



Enhancing Accountability

REPORT

THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 23 FEB 2021

DAY.

Tuesday

TABLED
BY:

C.D.M

CLERK-AT
THE-TABLE:

Mamah Mwangi

PARLIAMENT
OF KENYA
LIBRARY

THE AUDITOR-GENERAL

ON

**TRANSFORMING HEALTH SYSTEMS FOR
UNIVERSAL CARE (THS-UC) PROJECT
GRANT IDA CREDIT NO.5836-KE, TFOA2561
AND TFOA2792**

**FOR THE YEAR ENDED
30 JUNE, 2020**

MINISTRY OF HEALTH



**TRANSFORMING HEALTH SYSTEMS FOR
UNIVERSAL CARE PROJECT
THS – UC PROJECT**

PROJECT GRANT/CREDIT NUMBER.P 152394

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2020**

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

 THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 23 FEB 2021	DAY:
TABLED BY:	
CLERK-AT THE-TABLE:	

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1. PROJECT INFORMATION AND OVERALL PERFORMANCE

1.1 Name and registered office

Name: The project's official name is Transforming Health Systems for Universal Health Care.

Objective: The Transforming Health Systems for Universal Care aims to improve the utilization and quality of primary health care (PHC) services by supporting a set of evidence-based interventions, which are expected to contribute to Universal Health Care with improved equity and enhanced efficiency.

Address: The project headquarters offices are Nairobi (city), Nairobi County, Kenya.
The address of its registered office is Ministry of Health
P.O. Box 30016-00100 Nairobi.

The project is partly based at the Ministry of Health and at the Council of Governors. The project support county governments and the Ministry of Health departments.

Contacts: The following are the project contacts

Telephone: (254) -020-2717077

E-mail: ps@health.go.ke

Website: www.health.go.ke

1.2 Project Information

Project Start Date:	The project start date is 15 th September, 2016
Project End Date:	The project end date is 30 th June, 2021
Project Manager:	The project manager is Dr Isaac Kimani
Project Sponsor:	The project sponsor is Jane Chuma

1.3 Project Overview

Line Ministry/State Department of the project	The project is under the supervision of the Ministry of Health.
Project number	IDA -58360 (THS – UC WA 1) IDA - 58360 (THS – UC MOH – WA 1) TF - A- 2561 (GFF – WA 1) TF - A -2561 (GFF – MOH –WA 1) TF - A- 2792 (PH RD WA 1)
Strategic goals of the project	The strategic goals of the project is to improve utilization and quality of primary health care services with a focus on reproductive, maternal, new-born, child and adolescent health services.
Achievement of strategic goals	The project management aims to achieve the goals through the following means: (i)Improving access to and demand for quality PHC services; (ii)Strengthening institutional capacity in selected key areas to improve utilization and quality of PHC services; and (iii)Supporting cross-country and intergovernmental collaboration in the recently devolved Kenyan health system.
Other important background information of the project	The project enhances focus on results by allocating resources to each county based on the improved coverage of essential services that are directly linked to the Project Development Objective (PDO) and other factors including equity. The project's support to strengthen the M&E systems, including the routine HIS, will improve the quality of data for monitoring progress toward the achievement of Project Development Objective.
Current situation that the project was formed to intervene	The Transforming Health Systems for Universal Care aims to improve the utilization and quality of Primary Health Care (PHC) services by supporting a set of evidence-based interventions which are expected to contribute to Universal Health Care with improved equity and enhanced efficiency.
Project duration	The project started on 15 th September 2016 and is expected to run until 30 th June 2021.

1.4 Bankers

The following are the bankers for the current year for both the project account and designated account:
Central Bank of Kenya
P.O. Box 60000-00200
Nairobi

1.5 Auditors

Auditor- General
P.O Box 30084 – 00100
Nairobi.

1.6 Roles and Responsibilities

List of the different people who are working on the project.

Names	Title designation	Key qualification	Responsibilities
Dr. Isaac Kimani	Project Manager	MBChB	Project oversight and overall coordination of activities of the Project.
Dr Nancy Etiang	Deputy Project Manager	MBChB,MSc.Applied epidemiology	Assistant to the project Manager.
Dr Kiogora Gatimbu	Monitoring and evaluation officer	Bpharm MBA	M&E of project activities.
Caroline Ndungu	Project Accountant	Bcom, CPA(K)	Preparation of Financial reports as required from time to time e.g. IFR, Bank reconciliation, exchequer requisition, Vote book , preparation of project F/S , responding to Audit issues etc.
Samuel Kamau	Project Accountant	CPA II	Bank reconciliation, exchequer requisition, Vote book , responding to Audit issues etc.

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1.7 Funding summary

The total cost of the project is US \$ 191.1 million, of which US \$ 150 million will be financed by IDA credit, a US \$ 40 million will be granted by the GFF TF and US \$ 1.1 million will be a grant by the PHRD TF.

Below is the funding summary:

Source funds	of	Donor Commitment-		Amount received to date – (30 06 2020)		Undrawn balance to date (30 06 2020)	
		Donor currency (A)	KShs (A')	Donor currency (B)	KShs (B')	Donor currency (A)-(B)	KShs (A')-(B')
(i) Grant							
TF – A 2561		40,000,000	4,120,000,000	21,069,799	2,125,809,565	18,930,201	1,994,190,435
TF – A 2792		1,100,000	113,300,000	550,513	58,570,795	549,487	54,729,205
i) Loan							
IDA - 58360		150,000,000	15,450,000,000	77,700,461	7,834,935,973	72,299,539	7,615,064,027
Total		191,100,000	19,683,300,000	99,320,772	10,019,316,333	91,779,228	9,663,983,667

1.8 Summary of Overall Project Performance:

The key beneficiaries of the project are women of reproductive age, including adolescents and children under five who utilize Primary Health Care services most. The project supports counties in ensuring that the benefits reach the people at grass root level. The projects aims to ensure that;

- Children younger than one year are fully immunized;
- Pregnant women attend at least four Anti-Natal Care(ANC) visits;
- Births are attended by skilled health personnel; and
- Women of reproductive age are using a modern FP method.

1.9 Summary of Project Compliance:

The project complied with applicable laws and regulations, and essential external financing agreements/covenants and this helped us to achieve the objectives set.

2. STATEMENT OF PERFORMANCE AGAINST PROJECTS PREDETERMINED OBJECTIVES

Section 81 (2) (f) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Accounting officer when preparing financial statements of each National Government entity in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board includes a statement of the national government entity's performance against predetermined objectives.

The key development objectives of the *project's* plan are to:

- a) Improve the delivery, utilization, and quality of PHC services at the county level with a focus on RMNCAH. This also includes procurement of Family Planning commodities.
- b) Strengthen institutional capacity to better deliver quality PHC services
- c) Enhance cross-county and intergovernmental collaboration as well as facilitate and coordinate project implementation
- d) Contingency Emergency Response (CERC)- To fund immediate and short-term activities in the national COVID-19 Contingency Response Plan. It supports Emergency Operations Centre and procurement of health commodities to respond to Covid-19 Pandemic

Progress on attainment of Strategic development objectives

	Objective	Outcome	Indicator	Performance
1	Improve the delivery, utilization, and quality of PHC services at the county level with a focus on RMNCAH.	Increased no. Of children under 1yr who had received third dose of pentavalent vaccine Increased number of women attending at least 4 ANC visits Women between the ages of 15-49 years currently using a modern FP method	The year's average for penta 3 coverage was 78.9%; skilled birth delivery year's coverage stood at 67.4%; the fourth antenatal care year's coverage was 48.4% and the family planning coverage stood at 44.4 %.	Increased immunization of children Continued increase in women attending ANC visits Increased uptake of FP commodities.
2	Cross county and intergovernmental Collaboration and Project Management	Mombasa County and Ministry of Education Embu and Kirinyaga Counties and Kenya National Blood Transfusion Service	Improvement of quality ASRH services with specific interest to young mothers in school and community level. Strengthening Blood transfusion services	functional youth friendly centre containers being delivered. Sensitisation of young mothers on MNH and outreaches done Equipment and supplies to strengthen transfusion services were purchased and delivered. Recruitment for blood donations commenced.

3. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

1. Sustainability strategy and profile

The support makes full use of country systems delivering ‘on-budget’ support to counties and Ministry of Health. Disbursement of conditional grants is done through the Government system to National Treasury for onward disbursement through IFMIS to the health facilities in the 47 counties. These grants are given at county level according to the existing County Allocation of Revenue (CARA) formula and are allocated to facilities, based on a criteria agreed upon by the county and fully disclosed to the project team. This will improve public health service delivery as the funds will support operational and maintenance expenditure at primary health care facility level.

2. Environmental performance

During the year procurement of incinerators in the three counties (Lamu, Kajiado and Mandera) was initiated, however environmental audit are to be conducted. In addition, there is noted improved use of ESMP checklist to mitigate risks associated with renovation/rehabilitation activities in the 25 counties visited.

3. Employee welfare

The project follows the Government policies and procedures in the hiring process. The Ministry of Human Resources in collaboration with the COG conducts the interviews. In addition the World Bank requirements are incorporated to ensure that the successful candidate has the necessary qualifications.

