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ON

NATIONAL CANCER INSTITUTE OF KENYA

**FOR THE YEAR ENDED
30 JUNE, 2024**

 THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 14 MAR 2025	DAY: FRIDAY
TABLED BY:	DEPUTY MAJORITY LEADER (HON. OWEN BAYA, MP)
CLERK-AT THE-TABLE:	IRENE NDUKU

Revised 30th June 2024



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NATIONAL CANCER INSTITUTE OF KENYA

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

30TH JUNE 2024

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

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**National Cancer Institute of Kenya
Annual Report and Financial Statements
for the year ended June 30, 2024.**

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1. Acronyms and Definition of Key Terms

A: Acronyms

CEO	Chief Executive Officer
DG	Director General
CBK	Central Bank of Kenya
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
MD	Managing Director
NT	National Treasury
OCOB	Office of the Controller of Budget
OAG	Office of the Auditor General
OSHA	Occupational Safety and Health Act of 2007
PFM	Public Finance Management
PPE	Property Plant & Equipment
PSASB	Public Sector Accounting Standards Board
SAGAs	Semi-Autonomous Government Agencies
SC	State Corporations
WB	World Bank
VC	Vice Chancellor
NCI-K	National Cancer Institute of Kenya

B: Definition of Key Terms

Fiduciary Management- Members of Management directly entrusted with the responsibility of financial resources of the organization.

Comparative Year- Means the prior period.

2. Key Entity Information and Management

(a) Background information

The NCI-K was incorporated/ established under Cancer Prevention and Control Act (No.15 of 2012). The Entity is domiciled in Kenya.

The Constitution of Kenya (2010) provides a legal framework for the right to health. Article 43 guarantees every Kenyan the right to the highest attainable standard of health, including reproductive health care. Its emphasis on health rights provides a legal foundation for comprehensive cancer care strategies. The Cancer Prevention and Control Act (No.15 of 2012) was enacted to integrate and utilize health and medical care resources for the effective promotion of cancer prevention and to protect the health of the population and to alleviate the threat of cancer. This was in recognition of the need for a much more coordinated multisectoral response to the growing cancer burden in the Country. The ACT establishes the Institute as a fully-fledged Semi-Autonomous Government Agency within the Ministry of Health, State Department of Medical Services and is driven by the mission to provide leadership and coordinate all stakeholders in the prevention and control of cancer to reduce the incidence, mortality, and burden of the disease in the country as well as emphasizing a commitment to ethical practices, fairness in access to cancer care, high standards of performance, and prioritizing the needs and dignity of patients.

Vision

A World Class Authority in Cancer Prevention and Control

Mission

To provide leadership, oversight and coordination of rights-centred cancer prevention and control through resource mobilization, regulation of practice, policy advisory, research, capacity building, public education and maintaining the national cancer registry

(b) Principal Activities

The mandate of the National Cancer Institute of Kenya as provided for in the Cancer Prevention and Control Act is to:

- i. **Provide policy Advisory in Cancer Prevention and Control:** The Institute is required to advise the Cabinet Secretary of Health on matters relating to the financing, treatment and care of persons with cancer and the relative priorities to be given to the implementation of specific measures.

- ii. **Regulate and Enhance Access to Quality Cancer Care:** The National Cancer Institute of Kenya is vested with the overall responsibility to establish & improve the standards of cancer care and reduce discrimination against people living with cancer through; i) Standardization of cancer services in the continuum of care and institutions that provide cancer diagnosis and care; ii) Certification and registration of all cancer centres; iii) Compilation and maintenance of registers and records related to cancer; and iv) Facilitation of access to diagnostic, treatment, rehabilitation, vocational guidance, counselling, and other medical care for the welfare of persons with cancer in all counties
- iii. **Mobilize resources for Cancer Prevention and Control** through all means permitted by law with a view to supporting nationwide cancer prevention and control
- iv. **Research and Data Informatics:** The Institute is required to conduct, facilitate or collaborate with other Institutions for the purpose of collecting for the register and cataloguing, storing and disseminating the results of cancer research undertaken in any country in cancer related research and at the same time support the large-scale production or distribution of specialized biological materials and other therapeutic substances for research and set standards of safety and care for persons using such materials.
- v. **Public Education, Awareness Creation:** The Institute is mandated to ensure sustained public education and improved general public awareness on cancer prevention and control nationally by ensuring there is access to information and technical assistance in all institutions, associations and organizations concerned with the welfare and treatment of persons with cancer, including those controlled and managed by the Government;
- vi. **Rights Based Approach to Cancer Care:** NCI Kenya is required to encourage and secure the care of persons with cancer within their communities and social environment; recommend measures to prevent discrimination against persons with cancer; and carry out measures for public information on the rights of persons with cancer and the provisions of the Cancer Prevention and Control Act (2012).
- vii. **Capacity Development:** The Institute is expected to build the capacity and provide technical assistance to all institutions, associations and organizations, including public, private and faith-based that provide care and treatment services for cancer patients.
- viii. **Map out the areas for discrimination for persons with cancer.** The Institute works with various agencies to come up with measures to deal with discriminatory activities through

develop policies and guidelines to prevent discrimination of persons with cancer as well as creating awareness and support advocacy against discrimination of persons with cancer by ensuring they are supported to access health services, employment, education, credit, justice by persons with cancer

(c) Key Management

The NCI-K day-to-day management is under the following key organs:

No.	Designation	Name
1.	Chair Board of Trustees	Dr. Gitahi Githinji
2.	Accounting officer (Ag. CEO)	Dr. Elias Melly
3.	Head, Corporate Services	Mr. Nickson Nyaga

(d) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2024 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	CEO	Dr. Elias Melly
2.	Head of Corporate Services	Mr. Nickson Nyaga
3.	Head of Finance	CPA Lawrence Mwenda
4.	Head of Procurement	Ms Catherine Chebet

(e) Fiduciary Oversight Arrangements

The financial oversight for the organization is provided by the Finance and General Administration Committee of the Board whose functions include:

- Ensure maintenance of proper books and records of accounts of the income, expenditure and assets of the Institute
- Review draft/interim financial reports and make appropriate recommendations to the Board
- Advise the Board on all matters relating to establishment of appropriate organizational structures such as directorates, departments and regional centres of the Institute

Key Entity Information and Management (continued)

- Guide the Board on the provisions to be made for capital and recurrent expenditure and for the reserves of the Institute
- Review and recommend for Board approval fees to be charged for services rendered by the Institute
- Guide the Board on the appropriate strategies for resource mobilization and investment for the funds of the organization
- Monitor the assets of the organization
- Advise the Board on appropriate short, medium and long-term strategies for the Institution
- Review, assess and advice on the Institute's medium- and long-term business strategies
- Approve remuneration, benefits and other terms and conditions of the staff of the Institute

Audit and Compliance subcommittee function.

- The Board has an operational Audit and Compliance Committee since the Institute now has an Internal Auditor among the staff deployed to the Institute.
- Obtain assurance from management that all financial and non-financial internal control and risk management functions are operating effectively and reliably.
- Provide an independent review of NCI-K 's reporting functions to ensure the integrity of financial reports.
- Monitor the effectiveness of NCI-K performance management and performance information.
- Provide strong and effective oversight of NCI-K internal audit function.
- Provide effective liaison and facilitate communication between management and external audit.
- Provide oversight of the implementation of accepted audit recommendations.
- Ensure the NCI-K effectively monitors compliance with legislative and regulatory requirements and promotes a culture committed to lawful and ethical behaviour.

Key Entity Information and Management (continued)

(f) Entity Headquarters

The Institute is currently hosted by the National Syndemic Diseases Control Council within their office space located on:

6th Floor Landmark Plaza

Argwings Kodhek Road

P.O. Box 30016 – 00100 GPO

Nairobi, KENYA

(g) Entity Contacts

Telephone: (0795012568)

E-mail: ceonci-k@ncikenya.go.ke

Website: www.ncikenya.go.ke

(h) Entity Bankers

a) Kenya Commercial Bank

Milimani Branch (NSSF Building)

P.O. Box 69695-00400

NAIROBI, KENYA

b) African Banking Corporation.

Kilimani Branch.

P.O BOX 30016-00100

NAIROBI-KENYA

Key Entity Information and Management (continued)



(i) Independent Auditor

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

(j) Principal Legal Adviser

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

3. The Board of Directors/Council

DIRECTORS	DETAILS
 <p>1. Dr. Githinji Gitahi, MBS</p>	<p>Dr Githinji Gitahi is the Global CEO, Amref Health Africa since 2015. He has previously worked in various positions in the health, media and private sectors. Prior to joining Amref, he was the VP and Regional Director for Africa with Smile Train International. Dr Gitahi is renowned as a leader on the global and regional front with notable achievements - including co-chairing the global UHC2030 movement; serving on the Commission on Africa’s COVID-19 Response; serving as a member of the Governing Board of Africa CDC and was recently appointed to the Board of the Coalition for Epidemic Preparedness Innovations (CEPI). He also serves on the Board of The Standard Group in Kenya and the Board of Trustees of Safaricom Foundation. He is a vocal advocate for pro-poor Universal Health Coverage and leads the largest thought leadership convening on the African health agenda.</p>
 <p>2. Dr. Elias Melly MBChB, Mmed</p>	<p>Medical Doctor and Cancer Expert, Dr. Elias Melly a Medical Doctor, Medical and Radiation Oncologist with huge experience in patient care, research, training and policy. I graduated with Bachelors of Medicine and Surgery from Moi University, Masters in Medicine in Clinical Oncology and Nuclear Medicine from Alexandria University, Egypt. Dr. Melly is highly skilled and knowledgeable with experience at the local, regional, and global levels in clinical care, training, research, and program development and growth, He believes in value-based, transformative leadership and governance. He has a wealth of knowledge, skills and experience in navigating the terrain in addressing challenges in health care both from technical and strategic leadership and governance issues guided by relevant legal framework.</p>



3. Ms. Agnes Kaleyke Nguna
(Representing Media
Owners association)

Agnes is an accomplished business leader with over 18 years' experience driving growth and profitability in leading companies across East African region. Currently she serves as the Chief Operating Officer at the Star Newspaper in Kenya where she is in charge of providing strategic leadership and management to the Media House. Agnes also sits on various local and global boards. She is the Chair of the Media Owners Association an umbrella body drawing membership from leading media houses in the country. She sits on the supervisory board of the World Association of Newspapers (WAN - INFRA) a global organisation of the world press whose mission is to protect the rights of journalist and publishers across the world to protect independent media.



