

REPUBLIC OF KENYA



Enhancing Accountability



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REPORT

OF

THE AUDITOR-GENERAL

PARLIAMENT
OF KENYA
LIBRARY

ON

NDHIWA LEVEL 4 HOSPITAL

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

COUNTY GOVERNMENT OF HOMABAY

OFFICE OF THE AUDITOR GENERAL
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**NDHIWA LEVEL 4 HOSPITAL
(Homa Bay County Government)**

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2022

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

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1. Acronyms & Glossary of Terms

CSR	Corporate Social Responsibility
OSHA	Occupational Health & Safety Act
PFMA	Public Financial Management Act
MED SUP	Medical Superintendent
Fiduciary Management	Key management personnel who have financial responsibility in the entity.

2. Key Entity Information and Management

(a) Background information

Ndhiwa Sub County Hospital is a level 4 hospital established under gazette notice number 786 and is domiciled in Homa bay County under the Health Department. The hospital is governed by a Board of Management.

(b) Principal Activities

The principal activity/mission/ mandate of the hospital is to ... provide efficient and effective health care services to Ndhiwa community and any other client within and outside Homabay county.

(c) Key Management

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

- County department of health
- Board of Management
- Accounting Officer/ Medical Superintendent
- Management

(d) Fiduciary Management

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

No.	Designation	Name
1.	Medical Superintendent	Nicodemus Omonde Odundo
2.	Head of finance	Jecinter Awino Odhiambo
3.	Head of supply chain	Bob Otieno Ochola
4.	Health Administrative Officer	Zackary Oluoch Ogweno
5.	Medical Superintendent	Nicodemus Omonde Odundo

(e) Fiduciary Oversight Arrangements

- Clinical Research and Standards Committee.
- Audit committee
- Risk Committee
- County Assembly
- Parliamentary committees
- Other oversight committees

3. Key Entity Information and Management (continued)

(f) Entity Headquarters

P.O. Box 172-40302
Isolated Land
NDHIWA, KENYA

(g) Entity Contacts

Telephone: (254)20323291
E-mail: ndhiwasubcountyh@gmail.com

(h) Entity Bankers

Cooperative Bank of Kenya
NDHIWA BRANCH
P.O. Box 228
NDHIWA, Kenya

(i) Independent Auditors

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


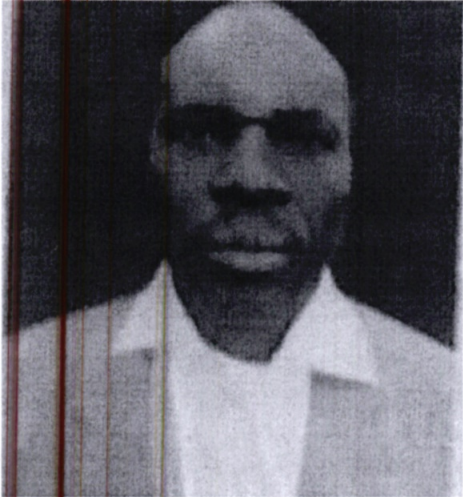
(j) Principal Legal Adviser

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

(k) County Attorney

P.O. Box. 469-40300
Homa Bay, Kenya

4. The Board of Management

Ref	Directors	Details
1.	 <p data-bbox="193 860 632 898">MR.SAMWEL AWODE OJODE</p>	<p>Date of Birth: 22nd February 1956 Appointment Date: 1st February 2019 Duration: 3 Years End of Term: 1st February 2022 Accademic Form Four Profession: Farmer Work Experience: Mr. Samwel Awode Ojode worked at Kenya Ports Authority</p>
2.	 <p data-bbox="193 1482 528 1520">MR.GEORGE ODHACH</p>	<p>Date of Birth: Appointment Date: 1st February 2019 Duration:3 Years End of Term: 1st February 2022 Accademic Qualifications:Diploma in Automotive Engineering Profession: Engineer Work Experience :George Odhach has worked in Mumias Sugar Company for a period of 23 years as a supervisor from (1981-2004)Afterwhich Joined Sony Sugar for 2 years from 2005-2007) as a sector Mechanic.</p>

3.



MR. JOHN OKEYO NDIEGE

Date of Birth: 15th September 1955
 Appointment Date: 1st February 2019
 Duration: 3 years
 End of Term: 1st February 2022
 Accademic Advanced Certificate in Supplies Management.
 Profession: Procurement Officer
 Work Experience : Worked with the Ministry of Transport and Communication as a store man in North Eastern Region for a period of 5 years. After working in the office of the President, Government Chemist as Supplies Assistant officer

4.



DR. Nicodemus Omonde Odundo

Date of Birth: 12th July 1983
 Re appointment Date: 1st February 2019
 Duration: 3 Years
 End of Term: 1st February 2022
 Accademic : Bachelor of Medicine and Surgery
 Profession: Medical Doctor
 Work Experience : Dr Nicodemus Odundo has worked as a medic for the past 13 years in Homa Bay County Referral, Sindo Sub County Hospital and Ndhiwa Sub County Respectively.