4. Community Engagements-

For the THS project, a social assessment was conducted and disclosed in 2018 and VMGPs were drafted for 28 VMGs across 23 counties. The midwifery training at KMTC focuses on students from underserved areas including VMGs. 800 students received scholarships to study in Bomet, Loitokitok, Kabarnet, Kapenguria, Kitui, Kilifi, Msambweni, Lodwar. Most of the students who graduated are employed at the counties, national facilities and some in private thus improving services in the communities where they come from

4. STATEMENT OF PROJECT MANAGEMENT RESPONSIBILITIES

The Principal Secretary for the Ministry of Health and the Project Manager for Transforming Health Systems for Universal Care – (THS – UC Project) Secretariat are responsible for the preparation and presentation of the Project’s financial statements, which give a true and fair view of the state of affairs of the Project for and as at the end of the financial year ended June 30, 2020. This responsibility includes: (i) maintaining adequate financial management arrangement 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 Project; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statement, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the Project; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Principal Secretary for the Ministry of Health and the Project Manager for Transforming Health Systems for Universal Care – (THS – UC Project) Secretariat accept responsibility for the Project’s financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards.

The Principal Secretary for the Ministry of Health and the Project Manager for Transforming Health Systems for Universal Care – (THS – UC Project) Secretariat are of the opinion that the Project’s financial statements give a true and fair view of the state of Project’s transactions during the financial year ended June 30, 2020, and of the Project’s financial position as at that date. The Principal Secretary for the Ministry of Health and the Project Manager for Transforming Health Systems for Universal Care – (THS – UC Project) Secretariat further confirm the completeness of the accounting records maintained for the Project, which have been relied upon in the preparation of the Project financial statements as well as the adequacy of the systems of internal financial control.

The Principal Secretary for the Ministry of Health and the Project Manager for Transforming Health Systems for Universal Care – (THS – UC Project) Secretariat confirm that the Project has complied fully with applicable Government Regulations and the terms of external financing covenants, and that Project funds received during the financial year under audit were used for the eligible purposes for which they were intended and were properly accounted for.

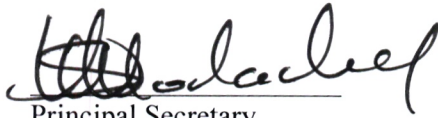
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Approval of the Project financial statements

The Project financial statements were approved by The Principal Secretary for the Ministry of Health and the Project Manager for Transforming Health Systems for Universal Care (THS – UC Project) Secretariat on 17/December 2020 and signed by them.

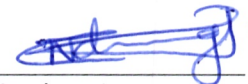


Principal Secretary
Name



Project Manager
Name

DR. I. M. KIMANI

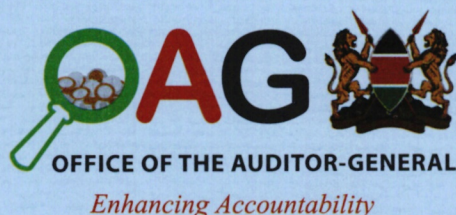


Project Accountant:
Name:

Caroline Ndingu
ICPAK Member Number: 9040

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
E-mail: 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 TRANSFORMING HEALTH SYSTEMS FOR UNIVERSAL CARE (THS-UC) PROJECT GRANT IDA CREDIT NO.5836-KE, TFOA2561 AND TFOA2792 FOR THE YEAR ENDED 30 JUNE, 2020 – MINISTRY OF HEALTH

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Transforming Health Systems for Universal Care (THS-UC) Project Grant IDA Credit No.5836-KE, TFOA2561 and TFOA2792 set out on pages 1 to 21, which comprise the statement of financial assets as at 30 June, 2020, and the statement of receipts and payments, statement of cash flows and statement of comparative budget and actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effects of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of THS-UC Project as at 30 June, 2020, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Grant Agreement No.5836-KE, TFOA2561 and TFOA2792 dated 4 July, 2016 between International Bank for Reconstruction and Development, International Development Association and the Republic of Kenya and Public Finance Management Act, 2012.

In addition, the special accounts statement presents fairly the special accounts transactions and the closing balance has been reconciled with the books of account.

Basis for Qualified Opinion

Long Outstanding Imprests and Advances

The statement of financial assets reflects accounts receivables - imprests and advances balance of Kshs.1,933,500 which includes an amount of Kshs.1,835,300 that had not been recovered as at 30 June, 2020. The unrecovered amount includes a long outstanding balance of Kshs.1,774,900 issued during the financial year 2016/2017 contrary to Regulations 93(5) and 93(6) of Public Finance Management (National

Government) Regulations, 2015 which requires a holder of a temporary imprest to account or surrender the imprest within seven (7) working days after returning to the duty station and Accounting Officers to recover the full amount from the salary of the defaulting officers with interest at the prevailing Central Bank Rate.

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

Key Audit Matters

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

Other Matter

1. Budget Control and Performance

The statement of comparative budget and actual amounts reflects final budgeted receipts and actual receipts on a comparable basis of Kshs.5,084,854,605 and Kshs.4,561,176,446 respectively resulting to an under-funding of Kshs.523,678,159 or 10% of the budget. The underfunding might have hindered implementation of the planned activities of the Project impacting negatively on service delivery to the public.

2. Pending Bills

Note 10.12 to the financial statements reflects a pending bills amount of Kshs.63,070,639 as at 30 June, 2020. No explanation has been provided for non-payment of the pending bills. The Project is at risk of incurring interest costs and penalties with the continued delay in making payments.

3. Prior Year Audit Matters

3.1 Comingling of Funds

Regulation 76(1) of the Public Finance Management (County Governments) Regulations, 2015 requires opening and maintenance of a Project account for every Project at Central Bank of Kenya (CBK), unless exempted in writing by the Cabinet Secretary, into which all funds shall be kept and an account shall be in the name of the Project for which it is opened.

A review of Nairobi County transactions in respect of the Project indicated that a separate account was not maintained. The Project transactions were processed through a County Special Purpose Account together with transactions for other Projects.

Consequently, the Management was in breach of the law.

3.2 Irregular Procurement of Conference Facilities in Kiambu County

Section 106(2)(b) of the Public Procurement and Asset Disposal Act, 2015 requires quotations to be given to as many persons as necessary to ensure effective competition. However, during the financial year 2018/2019, the County made payments amounting to Kshs.4,781,500 for hire and use of conference facilities for training in cash and without any evidence of competitive procurement.

Consequently, value for money for the payments amounting to Kshs.4,781,500 could not be confirmed.

3.3 Transfer to Other Government Entities

The statement for receipts and payments for the year ended 30 June, 2019 reflected total transfers to other government entities of Kshs.2,650,727,789 comprising of transfers by the entity of Kshs.215,286,365 and payments made by third parties of Kshs.2,435,441,424. Signed confirmations or expenditure returns from beneficiaries were however, not availed for audit review. Consequently, it was not possible to establish whether the transfers were received by the intended beneficiaries and utilized for the intended purposes.

In the circumstances, I am unable to confirm whether the transfers were a proper charge to public funds.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

Purchase of Goods and Service

As disclosed in Note 10.5 to the financial statements, the statement of receipts and payments reflects a balance of Kshs.715,840,584 under purchase of goods and services which includes an amount of Kshs.415,286,025 in respect of specialized materials. The

latter balance includes an amount of Kshs.304,160,118 paid to the Kenya Medical Supplies Authority (KEMSA) for procurement of Covid-19 related equipment. A review of procurement documents revealed that KEMSA procured the said Covid-19 related items using the direct procurement method retrospectively without putting in place systems and procedures to guide the use of the procurement method contrary to Section 69(2) and Section 45(1) of the Public Procurement and Asset Disposal Act, 2015.

In the circumstance, it is not clear whether the project obtained value for money on the expenditure of Kshs.304,160,118 incurred on procurement of Covid-19 related items.

The audit was conducted in accordance with ISSAI 4000. The standard requires that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements are in compliance, in all material respects, with the authorities that govern them.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, except for the matters described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management, and overall 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

Lack of Audit Committee Reports

Regulation 160(1)(b) of the Public Finance Management (National Government) Regulations, 2015 stipulates that the internal auditors have a duty to give reasonable assurance through the Audit Committee on the state of risk management, control and governance within the organization. Further, Regulation 162(1) requires that the Head of Internal Audit reports administratively to the Accounting Officer and functionally to the Audit Committee.

However, as reported in 2018/2019, Management did not avail any supporting documents as evidence that the Project had approved internal audit work plans and whether there was any discussion of the audit reports and actions taken. Consequently, the measures put in place for internal controls, risk management and overall governance may not be adequate.

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

Responsibilities of Management and those Charged with Governance

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

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

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

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

Those charged with governance are responsible for overseeing the financial reporting process, reviewing the effectiveness of how the Project monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement and weakness when it exists. Misstatements can arise from fraud

or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and overall governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Because of its inherent limitations, internal control may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on

the Project's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Project to cease to continue to sustain its services.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Project to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

I communicate with the Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that are identified during the audit.