4. Ms. Catherine Wachira
(Trustee Representing
Registered Cancer
Associations)

Catherine Wachira is a legal practitioner of over 23 years standing and a passionate cancer patient rights advocate for over 10 years, pushed by the call that a unified approach to cancer control will help in the fight against cancer in Kenya. In the past six years Catherine has served as Vice-Chair and Board Chair respectively of Kenyan Network of Cancer Organizations, the national umbrella body of cancer civil society organizations active in various aspects of cancer control. Catherine's dream is a Kenya where quality cancer treatment is accessible and affordable to every Kenyan irrespective of their financial circumstances.



5. Dr. Samuel Gatherer
(Trustee Representing
Institutions Conducting
Medical Research)

Dr Samuel Gatherer is a Senior Clinical Research Scientist at KEMRI. He has interests in various facets of Cancer Research. He is currently the focal person of the African Cancer Caribbean Consortium (AC3) that focuses on disparity in Cancer research. He is also a trained ENT and Head and Neck Surgeon.



6. Dr. Francisca Ongecha
(Trustee Representing
Universities Teaching
Medicine)

Dr. Francisca A. Ongecha is a consultant psychiatrist, lecturer in the department of Psychiatry & Mental Health and Ag. Dean School of Medicine, Kenyatta University. She worked with the Ministry of Health for 12 years. She is a Fogarty International Clinical Research Fellow having spent four years engaged in clinical research through National Institutes of Health (NIH) before joining Kenyatta University. She's done extensive work in the area of substance use with UNODC spanning over 15 years. Her other areas of research/program interests are in psychological trauma following sexual and gender-based violence, chronic/terminal illness, genocide/war/disaster trauma, mental health and HIV& AIDS, Medical education, Policy and Ethics. She's been a member of several committees including the university Ethical Review committee among other responsibilities.



7. Prof. Walter Oyawa
(Representing the National
Council for Science and
Technology)

Prof. Oyawa, is currently the Director General of the National Commission for Science, Technology & Innovation (NACOSTI). He is a Professor of Civil Engineering, a holder of a PhD in Civil Engineering and a holder of Executive MBA. He is a Registered Professional Engineer, a Lead Expert-NEMA and a reviewer of several international journals.



8. Dr. Kenrick Ayot
(Alt. Trustee Representing
Principal Secretary, The
National Treasury)

Dr. Kenrick Ayot is an economist at the National Treasury with over 15 years of experience in the field of Economic Policy and Public Finance Management. He has experience among others in forecasting both domestic and external resource inflow in the annual national budget, providing technical support to MTEF Sector Working Groups in preparation of Medium-Term Budget Proposals, developing resource mobilization policies and strategies from the developing partners. Dr. Ayot holds a PhD in Economics from the University of Cape Town and a Masters and Bachelor Degree in Economics both from the University of Nairobi.



9. Ms. Mary-Anne Musangi
(Independent
Trustee/Industrialist)

Mary-Ann Musangi is a highly experienced General Manager who has strong technical and business qualifications with an impressive track record of more than 25 years of hands-on experience in strategic planning and business development. She has demonstrated the ability to lead diverse teams of professionals to new levels of success in a variety of highly competitive industries, cutting-edge African markets, and fast-paced environments. Her experience spans advertising, pharmaceuticals, financial services, hospitality and FMCG Industries. She has a proven ability to successfully analyze an organization's critical business requirements, identify deficiencies and potential opportunities, whilst also developing innovative cost-effective solutions to enhance brand equity, increase revenues, and improve customer service offerings. Mary-Ann's ambition is to see Africa prosper and with this belief, she advocates for the companies that she works with to drive "Sustainable African operations championed by Africans to offer Africa superior and affordable products and services."



10. Mr. Patrick Mathagu
(Independent Trustee)




Patrick Mathagu is a long serving educator at the Technical University of Kenya where has served as a lecturer in mathematics & statistics and currently as the senior assistant student registrar. He is cancer warrior who is passionate in ensuring that impactful measures are undertaken to prevent and control cancer in the country and that persons living with cancer and their care givers are appropriately advised and provided service in a humane and affordable environment.





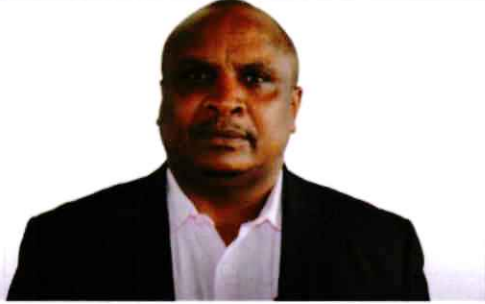
11. Dr. Joan-Paula Bor-Maleny
(Alt. Trustee Representing
Principal Secretary,
Ministry of Health)

Dr. Maleny is a Public Health Specialist with a special interest in non-communicable diseases (NCDs) and 15 years professional experience in the Kenyan public health sector, including over 10 years in clinical care and hospital management. She is currently the Lead for the Cancer Prevention, Early Detection & Screening Pillar in the NCCP. Her role involves developing and implementing policies and programs towards the achievement of the National Cancer Control Strategy. She coordinated the development of the National Cancer Screening Guidelines in 2018, and is keen to see through the advancement of a harmonized cancer screening program nationwide. She also coordinates the National Technical Working Group on Cancer Prevention; Early Detection & Screening sustainable health systems change to ensure that Universal Health Coverage is realized.

4. Key Management Team

	MANAGEMENT	DETAILS
1.	 <p>Dr. Elias Melly Ag. Chief Executive Officer</p>	<p>Providing overall strategic leadership; spearheading execution of annual operational plans and budgets and overall implementation of the Board’s decisions.</p>
2.	 <p>Mr. Festus Lobar Ag. Strategy, Partnership and Resource Mobilization</p>	<p>Providing technical and professional guidance to administrative functions of the Institute; ensuring effective execution of the organization’s mandate; ensuring optimal utilization of resources as well as responsible for planning, coordination and implementation of human resource and administration policies, procedures and processes towards enhancing the human capacity and enhance optimal utilization of resources in the Institute.</p>
3.	 <p>Mr. Sundley Omwenga Ag Head, Head Compliance and Standards</p>	<p>Providing leadership in the execution of the technical functions of the Institute; ensuring effective cancer prevention and control; ensuring optimal utilization of resources</p>

4.	 <p>Mrs. Cecilia Wandera Ag. Head, Monitoring, Evaluation and Research Department</p>	<p>Oversee the development and review of policies on cancer registration, monitoring and evaluation and research; ensure the collection, analysis and dissemination of all cancer data</p>
5.	 <p>Dr. Kioko Munyaka, Ag. Head, Cancer Awareness and Care Spectrum Department</p>	<p>Providing leadership on matters relating to the treatment and care of persons with cancer; oversee the development and implementation of policies on Cancer Prevention and Care</p>

8.	 <p>Mr Nickson Nyaga Ag. Head, Human Resource and Administration</p>	<p>Responsible for planning, coordination and implementation of human resource and administration policies, procedures and processes towards enhancing the human capacity and enhance optimal utilization of resources in the Institute.</p>
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5. Chairman's Statement

The Cancer Prevention and Control Act (No.15 of 2012) was enacted to integrate and utilize health and medical care resources for the effective promotion of cancer prevention, to protect the health of the population and to alleviate the threat of cancer in Kenya. The ACT established the National Cancer Institute as a fully-fledged Semi-Autonomous Government Agency within the Ministry of Health to provide overarching coordination of existing legal, policy, budgetary and regulatory frameworks and/or accountability mechanisms to expand oncology care access.

The Institute is mandated to steer cancer priorities through policies, programmes and reforms and align stakeholders to ensure implementation of national cancer plans across all the four seven (47) counties as well as establish mechanisms for monitoring, evaluation and revision.

This will position will promote investment in cancer care, research and development in areas of technology and knowledge transfer to support existing and novel research in cancer areas that are relevant to national and regional issues. The Institute will create opportunities for investment in cancer prevention and control as well as novel research around cancer.

During the FY2023/24 the board finalized the development of the institutes' governance structures ensuring compliance to all statutory requirements, initiated rigorous resource mobilization and human resource establishment strategies, and advanced engagements with potential partners and stakeholders globally and within the country to rally efforts around cancer prevention and control.

Over the past, the Institute encountered challenges that delayed fulfilment of its mandate including but not limited to: inadequate allocation and delays in accessing funding for development and operations and delays in requisite approvals for recruitment of critical staff to support operations.

To this end, the Institute is the institute has managed to operationalize during the last quartet of the financial year and has substantive staff that can henceforth complement the available operations

National Cancer Institute of Kenya
Annual Report and Financial Statements for the year ended June 30, 2024.

On behalf of the Institute Board and staff. I would like to take this opportunity to thank the Government of Kenya for its unequivocal support during the year under review. I also appreciate the financial, material and moral support of our strategic partners, collaborators and friends during the year.

I am optimistic that the National Cancer Institute is set for a prosperous future.

Name

Signature

Date

Dr. Githinji Gitahi, MBS



30th September 2024

Chairman of the Board of Trustees

6. Report of the Chief Executive Officer

The National Cancer Institute of Kenya (NCI-K) was established under the Cancer Prevention and Control Act No. 15 of 2012, marking a significant milestone in Kenya's efforts to combat the growing burden of cancer. The NCI-K was formed as a state corporation to address the need for a more structured and coordinated approach to cancer prevention, treatment, and control across the country. Kenya has committed to various cancer control initiatives, including the National Cancer Control Strategy 2023-2027, which aims to reduce cancer incidence and mortality through prevention, early detection, treatment, and palliative care. In order to provide overarching coordination of existing legal, policy, budgetary and regulatory frameworks and/or accountability mechanisms, the National Cancer Institute was formed by an Act of parliament to steer cancer priorities through policies, programmes and reforms and align stakeholders to ensure implementation of national cancer plans cross all nine provinces as well as establish mechanisms for monitoring, evaluation and revision. Cancer is not one disease but a complex of diseases that necessitates planning on many levels to make continued progress.

As the country is crippling with many challenges in cancer control, including late-stage diagnosis, limited access to diagnostic and treatment facilities, high treatment costs, and a shortage of specialized healthcare personnel, the deliberate efforts operationalize the institute was made possible in order to address these challenges.

Over the years, the NCI-K has evolved to become the leading government agency in Kenya responsible for overseeing and coordinating all activities related to cancer prevention and control. It plays a critical role in advising the Ministry of Health on cancer-related policy matters, coordinating research, and facilitating public awareness initiatives aimed at reducing cancer incidence and mortality.

NCI-K's responsibilities include developing national cancer guidelines, establishing a national cancer registry, and promoting access to quality cancer care. The Institute has also been instrumental in building partnerships with both local and international stakeholders to enhance cancer prevention and treatment efforts in Kenya.

