873-6727	Official Entertainment	-	40,000
		12,095,064	16,484,810
I	Electricity Water & Conservancy		
840-6050	Electricity Expenses	81,767,684	80,806,777
840-6728	Water and Conservancy Expenses	5,479,881	6,891,075
		87,247,565	87,697,853
J	Drugs		
50-002	Drugs	-	-
530-6642	Purchase of Drugs	211,442,107	228,499,343
		211,442,107	228,499,343
K	X-ray and Therapy Material		
101-6240	X-ray Materials & Chemicals	7,626,066	15,337,036
220-6737	Purchase of Radiotherapy Materials	8,614	437,951
230-6723	Purchase of Physiotherapy Materials	1,015,700	975,100
240-6720	Purchase of Occupational Therapy Materials	3,877,420	350,905
		12,527,800	17,100,992
L	Printing and Stationery		
590-6076	Medical Records	3,092,280	3,530,260
872-6580	Purchase of Medical Journals	10,430	551,976
880-6075	Purchase of Stationery	8,219,953	10,216,153
890-6060	Data Processing Expenses	45,762	97,566
890-6077	Purchase of Accountable Documents	167,515	608,084
		11,535,940	15,004,039
M	Advertising and Publicity		
870-6079	Newspaper and Periodicals	148,420	464,771
870-6590	Advertising and Publicity	8,919,260	5,809,868
		9,067,680	6,274,639

N	Maintenance of Plant, Machinery & Equipment	Particulars	2005/2006 KShs.	2004/2005 KShs.
	A/C No.			
	840-6170	Maintenance of Plant & Machinery	82,492,791	41,720,743
	840-6170B	Maintenance of Plant & Machinery	11,791,718	9,368,192
	880-6200	Maintenance of Office Machinery & Equip	846,061	3,797,307
	880-6713	Purchase of Office Machines & Equip	8,385,996	(1,465)
			103,516,566	54,884,777
O	Fuel and Gases			
	840-6230	Medical Gases	41,619,393	35,013,419
	840-6461	Boiler fuel expenses	35,987,518	32,368,968
			77,606,911	67,382,387
P	Dressings, Sutures & Appliances			
	140-6739	Purchase of Sutures	15,464,546	10,407,974
	700-6620	Dressing and Appliances	79,814,640	94,337,094
			95,279,186	104,745,068
Q	Laboratory Chemicals & Reagents			
	110-6336	Lab Chemicals & Reagents	35,503,403	25,264,111
	110-6725	Purchase of Lab Consumables		908,450
			35,503,403	26,172,561
R	Medical Equipment & Materials			
	210-6738	Purchase of Casualty Equipment		160,000
	110-6220	Purchase of Mortuary Equipment		29,570
	235-6733	Purchase of E.N.T. Material	255,578	1,186,588
	275-6721	Purchase of Dental Material	6,018,223	3,818,248
	300-6737	Purchase of Obs & Gynae Equipment	12,000	174,750
	350-6610	Purchase of Renal Material	22,663,550	25,788,465
	380-6220	Purchase of Cardiology Equipment	19,270,156	5,478,834
	400-6735	Purchase of Paediatrics Equipment	282,460	
	430-6722	Purchase of Orthopaedic Equipment	25,900,089	12,862,008
	460-6732	Purchase of Material (medicine)	49,628	44,460
	480-6729	Purchase of Surgical Equipment	3,587,850	1,911,810
	520-6730	Purchase of ICU Materials	12,914,208	6,282,080
	520-6720	Purchase of ICU Equipment	347,756	4,857
	290-6734	Ophthalmic Equipment	43,900	321,124
	872-6620	Purchase of Medical Equipment		20,676,315
	750-6770	Purchase of Laundry Equipment		-
	872-6610	Purchase of Materials for Specialised Units	1,264,959	8,144,514
			92,610,357	86,883,622
S	Medical Expenses (Staff)			
	900-6700	Medical Expenses	41,582,341	5,408,910
	900-6702	Medical Expenses In-patients	-	28,700
	900-6700A	Medical Expenses	90,387,399	101,946,353
			131,969,739	107,383,963
T	Maintenance of Land & Building			
	840-6060	Maintenance of Stores & Buildings	30,003,578	24,248,833
	840-6060A	Maintenance of Stores & Buildings	8,956,391	5,690
	880-6725	Maintenance of KNH Estate	2,849,255	3,356,525
	873-6788	Special Project Work	165,740	322,075
			41,974,963	27,933,123
U	Public Health Expenses			
	790-6320	Purchase of Gardening Equipment	944,050	622,664
	790-6330	Purchase of Insecticide & Rodenticides	73,400	894,419
			1,017,450	1,517,083
V	Patients Food			
