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TIGONI LEVEL 4 HOSPITAL

FOR THE YEAR ENDED

30 JUNE, 2023

COUNTY GOVERNMENT OF KIAMBU

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Revised 30th June 2023



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P. O. Box 30084 - 00100, NAIROBI
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**TIGONILEVEL 4HOSPITAL
(COUNTY GOVERNMENT OF KIAMBU)**

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2023

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

Tigoni level 4 Hospital (Kiambu County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2023

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1. Acronyms& Glossary of Terms

AMREF	Africa Medical and Research Foundation
CCC	Comprehensive Care Clinic
CECM	County Executive Committee Member
CHV	Community Health Volunteer
DANIDA	Danish International Development Agency
ENT	Ear, Nose and Throat
FIF	Facility Improvement Fund
GOPC	Gynaecological Outpatient Clinic
HIV	Human Immunodeficiency Virus
ICT	Information, Communication Technology
IEC	Information Education and Communication
IPSAS	International Public Sector Accounting Standard
JICA	Japan International Cooperation Agency
MOPC	Medical Outpatient Clinic
NCD	Non-Communicable Disease
NHIF	National Health Insurance Fund
OSHA	Occupational Safety and Health Act
PFM	Public Financial Management
POPC	Paediatric Outpatient Clinic
RESOK	Respiratory Society of Kenya
SOPC	Surgical Outpatient Clinic
UHC	Universal Health Coverage
WIBA	Work Injury Benefit Act
MOP	Ministry of Public Works
KWS	Kenya Wildlife Service
KRB	Kenya Roads Board

2. Key Entity Information and Management

(a) Background information

Tigoni Level IV Hospital is a level 4 Hospital established under gazette notice number 786 vol. CXXII-No. 24 dated 4th February 2020 and is domiciled in Kiambu County under the Health Department under the Kiambu County Health Services Act, 2019. The hospital is governed by a Board of Management.

(b) Principal Activities

The principal activity of the hospital is to provide the highest attainable standard of health including reproductive health as enshrined in the constitution.

The **vision** of the institution is “a high-quality healthcare system that is accessible; equitable and affordable in Kiambu County”.

The **mission** of the institution is “to effectively provide health services in Kiambu County through a responsive healthcare system”.

The core objectives of the institution

- Reduce morbidity and preventable deaths from infectious diseases
- Reduce morbidity and preventable deaths from non- communicable diseases
- Improve efficiency and quality of services and adopt healthcare innovations
- Improve access and demand for essential and specialised health services to accelerate the achievement of universal health coverage.

(c) Key Management

The Tigoni Level 4 Hospital management is under the following key organs:

- County Department of health
- Board of Management

- Accounting Officer/ Medical Superintendent
- Health Management Team/ Head of Departments

(d) Fiduciary Management

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

No.	Designation	Name
1.	Medical Superintendent	Dr.Makau Peninnah Mwikali
2.	Deputy Medical Superintendent	Dr. Brenda Nyang'ate Onyancha
3.	Head of finance	Ms. Monica Kamau
4.	Head of supply chain	Mr. David Gachoya Gitonga
5.	Hospital Administrator	Mr. Peter Njogu Gachoki
6.	Nursing Services Manager	Mr. George Ndung'u

(e) Fiduciary Oversight Arrangements

County Department of Health

The role of the County Department of Health include:

- Review and monitor the implementation of the Kiambu Health Act and advise the department on appropriate measures to be adopted for effective implementation of the act
- Supervise and support the management of the hospitals and county health facilities
- Assess the delivery and impact of the health care services within the county and advise the Executive Member
- Monitor drugs and commodities availability and diagnostic standards
- Recommend policies, strategies, regulations and standards to Executive Member

County Assembly

The County Assembly plays the role of public finance management through the County Budget and Appropriations Committee. The responsibilities of the County Budget Committee in public finance management are:

- Discuss and review the County Fiscal Strategy Paper, the Budget Estimates and the Finance Bill and make recommendations to the County Assembly.
- Provide general direction on budgetary matters
- Monitor all budgetary matters falling within the competence of the County Assembly under the Public Finance Management Act and report on those matters to the county assembly;
- Monitor adherence by the County Assembly, the county government and its entities to the principles of public finance and others set out in the Constitution, and to the fiscal responsibility principles of the PFM Act;
- Examine financial statements and other documents submitted to the County Assembly and make recommendations to the County Assembly for improving the management of the county's public finances;
- Introduce the Appropriations Bill in the County Assembly.
- Every County Assembly should also stipulate the functions of the County budget committee in the Assembly's Standing Orders. Some of these functions are as to:
 - Investigate, inquire into and report on all matters related to coordination, control and monitoring of the county budget;
 - Evaluate tax estimates, economic and budgetary policies and programmes with direct budget outlays.
 - Examine bills related to the county budget (including appropriations bills)

Key Entity Information and Management (continued)

(f) Entity Headquarters

P.O. Box 124- 00217
Tigoni Level 4 Hospital
Limuru- Ngecha Road
Limuru, Kenya

g) Entity Contacts

Telephone: +254792003511/ +254787950518

E-mail: tigonihospital@gmail.com

h) Entity Bankers

Tigoni Sub County Hospital NHIF Account
Kenya Commercial Bank
P.o Box933 – 00217 Limuru
Limuru Branch

Tigoni District Hospital FIF Account
Kenya Commercial Bank
P.O. Box 933- 00217 Limuru

i) Independent Auditors

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

j) Principal Legal Adviser


The Attorney General
State Law Office


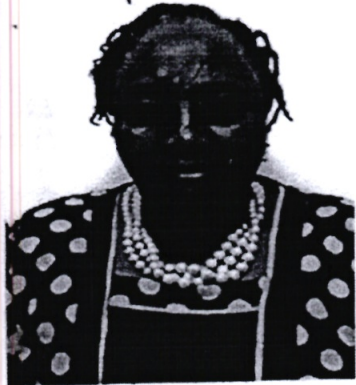
Harambee Avenue
 P.O. Box 40112
 City Square 00200
 Nairobi, Kenya


k) County Attorney

P.O. BOX. 2344- 00900
 Kiambu, Kenya


3. The Board of Management


Directors	Responsibilities
 <p>Eng. Stephen Waireri Ndinika Date of Birth: 1957 Bachelor of Science degree in Civil Engineering from (UON, 1980), Master of Science degree in Highway Engineering from Birmingham University UK (1991).</p>	<p>Eng.Ndinika has over 30 years' experience administration and management having worked in key positions at the Ministry of Public Works (MOPW), Kenya Wildlife Service (KWS), Kenya Road Consult A. S. (an International Consulting Group), Kenya Roads Board (KRB) and Norcken International Ltd.</p> <p>Eng. Ndinika is a Registered Consulting Engineer (2002) and a Member of the Institute of Directors Kenya (2003). Currently he is a consulting Engineer and a director at Norcken International Limited.</p>
	<p>Mr.Mbiyu has been the Managing director of Glama Electrical and mechanical Company Limited for 30years.</p> <p>His role has been in steering, project management, tendering, technical recruitment and training.</p>



Directors	Responsibilities
 <p>Mr. David Mbiyu Ng'ang'a Date of birth: 1963</p>	
 <p>Mrs. Annsusah Wanjiku Mbugua Certificate in Pharmacy and Orthopaedics, Kenya Medical Training College</p>	<p>Mrs Wanjiku has a great experience in both public and private practice working at Kenya Railways Dispensary, Kiambu District Hospital, Tigoni Sub County Hospital, Lean Pharmaceuticals and Wam Flowers. Currently in private engagement.</p>

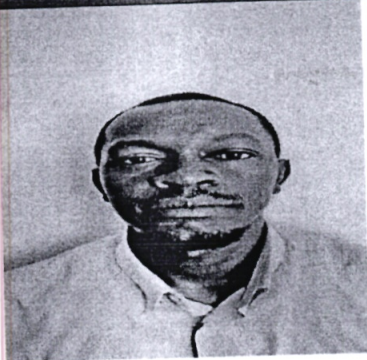

Directors	Responsibilities
 <p>Dr.Makau, PeninnahMwikali Date of Birth: 17th January 1983 Bachelor of Medicine and Bachelor of Surgery (MBChB, KIU,2010) Master of Medicine in Obstetrics and Gynaecology (M.MED, UON,2023) Global Health-Project management course, University of Washington, 2022.</p>	<p>Dr. Makau has seven years’ experience working as a Medical Officer at Malindi Sub County Hospital, Tigon Level Hospital and AIC-Kijabe Hospital.</p> <p>4.5 years’ experience working as a Senior House Officer at Kenyatta National Hospital.</p> <p>Currently an Obstetrician and Gynaecologist, the Medical Superintendent at Tigoni Level 4 Hospital and also serves as the secretary to the Hospital Management Board.</p> <p>The Medical Superintendent of the facility serves as the entity secretary.</p> <p>The secretary is not a member of ICS</p>

4. Management Team

Management	Responsibilities
	<p>Medical Superintendent</p> <p>Medical services and Accounting Officer</p> <p>Directs, supervises and evaluates the medical, nursing technical, administrative, maintenance and other personnel.</p>

Management	Responsibilities
<p>Dr.MakauPeninnahMwikali</p> <p>Bachelor of Medicine and Bachelor of surgery MBChB, (KIU, 2010)</p> <p>Master of Medicine in Obstetrics and Gynaecology (M.MED, UON,2023)</p>	<p>Monitors use of diagnostic services, inpatient and outpatient facilities.</p> <p>Enhances efficacy in management of patients</p> <p>Establishes work schedules and assignments for staff.</p> <p>Provides leadership</p> <p>Assists in preparation of manpower budget.</p>
 <p>Dr. Brenda Nyang'ate Onyancha</p> <p>B.Pharm (UON,2007)</p> <p>MSc.</p> <p>Health economics and policy</p> <p>University of Nairobi,2022)</p>	<p>Deputy Medical Superintendent</p> <p>Assists the medical superintendent in the responsibilities outlined.</p> <p>Directs, supervises and evaluates the medical, nursing, technical, administrative, maintenance and other personnel.</p> <p>Monitors use of diagnostic services, inpatient and outpatient facilities.</p> <p>Enhances efficacy in management of patients</p> <p>Establishes work schedules and assignments for staff.</p> <p>Provides leadership</p> <p>Assists in preparation of manpower budget</p>

Management	Responsibilities
 <p>Peter Njogu</p> <p>Diploma in management and certificate in financial management for primary healthcare facility managers.</p>	<p>Hospital Administrative Officer</p> <p>Direct, supervise and evaluate work activities of medical nursing, technical, clerical service, maintenance and other staff.</p> <p>Plan, implement and administer programs and services including human resource, administration, training and coordination of medical, nursing and physical plant staff.</p> <p>Establish objectives and evaluative or operational criteria for managed departments.</p>
 <p>Monicah Kamau</p> <p>Bachelor of Commerce- Finance (KCA University, 2020) & Certified Public Accountant (Pinnacle Business School, 2012)</p>	<p>Accountant In charge</p> <p>Preparation of hospital budget</p> <p>Preparation of hospital financial statements</p> <p>Supervision of revenue</p> <p>Preparation of bank reconciliation and cash book.</p>

Management	Responsibilities
 <p>David Gachoya Bachelor of Commerce, Supply Chain (University of Nairobi, 2012)</p>	<p>Supply Chain Officer</p> <p>Ensure timely procurement of goods, services and work</p> <p>Receive requisition for services needed by the hospital</p> <p>Monitor and ensure the services provided to the hospital by service lender are sufficient and up to the required specification and standards in the hospital</p>
 <p>George Githae Ndung'u Nursing Services Manager</p> <p>Diploma in Kenya Registered Community Health Nursing (Aga Khan University Hospital, 2008) Higher Diploma in Nephrology Nursing, Kenyatta National Hospital, 2021)</p>	<p>In charge of Nursing Services</p> <p>Oversees patient care at the facility</p> <p>Supervise nursing care staff</p> <p>Makes management and budgetary decisions</p> <p>Recruit and train nursing personnel</p> <p>Maintain effective work environment.</p>

6. Report of The Medical Superintendent

Tigoni Level 4 Hospital is committed to the provision of high-quality health services to the citizens. Under the management of the hospital management team with the support of the hospital board and the county department of health, the hospital experienced significant growth in FY 2022/2023. More so, after initial lag in growth during the reversion of the hospital from a COVID-19 isolation center to a full-fledged Level 4 hospital. The hospital board managed to hold three meetings for the financial year (FY) 2022/2023.