The NCI-K has a broad mandate to provide leadership and coordination of the country's cancer response by convening stakeholders to synergize efforts and resources towards reducing the cancer burden in Kenya. In particular, the Institute has identified four critical areas that are essential towards achieving its mandate namely:

a) Certification and Enhancing Access to Cancer Care

The Institute seeks to ensure access to the highest attainable standards of cancer care through collaborating with relevant agencies, within and beyond the health sector to ensure that any facility offering cancer/oncology services meets the defined minimum standards. Further, NCI Kenya works closely with relevant agencies to enforce adherence to available legal frameworks for mitigation and reduction of cancer risk factors.

b) Stakeholder coordination and Resource mobilization towards enhanced access to cancer prevention and control

Cancer is as a result of an interplay of multiple risk factors hence the need for a multi-stakeholder approach in its prevention, control and management. In order to achieve this, NCI Kenya is keen to engage stakeholders within and beyond the health sector, both state and non-state, and at all levels to prioritize and contribute to cancer prevention and to either directly or indirectly allocate resources towards cancer prevention and control. The Institute thus serves as the convener of all players involved in cancer prevention and control, including civil society stakeholders.

c) National Cancer Registry

The Cancer Prevention and Control Act in Part III Sections (20) to (22) mandates the NCI-Kenya to maintain a national cancer register that shall contain information on persons diagnosed with cancer and all entities that provide cancer services in Kenya. The Act requires the cancer register to inform on the epidemiological landscape of cancer in the country and towards this, the Act has prescribed the requirement for cancer notification by all medical institutions upon making a diagnosis of cancer. With funding from the Treasury, the Institute has established a national cancer registry that will contain updated data that can be used to inform policy.

d) Cancer Prevention (Awareness creation and capacity building)

The low levels of awareness within the Kenyan population coupled with a diverse and dynamic population requires a long-term investment aimed at getting a large population to adopt healthy habits. For this to be effective and impact on the population, there is a need to mobilize adequate resources to mount an innovative and a whole of government approach. Being the body responsible for the cancer response in Kenya, the Institute is engaging stakeholders including but not limited to religious bodies, health sector, teaching institutions and community structures to ensure the population is reached with factual cancer messages. The Institute also expects to advocate for policy change related to cancer prevention among relevant institutions, both within and beyond Government.

Key investments were made across various input areas including:

Awareness Creation and Public education

Despite an increase in the burden of cancer in Kenya, studies show a big proportion of these cancers are preventable through primary and secondary prevention efforts. The public is however largely unaware of key risk factors and the role of behaviour change in cancer prevention. The public is still largely unaware of key risk factors and the role of behaviour change in cancer prevention and thus, In the FY 2023/24, the Institute prioritized public education and awareness creation on cancer and associated risk factors through various Information Education and Communication approaches by working closely with CHP's and NGAO'S in the communities to create awareness various Information Education and Communication approaches. The Institute prioritized public education and awareness creation on cancer and associated risk factors and activities around awareness were created.

In this context the institute;

- The Institute procured services from mainstream TV station and Vernacular stations to produce and run a TV feature on cancer and associated risk factors. With this initiatives, more than 15 million Kenyans were reached by cancer educative messages through various platforms.
- Developed a sensitization package on cancer prevention and control workplace programs in collaboration with all stakeholder
- Sensitized focal persons across MDAs to continue championing cancer prevention and control within their institutions
- The National Cancer Institute provided technical assistance to ensure compliance to existing guidelines relating to the delivery of cancer care services.
- Trained cancer registrars on Cancer surveillance in order to provide measurement of cancer incidence, morbidity, survival, and mortality for persons with cancer The Institute also expanded the central repository for the National Cancer Registry and establishment of additional eight (8) county cancer registries to strengthen the generation of data to inform cancer prevention and control activities
- Conducted Sensitization Forums: Conducted forums with 31 County Health Management Teams (CHMTs) to discuss policy, legal frameworks, and operational guidelines for cancer prevention and control.

- Engagement with County Health Assemblies: Engaged with all 47 county health assemblies to advocate for increased resource allocation toward cancer prevention and control efforts.
- Support for County-Specific Frameworks: Assisted 31 counties, including Mombasa, Machakos, Nakuru, Turkana, and Nyeri, in developing county-specific cancer control frameworks to enhance localized cancer management and prevention strategies. These activities aim to strengthen the national response to cancer by empowering local health entities to implement effective prevention and control measures.
- As the lead agency in cancer prevention and control, the Institute has an obligation to engage all relevant stakeholders and provide the necessary coordination and oversight of all involved actors. Further, the Institute is expected to continually mobilize resources for cancer response both within Government and among non- state actors. The institute established a stakeholder coordination framework and mobilizing additional resources required to respond to the rising cancer burden. It also developed a partnership and resource mobilization policy.
- The Institute in collaboration with National Research Fund (NRF) announced a National Call for Cancer Research (Ref No: NCI-NRF001/2024) that sought to support for robust scientific cancer research that directly addresses the challenges outlined within the framework of the National Cancer Control Strategy, 2023-2027 priority areas.

During the year under review, the Institute encountered challenges such as inadequate allocation and delays in accessing funding for development and operations and delays in requisite approvals for recruitment of critical staff to support operations were experienced in this year, the Institute explored innovative ways to address them through continuous engagements with relevant Government Agencies to unlock the delays.

On behalf of the Institute Board and Management, I would like to take this opportunity to thank the Government of Kenya for its unequivocal support during the year under review. I also appreciate the financial, and moral support of our strategic partners, collaborators and friends during the year. And it is because of the understanding and guidance of the Chairman of the Board of trustee as well as the cooperation of the entire staff that we have ended the year with success.

I look forward to the coming financial year and the years ahead.

Name

Signature

Date

Dr. Elias Melly



30th September 2024

Ag. CEO

7. Statement of Performance against Predetermined Objectives for FY 2023/2024

NCI-K has 2 strategic pillars/ themes/issues and four strategic objectives within the current Strategic Plan for the FY 2023/2024. These strategic pillars/ themes/ issues are as follows:

Pillar /theme/issue 1: Institutional Strengthening

Pillar/theme/issue 2: Delivering on NCI-Kenya’s Mandate

NCI-K develops its annual work plans based on the above 2 pillars/Themes/Issues. Assessment of the Board’s performance against its annual work plan is done on a quarterly basis. The NCI-K achieved

Strategic Theme	Strategic Objective
Institutional Strengthening	SO 1: Efficiency in the management of NCI-Kenya
Delivering on NCI-Kenya’s Mandate	SO 2: Governance, oversight and coordination in cancer response. SO 3: Cancer data and information management. SO 4: Cancer awareness and advocacy.

its performance targets set for the FY 2024 period for its xx strategic pillars, as indicated in the table below:

Strategic Pillar/Theme/Issues	Objective	Key Performance Indicators	Activities	Achievements
Institutional Strengthening	SO, 1: Efficiency in the management of NCI-Kenya	No of Staff hired	Recruitment of Staff	Requisite approvals for the critical staff to support operations . The institute has managed to operationalize and substantive staff hired
Delivering on NCI-Kenya’s Mandate	SO, 2: Governance, oversight and coordination in cancer response. SO, 3: Cancer data and information management.	Review process completed. No of persons reached with cancer awareness messages	Governance oversight and coordination of cancer prevention and control in Kenya. Cancer surveillance and information management	Review of cancer prevention and control rules completed, Enhanced Governance and Coordination of cancer

	SO, 4: Cancer awareness and advocacy.	No of surveillance reports	Public awareness and resource prioritization for cancer prevention and control	prevention and control in Kenya Increased public awareness on cancer prevention and control Increased prioritization of cancer prevention and control
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8. Corporate Governance Statement

The National Cancer Institute of Kenya (NCI Kenya) is a body corporate established under Section 4 of the Cancer Prevention and Control Act of 2012. The Institute is governed by the Board of Trustees as the apex decision making organ which sets the direction for good corporate governance underpinned by effective leadership, oversight and management accountability based on a sound and ethical foundation. The NCI Kenya Board acknowledges the significant role of good corporate governance guided by the State Corporations Act Cap 446, Leadership and Integrity Act 2012, Public Officers Ethics Act 2003, Cancer Prevention and Control Act of 2012, Health Act of 2017 and Mwongozo Code of Governance for State Corporations. This entails the processes and structures used to direct and manage the affairs of the Institute, the framework for internal controls and the respective roles of individual Board Members and management. In order to ensure the Institute is able to deliver on its mandate, the Board has overseen the development and implementation of the NCI Kenya Strategic Plan 2020-2023.

i) The composition of the board of trustees

The Board consisted of the Chairperson, 9 Board of trustees Members and the CEO/ as ex-officio, by the period ending 30 June 2024. The Board is composed of an appropriate balance of knowledge, skills, experience, diversity and independence for it to discharge its governance role and responsibilities objectively and effectively. Members are principally free from any business relationship that could hamper their objectivity or judgment in terms of the business and activities of the organization. The roles of the Chairperson and the Chief Executive Officer are separate and as

guided in the Mwongozo, with their individual responsibilities clearly defined. The Chairperson is an independent nonexecutive Board member and is responsible for leading the Board and ensuring its effectiveness. The Chief Executive is responsible for the execution of the NCI Kenya strategy, and the day-to-day operations of the Institute.

Some of the roles that the Board of Trustees undertook during the period ending 30 June 2024 included the following

- Set and oversaw the overall strategy and approve significant policies of the organization;
- Ensured that the strategy was aligned with the purpose and the long-term goals of the organization on sustainability;
- National Cancer Institute Annual Report and Financial Statements for the year ended June 30, 2024
- Engaged with relevant Government Agencies to expedite approval of recruitment processes;
- Approved the annual budget of the organization;
- Monitored the organization's performance and ensured sustainability;
- Ensured availability of adequate resources for the achievement of the organization's objectives,
- Oversaw the hiring of new staff on such terms and conditions of service as were approved by the relevant government organ(s)
- Spearheaded the development of the 2024-2027 Strategic plan for the Institute

ii) Board charter

The Board of charter for the National Cancer Institute was drafted for consideration and subsequent enactment by the Board of Trustees. Once adopted, it will clearly state the respective roles, responsibilities and the authorities of the Board and its Committees. The Mwongozo Code of Governance for State Corporations guided the Board's operations.

iii) Process of appointment and removal of Board of Trustee Member

The appointments to the Board, and removal from the Board, were in accordance with the Company's Act 2015, and the Memorandum and Articles of Association. The Chairperson and Board of Trustee Members were appointed by the Cabinet Secretary, as guided by the Cancer Prevention and control Act No 15 of 2012 for the time being responsible for health, to serve for a term of 3 years each from

the date of appointment and may, subject to performance evaluation, be appointed for a further and last term of 3 years.

iv) The Roles of the Board

The Board of Trustees provides leadership and strategic direction of the hospital. Its key responsibilities include:

- (i) Development and oversight in the implementation of the Institute's strategic plan.
- (ii) Review and approval of annual budgets.
- (iii) Risk management and compliance by ensuring adequate systems of internal controls are in place.
- (iv) Review of financial performance, expenditure, and commitments.
- (v) Setting and periodically reviewing organizational key performance indicators as well as management performance; and
- (vi) Supporting management to enhance stakeholder value.