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


Nancy Gathungu
AUDITOR-GENERAL

Nairobi

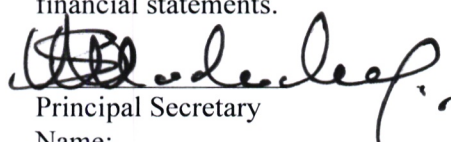
22 December, 2020

TRANSFORMING HEALTH SYSTEMS FOR UNIVERSAL HEALTH CARE
Reports and Financial Statements
For the financial year ended June 30, 2020

6. STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 30TH JUNE 2020

	Not e	2019/20		2018/19		Cumulative to-date
		KShs	KShs	KShs	KShs	KShs
		Receipts and payments controlled by the entity	Payments made by third parties & Direct payments	Receipts and payment controlled by the entity	Payments made by third parties	
RECEIPTS						
Grants from external development partners	10.2	208,967,809	365,353,072	93,299,800		667,620,681
Loan from external development partners	10.3	1,147,974,947	2,838,880,618	207,703,820	2,435,441,424	9,351,695,652
TOTAL RECEIPTS		1,356,942,756	3,204,233,690	301,003,620	2,435,441,424	10,019,316,333
PAYMENTS						
Compensation of employees	10.4	11,997,316		9,080,692		29,600,823
Purchase of goods and services	10.5	715,840,584		213,428,603		1,141,615,854
Acquisition of non-financial assets	10.6	22,042,652		15,820,336		79,442,308
Transfers to other government entities	10.7		3,204,233,690	215,286,365	2,435,441,424	8,089,820,520
TOTAL PAYMENTS		749,880,552	3,204,233,690	453,615,996	2,435,441,424	9,340,479,505
SURPLUS/(DEFICI T)		607,062,204		(152,612,376)		678,836,828

The accounting policies and explanatory notes to these financial statements are an integral part of the financial statements.


Principal Secretary
Name:
Date

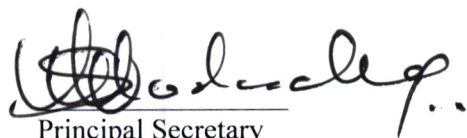

Project Manager
Name: **DR. I. M. KIMANI**
Date: **17-12-2020**


Project Accountant
Name: **Caroline Ndirangu**
Date: **17/12/20**
ICPAK Member Number: 9040

TRANSFORMING HEALTH SYSTEMS FOR UNIVERSAL HEALTH CARE**Reports and Financial Statements****For the financial year ended June 30, 2020****7. STATEMENT OF FINANCIAL ASSETS AS AT 30TH JUNE 2020**

	Note	2019/20	2018/19
		KShs	KShs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	10.8	676,903,328	41,584,680
Total Cash and Cash Equivalents		676,903,328	41,584,680
Accounts receivables – Imprest and Advances	10.10	1,933,500	30,189,944
TOTAL FINANCIAL ASSETS		678,836,828	71,774,624
REPRESENTED BY			
Fund balance b/fwd	10.11	71,774,624	224,387,000
Surplus/(Deficit) for the year		607,062,204	(152,612,376)
NET FINANCIAL POSITION		678,836,828	71,774,624

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 17/Dec/20 2020 and signed by:



Principal Secretary
Name:
Date



Project Manager
Name: Dr. J. M. Kimani
Date: 17-12-2020



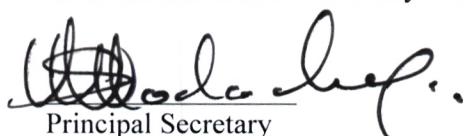
Project Accountant
Name: Caroline Ndingu
Date: 17/12/20
ICPAK Member Number: 9040

TRANSFORMING HEALTH SYSTEMS FOR UNIVERSAL HEALTH CARE
Reports and Financial Statements
For the financial year ended June 30, 2020

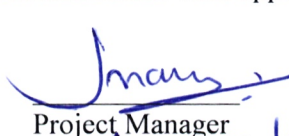
8. STATEMENT OF CASHFLOW FOR THE YEAR ENDED 30TH JUNE 2020

		2019/20	2018/19
	Note	KShs	KShs
Receipts for operating activities			
Proceeds from domestic and foreign grants	10.2	208,967,809	93,299,800
Payments for operating activities			
Compensation of employees	10.4	(11,997,316)	(9,080,692)
Use of goods and services	10.5	(715,840,584)	(213,428,603)
Transfers to other government entities	10.7		(215,286,365)
Changes in Imprests & Advances		28,256,444	(21,016,544)
Net Cash flows from Operating Activities		(490,613,648)	(365,512,404)
CASHFLOW FROM INVESTING ACTIVITIES			
Acquisition of Assets	10.6	(22,042,652)	(15,820,336)
Net cash flows from Investing Activities		(22,042,652)	(15,820,336)
CASHFLOW FROM BORROWING ACTIVITIES			
Loan from external development partners	10.3	1,147,974,947	207,703,820
Net cash flow from financing activities		1,147,974,947	207,703,820
NET INCREASE IN CASH AND CASH EQUIVALENT		635,318,648	(173,628,920)
Cash and cash equivalent at BEGINNING of the year		41,584,680	215,213,600
Cash and cash equivalent at END of the year		676,903,328	41,584,680

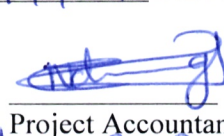
The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on 17/12/20 2020 and signed by:



Principal Secretary
Name
Date



Project Manager
Name: Dr. J. M. Kimani
Date 17-12-2020



Project Accountant
Name: Caroline Ndirangu
Date 17/12/20
ICPAK Member No:9040

TRANSFORMING HEALTH SYSTEMS FOR UNIVERSAL HEALTH CARE
Reports and Financial Statements
For the financial year ended June 30, 2020

9. STATEMENT OF COMPARATIVE BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30TH JUNE 2020

Receipts/Payments Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
Receipts						
Grants from external development partners	1,311,703,844	(366,703,844)	945,000,000	574,320,881	370,679,119	61%
Loan from external development partners	3,608,667,029	531,187,576	4,139,854,605	3,986,855,565	152,999,040	96%
Total Receipts	4,920,370,873	164,483,732	5,084,854,605	4,561,176,446	523,678,159	90%
Payments						
Compensation of employees	14,500,000		14,500,000	11,997,316	2,502,684	83%
Purchase of goods and services	1,900,000,000	-113,066,268	1,786,933,732	715,840,584	1,071,093,148	91%
Acquisition of non-financial assets	22,993,052		22,993,052	22,042,652	950,400	96%
Transfers to Counties	2,682,877,821		2,682,877,821	2,655,779,588	27,098,233	99%
Direct payments	300,000,000	277,550,000	577,550,000	548,454,102	29,095,898	95%
Total Payments	4,920,370,873	164,483,732	5,084,854,605	3,954,114,242	1,130,740,363	
Surplus/deficit	-	-	-	607,062,204	(607,062,204)	

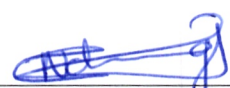
For variances refer to Annex 1 on pg 20



Principal Secretary
Name:
Date



Project Manager
Name: DR. I.M. KIMANI
Date 17-12-2020



Project Accountant
Name: Gandine Ndirango
Date 17/12/20
ICPAK Member No:9040

10 NOTES TO THE FINANCIAL STATEMENTS

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

10.1 Basis of Preparation

10.1.1 Statement of compliance and basis of preparation

The financial statements have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS) with particular emphasis on Cash Basis Financial Reporting under the Cash Basis of Accounting. The financial statements comply with and conform to the form of presentation prescribed by the Accounting Standards Board of Kenya.

The financial statements are presented in Kenya Shillings, which is the functional and reporting currency of the Project. The accounting policies adopted have been consistently applied to all of the years presented.

The financial statements have been prepared on the cash basis following the Government's standard chart of accounts. The cash basis of accounting recognizes transactions and events only when cash is received or paid out by the Project.

10.1.2 Reporting entity

The financial statements are for the Transforming Health Systems project under National Government of Kenya. The financial statements encompass the reporting entity as specified in the relevant legislation PFM Act 2012 .

10.1.3. Reporting currency

The financial statements are presented in Kenya Shillings (KShs), which is the functional and reporting currency of the Project and all values are rounded to the nearest Kenya Shilling.

10.1 Significant Accounting Policies

a) Recognition of receipts

The Project recognises all receipts from the various sources when the event occurs and the related cash has actually been received by the Government.

- **Transfers from the Exchequer**

Transfer from Exchequer is be recognized in the books of accounts when cash is received. Cash is considered as received when payment instruction is issued to the bank and notified to the receiving entity.

- **External Assistance**

External assistance is received through grants and loans from multilateral and bilateral development partners.

Donations and grants

Grants and donations shall be recognized in the books of accounts when cash is received. Cash is considered as received when a payment advice is received by the recipient entity or by the beneficiary. In case of grant/donation in kind, such grants are recorded upon receipt of the grant item and upon determination of the value. The date of the transaction is the value date indicated on the payment advice.

Proceeds from borrowing

Borrowing includes Treasury bill, treasury bonds, corporate bonds, sovereign bonds and external loans acquired by the Project or any other debt the Project may take on will be treated on cash basis and recognized as a receipt during the year they were received.

Undrawn external assistance

These are loans and grants at reporting date as specified in a binding agreement and relate to funding for the Project currently under development where conditions have been satisfied or their ongoing satisfaction is highly likely and the project is anticipated to continue to completion. An analysis of the Project's undrawn external assistance is shown in the funding summary

- **Other receipts**

These include Appropriation-in-Aid and relates to receipts such as proceeds from disposal of assets and sale of tender documents. These are recognized in the financial statements the time associated cash is received.

b) Recognition of payments

The Project recognises all payments when the event occurs and the related cash has actually been paid out by the Project.

- **Compensation of employees**

Salaries and Wages, Allowances, Statutory Contribution for employees are recognized in the period when the compensation is paid.

- **Use of goods and services**

Goods and services are recognized as payments in the period when the goods/services are consumed and paid for. If not paid for during the period where goods/services are consumed, they shall be disclosed as pending bills.

- **Interest on borrowing**

Borrowing costs that include interest are recognized as payment in the period in which they incurred and paid for.