The hospital services increased with total outpatient attendance of 29,493 and inpatient admission 4,146 for financial year ended 30th June 2023. Additionally, 1,926 deliveries were conducted, and 1,206 patients were attended to in the consultants' clinic. These services resulted in an increase in the hospital's revenue collection from rendering services from Kshs. 33,889,396 for FY 2022/2023 compared to Kshs. 14,806,807 for FY 2021/2022. Furthermore, revenue generated from NHIF increased from Kshs. 5,637,460 for FY 2021/2022 to Kshs. 23,422,676 for FY 2022/2023.

In the financial year ended 30th June 2023, the hospital focused on increasing its services. The deployment of more staff by the county department of health, the hospital was able to fully operationalize the Gynecology outpatient clinic (GOPC), Medical outpatient clinic (MOPC), Pediatric outpatient clinic (POPC) and Surgical outpatient clinic (SOPC). Additionally, the deployment of an orthopedic surgeon and Ear, Nose and Throat surgeon saw the establishment of the Ear Nose and Throat (ENT) clinic and orthopedic clinic. These services are paramount for comprehensive care of the patients. There was also great improvement in the supply chain management which saw an improvement in the efficiency of the facility services.

The total cash revenue has slightly improved in the financial year ended 30th June 2023.

Despite the great strides in the increased deployment of hospital staff, there remains a huge gap in human resource for health service provision. There is a need of various cadres of staff such as consultants, medical officers, clinical officers and pharmacy staff amongst others. These staff will be necessary in operationalization of the intensive care unit, renal unit and expansion of hospital services.

Introduction of these services will improve patient care and in turn increase the financial revenue. Another challenge is the huge pending bills which has accumulated for more than five years. The amount largely is due to bills accrued during the period which the hospital was a COVID-19

isolation center. During this period the hospital did not generate revenue as the patient fees were waived.

The future of the hospital includes the commissioning of the new building. The new building will allow for expansion of hospital services. Moreover, the lobbying for additional staff will be critical to allow for adequate coverage of the facility and to allow for the expansion of services. Furthermore, there will be lobbying for the expansion and equipping of the casualty department to improve care of emergency cases.

The hospital management team hopes to capitalize on the continued close collaboration between the hospital management team and the hospital board to leverage on existing gains. We appreciate the immense support given to Tigoni Level 4 Hospital by the county department of health. Collaboration with the development partners and public private partnerships will also be critical for the growth of the hospital.

We stay committed to our vision and mission of provision of quality healthcare.



.....
Dr. Peninnah Makau
Secretary to the Board


5. Chairman's Statement

Tigoni Level 4 hospital experienced tremendous growth in the FY2022/2023. In the background of being fully COVID-19 isolation center the facility transitioned to offering hospital services. This was accompanied by a slow start occasioned by stigma from the community. Nonetheless these challenges were overcome with the operationalization of the outpatient department, inpatient department as well as specialist clinics.

The gains included the steady increase in outpatient attendance, inpatient admission and maternal deliveries. Further to this there was resumption of specialists' clinics such as Medical, surgical, gynecological and pediatric clinics. Additionally, immense support from the department of health where there was more staff deployed to Tigoni Level 4 hospital. This enabled the introduction of orthopedic and ENT clinics. These increased services translated to the increased revenue for the hospital.

Notwithstanding, Tigoni Level 4 Hospital still has great potential for growth. This is however hampered by shortage of staff. The hospital is in great need of medical officers, clinical officers, pharmacists and nursing officers. Additional staff will ensure that the reopening of the intensive care unit and a rental unit. There is also need to resume 24 hours' pharmacy services. This will not only ensure improved health services for the community but also translates to increased revenue for the hospital.

The board will continue to support the hospital management to ensure the growth of the hospital. This is with the vision to ensure that the facility offers high quality healthcare services for the improvement of health community.



.....

Eng. Stephen Ndinika

Chairman to the board

7. Statement of Performance Against Predetermined Objectives

The facility is guided by the County Government of Kiambu Health Sector Strategic Plan 2019-2023, whose objectives include to reduce morbidity and preventable deaths from infectious diseases by empowering primary health care services to ensure primary prevention of disease conditions, early screening and diagnosis, by 2023 reduce HIV infections by 75%, reduce tuberculosis prevalence to at least 370 per 100000.

This has been achieved as our HIV new infections are at 1.9% and prevention is at 99%.

Improve access and demand for essential and specialised health services to accelerate the achievement of universal health coverage. This includes having a well-coordinated emergency and rescue service and increasing access to basic and specialised services. This has been achieved as the county has an emergency and rescue service response whereby all ambulances are dispatched from to the respective emergency. Tigoni Level 4 Hospital has an Intensive Care Unit which caters for emergency and specialised health services. The hospital also offers sexual and reproductive health services round the clock.

Improvement in efficiency and quality of services and adoption of health care systems through improvement of infrastructure has been achieved by increasing the bed capacity from 84 to 292 and by the outpatient department going paperless.

Most of the objectives have been partially achieved and are work in progress and should be achieved within set timelines.

Strategic Pillar/Theme/Issues	Objective	Key Performance Indicators	Activities	Achievements
Reduce morbidity and preventable deaths from infectious diseases	To empower primary health care services to ensure primary prevention of	Formation of functional community health units Create awareness for	Training of community health volunteers Health education and promotion	7 community health units trained and 5 are fully equipped Daily health promotion messages done at

Tigoni level 4 Hospital (Kiambu County Government)
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Strategic Pillar/Theme/Issues	Objective	Key Performance Indicators	Activities	Achievements
	disease conditions, To early screening and diagnosis, by 2023 reduce HIV infections by 75%,	better health through health education Reduction of new HIV and related infections through Increased testing and early treatment.	messages done to patients at the facility Systematic screening for high-risk groups	the outpatient department Screening of high-risk groups has reduced HIV prevalence to 1.9%
Reduce morbidity and preventable deaths from non-communicable diseases	To halve the number of deaths and injuries from road traffic accidents and injuries from violence. Scale up management of NCD	Create wellness centers in all sub counties Create awareness for better NCD care through health education, campaign and promotion activities	Engage Partners and stakeholders involved in Emergency Medical Services Establish functional accident and emergency units	No wellness centre formed Stakeholders' involvement ongoing especially with the police, ministry of education and agriculture Tigoni level 4 Hospital has a functional accident and emergency unit

Strategic Pillar/Theme/Issues	Objective	Key Performance Indicators	Activities	Achievements
	health-care services by 2023, To have a well-coordinated emergency Increase access to basic and specialized services by 2023	central command Establish specialized units at county level 4 and 5 facilities	Have ICU/HDU services in level 4 and 5 facilities	Facility's ambulance is at the garage for repair. Facility has a 12 bed Intensive Care Unit /High Dependency Unit. Currently not operational due to staffing.

8. Corporate Governance Statement

In the last financial year, the board met 3 times on December 2022, February 2023 and on May 2023

The board was inducted in office on the 12th day of July 2023 by the CECM, Health Dr Elias Maina. During this induction meeting, roles of the board were clearly outlined, succession plan explained and the process of removal of a board member outlined to the members as outlined in the Kiambu county health services act 2019.

The board being ex-officio is not involved in the daily running of the hospital but has a critical oversight role over the functions of the hospital, employee welfare, development and services offered by the hospital and the hospitals relationship with the local community.

Tigoni level 4 Hospital (Kiambu County Government)
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Strategic Pillar/Theme/Issues	Objective	Key Performance Indicators	Activities	Achievements
<p>Improve efficiency and quality of services and adopt health care innovations</p>	<p>To improve county health infrastructure in a rationalized manner To reorganize the health department administration and management support to respond to service delivery effectively</p>	<p>Complete ongoing health infrastructural projects Formation and induct the hospital board management To adopt and implement ICT for paperless services</p>	<p>Increase the hospital bed capacity and services Have functional hospital boards Deploy end to end Health management information systems</p>	<p>Hospital bed capacity increased from 84 to 292 Hospital board in place and had three meetings in the last financial year Tigoni level 4 Hospital department is paperless</p>
<p>Improve access and demand for essential and specialized health services to accelerate the achievement of Universal Health Coverage (UHC)</p>	<p>To ensure that at least 50% of county health facilities offer sexual and reproductive</p>	<p>Protection from Sexual Abuse and Violence Establish a county ambulance system with a</p>	<p>Have sexual and gender violence services at the facility Number of functional ambulances per facility</p>	<p>Sexual, reproductive clinic available Gender and sexual abuse patients offered free services</p>

The board plays an integral part in linking the hospital with the community for harmonious cordial relationship. In this light, the board works with various sub-committees notably;

1. The revenue/FIF sub-committee
2. The human resource sub-committee
3. The quality assurance sub-committee

These committees have at least 3 memberships and sit on their own schedules. Of critical importance is the board's role in providing financial leadership and oversight to the hospital management with advice on resource allocation, monitoring of resource use and self-auditing of the above processes. To this effect the board must approve the annual hospital budget in its sittings in June and advise accordingly.

This has always been the case with our board at the Tigoni level 4 hospital.

Members may be removed from the board of management in below scenarios as outlined in Kiambu county health services act 2019:

1. Under the advice of the minister of health Kiambu county
2. If a board member fails to attend three consecutive board meetings
3. If a board member is found to have engaged in criminal activity by a competent court of law
4. If a board member is imprisoned for more than 6 months
5. If there exists conflict of interest, the board member may declare the interest and asked to resign or advised accordingly.
6. If a board member voluntarily resigns in a letter addressed to the board chairman.