To effectively discharge this role, the Board of Trustees has full access to the Chief Executive Officer and key members of the Institute's management team.

v) Board Meetings

The Full Board meets at least once every quarter (or more depending on the requirements of the business) and is guided by the annual Board ALMANAC. The members receive adequate notice and detailed reports in good time to facilitate informed deliberations and decision making.

In the financial year under review, the board meetings exceeded the scheduled meetings. This was necessary for the institution to effectively, address urgent matters relating to its mandate, and ensure that the board provided the necessary oversight and strategic guidance.

The Board has always promoted an environment of innovative thinking, consultation, cordial relations, information sharing, and openness in communication.

SUMMARY OF BOARD AND BOARD MEETINGS FOR THE FINANCIAL YEAR 2023/2024

The following is summary of the meetings of the board and committees that took place during the financial year under review.

S/N	BOARD / Committee meeting	No of Meetings
1	Full Board Meetings	4 scheduled meetings
2	Finance and Administration Committee	5 scheduled meetings
3	Human Resource Committee	4 scheduled meetings
4	Audit Committee	4 scheduled meetings
5	AD-HOC Committee	3 scheduled meetings

9. Management Discussion and Analysis

During the year under review, the institute fulfilled her mandate along the key functions of awareness raising, cancer services quality assurance, cancer research, stakeholder engagement and sound corporate governance. In addition, the Institute pursued the process of operationalization as a semi-autonomous agency through categorization by the State Corporation Advisory Committee.

Some of the key outputs achieved include:

- More than 15 million Kenyans were reached by cancer educational messages through various platforms.
- Develop a sensitization package on cancer prevention and control workplace programs in collaboration with all stakeholder
- Sensitize the MDAs on the package and maintain a register of the focal persons championing cancer prevention and control
- Provided technical support towards the establishment of County cancer control frameworks
- Expansion and maintenance of a central repository for the national cancer registry
- Automation of NCI-Kenya processes including the website; graphic design; hosting of registry data and a training platform
- The Institute procured services from mainstream TV station and Vernacular stations to produce and run a TV feature on cancer and associated risk factors. With this initiatives, more than 15 million Kenyans were reached by cancer educative messages through various platforms.
- Developed a sensitization package on cancer prevention and control workplace programs in collaboration with all stakeholder
- Sensitized focal persons across MDAs to continue championing cancer prevention and control within their institutions
- The National Cancer Institute provided technical assistance to ensure compliance to existing guidelines relating to the delivery of cancer care services.
- Trained cancer registrars on Cancer surveillance in order to provide measurement of cancer incidence, morbidity, survival, and mortality for persons with cancer The Institute also expanded the central repository for the National Cancer Registry and establishment of additional eight (8) county cancer registries to strengthen the generation of data to inform cancer prevention and control activities

- **Conducted Sensitization Forums:** Conducted forums with 31 County Health Management Teams (CHMTs) to discuss policy, legal frameworks, and operational guidelines for cancer prevention and control.
- **Engagement with County Health Assemblies:** Engaged with all 47 county health assemblies to advocate for increased resource allocation toward cancer prevention and control efforts.
- **Support for County-Specific Frameworks:** Assisted 31 counties, including Mombasa, Machakos, Nakuru, Turkana, and Nyeri, in developing county-specific cancer control frameworks to enhance localized cancer management and prevention strategies. These activities aim to strengthen the national response to cancer by empowering local health entities to implement effective prevention and control measures.
- **As the lead agency in cancer prevention and control,** the Institute has an obligation to engage all relevant stakeholders and provide the necessary coordination and oversight of all involved actors. Further, the Institute is expected to continually mobilize resources for cancer response both within Government and among non- state actors. The institute established a stakeholder coordination framework and mobilizing additional resources required to respond to the rising cancer burden. It also developed a partnership and resource mobilization policy.
- **The Institute in collaboration with National Research Fund (NRF) announced a National Call for Cancer Research (Ref No: NCI-NRF001/2024) that sought to support for robust scientific cancer research that directly addresses the challenges outlined within the framework of the National Cancer Control Strategy, 2023-2027 priority areas.**
- **Developed the human resource capital in the institute to ensure delivery of its mandate**
- **Stakeholder engagement to enhance resource allocation and prioritization of cancer activities.**

10. Environmental and Sustainability Reporting

The National Cancer Institute of Kenya exists to transform lives. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy, putting the Citizen first, delivering relevant goods and services, and improving operational excellence. Below is an outline of the organisation's policies and activities that promote sustainability.

i) *Sustainability strategy and profile*

The National Cancer Institute has prioritized the establishment of partnerships and collaborations with various stakeholders as a critical strategy for sustainable service delivery. Within its organizational structure, there is a fully-fledged Department on Partnerships that is charged with the responsibility of creating collaborations with public, private and civil-society entities. In addition, the Institute has identified different platforms for additional income generation to supplement the conditional grant allocations from Exchequer. This includes levying fees for registration of cancer centres as well as writing grant proposals for additional funding towards programmatic activities as well as research.

ii) *Environmental performance*

The Institute is yet to operationalize an organizational environmental policy. However, the Institute is keen in ensuring that its activities will be continued and do not tamper with the environment. The Institute entails fulfilling presidential directives as well as societal expectations as far as environmental and sustainability requirements are concerned.

During the 2023/24 Financial year, the National Cancer Institute undertook tree planting at county where NCI-K staff planted 500 trees



iii) Employee welfare

The Institute has developed its human Resource Policy in the financial year under review which has considered the gender ratio, Disability and Regional Balance in its Recruitment process. This will enable the NCI-K to conduct recruitment, retention and development of the NCI staff. In addition, the organization's Annual Work Plan and Budget have specific allocations for recruitment and staff training to build the leadership and management capacity.

Training and development being an integral part of the Human resource development activity in all organisations. NCI-K has strived in improving the skills of its employees by ensuring staff are trained their areas of specialisation as well as in advancement of their professionalism. In the FY 2023/2024 staff received training in operational management processes and conduct of civil servants

iv) Market place practices-

The organisation should outline its efforts to:

a) Responsible competition practice.

The Institute is in the service sector with its main mandate being coordination and of cancer prevention and control activities. While playing this regulatory role, NCI has adopted a consultative and collaborative approach working closely with other regulatory agencies within the health sector and has been actively involved in joint health inspection activities.

b) Responsible Supply chain and supplier relations

The institute engages suppliers using open tender and request for qualifications. Supplier are paid upon delivery of goods and services; commissioning and inspection certifies are issued. In the year under Review, NCI Kenya became independent from the parent Ministry of Health. The Institute endeavours to process and avail all the relevant documentation as required to enable efficient payment to suppliers for all goods and services supplied

c) *Responsible marketing and advertisement*

The Institute has been involved in direct advertisement campaigns to enhance awareness and advocacy activities to enhance its visibility.

d) *Product stewardship*

NCI has been keen on protecting consumer rights and has worked directly with cancer patients and survivors during the development of various policy documents including the Cancer Policy 2019-2030 and the Institute's own Strategic Plan 2020-2023.

v) *Corporate Social Responsibility / Community Engagements*

During the 2023/24 financial year, the Institute donated PPEs to service providers and cancer survivors who were at a high risk of contracting the infection during outreaches. This also provided an opportunity to educate the survivors on how to protect themselves and supported screening for HIV NCD's and cancers during communities' outreaches in various counties.

11. Report of the Directors

The Directors submit their report together with the audited financial statements for the year ended June 30, 2024, which show the state of the NCI-K affairs.

i) Principal activities

The principal activities of the NCI-K are;

- i. To strengthen governance, oversight and coordination of cancer response in Kenya to ensure effective partnerships and coordination mechanisms
- ii. To develop and manage an integrated cancer data surveillance system and promote cancer research to inform policy and practice
- iii. To promote a multi sectoral and innovative approach in public education and awareness creation on cancer prevention and control
- iv. To strengthen the NCI-Kenya institutional capacity to deliver on its mandate

ii) Results

The results of the NCI-Kenya financial performance for the year ended June 30, 2024, are set out on pages 1-5.

iii) Directors

The current Board inaugurated in July 2022 comprises ten [10] members; the Chairperson, four [4] independent members and five [5] members representing various governmental agencies as per the Cancer Prevention and Control Act of 2012 where the Ag. Chief Executive Officer serves as the Secretary to the Board. The current board served during the year under review. The details of the current Board are shown on page vii-x.

iv) Surplus remission

In accordance with Regulation 219 (2) of the Public Financial Management (National Government) Regulations, regulatory entities shall remit into Consolidated Fund, ninety per centum of its surplus funds reported in the audited financial statements after the end of each financial year. However, Cancer Prevention and Control Act guides that the surplus is carried forward to the next financial year,

v) Auditors

The Auditor-General is responsible for the statutory audit of the *NCI-K* in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015. The office of the Auditor General will carry out the audit of the *NCI-K* for the year/period ended June 30, 2024, in accordance to section 23 of the Public Audit Act, 2015.

By Order of the Board



Name : Dr. Elias Melly
CEO/Secretary to the Board

12. Statement of Directors Responsibilities

Section 81 of the Public Finance Management Act, 2012 and section 14 of the State Corporations Act, - entities should quote the applicable legislation under which they are regulated require the Directors to prepare financial statements in respect of that Institute, which give a true and fair view of the state of affairs of the Institute at the end of the financial year/period and the operating results of the Institute for that year/period. The Directors are also required to ensure that the Institute keeps proper accounting records which disclose with reasonable accuracy the financial position of the Institute. The Directors are also responsible for safeguarding the assets of the Institute.

The Directors are responsible for the preparation and presentation of the Institute's financial statements, which give a true and fair view of the state of affairs of the Institute for and as at the end of the financial year (period) ended on June 30, 2024. 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 Institute (v) Selecting and applying appropriate accounting policies; and (vi) Making accounting estimates that are reasonable in the circumstances.

The Directors accept responsibility for the Institute's 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 (the State Corporations Act) –The Directors are of the opinion that the Institute's financial statements give a true and fair view of the state of Institute's transactions during the financial year ended June 30, 2024, and of the Institute's financial position as at that date. The Directors further confirms the completeness of the accounting records maintained for the Institute, which have been relied upon in the preparation of the Institute's financial statements as well as the adequacy of the systems of internal financial control.