	250-6270	Purchase of Food Handling Equipment		126,626
	770-6120	Patient Food	45,093,711	44,873,316
	770-6719	Purchase of Crockery & Cutlery	269,316	1,391,987
	250-6734	Purchase of E & Nutrition Feed	4,735,701	3,106,220
			50,098,728	49,498,150
W	Laundry & Cleansing Material			
	750-6280	Laundry Detergents	10,519,880	12,024,306
	790-6356	Cleansing Materials	7,559,946	12,133,131
			18,079,826	24,157,437
X	Patient/Staff Uniform			
	700-6040	Purchase of Patients Uniform & Clothings	37,699,362	17,515,074
	700-6760	Purchase of Tailoring Materials	1,484,861	80,000
	880-6035	Staff Uniform	17,470	2,701,294
			39,201,693	20,296,369

Y	Staff Funeral & Welfare Expenses		
	870-6716	Sports & Welfare Organization	2,538,144
	900-6450	Staff Funeral Expenses	210,780
	900-6716	Staff Welfare Expenses	42,420
			2,791,344
			1,567,877
			398,200
			67,334
			2,033,411
Z	Miscellaneous Payments		
	880-6024	Public Liability	24,500
	880-6066	Consumables	6,194,689
	890-6421	Fidelity Insurance	-
	890-6491	Contingencies (Tax Penalties & Arrears)	19,727,160
	890-6725	Miscellaneous Expenses	(78,300)
	890-6783	Clearing and Forwarding	8,880,610
	940-6787	Security Equipment	135,000
	940-6788	Security Investigation	1,121,903
	900-6799	FKE Membership	747,150
	900-6715	Entertainment	531,276
	872-6078	Research & Development	165,844
	840-6391	Fire Peril Insurance for Buildings & Equipment	523,072
			37,972,904
			21,996
			205,282
			124,666
			7,164,922
			(211,325)
			772,308
			29,000
			649,022
			330
			617,919
			1,945,898
			11,320,018
Z1	Staff Training & Development		
	872-6710	Other Professional Services	2,033,038
	872-6150	Other Training	372,894
	900-6150	Staff Training & Development	29,091,380
	900-6580	Library Expenses	526,352
	461-6150	Training of Health Workers	77,250
			32,100,914
			1,615,353
			20,286,010
			-
			-
			21,901,363
Z2	VCT Study Project Expenses		
	951-6056	Office Expenses VCT	299,547
	951-6032	Travel, transportation per diem VCT	71,604
	951-6336	Other Direct costs VCT	10,739,892
	951-6710	Consultancy Professional Fee	-
	951-6001	Salaries for VCT	9,778,267
	951-6713	Procurement Equipment VCT	-
	951-6791	Fringe Benefits VCT	1,485,600
			22,374,910
			592,341
			55,216
			8,688,893
			-
			4,815,671
			-
			1,374,200
			15,526,320
Z3	PMCT Study Project Expenses		
	953-6060	Site Preparation	-
	953 - 6075	Supplies	595,130
	953-6150	Training of Trainers PMCT	1,219,103
	953-6642	Commodities PMCT	-
	953-6725	Other direct costs PMCT	321,958
	953-6001	Site Supervision PMCT	2,990,579
	953-6788	KNH Administration PMCT	326,500
			5,453,270
			50,139
			-
			1,285,048
			2,066,937
			584,921
			924,201
			60,000
			4,971,245
Z4	PIPS Study Project Expenses		
	954-6642	Other Direct costs PIPS	1,146,317
	954-6066	Supplies PIPS	114,608
	954-6725	Indirect Costs PIPS	582,500
	954-6642	Commodities PIPS	-
	954-6001	Salaries for PIPS	16,541,795
	954 - 6032	Travelling & Accommodation	1,436,639
	954-6713	Equipment PIPS	88,682
	954-6056	Communication PIPS	-
			19,910,541
			1,042,118
			260,189
			237,660
			1,089,212
			9,967,838
			-
			12,597,018
Z5	ARV Study Project Expenses		
	955-6066	Supplies ARV	-
	955-6082	Services ARV	1,034,913
	955-6150	Training of Trainers ARV	-
	955-6336	Other Direct Costs ARV	131,021
	955-6710	Allowances for participants ARV	-
	955-6001	Salary ARV	3,115,182
	955-6725	Other Costs ARV	178,000
			4,459,116
			417,182
			92,197
			15,840
			185,452
			667,209
			5,526,934
			276,671
			7,181,486
Z6	AMKENI & Asthma Study Projects Expenses		
	952-6150	Amkeni Training For Trainers	-
	956-6056	Office Expenses Asthma study	74,995
	956-6001	Salary Asthma Study	-
	956-6710	Allowances for Asthma study	755,292
			830,287
			318,250
			12,414
			51,551
			253,100
			635,315