Members may be appointed to the board of management only by a gazette notice from the office of the CECM, Health Kiambu County.

The board is in the process of coming up with a board charter. It is noted that the board has not been fully remunerated for the above three board meetings but still is owed allowances for the meetings held in this year.

The board of management of Tigoni level 4 hospital has routinely set targets and seeks to review the implementation progress of the targets at its subsequent meetings, this has helped it realize its transformation objectives for the hospital notably the equipping of the hospitals to modern level 4 standards has been achieved under the board's leadership. There exists a harmonious cordial working relationship among all the board members which has greatly helped the board realize its mandate.

9. Management Discussion and Analysis

Clinical/ operational performance

The total Over 5 outpatient attendance for financial year ending 30th June 2023 was 29,493. The table 1 below illustrates the monthly patient’s flow for the financial year ending June 30th2023

OUTPATIENT ATTENDANCE - NEW AND REVISIT JULY 2022 TO JUNE 2023

MONTH	NEW	REVISIT
July 2022	1,059	1,434
August 2022	1,222	947
September 2022	1,402	1,067
October 2022	1,618	1,168
November 2022	1,474	1,146
December 2022	1,407	886
January 2023	1,659	901
February 2023	1,282	1272
March 2023	1,462	1438
April 2023	1,121	970
May 2023	1,206	1,144
June 2023	1,117	1,091
Total	16,029	13,464

Table 1 Monthly outpatient attendance July 2022-June 2023

Throughout the year the number of new patients has constantly been higher than the number of their visits at the hospital. The total number of patients (under five) that sought outpatient care was 13,955. The total number of patients (over five) that sought outpatient care was 29,493, and of these, 16,029 (54.3%) were new patients.

Consultant clinics

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Month	Medical Outpatient Clinic	Surgical Outpatient Clinic	Gynaecology Outpatient Clinic	Paediatric Outpatient Clinic	Ear Nose and Throat Outpatient Clinic	Orthopaedic
July 2022	100	50	34	23	0	0
August 2022	92	52	39	39	0	0
September 2022	109	48	63	42	0	0
October 2022	121	62	71	34	36	0
November 2022	144	80	62	23	38	0
December 2022	62	29	41	32	41	0
January 2023	80	52	92	48	42	0
February 2023	97	57	64	52	51	0
March 2023	141	67	60	44	51	0
April 2023	94	45	49	38	38	21
May 2023	112	0	40	53	56	52
June 2023	54	0	64	50	43	45
TOTAL	1206	542	679	478	396	118

Table 2 Monthly attendance of specialised clinics

The table 2 shows the attendance of different specialised clinics. The number of patients seen were 1206 at the medical outpatient clinic, 542 in the surgical outpatient clinic, 679 at the gynaecology clinic, 476 at the paediatric clinic, 396 at the ENT and 118 at the orthopaedic clinic. The figure 1 illustrates the same.

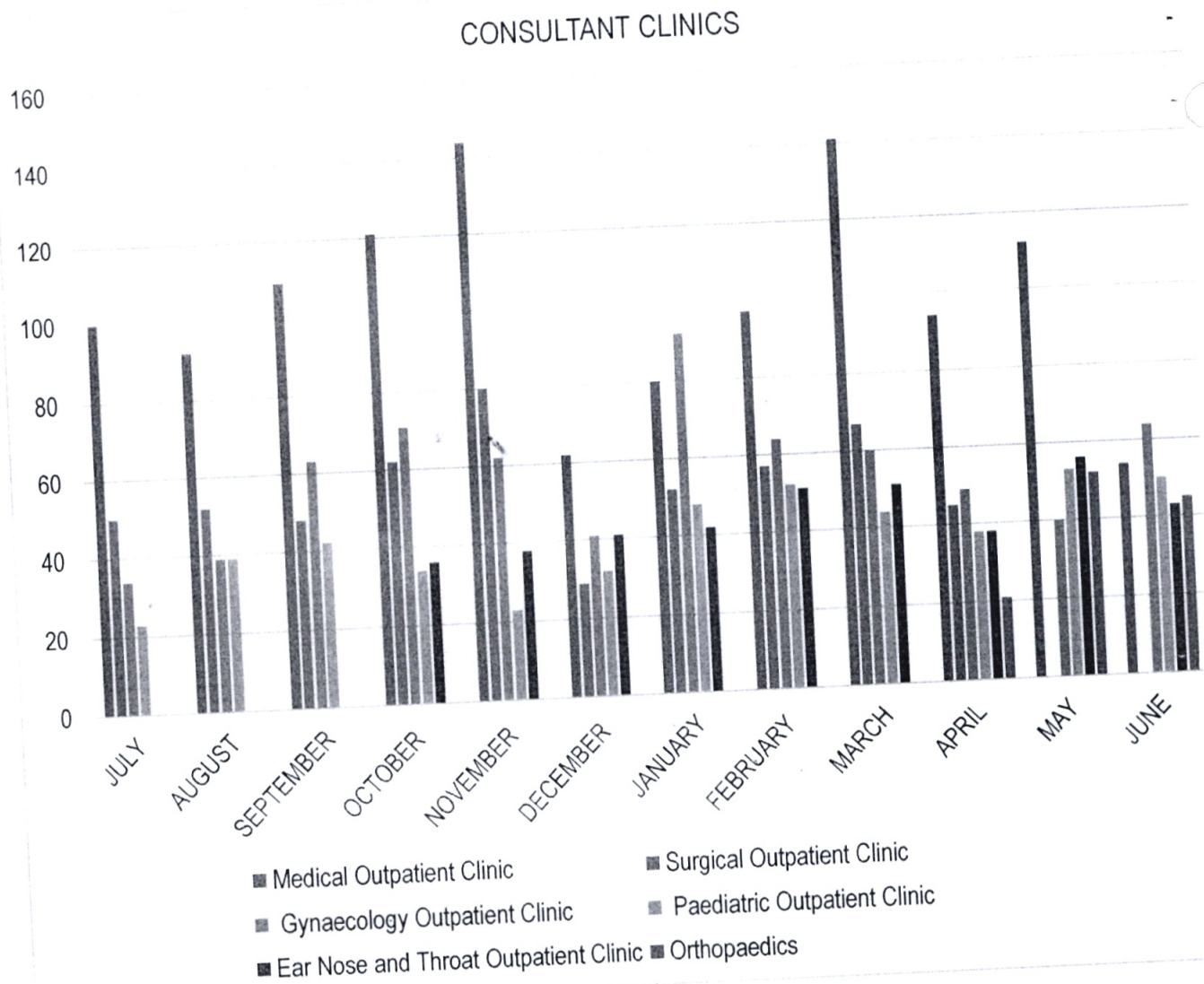


Figure 1 Monthly attendance of specialized clinics

The facility has a bed capacity of 292. The total inpatient admissions for financial year ending June 30th 2023 were 4,146. The total numbers of deaths were 217. This number accounted for 5.2 % of all admissions. Most of the mortalities were from complication of end stages of non-communicable diseases. Below is a graphical representation.

Admission and mortalities

MONTH	ADMISSIONS	MORTALITIES
July 2022	521	18
August 2022	399	18

September 2022	321	19
October 2022	308	33
November 2022	339	16
December 2022	280	16
January 2023	325	11
February 2023	274	22
March 2023	329	11
April 2023	245	9
May 2023	385	19
June 2023	420	25
TOTAL	4,146	217

Table 3 Admissions and mortalities July 2022 to June 2023

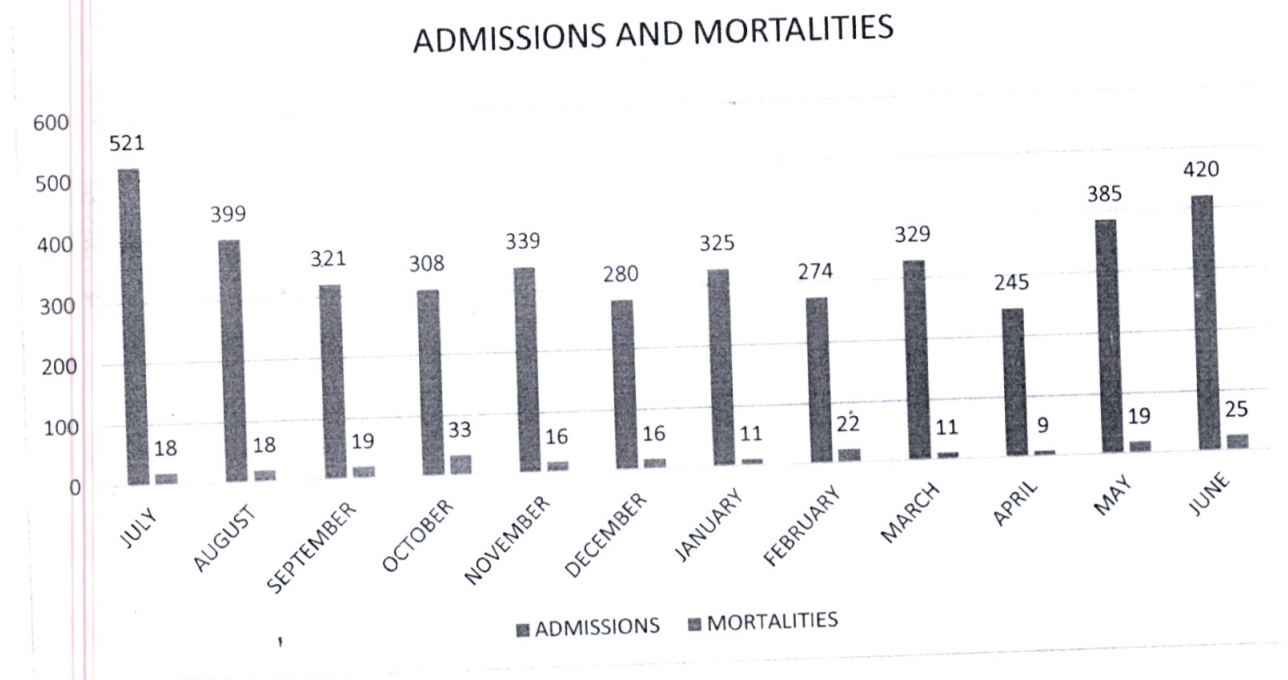


Figure 2 Admissions and mortalities July 2022- June 2023

Maternal Deliveries

MONTH	SPONTANEOUS VERTEX DELIVERY	CAESAREAN DELIVERY	BREECH DELIVERY
July 2022	201	65	5
August 2022	137	70	10
September 2022	97	45	5
October 2022	102	60	3
November 2022	113	55	1
December 2022	89	32	0
January 2023	111	42	3
February 2023	78	30	2
March 2023	99	42	2
April 2023	66	16	0
May 2023	101	43	1
June 2023	160	49	1
TOTAL	1,354	549	23

Table 4 Maternal deliveries July 2022 -June 2023

The total deliveries were **1,926**, majority as expected were vaginal deliveries accounting for **1,377 (71.4%)** and the caesarean section rate was **28.5%**.