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

Nothing has come to the attention of the Directors to indicate that the Institute 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 NCI-K financial statements were approved by the Board on 30 September 2024 and signed on its behalf by:



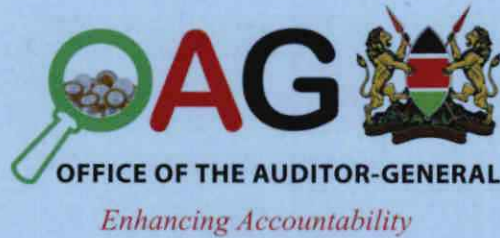
.....
Name; Dr. Githinji Gitahi
Chairperson of the Board



.....
Name; Dr. Elias Melly
Accounting Officer

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
Email: info@oagkenya.go.ke
Website: www.oagkenya.go.ke



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

REPORT OF THE AUDITOR-GENERAL ON NATIONAL CANCER INSTITUTE OF KENYA FOR THE YEAR ENDED 30 JUNE, 2024

PREAMBLE

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

- A. Report on 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 the Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure the Government achieves value for money and that such funds are applied for the intended purpose; and,
- 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, risk management environment and internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

An Unmodified Opinion is issued when the Auditor-General concludes that the financial statements are fairly presented in accordance with the applicable financial reporting framework. The Report on Financial Statements should be read together with the Report on Lawfulness and Effectiveness in the Use of Public Resources, and the Report on Effectiveness of Internal Controls, Risk Management, and Governance.

The three parts of the report aim to address the Auditor-General's statutory roles and responsibilities 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

Opinion

I have audited the accompanying financial statements of National Cancer Institute of Kenya set out on pages 1 to 40, which comprise of the statement of financial position as

at 30 June, 2024 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, the financial statements present fairly, in all material respects, the financial position of National Cancer Institute of Kenya as at 30 June, 2024 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 Cancer Prevention and Control Act No.15 of 2012 and the Public Finance Management Act, 2012.

Basis for Opinion

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

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects actual expenditure of Kshs.149,923,541 against actual revenue of Kshs.214,856,410 resulting to under expenditure of Kshs.64,923,869 or 30% of the actual revenue.

The under expenditure may have negatively impacted on execution of the planned activities and the achievement of the Institute's objectives.

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Matter

Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in use of Public

Resources and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, Management had not resolved the issues as at 30 June, 2024 or given any explanation for the failure to resolve them. In addition, the status of the issues and the date when the issues were expected to be resolved was not indicated in the Appendix 1 of the financial statements as required by the Annual Financial Reporting Template.

Other Information

The Management is responsible for the other information set out on page iv to xxxix, which comprise of Key Entity Information and Management, the Board of Directors, Key Management Team, Chairman's Statement, Report of the Chief Executive Officer, Statement of Performance against Predetermined Objectives, Corporate Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting, Report of the Directors and Statement of Directors Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the Institute's financial statements, my responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work I have performed, I conclude that there is a material misstatement of this Other Information, I am required to report that fact. I have nothing to report in this regard.

My opinion on the financial statements does not cover the Other Information and accordingly, I do not express an audit opinion or any form of assurance thereon.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the effect of the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in the 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. Excess Board Membership

The statement of financial performance reflects board expenses of Kshs.8,276,950 as disclosed in Note 11 to the financial statements. However, the Institute had ten (10) board members contrary to Section 1.1.3 of the Mwongozo Code of Governance for State

Corporations, 2015 which requires board membership of all state corporations of between seven (7) and nine (9) members.

In the circumstances, Management was in breach of Mwongozo Code of Governance for State Corporations.

2. Non - Compliance with Guidelines on Persons with Disabilities

The statement financial performance and as disclosed in Note 10 to the financial statements reflects employee costs of Kshs.2,830,002 which includes salaries and wages of Kshs.2,819,922. Analysis of the sampled staff records revealed that only one (1) member of staff was listed as Persons With Disabilities (PWD), representing 3% of the total staff members which is less than the required minimum of 5%. This was contrary to Section B23(2) of the Public Service Commission Human Resource Policies and Procedures Manual, 2016 which states that the government shall implement the principle that at least five (5) percent of all appointments shall be for persons with disabilities.

In the circumstances, Management was in breach of the Public Service Commission Human Resource Policies and Procedures Manual, 2016.

The audit was conducted in accordance with ISSAI 3000 and ISSAI 4000. The standards require that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements comply in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON THE EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015 and based on the audit procedures performed, except for the effect of 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. Inadequate Staffing Levels

Review of the Institute's staff establishment revealed approved staff establishment of two hundred and forty-seven (247) positions while current staff in post stood at thirty-three (33) as at 30 June, 2024 resulting in unfilled positions of two hundred and fourteen (214).

In the circumstances, the inadequate staffing levels may have affected the effectiveness of achieving the Institute's principal activities.

2. Weakness in Internal Controls and Risk Management

The Institute did not establish risk management policy, finance and accounting manual, assets management policy, transport management policy, information technology (IT) plan and disaster recovery plan. Further, the audit committee and internal audit charters were not approved and operationalized.

In the circumstances, the effectiveness of internal controls and risk management could not be confirmed.

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

Responsibilities of the Management and Board of Directors

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 governance.

In preparing the financial statements, Management is responsible for assessing the Institute's ability to to continue to sustain services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to 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 comply with the authorities which govern them and that public resources are applied in an effective way.

The Board of Directors is responsible for overseeing the Institute's financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and

systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards for Supreme Audit Institutions (ISSAIs) The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. 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 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 conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not 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 addition, I consider the entity's control environment in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7 (1) (a) of the Public Audit Act, 2015.

Further, I am required to submit the audit report in accordance with Article 229(7) of the Constitution.

Detailed description of my responsibilities for the audit is located at the Office of the Auditor-General's website at <https://www.oagkenya.go.ke/auditor-generals-responsibilities-for-audit/>. This description forms part of my auditor's report


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

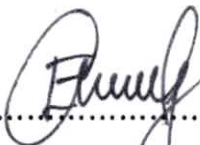
Nairobi
23 December, 2024

**National Cancer Institute of Kenya
Annual Report and Financial Statements
for the year ended June 30, 2024.**

14. Statement of Financial Performance for the year ended 30 June 2024

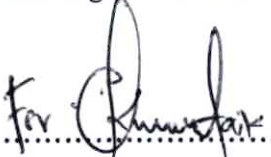
	Notes	2023/2024	2022/2023
		Kshs	Kshs
Revenue from non-exchange transactions			
Transfers from other governments entities	6	200,000,000	236,166,667
Public Contributions and donations	7	14,856,410	29,603,994
Total Revenue from non-exchange transactions		214,856,410	265,770,661
Revenue from exchange transactions			
Rendering of services	8	0	9,772,236
Total Revenue from exchange transactions		0	9,772,236
Total Revenue		214,856,410	275,542,897
Expenses			
\Use of goods and services	9	128,953,896	163,526,082
Employee Costs	10	2,830,002	0
Board Expenses	11	8,276,950	9,975,200
Depreciation and amortization expense	12	7,506,353	2,767,049
Repairs and Maintenance	13	2,356,340	0
Total expenses		149,923,541	176,267,331
Surplus/ (deficit) before tax		64,932,869	99,274,566
Taxation		0	
Surplus/(deficit) for the period/year		64,932,869	99,274,566
Net Surplus for the year		64,932,869	99,274,566

The notes set out on pages 6 to 31 form an integral part of these Financial Statements. The Financial Statements set out on pages 1 to 5 were signed on behalf of the Board of Directors by:


.....
Name: Dr. Elias Melly

Accounting Officer


Date 30th September 2024


.....
Name: Lawrence

Head of Finance

ICPAK M/No: 9445

Date 30th September 2024


.....
Name: Dr. Githinji Gitahi

Chairman of the Board

Date 30th September 2024

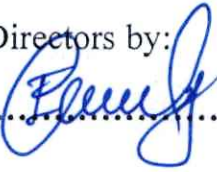
National Cancer Institute of Kenya
Annual Report and Financial Statements
for the year ended June 30, 2024.

15 Statement of Financial Position as at 30 June 2024

	Notes	2023/2024	2022/2023
		Kshs	Kshs
Assets			
Current Assets			
Cash and Cash equivalents	14	170,481,085	27,372,292
Receivables from Non-Exchange Transactions	15	16,666,666	124,500,000
Inventory	18	3,646,024	
Total Current Assets		190,793,775	151,872,292
Non-Current Assets			
Property, Plant and Equipment	16	20,275,821	12,348,695
Total Non- Current Assets		20,275,821	12,348,695
Total Assets		211,069,596	164,220,987
Liabilities			
Current Liabilities			
Trade and Other Payables	17	3,945,683	22,493,943
Provision for Audit fees		464,000	
Total Current Liabilities		4,409,683	22,493,943
Net Assets		206,659,913	141,727,044
Surplus as at 30 th June 2023		141,727,044	42,452,478
Surplus as at 30 th June 2024		64,932,869	99,274,566
Total Net Assets		206,659,913	141,727,044
Total Net Assets and Liabilities		211,069,596	164,220,987


**National Cancer Institute of Kenya
Annual Report and Financial Statements
for the year ended June 30, 2024.**

The financial statements set out on pages 1 to 31 were signed on behalf of the Board of Directors by:


.....

...
Name Dr. Elias Melly
Accounting Officer

Date 30th September 2024

For: 
.....

....
Name; Lawrence Mwenda
Head of Finance
ICPAK Member 9445

Date 30th September 2024


.....