SIGNIFICANT ACCOUNTING POLICIES (Continued)

- **Repayment of borrowing (principal amount)**

The repayment of principal amount of borrowing is recognized as payment in the period in which the repayment is made. The stock of debt is disclosed as an annexure to the consolidated financial statements.

- **Acquisition of fixed assets**

The payment on acquisition of property plant and equipment items is not capitalized. The cost of acquisition and proceeds from disposal of these items are treated as payments and receipts items respectively. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration and the fair value of the asset can be reliably established, a contra transaction is recorded as receipt and as a payment.

A fixed asset register is maintained by each public entity and a summary provided for purposes of consolidation. This summary is disclosed as an annexure to the consolidated financial statements.

c) In-kind donations

In-kind contributions are donations that are made to the Project in the form of actual goods and/or services rather than in money or cash terms. These donations may include vehicles, equipment or personnel services. Where the financial value received for in-kind contributions can be reliably determined, the Project includes such value in the statement of receipts and payments both as receipts and as payments in equal and opposite amounts; otherwise, the contribution is not recorded.

d) 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.

Restriction on cash

Restricted cash represents amounts that are limited/restricted from being used to settle a liability for at least twelve months after the reporting period. This cash is limited for direct use as required by stipulation. Amounts maintained in deposit bank accounts are restricted for use in refunding third part deposits.

e) Accounts receivable

For the purposes of these financial statements, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year is treated as receivables. This is in recognition of the government practice where the imprest payments are recognized as payments when fully accounted for by the imprest or AIE holders. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

f) Pending bills

Pending bills consist of unpaid liabilities at the end of the financial year arising from contracted goods or services during the year or in past years. As pending bills do not involve the payment of cash in the reporting period, they recorded as 'memorandum' or 'off-balance' items to provide a sense of the overall net cash position of the Project at the end of the year. When the pending bills are finally settled, such payments are included in the statement of receipts and payments in the year in which the payments are made.

g) Budget

The budget is developed on a comparable accounting basis (cash basis), the same accounts classification basis (except for accounts receivable - outstanding imprest and clearance accounts and accounts payable - deposits, which are accounted for on an accrual basis), and for the same period as the financial statements. The Project's budget was approved as required by Law and National Treasury Regulations, as well as by the participating development partners, as detailed in the Government of Kenya Budget Printed Estimates for the year. The Development Projects are budgeted for under the MDAs but receive budgeted funds as transfers and account for them separately. These transfers are recognised as inter-entity transfers and are eliminated upon consolidation.

A high-level assessment of the Project's actual performance against the comparable budget for the financial year under review has been included in an annex to these financial statements.

h) Third party payments

Included in the receipts and payments, are payments made on its behalf by to third parties in form of loans and grants. These payments do not constitute cash receipts and payments and are disclosed in the payment to third parties column in the statement of receipts and payments.

During the year Kshs 3,204,233,690 billion being loan disbursements were received in form of direct payments from third parties.

SIGNIFICANT ACCOUNTING POLICIES (Continued)

i) Exchange rate differences

The accounting records are maintained in the functional currency of the primary economic environment in which the Project operates, Kenya Shillings. Transactions in foreign currencies during the year are converted into the functional currency using the exchange rates prevailing at the dates of the transactions. Any foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statements of receipts and payments.

j) Comparative figures

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

k) 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, 2020.

l) Errors

Material prior period errors shall be corrected retrospectively in the first set of financial statements authorized for issue after their discovery by: i. Restating the comparative amounts for prior period(s) presented in which the error occurred; or ii. If the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and net assets/equity for the earliest prior period presented.

TRANSFORMING HEALTH SYSTEMS FOR UNIVERSAL HEALTH CARE
Reports and Financial Statements
For the financial year ended June 30, 2020

NOTES TO THE FINANCIAL STATEMENTS (Continued)

10.2 PROCEEDS FROM DOMESTIC AND FOREIGN GRANTS

During 12 months to 30 June 2020 we received grants from donors as detailed in the table below:

Name of Donor	Date received	Amount received in donor currency	Grants received in cash	Grants received as direct payment*	Total amount in KShs	
					FY 19/20	FY18/19
			Kshs	Kshs		
Grants Received from organizations						
Global Financing Facility	1-Oct-19	1,874,970	194,021,897		194,021,897	59,877,050
	25-Jun-20	29,317	3,121,968		3,121,968	15,678,877
Direct Payment	20-mar-20	2,486,057		250,843,804	250,843,804	639,906,671
3 rd party-counties	20-mar-20	1,310,201		114,509,268	114,509,268	
Policy & Human Resources Dvnt Fund	1-Oct-19	91,531	9,471,628		9,471,628	3,029,998
	19-Nov-19	22,089	2,352,316		2,352,316	2,247,349
	31/May/19					1,843,487
Total		5,814,165	208,967,809	365,353,072	574,320,881	722,583,432

TRANSFORMING HEALTH SYSTEMS FOR UNIVERSAL HEALTH CARE
Reports and Financial Statements
For the financial year ended June 30, 2020

10.3 LOAN FROM EXTERNAL DEVELOPMENT PARTNERS

During the 12 months to 30 June 2020 we received funding from development partners in form of Loans negotiated by the National Treasury donors as detailed in the table below:

Name of Donor	Date received	Amount in loan currency	Loans received in cash	Loans received as direct payment	Total amount in KShs	
		USD	KShs	KShs	FY 19/20	FY 18/19
Loans Received from Multilateral Donors (International Organisations)						
International Development Association	1-Oct-19	1,254,324	129,797,402		129,797,402	1,925,698,741
	25-Jun-20	392,169	41,762,045		41,762,045	37,242,655
	2-Apr-20	5,000,000	531,550,000		531,550,000	
	30-Jun-20	4,185,000	444,865,500		444,865,500	
Direct Payment	20-mar-20	2,949,612		297,610,298	297,610,298	50,920,216
3 rd party-counties	20-mar-20	25,580,762		2,541,270,320	2,541,270,320	
Total		39,361,867	1,147,974,947	2,838,880,618	3,986,855,565	2,013,861,612

10.4 COMPENSATION OF EMPLOYEES

	FY 2019/20			FY 2018/19	Cumulative to-date
	Payments made by the Entity in Cash	Payments made by third parties	Total Payments		
	KShs	KShs	KShs	KShs	KShs
Basic salaries of permanent employees	11,997,316		11,997,316	9,080,692	29,600,823
Total	11,997,316		11,997,316	9,080,692	29,600,823

10.5 PURCHASE OF GOODS AND SERVICES

	FY 2019/20			FY 2018/19	Cumulative to-date
	Payments made by the Entity in Cash	Payments made by third parties	Total Payments		
	KShs	KShs	KShs	KShs	KShs
Utilities, supplies and services	79,044,776		79,044,776	17,808,114	102,293,889
Communication	5,084,994		5,084,994	2,727,800	7,812,794
Domestic travel and subsistence	109,195,934		109,195,934	132,281,403	404,459,735
Training				9,848,500	21,194,808
Printing services	8,338,000		8,338,000		8,338,000
Hospitality supplies and services	39,255,830		39,255,830	2,327,084	42,052,761
Insurance	3,654,859		3,654,859	584,575	4,239,434
Specialised materials and services	415,286,025		415,286,025		440,025,425
Other operating costs	104,400		104,400		104,400
Routine maintenance – vehicles	600,680		600,680	685,342	5,697,687
Consultancy services	55,275,085		55,275,085	47,165,785	105,396,920
TOTAL	715,840,584		715,840,584	213,428,603	1,141,615,854

TRANSFORMING HEALTH SYSTEMS FOR UNIVERSAL HEALTH CARE
Reports and Financial Statements
For the financial year ended June 30, 2020

10.6 ACQUISITION OF NON-FINANCIAL ASSETS

	FY 2019/20			FY 2018/19	Cumulative to-date
	Payments made by the Entity in Cash	Payments made by third parties	Total Payments		
	KShs	KShs	KShs	KShs	KShs
Purchase of motor vehicles & other transport equipment	15,082,000		15,082,000	10,986,000	57,755,071
Purchase of office furniture & general equipment	6,960,652		6,960,652	4,834,336	21,687,237
Total	22,042,652		22,042,652	<u>15,820,336</u>	79,442,308

10.7 TRANSFERS TO OTHER GOVERNMENT ENTITIES

During the 12 months to 30 June 2020, we transferred funds to reporting government entities as shown below:

	FY 2019/20			FY 2018/19	Cumulative to-date
	Payments made by the Entity in Cash	Payments made by third parties	Total Payments		
	KShs	KShs	KShs	KShs	KShs
Transfers to National Government entities					
K.M.T.C				169,559,950	517,527,150
Transfers to County Government		2,655,779,588	2,655,779,588	1,959,584,963	5,865,364,551
Kisumu County				20,159,586	20,159,586
Mombasa county				11,823,500	11,823,500
Embu County				13,743,329	13,743,329
Direct Payment		548,454,102	548,454,102	475,856,461	1,667,186,599
Total		3,204,233,690	3,204,233,690	2,650,727,789	8,089,820,520

TRANSFORMING HEALTH SYSTEMS FOR UNIVERSAL HEALTH CARE
Reports and Financial Statements
For the financial year ended June 30, 2020

We have confirmed that the beneficiary institutions have received the funds and have recorded these as inter-entity receipts. We have attached these duly signed confirmations as an Appendix to the financial statements.