Surgeries

MONTH	MAJOR	MINOR	CAESEREAN DELIVERY
July 2022	2	10	65
August 2022	75	7	70
September 2022	3	10	45
October 2022	3	6	60
November 2022	8	9	55
December 2022	11	7	32
January 2023	9	6	42
February 2023	8	3	30

March 2023	4	15	42
April 2023	4	1	16
May 2023	12	2	43
June 2023	53	4	49
TOTAL	192	80	549

Table 5 Surgical procedure conducted between July 2022 - June 2023

The total numbers of surgeries conducted were 821. Surgical procedures are classified surgeries as major or minor. These surgeries encompass Ear Nose and Throat, Orthopaedic, gynaecologic, and general surgery.

Majority of the surgeries conducted were caesarean section accounting for (549) 67%.

Sponsorship and partnership.

The hospital doesn't have any sponsorship programs. However, the hospital has partnership with African Medical and Research Foundation (AMREF) who support the facility with Oxygen, LVCT Dhibiti supporting with HIV/CCC services and Respiratory society of Kenya (RESOK) supporting the TB programme. The hospital also partners with universities like St. Paul University, PCEA Kikuyu, Presbyterian University of East Africa, Kenya Medical Training College who utilize the facility for clinical experience of their students.

Financial performance

The total revenue collected was Kshs. **57,312,072** against the projection of Kshs. **70,547,000** which was a deficit of **19%** for the financial year 2022/2023.

10. Environmental and Sustainability Reporting

i) Sustainability strategy and profile

Entity's compliance with statutory requirements

Tigoni Level 4 Hospital ensures compliance with all legal policies, national and international guidelines as pertains service delivery. The facility is licensed by the Kenya Medical Practitioners and Dentists Board under The Medical Practitioners and Dentists Act Cap. 253 licence number GK- 009228.

The facility offers services to the citizens and collects user fees which goes to the facility improvement fund. The facility improvement fund is utilized in the operations of the institution e.g. human resource, health products and technologies, equipment among others.

ii) Environmental performance

Waste disposal is done as per the guidelines of the National Environmental Management Agency policy and Environmental Act under the Public Health Act Cap. 242 and EMCA (Environmental management and co-ordination Act 1999)

EIA (Environmental impact Assessment) is a guiding policy.

There are no non-compliance issues as the hospital is keen on adhering to the set environmental guidelines.

iii) Employee welfare

The majority of staff is recruited by the County public service board.

The hospital has a multi-disciplinary panel that interviews staff for recruitment; they consider the gender ratio rule.

Tigoni Level 4 Hospital recognizes the need to build capacity to improve quality of services. Staff who require further studies are facilitated through the Kiambu county department of health. Furthermore, in order to build capacity of the staff regular continuous medical education session are held.

The facility also has a salary and remuneration committee that reviews the wages of the casual workers. The staff initiated a staff welfare association of Tigoni hospital to care for the needs of the staff.

The organisation adheres to policy on safety and compliance with Occupational Safety and Health Act of 2007, (OSHA).

iv) Market place practices-

a) Responsible competition practice.

The hospital is a no corruption zone; therefore, competitors are allowed fair participation.

b) Responsible Supply chain and supplier relations

Procurement is guided by the Public Procurement and Disposal act 2005. Duly prequalified suppliers are allowed to provide services and goods to Tigoni Level 4 hospital.

The organisation maintains good business practices and treats its own suppliers responsibly by honouring contracts and payment of current bills. However, there are notable delays in payment of previous pending bills accrued during the COVID-19 period. These delays are also experienced in the entire county hospitals.

c) Responsible marketing and advertisement

The hospital markets its services by offering quality care.

The hospital is working on:

- Empowering the customer care desk
- Provision for service charters,
- Vibrancy in the social media platforms.

d) Product stewardship

The hospital offers health talks to the patients as they await services. In addition, the facility has Information, Education and Communication(IEC) materials to enlighten them on key health issues and empower them on the choices with regard to their care.

v) Corporate Social Responsibility / Community Engagements

Tigoni Level 4 hospital has two community health units attached to it. The facility receives referrals from the community done by the community health volunteers (CHVs) as well as patients are referred to the community. The CHVs are able identify home deliveries within the community and refer the babies for immunization.

In the financial year ending June 30th, 2023, the facility was engaged in various medical campaigns. There were a number of HPV and COVID-19 vaccination campaigns held. The hospital was also involved in 2 Malezi Bora campaigns which aims to increase utilization of routine health and nutrition services. In addition, there were community sensitizations on Cholera transmission and management.

No CSR activities have been carried out, neither has the hospital received charitable giving.

11. Report of The Board of Management

Tigoni Level 4 Hospital ensures compliance with all legal policies, national and international guidelines and the Kiambu county health services act 2019 as pertains service delivery.

The facility is licensed by the Kenya Medical Practitioners and Dentists Board under The Medical Practitioners and Dentists Act Cap. 253 licence number GK- 009228.

Major risks facing the entity

Patients admitted in the ward not been able to pay their hospital bills hence prolonged hospital stay or waiver thus reducing the hospital collections.

There has been erratic and irregular supply of health products and commodities leading to departments operating sub optimally.

Part of the hospital, the outpatient, pharmacy, accident and emergency, imaging departments are housed in an old building with power connectivity issues leading to power blackouts and surges leading to medical equipment failure and faults.

There is competition from neighbouring facilities in terms of services offered.

Material arrears in statutory/financial obligations

Pending bills of the facility has increased by Ksh. 23,029,209 during financial year 2022-2023. There is continuous governance from the County Health Management Team, stakeholders, the Hospital Board, and the Facility Health Management Team.

There are no major governance issues affecting the facility. The facility in financial probity and governance is guided by The Constitution of Kenya 2010, Kiambu county health services Act, 2019 and Public Finance Management Act, 2012 that guide on fair competition, pricing of services and anti- corruption.

The facility ensures that waiver of the indigents is done in an honest and transparent manner by a committee and is done to the most deserving cases through a rigorous vetting exercise that includes home visits.

The facility has adopted a cashless system for payment of services rendered by use of the mobile money banking through the use of mobile banking.

Tigoni Level 4 Hospital treats all tender participants fairly and equally and ensures that the tender process, negotiation, evaluation process, contract management are auditable, transparent, and accountable.

Strict confidentiality is maintained in the tendering process.

The facility ensures that there is NO conflict of interest from any parties and if such should arise the party exempts itself.

The Board members submit their report together with the Audited Financial Statements for the year ended June 30th, 2023, which show the state of the Tigoni Level 4 hospital's affairs.

Principal activities

The principal activities of Tigoni Level 4 hospital are outpatient services including consultation, basic and specialised laboratory services, radiology services and pharmacy services. The facility has medical specialists thus offers specialist clinics which include gynaecological, orthopaedic, ENT, medical and ENT. In addition, the hospital offers inpatient services including maternity services. The facility also has a theatre thus offers surgical services.

Results

The results of Tigoni level 4 hospitals for the year ended June 30th, 2023, are set out on page 1 to 38.

Board of Management

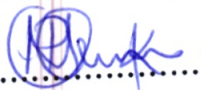
The members of the Board, who served during the year ended June 30th, 2023, are shown on page x-xi.

During the year ended June 30th 2023, 1 board member resigned. One replacement was made.

Auditors

The Auditor General is responsible for the statutory audit of Tigoni Level 4 Hospital in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act

By Order of the Board



Dr. Makau Peninnah Mwikali

Secretary to the board

12. Statement of Board of Management's Responsibilities.

Section 164 of the Public Finance Management Act, 2012 and Kiambu county health services act 2019 requires the Directors to prepare annual financial statements in respect of the Tigoni level 4 hospital, which give a true and fair view of the state of affairs of the Hospital at the end of the period and the operating results of the Hospital for the period ended 30th June 2023. The Directors are also required to ensure that the Tigoni Level 4 Hospital keeps proper accounting records which disclose with reasonable accuracy the financial position of the Tigoni Level 4 Hospital. The Directors are also responsible for safeguarding the assets of the facility.

The Board of Directors is responsible for the preparation and presentation of the Tigoni Level 4 Hospital financial statements, which give a true and fair view of the state of affairs of the Tigoni Level 4 Hospital for and as at the end of the period ended on 30th June 2023. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period, (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity, (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud, (iv) safeguarding the assets of the Tigoni Level 4 Hospital; (v) selecting and applying appropriate accounting policies, and (vi) making accounting estimates that are reasonable in the circumstances.

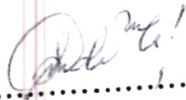
The Board of Directors accepts responsibility for the Tigoni Level 4 Hospital financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and Kiambu county health services act 2019. The Board members are of the opinion that the Tigoni Level 4 Hospital financial statements give a true and fair view of the state of the hospital transactions during the third quarter of financial year 2022/2023, and of the Tigoni Level 4 hospital financial position as at that date. The Board members further confirm the completeness of the accounting records maintained for the Tigoni Level 4 Hospital, which have been relied upon in the preparation of the hospital financial statements as well as the adequacy of the systems of internal financial control.

**Tigoni level 4 Hospital (Kiambu County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2023**


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

Approval of the financial statements

The Hospital's financial statements were approved by the Board on 4th sept .2023 and signed on its behalf by:

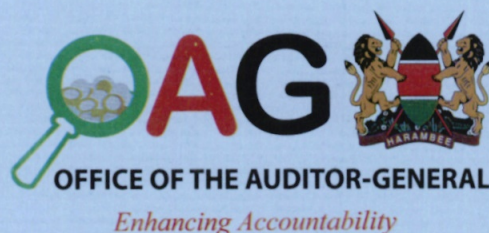


.....
Eng. Stephen Ndinika
Chairperson
Board of Management



.....
Dr. Makau Peninnah Mwikali
Accounting Officer

REPUBLIC OF KENYA



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

REPORT OF THE AUDITOR-GENERAL ON TIGONI LEVEL 4 HOSPITAL FOR THE YEAR ENDED 30 JUNE, 2023 - COUNTY GOVERNMENT OF KIAMBU

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Tigoni Level 4 Hospital - County Government of Kiambu set out on pages 1 to 39, which comprise of the statement of financial position as at 30 June, 2023, and the statement of financial performance,

statement of changes in 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 matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, the financial position of Tigoni Level 4 Hospital - County Government of Kiambu as at 30 June, 2023, 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 Health Act, 2017 and the County Governments Act, 2012.

Basis for Qualified Opinion

1. Inaccuracies in the Financial Statements

Review of the financial statements revealed the following errors and inaccuracies;

- i. The statement of financial position reflects prior year comparative balances that are at variance with the 2021/2022 audited financial statements as detailed below:

Item	2022/2023 Financial Statement Balance Kshs.	Audited Balance 2021/2022 Kshs.	Variance Kshs.
Receivables From Exchange Transactions	57,104,660	8,493,460	48,611,200
Inventory	5,295,070	85,901,996	80,606,926
Property, Plant and Equipment	290,000	0	290,000
Trade and Other Payables	57,508,015	80,771,856	23,263,841

- ii. The statement of cashflows reflects cash and cash equivalents as at 1 July, 2022 of Kshs.1,269 while the cash and cash equivalents opening balance and prior audited balance was Kshs.455,445 resulting to unreconciled variance of Kshs.454,176.