.....
Name; Dr. Githinji Gitahi
Chairman of the Board

Date 30th September 2024

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16. Statement of Changes in Net Assets for the year ended 30 June 2024

Description	Retained earnings	Total
	Kshs	Kshs
As at July 1, 2023	141,727,044	141,727,044
Surplus for the year	64,932,869	64,932,869
As at June 30, 2024	206,659,913	206,659,913

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17. Statement of Cash Flows for the year ended 30 June 2024

		2023/2024	2022/2023
	Notes	Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from other governments entities	6	307,833,334	236,166,667
Other income: Donations	7	14,856,410	29,603,994
Rendering of services	8	0	9,772,236
Total receipts		322,689,744	275,542,897
Payments			
Use of goods and services	9	150,684,180	163,526,082
Employee Costs	10	2,830,002	
Board Expenses	11	8,276,950	9,975,200
Repairs and Maintenance	13	2,356,340	
Total payments		164,147,472	173,501,282
Net cash flows from/(used in) operating activities		158,542,272	102,041,615
Cash flows from investing activities			
Purchase of PPE and Intangible assets		(15,433,479)	(4,481,000)
Net Cash flows from investing activities		(15,433,479)	(4,481,000)
Cash flows from Financing activities			
Increase(decrease) in current liabilities		0	(28,599,243)
Increase in Deposits/Debtors		0	(124,500,000)
Net Cash flows from Financing activities		0	(153,099,243)
Net increase/(decrease) in cash & Cash equivalents		143,108,793	(55,538,628)
Cash and cash equivalents at 1 July 2023		27,372,292	82,910,920
Cash and cash equivalents at 30 June 2024	14	170,481,085	27,372,292

18. Statement of Comparison of Budget and Actual amounts for the year ended 30 June 2024

	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% of utilization
	Kshs	Kshs	Kshs	Kshs	Kshs	
	a	b	C=(a+b)	d	e=(c-d)	f=d/c*100
Revenue						
Transfers from Other Governments entities	200,000,000	0	200,000,000	200,000,000	0	100%
Public Contributions and Donations	15,000,000	0	15,000,000	14,856,410	143,590	98%
Rendering of Services	0	0	0	0	0	0%
Total Income	215,000,000	0	215,000,000	214,856,410	143,590	100%
Expenses						
Use of Goods and Services	137,800,000	0	137,800,000	128,953,896	8,846,104	92%
Employee costs	45,000,000	0	45,000,000	2,830,002	42,169,998	6.3%
Remuneration of Directors	13,700,000	0	13,700,000	8,276,950	5,423,050	60%
Repairs and Maintenance	3,500,000	0	3,500,000	2,356,000	1,144,000	67%
Depreciation	0	0	0	7,506,354	-7,506,354	
Total Expenditure	200,000,000	0	200,000,000	149,923,541	50,076,459	74%
Surplus for the period	68,714,880	0	68,714,880	65,061,627	3,653,253	94%
Capital Expenditure	114,000,000	0	114,000,000	0	114,000,000	0%

The institute did not absorb its budget for employee cost by 94% due to late recruitment of staff. Absorption for capital expenditure was also not absorbed due to delay in handing over of projects from MOH. The budget for directors was also under absorbed due to the schedules of directors that couldn't allow them to attend scheduled activities.

19. Notes to the Financial Statements

1. General Information

NCI-K Entity is established by and derives its authority and accountability from Cancer Prevention and Control Act, 2012. The Entity is wholly owned by the Government of Kenya and is domiciled in Kenya. The Entity's principal activity is to advise the Cabinet Secretary on matters relating to the treatment and care of persons with cancer and to advise on the relative priorities to be given to the implementation of specific measures.

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 Institute's accounting policies. The areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in the Notes section.

The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the Institute.

The financial statements have been prepared in accordance with the PFM Act, the State Corporations Act, and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

Notes to the Financial Statements (Continued)

3. Adoption of New and Revised Standards

- i. New and amended standards and interpretations in issue effective in the year ended 30 June 2024.*

There were no new and amended standards issued in the financial year.

- ii. New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2024*

Standard	Effective date and impact:
IPSAS 43	<p><i>Applicable 1st January 2025</i></p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p>
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<p><i>Applicable 1st January 2025</i></p> <p>The Standard requires,</p> <p>Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and:</p> <p>Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.</p>
IPSAS 45- Property Plant and Equipment	<p><i>Applicable 1st January 2025</i></p> <p>The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of</p>

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Standard	Effective date and impact:
	<p>PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.</p>
<p>IPSAS 46 Measurement</p>	<p><i>Applicable 1st January 2025</i></p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ul style="list-style-type: none"> i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS; iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p>
<p>IPSAS 47- Revenue</p>	<p><i>Applicable 1st January 2026</i></p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p>
<p>IPSAS 48- Transfer Expenses</p>	<p><i>Applicable 1st January 2026</i></p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and</p>

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Standard	Effective date and impact:
	cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.
IPSAS 49- Retirement Benefit Plans	<i>Applicable 1st January 2026</i> The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.

iii. Early adoption of standards

The Entity did not early – adopt any new or amended standards in the financial year 2023/2024.

Notes to the financial statements (continued)

4 Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Fees, taxes and fines

The Institute recognizes revenues from fees, taxes and fines when the event occurs and the asset recognition criteria are met. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, deferred income is recognized instead of revenue. Other non-exchange revenues are recognized when it is probable that the future economic benefits or service potential associated with the asset will flow to the Board and the fair value of the asset can be measured reliably.

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 Board and can be measured reliably. Recurrent grants are recognized in the statement of comprehensive income. Development/capital grants are recognized in the statement of financial position and realised in the statement of comprehensive income over the useful life of the assets that has been acquired using such funds.

ii) Revenue from exchange transactions

Rendering of services

The Institute 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.

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Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

b) Budget information

The original budget for the Current FY 2023/2024 was Presented to the Ministry for Health for approval on 12th May 2022 as required by Law. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. There were no additional appropriations added to the original budget by the Entity upon receiving the respective approvals in order to conclude the final budget.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

Budget information (continued)

The Institute'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 18 of these financial statements.

c) Taxes

Current income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the area where the Institute operates and generates taxable income. Current income tax relating to items recognized directly in net assets is recognized in net assets and not in the statement of financial performance. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

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 Institute 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 all of the risks and benefits incidental to ownership of the leased item to the Board. 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 Institute 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 Institute 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 Institute. Operating lease payments are recognized as an operating expense in surplus or deficit on a straight-line basis over the lease term.

Summary of Significant Accounting Policies (Continued)

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. Intangible assets with an indefinite useful life are assessed for impairment at each reporting date.

g) Research and development costs

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

- i) The technical feasibility of completing the asset so that the asset will be available for use or sale.
- ii) Its intention to complete and its ability to use or sell the asset.
- iii) How the asset will generate future economic benefits or service potential
- iv) The availability of resources to complete the asset.
- v) 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.

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Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

h) 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:

- i) Raw materials: purchase cost using the weighted average cost method.
- ii) 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 of 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 of cost and 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 Institute.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

i) Provisions

Provisions are recognized when the Institute 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 Institute 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.

j) 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 Institute 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.

k) Contingent liabilities

The Institute 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.

l) Contingent assets

The Institute 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 Institute 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.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

m) Nature and purpose of reserves

The Entity creates and maintains reserves in terms of specific requirements.

n) 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.

o) Employee benefits

Retirement benefit plans

The Institute 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

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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 proportional basis to all participating employers. The contributions and lump sum payments reduce the post-employment benefit obligation.

p) 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.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

q) Related parties

The Institute 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 Institute, or vice versa. Members of key management are regarded as related parties and comprise the CEO and senior managers.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

r) 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.

s) Comparative figures

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

t) 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, 2024.

Notes to the Financial Statements (Continued)

5 Significant Judgments and Sources of Estimation Uncertainty

The preparation of the Institute 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. State all judgements, estimates and assumptions made:

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 value

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

- a) The condition of the asset based on the assessment of experts employed by the Entity.
- b) The nature of the asset, its susceptibility and adaptability to changes in technology and processes.
- c) The nature of the processes in which the asset is deployed.
- d) Availability of funding to replace the asset.
- e) 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 40. 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.

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Notes to the Financial Statements (Continued)

6 Transfers from Other Government entities

Description	2023-2024	2022-2023
	Kshs	Kshs
Unconditional Grants		
Operational Grant	200,000,000	236,166,667
Total Unconditional Grants	200,000,000	236,166,667

7 Public Contributions and Donations

Description	2023-2024	2022-2023
	Kshs	Kshs
Donations	14,856,410	29,603,994
Public Contributions and Donations	14,856,410	29,603,994

8 Rendering Of Services

Description	2023-2024	2022-2023
	Kshs	Kshs
Licensing Fees	0	9,772,236
Total Revenue from The Rendering of Services	0	9,772,236

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Notes to the Financial Statements (Continued)

9 Use of Goods and Services

Description	2023-2024	2022-2023
	Kshs	Kshs
Conference and delegations	7,266,680	23,062,879
Advertising	22,705,446	19,729,549
Rent Expense	11,329,271	0
Office administration	797,611	550,000
Bank charges	101,708	147,628
Printing and stationery	2,372,960	4,322,050
Consultancy	4,782,000	
Advocacy	2,600,00	30,047,600
Telecommunication	636,000	1,200,824
Training	1,794,572	3,533,556
Catering Costs	2,574,700	0
Stationery	4,343,000	0
Audit Fees	464,000	0
Donation	200,000	
Fuel	3,963,500	0
Travel accommodation and daily subsistence allowance	63,022,448	80,931,996
Totals	128,953,896	163,526,082

10 Employee Costs

Description	2023-2024	2022-2023
	Kshs	Kshs
Salaries and Wages	2,819,922	0
Social security benefits	10,080	0
Totals	2,830,002	0



Notes to the Financial Statements (Continued)

11 Board Expenses

Description	2023-2024	2022-2023
	Kshs	Kshs
Board Expenses	8,276,950	9,975,200
Total	8,276,950	9,975,200

12 Depreciation and Amortization Expense

Description	2023-2024	2022-2023
	Kshs	Kshs
Depreciation expense	7,506,354	2,767,049
Total depreciation	7,506,354	2,767,049

13 Repairs and Maintenance

Description	2023-2024	2022-2023
	Kshs	Kshs
Vehicle Maintenance	2,356,340	0
Total	2,356,340	0

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Notes to the Financial Statements (Continued)

14 Cash and Cash Equivalents

Description	2023-2024	2022-2023
	Kshs	Kshs
Current Account	170,481,085	27,372,292
Total Cash And Cash Equivalents	170,481,085	27,372,292

Detailed Analysis of the Cash and Cash Equivalents

Financial Institution	Account number	2023-2024	2022-2023
		Kshs	Kshs
a) Current Account			
Kenya Commercial Bank		154,581,403	10,457,112
ABC bank		15,899,682	16,915,180
Total		170,481,085	27,372,292

15 Receivables from Non-Exchange Transactions

Description	2023-2024		2022-2023	
	Kshs		Kshs	
Receivables from Non-Exchange Transactions	16,666,666		124,500,000	
Total receivables from non- exchange transactions	16,666,666		124,500,000	
Ageing Analysis- Receivables from non-exchange transactions	2023-2024	% of the total	2022-2023	% of the total
Less than 1 year	16,666,666	100%	124,500,000	100%
Total	16,666,666	100%	124,500,000	100%

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Notes to the Financial Statements (Continued)