10.8 CASH AND CASH EQUIVALENTS CARRIED FORWARD

	2019/20 KShs	2018/19 KShs
Bank accounts (Note 8.8A)	676,903,328	41,584,680
Total	<u>676,903,328</u>	<u>41,584,680</u>

The project has one project account maintained within the Ministry of Health and two foreign currency designated accounts managed by the National Treasury as listed below:

10.9a Bank Accounts

Project Bank Accounts

	2019/20	2018/19
<u>Foreign Currency Accounts</u>		
Central Bank of Kenya [A/c No 1000308621]	4,312,432.65	111,230.49
Central Bank of Kenya [A/c No 1000308637]	3,458,047.24	3,220,824.56
Total Foreign Currency balances(USD)	<u>7,770,479.89</u>	<u>3,332,055.05</u>
<u>Local Currency Accounts</u>		
Central Bank of Kenya [A/c No 1000313878.....]	676,903,328	41,584,680
Total local currency balances(KSHS)	676,903,328	<u>41,584,680</u>

Below is the Special Deposit Account (SDA) movement schedule which shows the flow of funds that were voted in the year. These funds have been reported as loans/grants received in the year under the Statement of Receipts and Payments.

TRANSFORMING HEALTH SYSTEMS FOR UNIVERSAL HEALTH CARE
Reports and Financial Statements
For the financial year ended June 30, 2020

Special Deposit Accounts Movement Schedule

	2019/20 USD	2018/19 USD
(i) A/c Name [A/c No 1000308637]		
Opening balance	3,220,824.56	1,252,357.09
Total amount deposited in the account	13,086,622.38	4,978,503.67
Total amount withdrawn (as per Statement of Receipts & Payments)	12,849,399.70	(3,010,036.20)
Closing balance (as per SDA bank account reconciliation attached)	<u>3,458,047.24</u>	<u>3,220,824.56</u>
(ii) A/c Name [A/c No 1000308621.....]		
Opening balance (as per the SDA reconciliation)	111,230.49	2,055.00
Total amount deposited in the account	31,148,193.73	2,068,760.11
Total amount withdrawn (as per Statement of Receipts & Payments)	26,946,991.57	(1,959,584.62)
Closing balance (as per SDA bank account reconciliation attached)	4,312,432.65	<u>111,230.49</u>

10.10 OUTSTANDING IMPRESTS AND ADVANCES

DATE issued	PAYEE/Officers Name	Warrant no.	Due Date of Surrender	2019/20 AMOUNT(Kshs)	2018/19 AMOUNT(Kshs)
20/Jun/17	Gaudecia Mokaya	2856904	30/6/2017	1,774,900.00	
03-Apr-20	Margaret Gitau	3956233	20-Apr-20	26,800.00	
03-Apr-20	Dr. Nancy Etiang	3956229	20-Apr-20	16,800.00	
03-Apr-20	Cyrus Mureithi	3956224	20-Apr-20	16,800.00	
03-Apr-20	Dr. Elizabeth Wangia	3956255	20-Apr-20	42,000.00	
03-Apr-20	Dr. Stephen Muleshe	3956228	20-Apr-20	25,200.00	
03-Apr-20	Dr. Consolata Ogot	3956232	20-Apr-20	31,000.00	
	TOTAL			1,933,500.00	30,189,944

10.11 FUND BALANCE BROUGHT FORWARD

	2019/20	2018/19
	KShs	KShs
Balance B/F	71,774,624	224,387,000
Surplus/Deficit	607,062,204	(152,612,376)
Balance c/d	678,836,828	71,774,624

10.12 OTHER IMPORTANT DISCLOSURE

10.12a PENDING BILLS

S/no	Name Supplier	Item description	Amount
1	Debra limited	Delivery & installation of equipment	17,564,666
2	Sciencescope Limited	Delivery & installation of equipment	24,785,505
3	Sciencescope Limited	Delivery & installation of equipment	9,017,102
4	Ultra Lab E.A. Ltd	Delivery & installation of equipment	454,885
5	Ndedda Ouma Crispine	Consultancy for kangaroo mother care	360,000
6	Moses Murithi	Consultancy for developing M&E business case	2,160,000
7	Dr. Sarah Gitome	Consultancy for capacity assessment UHC	746,982
8	The take out place	Catering services	51,504
9	Movenpick caterers	Catering services	15,930
10	African eagle hotel	Catering services	27,200
11	African eagle hotel	Catering services	25,500
12	African eagle hotel	Catering services	5,000
13	African eagle hotel	Catering services	80,000
14	Stansco Agencies	Catering services	128,000
15	Attic tours and travel ltd	Provision of Air ticket	46,500
16	Flight centre	Provision of Air ticket	24,300
17	Routeways innovative tech	Provision of repair services-printers	18,000
18	Routeways innovative tech	Provision of repair services-printers	29,500

TRANSFORMING HEALTH SYSTEMS FOR UNIVERSAL HEALTH CARE

Reports and Financial Statements

For the financial year ended June 30, 2020

19	Fix it investments	ICT accessories	215,580
20	Cepco engineering limited	Procurement of printing stationery and accessories	3,001,690
21	Nifri solutions	Procurement of printing stationery and accessories	1,290,650
22	Integrated supplies & consultancy Ltd	Procurement of assorted ICT Software,	1,591,000
23	Perismal agencies	Procurement of ICT accessories CERC	905,000
24	Medswitch limited	Procurement of ICT accessories for CERC	387,145
25	Pine Court Hotel	Conference Facility	122,500
26	Silver Africa &Safaris	Provision of air ticket	16,500
	Total		63,070,639

TRANSFORMING HEALTH SYSTEMS FOR UNIVERSAL HEALTH CARE

Reports and Financial Statements

For the financial year ended June 30, 2020

11 PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

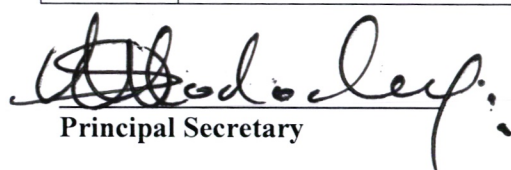
Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1	Outstanding Imprest an advances of Kshs 30,189,944	The outstanding imprests and advances for the previous year were surrendered except for Kshs 1,774,900 issued to Gaudecia Mokaya who is deceased .A letter has been written for recoveries to be made from her pension.		In progress	
2	Ineligible expenditure of Kshs. 1,625,000 for Emergency Maternal and Neonatal Obstetric Care training of county health workers.	Funds to be recovered from the Kiambu county allocation for the financial year 2020/21		In progress	
3	Irregular payment of Undisclosed Pending Bills	The commitment was done in the year 2017/18, however deliveries were made in the year 2018/19,therefore liability was recognized in year 2018/19 when the contract was fully executed. The payment was also done in the same year.		Resolved	
4	Budget control and Performance	The Budget was reviewed downwards since the most of the funds were located to the counties and since the counties were to be reimbursed as per the expenditures submitted,it could not be possible to transfer all the funds to the counties as projected		In progress	
5	Unsupported Payments in Taita Taveta county	The support documents were availed during the year under review and verified.		Resolved	

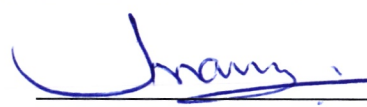
TRANSFORMING HEALTH SYSTEMS FOR UNIVERSAL HEALTH CARE

Reports and Financial Statements

For the financial year ended June 30, 2020

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
6	Un-utilized Funds Nairobi County	The slow rate of funds utilization was as a result of constant reshuffles of County Health officers attached to the project. The Project Manager to discuss the impact of constant reshuffles on the project activities.		In Progress	
7	Comingling of Funds	Nairobi County to transfer Kshs. 79,423,251, relating to user fee forgone from the SPA account		In progress	
8	Irregular Procurement of Conference facilities in Kiambu County	Explanation for this were issued and investigations are on-going.		In progress	
9	Transfers to other Government Entities	Confirmation from the counties have been received and documents provided during the year under review.		Resolved	
10	Lack of Audit Committee Reports	The audit committee was not operational as the chairman of the committee had resigned but during the year under review, a new chairman has been appointed.		Resolved	


Principal Secretary


Project Manager
Dr. I.M. KIMANI

TRANSFORMING HEALTH SYSTEMS FOR UNIVERSAL HEALTH CARE
Reports and Financial Statements
For the financial year ended June 30, 2020

ANNEX 1 - VARIANCE EXPLANATIONS - COMPARATIVE BUDGET AND ACTUAL AMOUNTS

	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization	Comments on Variance
	a	b	c=a-b	d=b/a %	
Grants from external development partners	945,000,000	574,320,881	370,679,119	61%	some activities were not implemented due to restriction of movement and social distancing after Covid-19 outbreak.
Loan from external development partners	4,139,854,605	3,986,855,565	152,999,040	96%	
Total Receipts	5,084,854,605	4,561,176,446	523,678,159	90%	
Payments					
Compensation of employees	14,500,000	11,997,316	2,502,684	83%	
Purchase of goods and services	1,786,933,732	715,840,584	1,071,93,148	91%	The project utilized the unspent balances in the previous financial year .In addition; some activities were not implemented due to restriction of movement after Covid-19 outbreak.
Acquisition of non-financial assets	22,993,052	22,042,652	950,400	96%	
Transfers to Counties	2,682,877,821	2,655,779,588	27,098,234	99%	The difference is due to exchange loss as the loan was in US Dollars.
Direct payments	577,550,000	548,454,102	29,095,898	95%	Payments were made for the goods supplied.
Total Payments	5,084,854,605	3,954,114,242	1,130,740,363	90%	
Surplus/Deficit	-	607,062,204	(607,062,204)		