The amounts and balances in the statement of cash flows were not referenced by way of Notes to the financial statements and no reconciliation between the amounts reported in the statement of cash flows and the statement of financial performance was provided.

- iii. The statement of changes in net assets reflects total surplus for the year of Kshs.45,675,836 and total net changes in assets of Kshs.51,313,296 instead of

the correctly casted deficit of Kshs.1,451,531 and total net changes in assets of Kshs.4,185,629 respectively.

- iv. The statement of financial performance reflects comparative period Medical/Clinical costs of Kshs.32,689,711 while the respective Note reflects Kshs.20,982,374. The variance of Kshs.11,707,337 has not been reconciled.

In the circumstances, the accuracy and completeness of the above balances included in this financial statement could not be confirmed.

2. Variances in Trade and Other Payables

The statement of financial position reflects the trade and other payables balance of Kshs.77,177,341 as disclosed in Note 23 to the financial statements. However, the detailed schedule provided to support the balance reflects an amount of Kshs.114,759,905 resulting to unexplained variance of Kshs.37,582,564.

Further, the balance includes Kshs.3,108,910 owed to Kenya Medical Supplies Authority (KEMSA) while corroborative records from KEMSA reflect Kshs.3,896,845 resulting to an unexplained variance of Kshs.787,935.

In addition, review of the trade and other payables analysis provided revealed amounts owed to general suppliers of goods and services, and pharmaceutical items amounting to Kshs.91,446,0128 had been outstanding for more than one year.

In the circumstances, the accuracy, and completeness of the trade payable balance of Kshs.77,177,341 could not be confirmed.

3. Management of NHIF Claims

3.1 Variances in Revenue from Rendering Services

The statement of financial performance reflects Kshs.23,422,676 in respect to medical services contracts gains as disclosed in Note 17 to the financial statements being reimbursements from the National Health Insurance Fund (NHIF). However, corroborative records from NHIF revealed an amount of Kshs.20,588,346 was paid to the Hospital resulting to an unexplained variance of Kshs.2,834,330.

In the circumstances, the accuracy and completeness of revenue from rendering services of Kshs.23,427,676 could not be confirmed.

3.2 Variances in Receivables from Exchange Transactions

The statement of financial position reflects receivables from exchange transactions balance of Kshs.58,466,505 as disclosed in Note 19 to the financial statements. The amount relates to dues from the National Health Insurance Fund (NHIF) whose records indicate a balance of Kshs.10,869,890 resulting to an unexplained variance of Kshs.47,596,615.

In the circumstances, the accuracy, completeness and recoverability of the trade receivables balance from exchange transactions of Kshs.58,466,505 could not be confirmed.

4. Non-Disclosure of Property, Plant and Equipment

The statement of financial position reflects property, plant and equipment balance of Kshs.923,000 as disclosed in Note 21 to the financial statements. However, review of Hospital records and physical verification revealed various assets of undetermined value including land, buildings, motor vehicles, furniture, computers and equipment which were not disclosed in the financial statements. Further, the ownership documents for land were not provided for audit.

In the circumstances, the accuracy and completeness and of property, plant and equipment balance of Kshs.923,000 could not be confirmed.

5. Understated In-Kind Contributions

The statement of financial performance reflects in-kind contributions from the County Government of Kshs.4,399,518. The balance excludes salary and other expenses paid on behalf of the Hospital by the County Government. This has further resulted to an understatement of the employee cost since only casual wages have been reflected in these financial statements.

In the circumstances, the accuracy and completeness of the In-kind contribution of Kshs.4,399,518 could not be confirmed.

6. Non-Disclosure of Donated Drugs

The statement of financial performance reflects in-kind contributions of Kshs.4,399,518 as disclosed in Note 7 to the financial statements being Medical supplies-Drawings Rights Kenya Medical Supplies Authority (KEMSA). However, distribution data from (KEMSA) revealed that the Hospital received donations and program commodities drugs amounting to Kshs.13,374,481 and Universal Health Coverage of Kshs.1,267,086 but were not disclosed in the financial statements.

In the circumstances, the accuracy and completeness of in-kind contributions of Kshs.4,399,518 could not be confirmed.

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

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, are of most significance in the audit of the financial statements. 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 Conclusion on 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. Un-Approved Budget

The statement of comparison of budget and actual amounts reflects total budgeted revenue and expenditure of Kshs.70,547,000 each. However, the Hospital's budget was not approved by the county executive committee member contrary to Regulation 39(1) of the Public Finance Management (County Governments) Regulations, 2015.

In the circumstances, the regularity of the budget could not be confirmed and Management was in breach of the law.

2. Deficiencies in Implementation of Universal Health Coverage (UHC)

Review of Hospital records and interviews on verification of services offered, equipment used and medical specialists in the Hospital at the time of audit revealed that the Hospital did not meet the requirements of Kenya Quality Model for Health Policy Guidelines due to staff deficits and lacked the necessary equipment and machines as detailed below.

Criteria	Level 4 Standard	Number in Hospital	Variance	Percentage %
Staffing Requirement				
Medical Officers	16	4	12	75
Anesthesiologists	2	0	2	100
Radiologists	2	1	1	50
Registered Community Health Nurses	75	59	16	22
Services Offered				
Renal services		Not Offered		
Equipment and Machines				
HDU Beds	6	0	6	100
Renal Unit with Dialysis Machines	5	0	5	100
Functional Operating Theatres Maternity and General	2	1	1	50

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

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

3. Failure to Maintain Fixed Asset Register

The statement of financial position reflects balances of Kshs.923,000 in respect to property, plant and equipment as disclosed in Note to the financial statements. However, it was noted that the Hospital does not maintain fixed asset register to control its assets. This is contrary to Regulation 136(1) of the Public Finance Management (County Governments) Regulations, 2015 which states that the Accounting Officer shall be responsible for maintaining a register of assets under his or her control or possession as prescribed by the relevant laws. In addition, there was no evidence to show that the fund has ever evaluated its assets to ascertain the correct market values.

In the circumstances, the existence of an effective mechanism to safeguard assets could not be confirmed and Management was in breach of the regulations

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015 and based on the audit procedures performed, except for the matters described in the Basis for Conclusion on the Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

1. Lack of a Risk Management Policy

During the year under review, the Hospital management did not have in place a risk management policy contrary to Section 158(1) of the Public Finance Management County Government Regulations, 2015 which requires each county government entity to develop risk management strategies and a system of risk management to enable the county to identify and develop appropriate risk strategies in order to improve on effective and efficient management of public resources.

In the circumstances, the existence of an effective risk management system and overall governance could not be confirmed.

2. Lack of an Internal Audit Function

Management has not established an internal audit department and no evidence that internal audit reviews were carried out during the financial year were provided.

In the circumstances, the effectiveness of internal controls was not assessed hence timely detection and prevention of errors, omissions and non-compliances could not be confirmed.

3. Expiry of Medical Supplies

The statement of financial position reflects an inventory balance of Kshs.10,283,661 as disclosed in Note 20 to the financial statements. Review of the store records on pharmaceuticals and non-pharmaceuticals revealed that various drugs of undetermined value had expired.

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

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

Responsibilities of Management and the Board of Management

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

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

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

In addition to the responsibility for the preparation and presentation of the financial statements described above, Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements are

in compliance with the authorities which govern them, and that public resources are applied in an effective way.

The Board of Management is responsible for overseeing the Hospital's financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to overall 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 overall governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal controls would not necessarily disclose all matters in the internal control that might be materials 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 non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional scepticism 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 the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Hospital's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Hospital to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Hospital to express an opinion on the financial statements.
- Perform such other procedures, as I consider necessary in the circumstances.

I communicate with Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls 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 Nanyo Gathungu, CBS
AUDITOR-GENERAL

Nairobi


05 July, 2024


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


Description	Note	2022/2023	2021/2022
		Kshs	Kshs
Revenue from non-exchange transactions			
Transfers from the County Government	6	0	25,000,000
In-kind contributions from the County Government	7	4,399,518	308,356,204
Public contributions and donations	8	0	50,000
		4,399,518	333,406,204
Revenue from exchange transactions			
Rendering of services- Medical Service Income	9	33,889,396	14,806,807
Revenue from rent of facilities	10	0	36,800
Revenue from exchange transactions		33,889,396	14,483,607
Total revenue		38,288,914	348,249,811
Expenses			
Medical/Clinical costs	11	32,689,711	37,067,582
Employee costs	12	6,439,206	289,356,204
Board of Management Expenses	13	79,500	80,000
Repairs and maintenance	14	1,707,611	9,716,255
Grants and subsidies	15	11,462,414	0
General expenses	16	10,784,679	12,030,000
Total expenses		63,163,121	348,250,111
Other gains/(losses)			
Medical services contracts Gains/Losses	17	23,422,676	5,637,460
Total other gains/(losses)		23,422,676	5,637,160
Net Surplus /(Deficit) for the year		(1,451,531)	5,637,160

Tigoni level 4 Hospital (Kiambu County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2023

The Hospital's financial statements were approved by the Board on 4th sept.2023 and signed on its behalf by:


.....
Eng. Stephen Ndiniki
Chairman
Board of Management


.....
Monicah Kamau
Head of Finance
ICPAK No:21883


.....
Dr. Makau Peninnah Mwikali
Medical Superintendent

15. Statement of Financial Position as at 30th June 2023

Description	Note	2022/2023	2021/2022
		Kshs	Kshs
Assets			
Current assets			
Cash and cash equivalents	18	9,601,804	455,445
Receivables from exchange transactions	19	58,466,505	57,104,660
Inventories	20	10,283,661	5,295,070
Total Current Assets		78,351,970	62,855,175
			0
			0
Non-current assets			
Property, plant, and equipment	21	923,000	290,000
Intangible assets	22	2,088,000	0
Total Non-current Assets		3,011,000	290,000
Total assets		81,362,970	63,145,175
Liabilities			0
Current liabilities			0
Trade and other payables	23	77,177,341	57,508,015
Total Current Liabilities		77,177,341	57,508,015
Non-current liabilities			0
Total Non-current liabilities		0	0
Total Liabilities		77,177,341	57,508,015
Net assets			
Accumulated surplus/Deficit		4,185,629	5,637,160
Total Net Assets and Liabilities		81,362,970	63,145,175

Tigoni level 4 Hospital (Kiambu County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2023

The Hospital's financial statements were approved by the Board on 4th sept.2023 and signed on its behalf by:



.....
Eng. Stephen Ndiniki
Chairman

Board of Management



.....
Monicah Kamau
Head of Finance

ICPAK No:21883



.....
Dr. Makau Peninnah Mwikali
Medical Superintendent

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

Description	Revaluation reserve	Accumulated surplus/Deficit	Capital Fund	Total
As at July 1, 2021	0	0	0	0
Revaluation gain	0	0	0	0
Surplus/(deficit) for the year	0	5,637,160	0	5,637,460
Capital/Development grants	0	0	0	0
As at June 30, 2022	0	5,637,160	0	5,637,460
At July 1, 2022	0	5,637,160	0	5,637,460
Revaluation gain	0	0	0	0
Surplus/(deficit) for the year	0	(1,451,531)	0	45,675,836
Capital/Development grants	0	0	0	0
At June 30, 2023	0	4,185,629	0	51,313,296

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

Description	Note	2022/23	2021/22
		Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from the County Government		0	25,000,000
Grants from donors and development partners		0	0
Transfers from other Government entities		0	0
Public contributions and donations		0	0
Rendering of services- Medical Service Income		49,636,037	7,778,441.40
Revenue from rent of facilities		0	0
Finance / interest income		0	0
Miscellaneous receipts		0	0
Total Receipts		49,636,037	32,778,441
			0
Payments			0
Medical/Clinical costs		17,109,487	19,960,989
Employee costs		9,166,902	5,995,582
Board of Management Expenses		43,000	0
Repairs and maintenance		1,028,423	531,905
Grants and subsidies		0	0
General expenses		11,364,690	8,950,431
Finance costs		0	0
Refunds paid out		0	0
Total Payments		38,712,502	35,438,907
Net cash flows from operating activities	24	10,923,535	(2,660,466)
Cash flows from investing activities			0
Purchase of property, plant, equipment & intangible assets		(1,323,000)	0

Tigoni level 4 Hospital (Kiambu County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2023

Description	Note	2022/23	2021/22
		Kshs	Kshs
Proceeds from the sale of property, plant, and equipment		0	0
Acquisition of investments		(0)	0
Net cashflows used investing activities		(1,323,000)	0
Cashflows from financing activities			0
Proceeds from borrowings		0	0
Repayment of borrowings		(0)	0
Capital grants received		0	0
Net cashflows used in financing activities		(0)	0
Net increase/(decrease)in cash and cash equivalents		9,600,535	(2,660,466)
Cash and cash equivalents as at 1 July 2022	27	1,269	2,661,735
Cashandcashequivalentsasat30 June2023	27	9,601,804	1,269

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

Description	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% of utilisation
	a	b	c=(a+b)	d	e=(c-d)	f=d/c%
	Kshs	Kshs	Kshs	Kshs	Kshs	
Revenue						
Rendering of services- Medical Service Income	70,547,000	0	70,547,000	57,312,072	13,234,928	81%
Total income	70,547,000	0	70,547,000	57,312,072	13,234,928	81%
Expenses		0				
Medical/Clinical costs	30,000,000	0	30,000,000	17,109,487	12,890,513	57%
Employee costs	7,560,000	0	7,560,000	9,166,902	(1,606,902)	121%
Remuneration of directors	100,000	0	100,000	43,000	57,000	43%
Repairs and maintenance	5,380,000	0	5,380,000	1,028,423	4,351,577	19%
Grants and subsidies	14,109,400	0	14,109,400	11,462,414	2,646,989	81%
General expenses	11,827,600	0	11,827,600	11,364,690	462,910	96%
Surplus for the period	0	0	1,570,000	4,812,568	(1,451,531)	307%
Capital expenditure	1,570,000	0	1,570,000	1,323,000	247,000	84%

19. Notes to the Financial Statements

1. General Information

Tigoni Level 4 Hospital is established by and derives its authority and accountability from Kiambu Act. The entity is wholly owned by the Kiambu County Government and is domiciled in Kiambu County in Kenya. The entity's principal activity is health care.

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. 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, and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

3. Adoption of New and Revised Standards

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

Standard	Effective date and impact
<p>IPSAS 41: Financial Instruments</p>	<p>Applicable: 1st January 2023</p> <p>The objective of IPSAS 41 is to establish principles for the financial reporting of financial assets and liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of an Entity's future cash flows.</p> <p>IPSAS 41 provides users of financial statements with more useful information than IPSAS 29, by:</p>

Standard	Effective date and impact
	<ul style="list-style-type: none"> • Applying a single classification and measurement model for financial assets that considers the characteristics of the asset's cash flows and the objective for which the asset is held; • Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and • Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between an Entity's risk management strategies and the accounting treatment for instruments held as part of the risk management strategy.
<p>IPSAS 42: Social Benefits</p>	<p>Applicable: 1st January 2023</p> <p>The objective of this Standard is to improve the relevance, faithful representativeness and comparability of the information that a reporting Entity provides in its financial statements about social benefits. The information provided should help users of the financial statements and general-purpose financial reports assess:</p> <ul style="list-style-type: none"> (a) The nature of such social benefits provided by the Entity. (b) The key features of the operation of those social benefit schemes; and (c) The impact of such social benefits provided on the Entity's financial performance, financial position and cash flows.
<p>Amendments to Other IPSAS resulting from</p>	<p>Applicable: 1st January 2023</p> <ul style="list-style-type: none"> a) Amendments to IPSAS 5, to update the guidance related to the components of borrowing costs which

Standard	Effective date and impact
IPSAS 41, Financial Instruments	<p>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>
Other improvements to IPSAS	<p>Applicable 1st January 2023</p> <ul style="list-style-type: none"> • <i>IPSAS 22 Disclosure of Financial Information about the General Government Sector.</i> <p>Amendments to refer to the latest System of National Accounts (SNA 2008).</p> <ul style="list-style-type: none"> • <i>IPSAS 39: Employee Benefits</i> <p>Now deletes the term composite social security benefits as it is no longer defined in IPSAS.</p> <ul style="list-style-type: none"> • <i>IPSAS 29: Financial instruments: Recognition and Measurement</i> <p>Standard no longer included in the 2023 IPSAS handbook as it is now superseded by IPSAS 41 which is applicable from 1st January 2023.</p>

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

Standard	Effective date and impact
IPSAS 43	<i>Applicable 1st January 2025</i>

Standard	Effective date and impact
	<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 cash flows 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>
<p>IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations</p>	<p><i>Applicable 1st January 2025</i></p> <p>The Standard requires: -</p> <ul style="list-style-type: none"> i. Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: ii. Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.

iii) Early adoption of standards

The Entity did not early – adopt any new or amended standards in the financial year.

4. Summary of Significant Accounting Policies

a. Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other Government entities

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the Tigoni Level 4 Hospital and can be measured reliably. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, the amount is recorded in the statement of financial position and realised

in the statement of financial performance over the useful life of the asset that has been acquired using such funds.

ii) Revenue from exchange transactions

Rendering of services

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

Sale of goods

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

Interest income

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

Rental income

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

b. Budget information

The original budget for 2022/2023 was approved by Board. 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 TigoniLevel4 Hospital recorded additional appropriations budget following the Board's approval. The TigoniLevel4 Hospital'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 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 v of these financial statements.

Sales tax/ Value Added Tax

Expenses and assets are recognized net of the amount of sales tax, except:

- When the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the sales tax is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- When receivables and payables are stated with the amount of sales tax included. The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

c. Investment property

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property.

Investment property acquired through a non-exchange transaction is measured at its fair value at the date of acquisition. Subsequent to initial recognition, investment properties are measured using the cost model and are depreciated over a period of Investment. Properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of derecognition. Transfers are made to or from investment property only when there is a change in use.

d. 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.

e. Leases

Finance leases are leases that transfer substantially the entire risks and benefits incidental to ownership of the leased item to the Entity. Assets held under a finance lease are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the future minimum lease payments. The Entity also recognizes the associated lease liability at the inception of the lease. The liability recognized is measured as the present value of the future minimum lease payments at initial recognition.

Subsequent to initial recognition, lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in surplus or deficit.

An asset held under a finance lease is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Entity will obtain ownership of the asset by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating leases are leases that do not transfer substantially all the risks and benefits incidental to ownership of the leased item to the Entity. Operating lease payments are recognized as an operating expense in surplus or deficit on a straight-line basis over the lease term.

f. Intangible assets

Intangible assets acquired separately are initially recognized at cost. The cost of intangible assets acquired in a non-exchange transaction is their fair value at the date of the exchange. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in surplus or deficit in the period in which the expenditure is incurred. The useful life of the intangible assets is assessed as either finite or indefinite.

g. 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:

- 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.

h. Financial instruments

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets.

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. At initial recognition, the entity measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Classification of financial assets

- The entity classifies its financial assets as subsequently measured at amortised cost, fair value through net assets/ equity or fair value through surplus and deficit on the basis of both the entity's management model for financial assets and the contractual cash flow characteristics of the financial asset. A financial asset is measured at amortized cost when the financial asset is held within a management model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding. A financial asset is measured at fair value through net assets/ equity if it is held

within the management model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. A financial asset shall be measured at fair value through surplus or deficit unless it is measured at amortized cost or fair value through net assets/ equity unless an entity has made irrevocable election at initial recognition for particular investments in equity instruments.

Subsequent measurement

Based on the business model and the cash flow characteristics, the entity classifies its financial assets into amortized cost or fair value categories for financial instruments. Movements in fair value are presented in either surplus or deficit or through net assets/ equity subject to certain criteria being met.

Amortized cost

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest, and that are not designated at fair value through surplus or deficit, are measured at amortized cost. A gain or loss on an instrument that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in profit or loss when the asset is de-recognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair value through net assets/ equity

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through net assets/ equity. Movements in the carrying amount are taken through net assets, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in surplus/deficit. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair value through surplus or deficit

Financial assets that do not meet the criteria for amortized cost or fair value through net assets/ equity are measured at fair value through surplus or deficit. A business model where the entity manages financial assets with the objective of realizing cash flows through solely the sale of the assets would result in a fair value through surplus or deficit model.

Trade and other receivables

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

Impairment

The entity assesses, on a forward-looking basis, the expected credit loss ('ECL') associated with its financial assets carried at amortized cost and fair value through net assets/equity. The entity recognizes a loss allowance for such losses at each reporting date. Critical estimates and significant judgments made by management in determining the expected credit loss (ECL) .

Financial liabilities

Classification

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

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.
- 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.

j. Provisions

Provisions are recognized when the Entity has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where the Entity expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain.