16 Property, Plant and Equipment

	Motor Vehicles	Furniture and Fittings	Computer Equipment	Total
	Kshs	Kshs	Kshs	Kshs
Depreciation rate	0.25	0.13	0.33	
At 1-July 2022	5,407,421.00	3,146,600.00	5,644,550.00	14,198,571.00
Additions	-	-	4,481,000.00	4,481,000.00
At 30 June 2023	5,407,421.00	3,146,600.00	10,125,550.00	18,679,571.00
Additions	9,910,579.00	-	5,522,900.00	15,433,479.00
At 30 June 2024	15,318,000.00	3,146,600.00	15,648,450.00	34,113,050.00
Depreciation				
At 1-July 2022	-	963,114.00	2,600,713.00	3,563,827.00
Charge for the year	-	283,853.18	2,483,196.21	2,767,049.39
At 30 June 2023	-	1,246,967.18	5,083,909.21	6,330,876.39
At 1-July 2023	-	1,246,967.18	5,083,909.21	6,330,876.39
Charge for the year	3,829,500.00	246,952.27	3,429,901.46	7,506,353.73
At 30 June 2024	3,829,500.00	1,493,919.45	8,513,810.67	13,837,230.12
At 30 June 2024	11,488,500.00	1,652,680.55	6,963,739.33	20,275,821
At 30 June 2023	5,407,421.00	1,899,632.82	5,041,640.79	12,348,694.61

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17 Trade and Other Payables

Description	2023-2024		2022-2023	
	Kshs		Kshs	
Trade payables	3,945,683		20,637,943	
Other payables – Audit fees			1,392,000	
Provision of audit fees	464,000		464,000	
Total trade and other payables	4,409,683		20,637,943	
		% of the Total		% of the Total
Ageing analysis: (Trade and other payables)	2023-2024		2022-2023	
Under one year	3,945,683	100%	20,637,943	100%
Total (tie to above total)	3,945,683		20,637,943	

18 Inventory.

19 Description	2023-2024		2022-2023	
	Kshs		Kshs	
Inventory	3,646,024		0	
Total	3,646,0243		0	

Notes To the Financial Statements (Continued)

21 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 Entity's overall risk management programme focuses on 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 Entity 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 the Entity's management based on prior experience and their assessment of the current economic environment.

Financial Risk Management

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 Entity has recognised in the financial statements is considered adequate to cover any potentially irrecoverable amounts. The Entity does not have any significant concentration of credit risk. The board of directors sets the Entity's credit policies and objectives and lays down parameters within which the various aspects of credit risk management are operated.

Notes To the Financial Statements (Continued)

Financial Risk Management

ii) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Institute's directors, who have built an appropriate liquidity risk management framework for the management of the Institute'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.

iii) Market risk

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

Notes to the Financial Statements (Continued)

Financial Risk Management

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 Entity's interest rate risk arises from bank deposits. This exposes the Entity to cash flow interest rate risk. The interest rate risk exposure arises mainly from interest rate movements on the Entity'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.

Financial Risk Management

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.

Fair value of financial assets and liabilities

a) Financial instruments measured at fair value.

Determination of fair value and fair values hierarchy

IPSAS 30 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources; unobservable inputs reflect the Institute's market assumptions. These two types of inputs have created the following fair value hierarchy:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities. This level includes listed equity securities and debt instruments on exchanges.

Notes to the Financial Statements (Continued)

Financial Risk Management

- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs). This level includes equity investments and debt instruments with significant unobservable components. This hierarchy requires the use of observable market data when available. The Institute considers relevant and observable market prices in its valuations where possible.

iv) Capital Risk Management

The objective of the Entity’s capital risk management is to safeguard the Entity’s ability to continue as a going concern.

19 Related Party Disclosures

Nature of related party relationships

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

Government of Kenya

The Government of Kenya is the principal shareholder of the Institute, holding 100% of the institute’s equity interest. The Government of Kenya has provided full guarantees to all long-term lenders of the Entity, both domestic and external.

Other related parties include:

Nature of related party relationships

- i) The Health Ministry
- ii) Key management
- iii) Board of directors

Notes to the Financial Statements (Continued)

20 Segment Information

The Institute operates in Nairobi only. No branches

21 Events after the Reporting Period

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

22 Ultimate And Holding Entity

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

23 Currency

The financial statements are presented in Kenya Shillings (Kshs) rounded to the nearest Kshs.

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20. Appendices

Appendix 1: Implementation Status of Auditor-General's Recommendations

The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor.

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe : (Put a date when you expect the issue to be resolved)
1	<p>Inaccuracies in the financial statements</p> <p>1.1 Anomalies in the financial statements</p> <ul style="list-style-type: none"> - Page ii & ix refers to board of directors instead of board of Trustees - The chairman's statement on page xvi and report of directors on page xxvi and page 31 are not signed. - Page no 22 is repeated <p>1.2 Arithmetic errors in the statement of comparison of budget and actual amounts.</p> <p>The statement of comparison of budget and actual amounts reflects actual comparable basis receipts of Kshs 275,745,801</p>	<p>It is true Page ii & ix refers to board of directors instead of board of Trustees <i>This was a typing error on pages ii & ix</i></p> <p><i>The chairman's statement on page xvi and report of directors on page xxvi and page 31 are signed.</i></p> <p><i>Page no 22 is not repeated as per the financial statement attached.</i></p> <p>It is true that The statement of comparison of budget and actual amounts reflects actual comparable basis receipts of Kshs 275,745,801 <i>We confirm that the actual figures are Ksh 275,745,801 Annex I (Copy of the Financial statement)</i></p>		

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe : (Put a date when you expect the issue to be resolved)
	while recasting revealed Ksh 275,542,897.			
2	Unsupported Expenses The financial statement submitted for audit under note 9 reflects use of goods and services of Ksh 163,526,082. However seven components with a total of Ksh 161,775,258 had their schedules reflecting Ksh 128,355,123 resulting in unexplained variance of Ksh 33,420,135.	It is true that The financial statement submitted for audit under note 9 reflects use of goods and services of Ksh 163,526,082. However, seven components with a total of Ksh 161,775,258 had their schedules reflecting Ksh 128,355,123 <i>The management confirms the correct amount under note 9 is Ksh 163,526,082 Annex II (Schedules/ledgers)</i>		
3	Unsupported Revenue The statement of financial performance reflects public contributions and donations of Ksh 29,603,994 and rendering of services of Ksh 9,772,236 as disclosed in note 7 and 8 to the financial statements. However these amounts were not supported by schedules	It is true that The statement of financial performance reflects public contributions and donations of Ksh 29,603,994 and rendering of services of Ksh 9,772,236 as disclosed in note 7 and 8 to the financial statements. <i>Annex III (Bank statement/Schedules)</i>		
4	Unsupported Travel Accommodation and	We agree with auditor's observation		

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe : (Put a date when you expect the issue to be resolved)
	<p>Daily Subsistence Allowances The statement of financial performance reflects use of goods and services amount of Ksh 163,526,082 as disclosed in note 9 to the financial statements. Included in this amount is travel accommodation and daily subsistence allowances amount of Ksh 80,931,996 out of which Ksh 24,468,072 was not supported with payment vouchers and their respective supporting documents.</p>	<p><i>The amount of Ksh 24,468,072 relates to imprest that were surrendered before the closure of the financial year and are available for audit.</i></p>		
5	<p>Unsupported Bank Balance The statement of financial position reflects position reflects cash and cash equivalent balance of Ksh 27,372,282 as disclosed in note 12 to the financial statements. The balance includes current account amount of Ksh 16,915,180 which was not supported by cashbook, certificate of</p>	<p>We agree with auditor's observation</p> <p><i>The amounts of Ksh 16,915,180 relates to the bank account under ABC account and we confirm that cashbook, certificate of bank balance and bank reconciliation statement.</i></p>		

National Cancer Institute of Kenya
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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe : (Put a date when you expect the issue to be resolved)
	bank balance and bank reconciliation statement.			
6	<p>Undisclosed outstanding imprest The statement of financial position reflects receivables from non-exchange transactions of Ksh 124,500,000 as disclosed in note 13 to the financial statement. However the balance omitted outstanding imprest amounting to Ksh 8,141,287</p>	<p>We agree with auditor's observation <i>The management confirms that the outstanding imprest have all been accounted for.</i></p>		
7	<p>Budgetary Control and Performance The statement of comparison of budget and actual amounts reflects final budgeted receipts of Ksh 140,400,000 and actual comparable basis of Ksh 275,542,897 resulting in over collection of receipts of Ksh 135,142,897. Similarly, the institute spent some amount of Ksh 173,501,282 out of the approved expenditure budget of Ksh 85,994,000 resulting in an over expenditure of Ksh</p>	<p><i>We agree with auditor's observation</i></p> <p><i>The Institute was allocated a Recurrent Budget of Kshs 140,000,000 under Head 1081-0175-00 under the Cancer Management Board (Attached is FY2022/23 Recurrent Supplementary Budget No.2) and a Development Budget of Kshs 382,813,185 under Head 1081-1061-00 on Establishment of Regional Cancer Centers (Attached is FY2022/23 State</i></p>		

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe : (Put a date when you expect the issue to be resolved)
	87,507,282. However, there was no evidence of approval of over expenditure	<p><i>Department for Medical Services Development Budget). However, the Institute received Kshs 121,566,667 and Kshs 114,500,000 in Recurrent and Development exchequer receipts respectively. Further, the Institute Received Kshs 39,376,230 from partners in support for specific activities. Therefore, there was neither over-collection of receipts not over-expenditure as the GoK Receipts had been appropriated and the expenditures are well within the appropriated budget.</i></p>		
8	<p>Pending accounts payable The statement of financial position reflects trade and other payables of Ksh 22,493,943 as disclosed in note 15 to the financial statements as at 30 June 2023. The management has attributed this to unpaid supplies and unpaid audit fees.</p>	<p>We agree with auditor's observation <i>The CEO appointed a committee to verify the accounts payable. The committee verified the bills presented before them and made recommendation that the bills be presented to the internal auditor for further scrutiny to ascertain the ones that are eligible for payment.</i></p>		

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe : (Put a date when you expect the issue to be resolved)
		<i>Annex iv (Attached is the pending bills report)</i>		
9	<p>Budget Imbalance The statement of comparison of budget and actual amounts reflects final budget receipts of Ksh 140,400,000 and final expenditure budget of Ksh 85,994,000 resulting in budget imbalance of Ksh 54,406,000.</p>	<p><i>We agree with auditor's observation The Institute was allocated a Recurrent Budget of Kshs 140,000,000 under Head 1081-0175-00 under the Cancer Management Board (Attached is FY2022/23 Supplementary Budget No.2) and a Development Budget of Kshs 382,813,185 under Head 1081-1061-00 on Establishment of Regional Cancer Centers (Attached is FY2022/23 State Department for Medical Services Development Budget). There is no budget imbalance as the allocated budget for both the development vote and recurrent vote share one collection account.</i></p>		
10	<p>Long outstanding Audit Fees The statement of financial position reflects trade and other payables balance of Ksh</p>	<p><i>We agree with auditor's observation The management took note of the audit fees, the same has been provided for in the</i></p>		