TRANSFORMING HEALTH SYSTEMS FOR UNIVERSAL HEALTH CARE
Reports and Financial Statements
For the financial year ended June 30, 2020

ANNEX 3 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Opening Cost (KShs) 2019 (a)	*Purchases/Additions in the Year (KShs) 2020 (b)	**Disposals in the Year (KShs) 2018 (c)	Closing Cost (KShs) 2020 (d) = (a) + (b) - (c)
Transport equipment	42,673,071	15,082,000		57,755,071
Office equipment, furniture and fittings	14,726,585	6,960,652		21,687,237
Total	<u>57,399,656</u>	<u>22,042,652</u>		<u>79,442,308</u>

APPENDICES

- i. Signed confirmations from beneficiaries in Transfers to Other Government Entities (i)
- ii. Bank Reconciliations (ii)
- iii. Special Deposit Account statement(s) (iiia) and (iiib)

REPUBLIC OF KENYA							
MINISTRY OF HEALTH							
THS							
BANK RECONCILIATION AS AT 30TH JUNE, 2020							
		Sh.	cts.	Sh.	cts.	Sh.	cts.
Balance as per Bank Statement				614,776,207.00			
Less							
1. Payments in cash book not yet recorded in Bank statement (unpresented Cheques)				382,837,879.08	0		
2. Receipts in Bank statement not yet recorded in Cash book.....				-			
Add							
3. Payments in Bank statement not yet recorded in Cash book.....							
4 Receipt in cash book not yet recorded in Bank statement				444,965,000.00			
					0	-	
Balance as per cashbook				676,903,327.92			
I certify that I have verified Bank balance in above reconciliation is correct.							

Prepared by
Timothy Muchiri

Signature
[Signature]

Designation
Asst. Accountant

Date
10/11/2020

Reviewed By
Caroline Ndingu

Signature
[Signature]

Designation
Principal Accountant

Date
10/11/20

DATE	PAYMENTS IN CASHBOOK NOT IN BANK	AMOUNT	DATE PAID
24-Jun-20	Bod Oldatir	29,500.00	1-Jul-20
24-Jun-20	Attic Tours & Travel Ltd	185,710.00	1-Jul-20
24-Jun-20	Silver Africa Tours & Safaris	35,200.00	1-Jul-20
24-Jun-20	Dr. Salome Ngata	783,750.00	1-Jul-20
24-Jun-20	Doublelink Enterprises	3,439,655.15	1-Jul-20
24-Jun-20	Broadpark Hotels Ltd	327,750.00	1-Jul-20
24-Jun-20	Pauline W. Iregi	30,000.00	1-Jul-20
24-Jun-20	Kuehne + Nagel Ltd	6,678,166.00	1-Jul-20
24-Jun-20	Pauline W. Iregi	30,000.00	1-Jul-20
24-Jun-20	Etonville Holdings	209,131.05	6-Jul-20
24-Jun-20	Etonville Holdings vat	3,668.95	6-Jul-20
24-Jun-20	Colourprint Ltd vat	52,315.00	6-Jul-20
24-Jun-20	Colourprint Ltd	2,981,955.65	1-Jul-20
24-Jun-20	Gelian Investment Ltd	368,534.50	6-Jul-20
24-Jun-20	Gelian Investment Ltd vat	6,465.50	6-Jul-20
30-Jun-20	Dr. Helen Kiarie	115,200.00	6-Jul-20
30-Jun-20	Dr. Nancy Etiang'	52,200.00	6-Jul-20
30-Jun-20	Dr. Elizabeth Wangia	155,400.00	6-Jul-20
30-Jun-20	Clara Gitonga	42,000.00	6-Jul-20
30-Jun-20	Caroline Ndungu	42,000.00	6-Jul-20
30-Jun-20	Paul Ogoye	24,500.00	6-Jul-20
30-Jun-20	Dr. Nakato Jumba	63,000.00	6-Jul-20
30-Jun-20	Pauline W. Iregi	50,400.00	6-Jul-20
30-Jun-20	David Marete	29,400.00	6-Jul-20
30-Jun-20	Denpah Investments	552,998.30	6-Jul-20
30-Jun-20	Denpah Investments vat	9,701.70	6-Jul-20
30-Jun-20	Cynaki Agency & General Merchants	393,103.45	6-Jul-20
30-Jun-20	Cynaki Agency & General Merchants vat	6,896.55	6-Jul-20
30-Jun-20	Jogaya Enterprises	96,310.35	10-Jul-20
30-Jun-20	Jogaya Enterprises vat	1,689.65	6-Jul-20
30-Jun-20	Raymer Enterprises	98,271.95	10-Jul-20
30-Jun-20	Raymer Enterprises vat	1,724.05	
30-Jun-20	Jabulani Investments Ltd	3,605,250.00	10-Jul-20
30-Jun-20	Jabulani Investments Ltd vat	63,250.00	9-Jul-20
30-Jun-20	Goshen Solutions	1,532,867.60	10-Jul-20
30-Jun-20	Goshen Solutions vat	26,892.40	10-Jul-20
30-Jun-20	SilKroad Agencies	746,896.55	10-Jul-20
30-Jun-20	SilKroad Agencies vat	13,103.45	9-Jul-20
30-Jun-20	Escace Company Ltd	826,008.60	10-Jul-20
30-Jun-20	Escace Company Ltd vat	14,491.40	9-Jul-20
30-Jun-20	Corat Africa Ltd	555,258.60	10-Jul-20
30-Jun-20	Corat Africa Ltd vat	9,741.40	9-Jul-20
30-Jun-20	Ephraim Technologies	750,237.95	10-Jul-20
30-Jun-20	Ephraim Technologies vat	13,162.05	9-Jul-20
30-Jun-20	Eat and Tel Caf� Ltd	1,509,517.25	10-Jul-20
30-Jun-20	Eat and Tel Caf� Ltdvat	26,482.75	9-Jul-20
30-Jun-20	Kenowea Investment Ltd	560,172.40	10-Jul-20
30-Jun-20	Kenowea Investment Ltd vat	9,827.60	9-Jul-20
30-Jun-20	Simply save Investments	1,140,000.00	10-Jul-20
30-Jun-20	Simply save Investments vat	20,000.00	9-Jul-20
30-Jun-20	Tiabs Investment	434,084.50	10-Jul-20
30-Jun-20	Tiabs Investment vat	7,615.50	6-Jul-20
30-Jun-20	Vena Maris Investment	412,500.00	10-Jul-20
30-Jun-20	Silver Springs Hotel	160,533.60	10-Jul-20
30-Jun-20	Silver Springs Hotel vat	2,816.40	6-Jul-20
30-Jun-20	Jubilee Health Insurance	2,090,995.00	7-Jul-20
30-Jun-20	Silver Springs Hotel	212,600.15	8-Jul-20

30-Jun-20	Silver Springs Hotel vat		3,729.85	6-Jul-20
30-Jun-20	Frimap Agencies		766,158.60	8-Jul-20
30-Jun-20	Frimap Agencies vat		13,441.40	8-Jul-20
30-Jun-20	MFI Document Solutions Ltd		102,600.00	8-Jul-20
30-Jun-20	MFI Document Solutions Ltd vat		1,800.00	6-Jul-20
30-Jun-20	Lotus Signature Investments		1,081,024.65	6-Jul-20
30-Jun-20	Lotus Signature Investments vat		18,965.35	6-Jul-20
30-Jun-20	VIC Nicktins Enterprises		347,817.95	6-Jul-20
30-Jun-20	VIC Nicktins Enterprises vat		6,102.05	6-Jul-20
30-Jun-20	Baraka General Contractors		764,989.15	8-Jul-20
30-Jun-20	Baraka General Contractors vat		13,420.85	6-Jul-20
30-Jun-20	Soloh Worldwide Inter-Enterprises Ltd		4,754,586.20	7-Jul-20
30-Jun-20	Soloh Worldwide Inter-Enterprises Ltd vat		83,413.80	8-Jul-20
30-Jun-20	Prime Aces Ventures		1,198,147.85	7-Jul-20
30-Jun-20	Prime Aces Ventures vat		21,020.15	6-Jul-20
30-Jun-20	Corat Africa Ltd		206,379.30	8-Jul-20
30-Jun-20	Corat Africa Ltd vat		3,620.70	6-Jul-20
30-Jun-20	Gwamunji Agencies		356,702.05	7-Jul-20
30-Jun-20	Gwamunji Agencies vat		6,257.95	8-Jul-20
30-Jun-20	Colourprint Ltd		2,040,227.70	7-Jul-20
30-Jun-20	Colourprint Ltd vat		35,793.45	8-Jul-20
30-Jun-20	Hadassah Hotel		3,565,644.85	7-Jul-20
30-Jun-20	Hadassah Hotel vat		62,555.15	8-Jul-20
30-Jun-20	Silver Springs Hotel		11,301.70	8-Jul-20
30-Jun-20	Silver Springs Hotel vat		198.30	6-Jul-20
30-Jun-20	Trice-Ma Enterprises		1,115,431.05	8-Jul-20
30-Jun-20	Trice-Ma Enterprises vat		19,568.95	8-Jul-20
30-Jun-20	KEMSA		304,160,118.00	8-Jul-20
30-Jun-20	Izaak Walton		246,377.60	6-Jul-20
30-Jun-20	Izaak Walton vat		4,344.85	8-Jul-20
30-Jun-20	Hotel Nokras (K) LTD		289,913.80	8-Jul-20
30-Jun-20	Hotel Nokras (K) LTD vat		5,086.20	6-Jul-20
30-Jun-20	Hadassah Hotel		5,182,744.65	13-Jul-20
30-Jun-20	Hadassah Hotel vat		90,925.35	13-Jul-20
30-Jun-20	Edward Were		260,400.00	13-Jul-20
30-Jun-20	Peter M. Kanyari		210,000.00	13-Jul-20
30-Jun-20	Ireen Aritho		173,600.00	13-Jul-20
30-Jun-20	Nazlin Onsongo		173,600.00	13-Jul-20
30-Jun-20	Priscillah Wanjiku		173,600.00	13-Jul-20
30-Jun-20	Paul Ogoye		103,600.00	13-Jul-20
30-Jun-20	Timothy W. Kerunge		226,800.00	13-Jul-20
30-Jun-20	Richard Mutua		184,800.00	13-Jul-20
30-Jun-20	Christine Kingo		184,800.00	13-Jul-20
30-Jun-20	Rhoda Mueni		184,800.00	13-Jul-20
30-Jun-20	Drusillah Wairimu		184,800.00	13-Jul-20
30-Jun-20	Pauline W. Iregi		184,800.00	13-Jul-20
30-Jun-20	George Otieno		109,200.00	8-Jul-20
30-Jun-20	Kevuko Ventures		288,919.25	8-Jul-20
30-Jun-20	Kevuko Ventures		7,308.53	8-Jul-20
30-Jun-20	Eat and Tel Cafe Ltd		247,655.15	8-Jul-20
30-Jun-20	Eat and Tel Cafe Ltd		4,322.40	6-Jul-20
24-Jun-20	Countryview Hotel Ltd		604,396.55	1-Jul-20
24-Jun-20	Mumtejoh Traders Ltd		589,164.80	6-Jul-20
24-Jun-20	Emergency Plus Medical Services		20,520,000.00	1-Jul-20
			382,837,879.08	