The expense relating to any provision is presented in the statement of financial performance net of any reimbursement.

k. Social Benefits

Social benefits are cash transfers provided to i) specific individuals and / or households that meet the eligibility criteria, ii) mitigate the effects of social risks and iii) Address the need of society as a whole. The entity recognises a social benefit as an expense for the social benefit scheme at the same time that it recognises a liability. The liability for the social benefit scheme is measured at the best estimate of the cost (the social benefit payments) that the entity will incur in fulfilling the present obligations represented by the liability.

l. Contingent liabilities

The Entity does not recognize a contingent liability but discloses details of any contingencies in the notes to the financial statements unless the possibility of an outflow of resources embodying economic benefits or service potential is remote.

m. Contingent assets

The Entity does not recognize a contingent asset but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Entity in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

n. Nature and purpose of reserves

The entity creates and maintains reserves in terms of specific requirements

o. Changes in accounting policies and estimates

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

p. Employee benefits

Retirement benefit plans

The Entity provides retirement benefits for its employees and directors. Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The contributions to fund obligations for the payment of retirement benefits are charged against income in the year in which they become payable. Defined benefit plans are post-employment benefit plans other than defined-contribution plans. The defined benefit funds are actuarially valued tri-annually on the projected unit credit method basis. Deficits identified are recovered through lump-sum payments or increased future contributions on a proportional basis to all participating employers. The contributions and lump sum payments reduce the post-employment benefit obligation.

q. Foreign currency transactions

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction. Trade creditors or debtors denominated in foreign currency are reported at the statement of financial position reporting date by applying the exchange rate on that date. Exchange differences arising from the settlement of creditors, or from the reporting of creditors at rates different from those at which they were initially recorded during the period, are recognized as income or expenses in the period in which they arise.

r. Borrowing costs

Borrowing costs are capitalized against qualifying assets as part of property, plant and equipment. Such borrowing costs are capitalized over the period during which the asset is being acquired or constructed and borrowings have been incurred. Capitalization ceases when construction of the asset is complete. Further borrowing costs are charged to the statement of financial performance.

s. Related parties

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

Members of key management are regarded as related parties and comprise the directors, the CEO/principal and senior managers.

t. Service concession arrangements

The Entity analyses all aspects of service concession arrangements that it enters into in determining the appropriate accounting treatment and disclosure requirements. In particular, where a private party contributes an asset to the arrangement, the *Entity* recognizes that asset when, and only when, it controls or regulates the services. The operator must provide together with the asset, to whom it must provide them, and at what price. In the case of assets other than 'whole-of-life' assets, it controls, through ownership, beneficial entitlement or otherwise – any significant residual interest in the asset at the end of the arrangement. Any assets so recognized are measured at their fair value. To the extent that an asset has been recognized, the *Entity* also recognizes a corresponding liability, adjusted by a cash consideration paid or received.

u. 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.

v. Comparative figures

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

w. Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended June 30, 2023

5. Significant Judgments and Sources of Estimation Uncertainty

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

Estimates and assumptions.

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

Useful lives and residual values

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

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

Provisions

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

6. Transfers from the County Government

Description	2022/2023	2021/2022
	KShs	KShs
Unconditional grants		
Operational grant	0	25,000,000
	0	25,000,000
Conditional grants	0	0
Total government grants and subsidies	0	25,000,000

7. In Kind Contributions from The County Government

Description	2022/2023	2021/2022
	KShs	KShs
Salaries and wages	0	289,352,204
Medical supplies-Drawings Rights (KEMSA)	4,399,518	1,074,127
Pharmaceuticals and Non-Pharmaceutical Supplies (other suppliers)	0	17,929,873
Utility bills	0	0
Total grants in kind	4,399,518	308,356,204

8. Public Contributions and Donations

Description	2022/2023	2021/2022
	KShs	KShs
Donations from other international organisations and individuals	0	50,000
Total donations and sponsorships	0	50,000

9. Rendering of Services-Medical Service Income

Description	2022/2023	2021/2022
	Kshs	Kshs
Pharmaceuticals	3,490,801	1,943,191
Non-Pharmaceuticals	548,261	1,500,000
Laboratory	4,467,007	1,960,920
Radiology	3,873,302	967,760
Orthopedic and Trauma Technology	0	112,050
Theatre	223,475	120,500
Anesthesia Service	0	100,000
Nutrition service	1,596	50,000
Dental services	285,429	207,450
Reproductive health	50,132	108,200
Paediatrics services	0	1,500,650
Farewell home services	3,275,599	3,783,500
Other medical services income	17,673,794	2,452,586

Total revenue from the rendering of services	33,889,396	14,806,807
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10. Revenue from Rent of Facilities

Description	2022/2023	2021/2022
	Kshs	Kshs
Commercial property	0	36,800
Total Revenue from rent of facilities	0	36,800

11. Medical/ Clinical Costs

Description	2022/2023	2021/2022
	Kshs	Kshs
Dental costs/ materials	841,800	0
Laboratory chemicals and reagents	3,984,452	2,247,264
Public health activities	136,500	0
Food and Ration	4,494,225	3,600,950
Uniform, clothing, and linen	142,500	1,000,000
Dressing and Non-Pharmaceuticals	11,513,271	4,000,000
Pharmaceutical supplies	9,102,147	5,695,860
Health information stationery	0	500,000
Sanitary and cleansing Materials	1,281,866	2,000,000
Purchase of Medical gases	662,800	1,938,300
X-Ray/Radiology supplies	530,150	0
Total medical/ clinical costs	32,689,711	20,982,374

12. Employee Costs

Description	2022/2023	2021/2022
	Kshs	Kshs
Salaries, wages, and allowances	0	289,356,204
Other employee costs (<i>Casuals</i>)	6,439,206	0
Employee costs	6,439,206	289,356,204

13. Board of Management Expenses

Description	2022/2023	2021/2022
	Kshs	Kshs
Sitting allowance	79,500	80,000
Total	79,500	80,000

14. Repairs and Maintenance

Description	2022/2023	2021/2022
	Kshs	Kshs
Property- Buildings	521,431	8,720,000
Medical equipment	512,584	650,725
Computers and accessories	0	220,500
Motor vehicle expenses	432,796	125,000
Maintenance of civil works	240,800	0
Total repairs and maintenance	1,707,611	9,716,225

15. Grants and Subsidies

Description	2022/2023	2021/2022
	Kshs	Kshs
Other grants and subsidies (contribution to health department)	11,462,414	0
Total grants and subsidies	11,462,414	0

16. General Expenses

Description	2022/2023	2021/2022
	Kshs	Kshs
Catering expenses	96,648	180,153
Insecticides and rodenticides	4,995	30,000
Bank charges	18,898	6,047
Contracted services	3,108,000	2,375,000
Electricity expenses	4,999,953	3,430,000
Fuel and Lubricants	700,890	0
Research and development expenses	0	247,000
Printing and stationery	1,267,025	4,994,800

Description	2022/2023	2021/2022
	Kshs	Kshs
Water and sewerage costs	50,270	400,000
Telephone and mobile phone services	538,000	367,000
Total General Expenses	10,784,679	12,030,000

17. Medical Services Contracts Gains /Losses

Description	2022/2023	2021/2022
	KShs	KShs
Comprehensive care contracts with NHIF	23,422,676	1,550,360
Linda Mama Program	0	4,087,100
Total Gain/Loss	23,422,676	5,637,460

18. Cash and Cash Equivalents

Description	2022/2023	2021/2022
	KShs	KShs
Current accounts	9,512,870	455,445
Others(<i>specify</i>)- Mobile money	88,934	0
Total cash and cash equivalents	9,601,804	455,445

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

Description	Account number	2022/23	2021/22
		KShs	KShs
a) Current account			
Kenya Commercial bank	1156960649	9,404,033	4,821,836
Family Bank	00100053768	108,837	0
Sub- total		9,512,870	4,821,836
b) Others(<i>specify</i>)			
Mobile money- M-Pesa money		88,934	0

Sub- total		88,934	4,821,836
Grand total		9,601,804	4,821,836

19. Receivables from Exchange Transactions

Description	2022/2023	2021/2022
	KShs	KShs
Medical services receivables	58,466,505	8,493,460
Total receivables	58,466,505	8,493,460

Analysis of Receivables from Exchange Transactions

Description	2022/2023		2021/2022	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	0	%	0	%
Between 1- 2 years	0	%	0	%
Between 2-3 years	0	%	0	%
Over 3 years	58,466,505	%	0	%
Total (a+b)	58,466,505	%	0	%

20. Inventories

Description	2022/2023	2021/2022
	KShs	KShs
Pharmaceutical supplies	2,882,308	3,250,557
Maintenance supplies	0	0
Food supplies	36,948	167,610
Linen and clothing supplies	1,437,990	1,145,350
Cleaning materials supplies	298,024	574,113
General supplies	5,628,391	157,890
Less: provision for impairment of stocks	(0)	0
Total	10,283,661	5,295,070

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21. Property, Plant and Equipment

Description	Land	Buildings and Civil works	Motor vehicles	Furniture, fittings, and office equipment	Lawnmower	Plant and medical equipment	Capital Work in progress	Total
	Ksh	Ksh	Ksh	Ksh	Ksh	Ksh	Ksh	Ksh*
Cost								
At 1 July 2022	0	0	0	0	0	0	0	0
Additions	0	0	0	0	0	290,000	0	0
Disposals	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Transfers/adjustments	0	0	(0)	0	0	0	0	(0)
At 30th Jun 2023	0	0	0	0	0	290,000	0	0
At 1 July 2022	0	0	0	0	0	290,000	0	290,000
Additions	0	0	0	0	58,000	575,000	0	633,000
Disposals	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Transfer/adjustments		0		0			(0)	0
At 30th Jun 2023	0	0	0	0	0	0	0	923,000
Depreciation and impairment								
At 1 July 2022		0	0	0	0	0		0

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Description	Land	Building s and Civil works	Motor vehicles	Furniture, fittings, and office equipment	Lawnmowe r	Plant and medical equipmen t	Capital Work in progress	Total
	Ksh	Ksh	Ksh	Ksh	Ksh	Ksh	Ksh	Ksh
Depreciation for the year		0	0	0	0	0		0
Disposals		(0)	(0)	(0)	(0)	(0)		(0)
Impairment		(0)	(0)	(0)	(0)	(0)		(0)
At30 June 2023		0	0	0	0	0		0
At July 2022		0	0	0	0	0	0	0
Depreciation		0	0	0	0	0	0	0
Disposals		0	0	0	0	0	0	0
Impairment		0	0	0	0	0	0	0
Transfer/adjustment		0	-	0	-	-	(0)	0
At 30th June 2023		0	0	0	0	0	0	0
Net book values								
At 30 th Jun 2022	0	0	0	0	0	290,000	0	290,000
At 30 th Jun2023	0	0	0	0	58,000	865,000	0	923,000

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22. Intangible Assets-Software

Description	2022/23	2021/22
	KShs	KShs
Cost		
At beginning of the year	0	0
Additions	2,088,000	0
Additions-Internal development	0	0
Disposal	(0)	0
At end of the year	2,088,000	0
		0
Amortization and impairment		0
At beginning of the year	0	0
Amortization for the period	0	0
Impairment loss	0	0
At end of the year	0	0
NBV	2,088,000	0

23. Trade and other Payables

Description	2022/2023		2021/2023	
	KShs		KShs	
Trade payables	77,177,341		57,508,015	
Total trade and other payables	77,177,341		57,508,015	
Ageing analysis:	Current	% of the Total	Compa rative	% of the total
	FY		FY	
Under one year	0	%	0	%
1-2 years	0	%	0	%
2-3 years	0	%	0	%
Over 3 years	0	%	0	%
Total	0	%	0	%

24. Cash Generated from Operations

Description	2022/23	2021/22
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	KShs	KShs
Surplus for the year before tax	(1,451,531)	0
Adjusted for:		0
Depreciation	0	0
Non-cash grants received	0	0
Impairment	0	0
Gains and losses on disposal of assets	0	0
Contribution to provisions	0	0
Contribution to impairment allowance	0	0
Working Capital adjustments		0
Increase in inventory	(0)	0
Increase in receivables	(0)	0
Increase in deferred income	0	0
Increase in payables	0	0
Increase in payments received in advance	0	0
Net cash flow from operating activities	(1,451,531)	0

25. Financial Risk Management

The entity's activities expose it to a variety of financial risks including credit and liquidity risks and effects of changes in foreign currency. The company's overall risk management programme focuses on the unpredictability of changes in the business environment and seeks to minimise the potential adverse effect of such risks on its performance by setting acceptable levels of risk. The company does not hedge any risks and has in place policies to ensure that credit is only extended to customers with an established credit history.