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe : (Put a date when you expect the issue to be resolved)
	22,493,943 out of which Ksh 1,392,000 relates to audit fees which have been outstanding for more than one year.	<i>2023-2024 budget and has since been paid.</i>		
11	<p>Failure to Withhold and Remit Tax to KRA The statement of financial performance reflects use of goods and services amount of Ksh 163,526,082. Review of expenditure records including payments vouchers revealed supplies of Ksh 45,701,248 whose corresponding 2% withholding VAT amounting to Ksh 914,025 was not withheld and remitted KRA</p>	<p>We agree with auditor's observation <i>The institute has not been having its PIN and was not appointed as withholding tax agent. The management confirms that the Institute has now an active KRA PIN and has been appointed as a withholding tax agent and its now filling for VAT</i></p>		
12	<p>Excess board of Trustees Composition The statement of financial performance reflects board expenses of Ksh 9,975,200 (2022-Ksh 1,042,400) resulting to an increase by Ksh 8,932,800. In addition, review of board records revealed that the institute had ten board members.</p>	<p>We agree with auditor's observation</p> <p>The appointing authority has not responded to the same effect.</p>		

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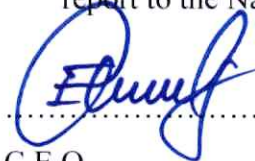
Referen ce No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe : (Put a date when you expect the issue to be resolved)
13	<p>Holding of Multiple imprest Review of imprest records revealed that seven staff held multiple imprest amounting to Ksh 8,141,287. In addition, the imprest had not been surrendered and were long overdue.</p>	<p>We agree with auditor's observation <i>The management confirms that all imprest have been surrendered and accounted for.</i></p>		
14	<p>Excess board meetings It was noted that the board held seven full board meetings, seven finance and strategy committee meetings and seven technical committee meetings. These meeting surpassed the maximum number of six meetings allowed without approval from the cabinet secretary. In addition, human resources and audit committee held only three and two meetings respectively.</p>	<p>We agree with auditor's observation The institute being a new entity the board has pieces of important agenda items to be transacted during the time mentioned herein</p>		
15	<p>Failure to provide confirmed board minutes The board held twenty-six meetings out of which only twenty-one board minutes were provided for audit out</p>	<p>We agree with auditor's observation The Board minutes are availbe and duly signed</p>		

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe : (Put a date when you expect the issue to be resolved)
	of which seventeen minutes were not signed and there was no evidence of confirmation of these minutes.			
16	Failure to prepare Almanac and Annual Work plan During the year under review the board operated without an approved ALMANC and annual board work plan.	We agree with auditor's observation The almanac and the annual work are available. This is going to be corrected subsequently.		

Guidance Notes:

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


.....
C.E.O

Date: 30th September 2024

**National Cancer Institute of Kenya
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ACCOUNTS PAYABLES

	AMOUNT PAYABLE
PROVISION OF AUDIT SERVICES	464,000.00
HOTEL WATERBUCK	316,200.00
FLAMENGO	140,000.00
SAFARICOM	249,984.00
KISE	209,999.00
SAWELA LODGES	454,500.00
SAFARIPARK	350,000.00
AUDIT FEE(OUTSTANDING)	1,398,000.00
GRAND WINSTON	369,000.00
WISKIM INVESTMENT	458,000.00
TOTALS	4,409,683.00

Appendix V- Inter-Entity Confirmation Letter

Name of Transferring entity: State Department for Medical Services

Name of Beneficiary entity : The National Cancer Institute of Kenya

Confirmation of amounts received by National Cancer Institute of Kenya as 30 th June 2024					
Reference Number	Date Disbursed	Recurrent (A)	Development (B)	Total	Remarks
				(C)=(A+B)	
FT23227VVT5F	15.08.2023	16,666,667	0	16,666,667	
FT232560LH3Q	13.09.2023	16,666,667	0	16,666,667	
FT232913M9FS	18.10.2023	16,666,667	0	16,666,667	
FT23319Y3FB5	15.11.2023	16,666,667	0	16,666,667	
FT233488BBMN	14.12.2023	16,666,667	0	16,666,667	
FT24005179PZ	05.01.2024	16,666,667	0	16,666,667	
FT24045VL773	14.02.2024	16,666,667	0	16,666,667	
FT24073232GW	13.03.2024	16,666,667	0	16,666,667	
FT24103B73Z1	12.04.2024	16,666,667	0	16,666,667	
FT241385SZR9	17.05.2024	16,666,667	0	16,666,667	
FT24169B0P6D	17.06.2024	16,666,667	0	16,666,667	
Total		<u>183,333,337</u>	<u>0</u>	<u>183,333,337</u>	

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

Head of Accounts Department – State Department for Medical Services:

Name Sign Date

Head of Accounts Department – National Cancer Institute of Kenya:

Name Lawrence Mwendu Sign [Signature] Date 17/12/2024

REPUBLIC OF KENYA

National Cancer Institute

F.O 30

REPUBLIC OF KENYA
BANK RECONCILIATION

AS AT
ABC BANK

Jun-24

	KSHS.	KSHS.	KSHS.
Balance as per Bank certificate			15,899,681.55
<i>Less:-</i>			
1. Payments in Cash Book not yet			
2. Receipts in Bank Statement not yet	-		-
<i>Add:-</i>			
3. Payments in Bank Statement not yet	-		
			-
Balance as per Cash Book			15,899,681.55

.....
Signature Designation

.....
Date

1. Payments in Cash Book not yet recorded in the Bank Statement (Unpresented Cheques).

Date	Cheque No.	Payee	Amount

2. Receipts in the Bank Statement not yet recorded in the Cash Book

Date	Cheque No.	Payee	Amount

3. Payments in Bank Statement not yet recorded in Cash Book

Date	Cheque No.	Payee	Amount

4. Receipts in Cash Book not yet recorded in Bank Statement

Date	Cheque No.	Particulars	Amount

REPUBLIC OF KENYA			
National Cancer Institute		F O 30	
REPUBLIC OF KENYA			
BANK RECONCILIATION			
AS AT	Jun-24		
KCB MILIMANI BRANCH			
		KSHS.	KSHS.
Balance as per Bank certificate			175,731,611.50
<i>Less:-</i>			
1. Payments in Cash Book not	21,454,925.20		
2. Receipts in Bank Statement	-		21,454,925.20
<i>Add:-</i>			
3. Payments in Bank	304,717.00		
			304,717.00
Balance as per Cash Book			154,581,403.30
Signature		Date	
<i>P. Accountant</i>		<i>17/12/2024</i>	
1. Payments in Cash Book not yet recorded in the Bank Statement (Unpresented Cheques).			
Date	Cheque No.	Payee	Amount
6-Sep-23		KRA	186,000.00
13-Oct-23		KRA	18,000.00
13-Oct-23		KRA	18,000.00
13-Oct-23		KRA	54,000.00
23-Oct-23		KRA	170,872.00
12-Nov-23		KRA	78,000.00
2-Dec-23		KRA	18,000.00
26-Dec-23		KRA	60,000.00
29-Jan-24		KRA	144,000.00
1-Feb-24		KRA	37,280.00
20-Feb-24		KRA	11,423.00
20-Feb-24		KRA	6,362.00
21-Feb-24		KRA	50,000.00
26-Feb-24		KRA	114,000.00
28-Feb-24		KRA	98,515.40
8-Mar-24		KRA	1,714.00
11-Mar-24		KRA	21,802.00
14-Mar-24		KRA	2,586.00
21-Mar-24		KRA	42,000.00
26-Mar-24		KRA	24,000.00
11-Apr-24		KRA	2,586.00
16-Apr-24		KRA	30,000.00
16-Apr-24		KRA	60,000.00
12-Apr-24		Nyaga	242,872.00
12-Apr-24		Sundley	668,000.00
30-Apr-24		KRA	350.00
30-Apr-24		KRA	14,207.00
30-Apr-24		KRA	10,800.00
30-Apr-24		Sundley	278,400.00
21-May-24		KRA	120,000.00
24-May-24		KRA	863.00
24-May-24		KRA	4,029.00
24-May-24		KRA	2,776.00
24-May-24		KRA	1,090.00
24-May-24		KRA	37,931.00
24-May-24		KRA	51,379.00
24-May-24		KRA	36,931.00
31-May-24		KRA	4,310.00
31-May-24		KRA	198,000.00
31-May-24		KRA	18,000.00
31-May-24		KRA	38,000.00
31-May-24		KRA	33,200.00
28-Jun-24		KRA	10,345.00
28-Jun-24		KRA	6,890.00

28-Jun-24	KRA	1,966.00
28-Jun-24	KRA	10,909.00
28-Jun-24	KRA	3,586.00
28-Jun-24	KRA	9,663.00
28-Jun-24	KRA	9,034.00
28-Jun-24	KRA	6,621.00
28-Jun-24	KRA	2,897.00
28-Jun-24	KRA	2,586.00
28-Jun-24	KRA	5,328.00
28-Jun-24	RVTI	640.00
28-Jun-24	KRA	3,000.00
28-Jun-24	KRA	5,600.00
28-Jun-24	KRA	2,293.00
28-Jun-24	KRA	1,138.00
28-Jun-24	KRA	3,621.00
28-Jun-24	KRA	8,405.00
28-Jun-24	KRA	5,317.00
28-Jun-24	KRA	2,586.00
28-Jun-24	KRA	18,000.00
28-Jun-24	KRA	2,586.00
28-Jun-24	KRA	2,586.00
28-Jun-24	KRA	82,448.00
28-Jun-24	Housing Levy	32,399.00
28-Jun-24	NHIF	39,300.00
28-Jun-24	NSSF	10,440.00
28-Jun-24	Payee	386,953.00
30-Jun-24	A & L Hotel	197,977.00
30-Jun-24	KRA	3,473.00
30-Jun-24	A & L Hotel	206,379.00
30-Jun-24	KRA	3,621.00
30-Jun-24	Jenala	209,691.00
30-Jun-24	KRA	3,679.00
30-Jun-24	Emboita	149,084.00
30-Jun-24	KRA	2,616.00
30-Jun-24	Kenai	200,974.00
30-Jun-24	KRA	3,526.00
30-Jun-24	Masinde	56,509.00
30-Jun-24	KRA	991.00
30-Jun-24	stockwell	220,138.00
30-Jun-24	KRA	3,862.00