DATE	RECEIPTS IN CASHBOOK NOT IN BANK	AMOUNT
30/06/20	Exchequer issue	444,865,500.00
30/06/20	RETURNED PAYMENT-DOROTHY	99,500.00
	TOTAL	444,965,000.00

2-Jul-20

2-Sep-20

SPECIAL ACCOUNT STATEMENT

For period ending	30th JUNE, 2020
Account No.	1000308621
Depository Bank	CENTRAL BANK OF KENYA.
Address	CENTRAL BANK OF KENYA.
Related Loan	TRANSFOR. H. SYTEMS-GR A TFOA2561
Credit Agreement	
Currency	USD

Part A - Account Activity

Beginning balance of 1st July, 2019 as per C.B.K. Ledger Account	111,230.49
---	------------

Add:

Total Amount deposited by World Bank	31,148,193.73
--------------------------------------	---------------

Total Interest earnings if deposited in account	
---	--

Total amount refunded to cover ineligible expenditure	
--	--

Deduct:

Total amount withdrawn	26,946,991.57
------------------------	---------------

Total service charges if not included above in amount withdrawn	
--	--

Ending balance on 30th June, 2020	4,312,432.65
-----------------------------------	--------------

**AUTHORISED REPRESENTATIVE
CENTRAL BANK OF KENYA**

SIGNATURE:

DATE

**AUTHORISED REPRESENTATIVE
EXTERNAL RESOURCES
DEPARTMENT-TREASURY**

SIGNATURE:

DATE

NOTE: The ending balance as per Central Bank of Kenya Ledger Account and the off-shore Special Account as at 30th June, 2020 have been reconciled and a copy of the supporting Reconciliation Statement is attached.

Results 1 - 11 of 11

Run Date: 29/07/2020 Run Time: 14:45:51
 CENTRAL BANK OF KENYA
 BANKI KUU YA KENYA
 P.O.BOX 60000-0200
 NAIROBI

STATEMENT OF ACCOUNT

PAGE NO : 1

ACCOUNT NUMBER : 1000308621

ACCOUNT TITLE : TRANSFOR. H. SYTEMS-GR A TFOA2561
 30/06/2020

STATEMENT PERIOD: From 01/07/2019 To

NO.	DATE	REFERENCE NO	DETAILS			DEBIT	CREDIT BALANCE
	OPENING BAL :		111,230.49				
NO.	Value Date	Reference.No	Details	Debit	Credit		Balance
1	04/09/2019	FT19247N94L8	FUNDING	0.00	1,310,201.62		1421432.11
2	04/09/2019	FT19247SPY53	FUNDING	0.00	5,585,694.28		7007126.39
3	26/11/2019	FT193301TVGF	PA 123358	-6,951,924.28	0.00		55202.11
4	09/12/2019	FT19343FMN9D	TRANSFOR. FUND	0.00	1,314,280.13		1369482.24
5	09/12/2019	FT19343Q59GY	TRANSFOR. FUND	0.00	308,269.97		1677752.21
6	10/12/2019	FT19344C3QMP	TRANSFOR FUND	0.00	12,325,037.29		14002789.5
7	19/12/2019	FT19353YWG TG	PA123376	-12,325,067.29	0.00		1677722.21
8	29/01/2020	FT20029PRTTQ	FUNDING	0.00	8,205,895.00		9883617.21
9	25/03/2020	FT20085T7865	PA124434	-7,670,000.00	0.00		2213617.21
10	16/06/2020	FT201683099S	FUNDING	0.00	398,760.38		2612377.59
11	16/06/2020	FT20168FM7HV	FUNDING	0.00	1,700,055.06		4312432.65

CLOSING BALANCE : 4312432.65

END OF ACCOUNT STATEMENT

Favourites

TAM.E.STMT.OF.ACCT.EPRM [More Options](#) [Clear Selection](#) [Find](#)

Account

Statement From

Statement To

TAM.E.STMT.OF.ACCT.EPRM

SPECIAL ACCOUNT STATEMENT

For period ending	30th JUNE, 2020
Account No.	1000308637
Depository Bank	CENTRAL BANK OF KENYA
Address	CENTRAL BANK OF KENYA
Related Loan	TRANSFOR. H. SYSTEMS-GR B TFAO2561
Credit Agreement	
Currency	USD

Part A - Account Activity

Beginning balance of 1st July, 2019 as per C.B.K. Ledger Account	3,220,824.56
---	--------------

Add:

Total Amount deposited by World Bank	13,086,622.51
--------------------------------------	---------------

Total Interest earnings if deposited in account	
---	--

Total amount refunded to cover ineligible expenditure	
--	--

Deduct:

Total amount withdrawn	12,849,399.83
------------------------	---------------

Total service charges if not included above in amount withdrawn	
--	--

Ending balance on 30th June, 2020	3,458,047.24
-----------------------------------	--------------

**AUTHORISED REPRESENTATIVE
CENTRAL BANK OF KENYA**

SIGNATURE:

DATE

**AUTHORISED REPRESENTATIVE
EXTERNAL RESOURCES
DEPARTMENT-TREASURY**

SIGNATURE:

DATE

NOTE: The ending balance as per Central Bank of Kenya Ledger Account and the off-shore Special Account as at 30th June, 2020 have been reconciled and a copy of the supporting Reconciliation Statement is attached.

Results 1 - 16 of 16

Run Date: 29/07/2020 Run Time: 14:45:28
 CENTRAL BANK OF KENYA
 BANKI KUU YA KENYA
 P.O.BOX 60000-0200
 NAIROBI

STATEMENT OF ACCOUNT

PAGE NO : 1

ACCOUNT NUMBER : 1000308637

ACCOUNT TITLE : TRANSFOR. H. SYSTEMS-GR B TFAO2561
 30/06/2020

STATEMENT PERIOD: From 01/07/2019

To

NO.	DATE	REFERENCE NO	DETAILS			DEBIT	CREDIT BALANCE
	OPENING BAL :		3,220,824.56				
NO.	Value Date	Reference.No	Details	Debit	Credit	Balance	
1	02/09/2019	FT19245GNXQ0	PA 122546	-3,220,824.56	0.00	0	
2	19/11/2019	FT193230Z8NN	TRANSFOR. FUND	0.00	507,000.49	507000.49	
3	19/11/2019	FT193238TV9S	TRANSFOR. FUND	0.00	22,089.55	529090.04	
4	20/11/2019	FT19324LQ9S8	TRANSFOR. FUND	0.00	1,500,059.62	2029149.66	
5	11/03/2020	FT20071BV3C3	FUNDING	0.00	29,272.00	2058421.66	
6	11/03/2020	FT20071L18K2	FUNDING	0.00	392,168.72	2450590.38	
7	23/03/2020	FT2008388VCH	FUNDING	0.00	4,999,970.00	7450560.38	
8	25/03/2020	FT20085DZ8TD	PA124435	-5,000,000.00	0.00	2450560.38	
9	09/04/2020	FT20100TM9YK	TRANSFOR.FUNDING	0.00	4,999,970.00	7450530.38	
10	08/06/2020	FT201608XLHN	FUNDING	0.00	75,174.13	7525704.51	
11	08/06/2020	FT20160QL8VL	FUNDING	0.00	12,520.76	7538225.27	
12	08/06/2020	FT20160VYR97	FUNDING	0.00	548,397.13	8086622.4	
13	09/06/2020	FT201619DX0Z	FUNDING	0.00	548,397.24	8635019.64	
14	09/06/2020	FT20161TP0ZR	REV.FT20160VYR97	-548,397.13	0.00	8086622.51	
15	11/06/2020	FT20163HNSX5	PA124537	-443,575.27	0.00	7643047.24	
16	25/06/2020	FT20177691C2	PA124901	-4,185,000.00	0.00	3458047.24	

CLOSING BALANCE : 3458047.24

END OF ACCOUNT STATEMENT

Favourites

TAM.E.STMT.OF.ACCT.EPRM		More Options Clear Selection	Find
Account	equals	1000308637	
Statement From	equals	20190701	
Statement To	equals	20200630	
TAM.E.STMT.OF.ACCT.EPRM			



COUNCIL OF GOVERNORS

Westlands Delta House 2nd Floor, Waiyaki Way,
P.O. BOX 40401 -00100,
Nairobi.