The entity's financial risk management objectives and policies are detailed below:

(i) Credit risk

The entity has exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Credit risk arises from cash and cash equivalents, and deposits with banks, as well as trade and other receivables and available-for-sale financial investments. Management assesses the credit quality of each customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external assessment in accordance with limits set by the directors. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by

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the company's management based on prior experience and their assessment of the current economic environment. The carrying amount of financial assets recorded in the financial statements representing the entity's maximum exposure to credit risk without taking account of the value of any collateral obtained is made up as follows:

Description	Total amount	Fully performing	Past due	Impaired
	Kshs	Kshs	Kshs	Kshs
At 30 June 2022 (previous year)				
Receivables from exchange transactions	0	0	0	0
Receivables from –non-exchange transactions	0	0	0	0
Bank balances	0	0	0	0
Total	0	0	0	0
At 30 June 2023 (current year)	0	0	0	0
Receivables from exchange transactions	0	0	0	0
Receivables from –non-exchange transactions	0	0	0	0
Bank balances	0	0	0	0
Total	0	0	0	0

The customers under the fully performing category are paying their debts as they continue trading. The credit risk associated with these receivables is minimal and the allowance for uncollectible amounts that the company has recognised in the financial statements is considered adequate to cover any potentially irrecoverable amounts. The entity has significant concentration of credit risk on amounts due board of management sets the company's credit policies and objectives and lays down parameters within which the various aspects of credit risk management are operated.

(ii) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the hospital's board of management who have built an appropriate liquidity risk management framework for the management of the entity's short, medium and long-term funding and liquidity management requirements. The entity manages liquidity risk through continuous monitoring of forecasts and actual cash flows.

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The table below represents cash flows payable by the company under non-derivative financial liabilities by their remaining contractual maturities at the reporting date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

Description	Less than 1	Between 1-3	Over 5	Total
	month	months	months	
	Kshs	Kshs	Kshs	Kshs
At 30 June 2022				
Trade payables	0	0	0	0
Current portion of borrowings	0	0	0	0
Provisions	0	0	0	0
Deferred income	0	0	0	0
Employee benefit obligation	0	0	0	0
Total	0	0	0	0
At 30 June 2023	0	0	0	0
Trade payables	0	0	0	0
Current portion of borrowings	0	0	0	0
Provisions	0	0	0	0
Deferred income	0	0	0	0
Employee benefit obligation	0	0	0	0
Total	0	0	0	0

(iii) Market risk

The hospital has put in place an internal audit function to assist it in assessing the risk faced by the entity on an ongoing basis, evaluate and test the design and effectiveness of its internal accounting and operational controls. Market risk is the risk arising from changes in market prices, such as interest rate, equity prices and foreign exchange rates which will affect the entity's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Overall responsibility for managing market risk rests with the Audit and Risk Management Committee.

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The company's Finance Department is responsible for the development of detailed risk management policies (subject to review and approval by Audit and Risk Management Committee) and for the day-to-day implementation of those policies. There has been no change to the entity's exposure to market risks or the way it manages and measures the risk.

a) Foreign currency risk

The entity has transactional currency exposures. Such exposure arises through purchases of goods and services that are done in currencies other than the local currency. Invoices denominated in foreign currencies are paid after 30 days from the date of the invoice and conversion at the time of payment is done using the prevailing exchange rate. The carrying amount of the entity's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Description	KShs	Other currencies	Total
	Kshs		Kshs
At 30 June 2023			
Financial assets (investments, cash, debtors)	0	0	0
Liabilities	0	0	0
Trade and other payables	0	0	0
Borrowings	0	0	0
Net foreign currency asset/(liability)	0	0	0

The entity manages foreign exchange risk from future commercial transactions and recognised assets and liabilities by projecting expected sales proceeds and matching the same with expected payments.

Description	KShs	Other currencies	Total
	Kshs		Kshs
At 30 June 2023			
Financial assets (investments, cash, debtors)	0	0	0
Liabilities	0	0	0
Trade and other payables	0	0	0
Borrowings	0	0	0
Net foreign currency asset/(liability)	0	0	0

Foreign currency sensitivity analysis

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The following table demonstrates the effect on the company's statement of financial performance on applying the sensitivity for a reasonable possible change in the exchange rate of the three main transaction currencies, with all other variables held constant. The reverse would also occur if the Kenya Shilling appreciated with all other variables held constant.

Description	Change in currency rate	Effect on Profit before tax	Effect on equity
	Kshs	Kshs	Kshs
2022 (previous year)			
Euro	10%	0	0
USD	10%	0	0
2023 (current year)		0	0
Euro	10%	0	0
USD	10%	0	0

b) Interest rate risk

Interest rate risk is the risk that the entity's financial condition may be adversely affected as a result of changes in interest rate levels. The company's interest rate risk arises from bank deposits. This exposes the company to cash flow interest rate risk. The interest rate risk exposure arises mainly from interest rate movements on the company's deposits.

Management of interest rate risk

To manage the interest rate risk, management has endeavoured to bank with institutions that offer favourable interest rates.

Sensitivity analysis

The entity analyses its interest rate exposure on a dynamic basis by conducting a sensitivity analysis. This involves determining the impact on profit or loss of defined rate shifts. The sensitivity analysis for interest rate risk assumes that all other variables, in particular foreign exchange rates, remain constant. The analysis has been performed on the same basis as the prior year.

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:

Description	2022/2023	2021/2022
	Kshs	Kshs

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

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

- i) The National Government;
- ii) The County Government;
- iii) Board of Directors;
- iv) Key Management

Description	2022/2023	2021/2022
	Kshs	Kshs
Transactions with related parties		
a) Services offered to related parties		
Services to	0	0
Sales of services to	0	0
Total	0	0
	0	0
b) Grants from the Government	0	0
Grants from County Government	0	0

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Description	2022/2023	2021/2022
	Kshs	Kshs
Grants from the National Government Entities	0	0
Donations in kind	0	0
Total	0	0
c) Expenses incurred on behalf of related party	0	0
Payments of salaries and wages for employees	0	0
Payments for goods and services for	0	0
Total	0	0
d) Key management compensation		
Directors' emoluments	0	0
Compensation to the medical Sup	0	0
Compensation to key management	0	0
Total	0	0

27. Segment Information

28. Contingent Liabilities

Contingent liabilities	2022/2023	2021/2022
	Kshs	Kshs
Court against the company	0	0
Bank guarantees in favour of subsidiary	0	0
Total	0	0

29. Capital Commitments

Capital Commitments	2022/2023	2021/2022
	Kshs	Kshs
Authorised For	0	0
Authorised And Contracted For	0	0

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Total	0	0
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30. Events after the Reporting Period

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

31. Ultimate and Holding Entity

The entity is a level 4 hospital under the Ministry of health. Its ultimate parent is the County Government of Kiambu.

32. Currency

The financial statements are presented in Kenya Shillings (Kshs) and all values are rounded off to the nearest shilling.

**Tigon level 4 Hospital (Kiambu County Government)
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20. Appendices

Appendix 1: Progress on Follow Up of Auditor Recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments		

This is the second annual report for Tigoni level 4 hospital and no audit query has so far been raised in the first report.

.....
Accounting Officer

Appendix II: Projects Implemented by The Entity

Projects

Projects implemented by the Hospital Funded by development partners

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Project title	Project Number	Donor	Period/ duration	Donor commitment	Separate donor reporting required as per the donor agreement (Yes/No)	Consolidated in these financial statements (Yes/No)
1	N/A	N/A	N/A	N/A	N/A	N/A
2						

Status of Projects completion

SN	Project	Total project Cost	Total expended to date	Completion % to date	Budget	Actual	Sources of funds
1	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2							
3							

AppendixIII: Inter Entity Confirmation letterI

COUNTY GOVERNMENT OF KIAMBU
 DEPARTMENT OF HEALTH SERVICES

**Tigon level 4 Hospital (Kiambu County Government)
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Telegram: "MEDICAL" Tigoni
Telephone: 0792 003 511
When replying please quote
Email Address
tigonihospital@gmail.com



TIGONI LEVEL IV HOSPITAL
P.O. BOX 124-00217
LIMURU
DATE: 30/06/23

The Tigoni wishes to confirm the amounts disbursed to you as at 30th June 2023 as indicated in the table below. Please compare the amounts disbursed to you with the amounts you received and populate the column E in the table below. Please sign and stamp this request in the space provided and return it to us.

Confirmation of amounts received by [.....] as at 30 th June 2023								
Reference Number	Date Disbursed	Amounts Disbursed byFund] (KShs) as at 30th June 2023				Total (D)=(A+B+C)	Amount Received by [beneficiary entity] (Kshs) as at 30 th June 2023(E)	Differences (Kshs) (F)=(D-E)
		Recurrent (A)	Development (B)	Inter-Ministerial (C)				
N/A	N/A	0	0	0	0	0	0	
Total		0			0	0	0	

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

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Head of Accounts Department of the beneficiary entity:

Name Sign Date.....

Appendix IV Reporting of Climate Relevant Expenditures

Name of the Organization: TIGONI LEVEL 4 HOSPITAL

Telephone Number: 0792 003 511.

Email Address: tigonihospital@gmail.com

Name of Medical Superintendent/MD/Head: **Dr. Makau Peninnah Mwikali**

Name and contact details of contact person (in case of any clarifications) Tigon Level IV Hospital 0792003511

Name	Description	Object		Quarter				Source Of	Implementing
				Q1	Q2	Q3	Q4		
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

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Appendix V: Disaster Expenditure Reporting Template

Date: 30/06/2023						
Entity: Tigon level 4 Hospital						
Period to which this report refers (FY)	Year: 2022/23			Quarter		
Name of Reporting Officer						
Contact details of the reporting officer:	Email: tigonihospital@gmail.com			Telephone: 0792 003 511		
Column I	Column II	Column III	Column IV	Column V	Column VI	Column VII
Programme	Sub-programme	Disaster Type	Category of disaster related Activity that require expenditure reporting (response/recovery/mitigation/preparedness)	Expenditure item	Amount (Kshs)	Comments
N/A	N/A	N/A	N/A	N/A	N/A	N/A