Tel : (020) 2403314, 2403313
+254 729 777 281
E-mail: info@cog.go.ke

Our Ref. COG/6/40/2A Vol. 5(28)

13th January, 2020

Through: Excellency Governors

To: All CECs Health and Finance

All Chief Officers Health and Finance

All Directors Health and Finance

**TRANSFER OF TRANSFORMING HEALTH SYSTEMS FOR UNIVERSAL CARE PROJECT
TRANCHE 1B FUNDS FOR FINANCIAL YEAR 2019/2020.**

Reference is made to the letter from National Treasury REF No. C/ REQ: 24/19/20 dated 8th January, 2020 on transfer of Kshs 1,232,506,732 to the respective County Revenue Fund accounts. The disbursement is based on fulfilment of the project's minimum requirements and compliance with the PFM criteria.

County Governments are required to effect further transfer of these funds from the CRF to the County Special Purpose account within fifteen (15) working days failure to which the below penalties shall be effected:

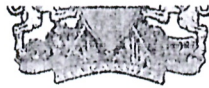
THS-UCP FUNDS PFM ALLOCATION CRITERIA		
Transfer of FY 2019/20 THS-UC funds from CRF to SPA		
Turnaround time for transfer	Eligible proportion in 2020/21 allocation	Due date
0-15 working days	100%	3 rd February 2020
16-25 working days	85%	17 th February 2020
26-35 working days	50%	2 nd March 2020
36-45 working days	25%	16 th March 2020
After 45 working days	0%	After 16 th March 2020

Enclosed herein is the disbursement schedule from the National Treasury.

The purpose of this letter is to inform all Counties to transfer the funds before **Monday, 3rd February, 2020**. Kindly send a copy of the SPA bank statement to the respective Cluster Coordinators confirming the transfer of these funds.

CODE	A/C	COUNTY TITLE	AMOUNT
4460	1000171561	Baringo	8,863,440.00
4760	1000171545	Bomet	4,332,809.00
4910	1000171518	Bungoma	51,474,997.00
4960	1000171618	Busia	39,449,476.00
4360	1000171723	Elgeyo/Marakwet	15,897,199.00
3660	1000171014	Embu	27,408,966.00
3310	1000171499	Garissa	25,338,215.00
5110	1000171065	Homa Bay	24,550,848.00
3510	1000171715	Isiolo	29,884,816.00
4660	1000171642	Kajiado	85,074,546.00
4810	1000171383	Kakamega	27,022,249.00
4710	1000171677	Kericho	30,195,787.00
4060	1000170646	Kiambu	34,745,991.00
3110	1000170212	Kilifi	67,864,358.00
3960	1000170433	Kirinyaga	15,563,288.00
5210	1000170565	Kisii	20,096,932.00
5060	1000171488	Kisumu	23,754,181.00
3710	1000171111	Kitui	70,542,595.00
3060	1000170697	Kwale	64,284,927.00
4510	1000171626	Laikipia	9,056,052.00
3210	1000171588	Lamu	16,314,900.00
3760	1000170751	Machakos	37,382,136.00
3810	1000170937	Makueni	57,101,708.00
3410	1000171472	Mandera	-
3460	1000170824	Marsabit	35,379,167.00
3560	1000170484	Meru	6,866,055.00
5160	1000171537	Migori	36,590,548.00
3010	1000171235	Mombasa	3,609,407.00
4010	1000171553	Murang'a	52,306,414.00
5310	1000171863	Nairobi City	29,309,165.00
4560	1000171607	Nakuru	19,752,018.00
4410	1000171278	Nandi	30,870,837.00
4610	1000171693	Narok	-
5260	1000170891	Nyamira	9,650,844.00
3860	1000170182	Nyandarua	14,621,877.00
3910	1000171634	Nyeri	13,013,660.00
4210	1000171437	Samburu	18,113,342.00
5010	1000171464	Siaya	28,727,373.00
3260	1000171855	Taita/Taveta	27,022,156.00
3160	1000171332	Tana River	15,585,025.00
3610	1000171707	Tharaka - Nithi	24,368,099.00
4260	1000171596	Trans Nzoia	10,078,089.00
4110	1000171658	Turkana	46,199,351.00
4310	1000171685	Uasin Gishu	11,009,640.00
4860	1000171456	Vihiga	-
3360	1000171448	Wajir	13,233,249.00
4160	1000171577	West Pokot	-
TOTAL			1,232,506,732.00

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COUNCIL OF GOVERNORS

Westlands Delta House 2nd Floor, Waiyaki Way.
P.O. BOX 40401 -00100,
Nairobi.

Tel : (020) 2403314, 2403313
+254 729 777 281
E-mail: info@cog.go.ke

Ref. COG/6/40/2A Vol. 4(22)

6th January, 2020

Through Excellency Governors

To: All CECs Health and Finance

All Chief Officers Health and Finance

All Directors Health and Finance

TRANSFER OF TRANSFORMING HEALTH SYSTEMS FOR UNIVERSAL CARE PROJECT FIRST TRANCHE FUNDS FOR FINANCIAL YEAR 2019/2020

Reference is made to the letter from National Treasury REF No. C/ REQ: 19/19/20 dated 18th December, 2019 on transfer of Kshs 602,680,355.95 to the respective County Revenue Fund accounts. The disbursement is based on fulfilment of the project's minimum requirements and compliance with the PFM criteria.

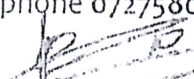
County Governments are required to effect further transfer of these funds from the CRF to the County Special Purpose account within fifteen (15) working days failure to which the below penalties shall be effected:

THS-UCP FUNDS PFM ALLOCATION CRITERIA	
Transfer of FY 2019/20 THS-UC funds from CRF to SPA	
Turnaround time for transfer	Eligible proportion in 2020/21 allocation
0-15 working days	100%
16-25 working days	85%
26-35 working days	50%
36-45 working days	25%
After 45 working days	0%

Enclosed herein is the disbursement schedule from the National Treasury.

The purpose of this letter is to inform all Counties to transfer the funds before **Monday, 27th January, 2020**. Kindly send a copy of the SPA bank statement to the respective Cluster Coordinators confirming the transfer of these funds.

For further enquiries, please contact Tobias Outi on email tobias.outi@cog.go.ke or phone 0727580629.


Tobias Outi
Secretary

CODE	A/C	COUNTY TITLE	AMOUNT
4500	1000171561	Baringo	4,226,888.15
4700	1000171545	Bomet	2,066,274.55
4910	1000171518	Bungoma	24,547,924.65
4960	1000171618	Busia	18,813,071.20
4360	1000171723	Elgeyo/Marakwet	7,581,219.55
4660	1000171014	Embu	17,254,458.55
4310	1000171499	Garissa	12,083,548.15
4710	1000171065	Homa Bay	11,708,060.20
4210	1000171715	Isiolo	14,251,777.55
4600	1000171642	Kajiado	40,571,222.40
4810	1000171383	Kakamega	12,886,647.40
4700	1000171677	Kericho	21,812,746.65
4900	1000170646	Kisumu	16,570,024.80
3110	1000170212	Kilifi	32,363,851.35
3960	1000170433	Kirinyaga	7,421,980.40
3210	1000170565	Kisii	9,584,031.15
5060	1000171488	Kisumu	11,328,137.50
3210	1000171111	Kitui	33,243,367.20
3060	1000170697	Kwale	30,656,855.70
4510	1000171626	Laikipia	-
3510	1000171588	Lamu	7,780,416.95
3760	1000170751	Machakos	17,827,176.75
3810	1000170937	Makueni	27,191,830.60
3410	1000171472	Mandera	-
3700	1000170824	Marsabit	16,871,980.10
3510	1000170484	Meru	3,274,355.00
3100	1000171537	Migori	17,449,675.90
3610	1000171235	Mombasa	1,721,291.10
4010	1000171553	Muranga	24,767,775.50
5110	1000171863	Nairobi City	13,977,255.30
1560	1000171607	Nakuru	9,419,545.20
4410	1000171278	Nandi	14,058,161.10
4610	1000171693	Narok	-
5260	1000170891	Nyamira	4,403,782.75
3860	1000170182	Nyandarua	12,359,649.70
3910	1000171634	Nyeri	6,206,087.75
4110	1000171437	Samburu	8,638,076.35
3010	1000171464	Siaya	13,699,804.50
3310	1000171855	Taita/Taveta	12,886,603.10
2110	1000171332	Tana River	7,432,346.60
3610	1000171707	Tharaka - Nithi	15,772,179.40
4260	1000171596	Trans Nzola	4,806,142.35
4110	1000171658	Turkana	21,602,935.10
4310	1000171685	Uasin Gishu	5,250,390.15
4300	1000171456	Vihiga	-
3360	1000171448	Wajir	6,310,807.60
4160	1000171577	West Pokot	-
TOTAL			602,680,355.95

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