MR. RICHARD WANDUGU ANYANGO

Date of Birth: 1st April 1949

Appointment Date: 1st February 2019

Duration: 3 Years

End of Term: 1st February 2022

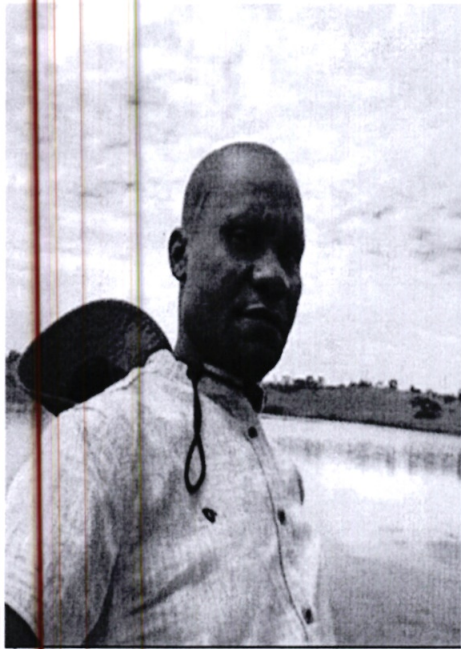
Accademic P1 Teacher

Profession: Teacher

Work Experience: Richard Wandugu Anyango has worked as a teacher for a period of 25 years

5. Key Management Team

Ref	Management	Details
1.	 Dr. Nicodemus Omonde Odundo	Date of Birth:12 th July 1983 Re appointment Date: 1 st February 2019 Duration: 3 Years End of Term: 1 st February 2022 Accademic :Bachelor of Medicine and Surgery Profession: Medical Doctor Work Experience :Dr Nicodemus Odundo has worked as a medic for the past 13 years in Homa Bay County Referral,Sindo Sub County Hospital and Ndhiwa Sub County Respectively.
2.	 Mrs. Dorine Kadu	Date of Birth:4 th August 1979 Appointment Date: 1 st February 2019 Duration: 3 Years End of Term: 1 st February 2022 Accademic : Bachelors of Science in Nursing Profession: Nurse Work Experience :Mrs Dorine Kadu has worked as a Nurse for the a period of 25 years ie 17 Years in Government and 8years in private practice
3.	 1. Mrs.Jecinter A Odhiambo	- Date of Birth: 20 th October 1973 Re appointment Date: 1 st February 2019 Duration: 3 Years End of Term: 1 st February 2022 Accademic: Bachelor of commerce accounting (JKUAT) Profession: Accountant 2. Work Experience : Mrs.Jecinter A Odhiambo has worked as an Accountant for a period of 25year.



4.

Date of Birth: 23 August 1979

Re appointment Date: 1st February 2019

Duration: 3 Years

End of Term: 1st February 2022

Accademic: Master in Public Health (MPH) Health System and Economics

-BA Development Studies With IT.

-Diploma in Computer Science (Hardware and Networking)

-Diploma in Community Based Development and Project Management.

Profession: Accountant

3. Work Experience : 23 years' Experience both in NGO and Government (Health Administrative Officer)

6. Chairman's Statement

It's my pleasure to present the Annual Report and financial statements of Ndhiwa Level 4 Hospital. Once again, the Hospital has demonstrated its commitment to centralized specialized health care services to all Kenyans citizens in the region that spans to counties in south Nyanza and western Kenya.

Management and operations of the hospital is guided by the existing legal policies and institutional frameworks that govern the health sector to ensure efficient and effective delivery of services in the hospital. The hospitals operations are also influenced by various global, regional and national strategies aimed at promoting, restoring and maintaining the health care service delivery.

In terms of corporate governance, the board of management carried out its mandate diligently and with focus to steer Ndhiwa Hospital to achieve its mission. The Board of management consists the right balance of skills, experience and backgrounds to support and challenge the management team.

On behalf of the Board of management, I would like to extend my appreciation to all our stakeholders and development partners for the continued support that has enabled Ndhiwa Sub County Hospital realize its mandate. I would also like to thank Ndhiwa Sub County Hospital management and staff for their commitment and dedication that ensured the highest quality service delivery and improved performance this financial year.

Finally, I would like to express my sincere gratitude to my fellow Board Members, for their dedication and hard work during the year. I would also like to take this opportunity to applaud the Medical Superintendent, for creating synergy and leading the management team and all staff to greater achievement.

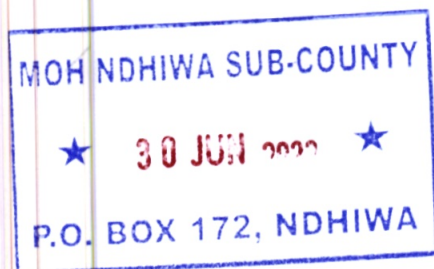
Sammuel Ojode

.....

Name

Sammuel Ojode

Chairman to the Board



7. Report of The Medical Superintendent

The performance review for financial year 2021/2022 provides us another opportunity to reflect on the gains made and opportunities for improvement towards continuous provision of quality, timely and cost effective and patient-centred specialised healthcare services. Ndhiwa Level 4 Hospital maintained steady growth throughout the year attributed to increased activity levels with a majority of the areas exceeding the targeted performance.

Ndhiwa Level 4 Hospital has a robust financial management system that is based on the existing government financial management rules and regulations, Public Finance Management (PFM) act 2012, International Public Sector Accounting Standards (IPSAS) and International Financial Reporting Standard (IFRS).

During the period just to mention little achievement, the team at Ndhiwa Sub-County Hospital managed to during the period of review

I. Curative/Preventive Achievement

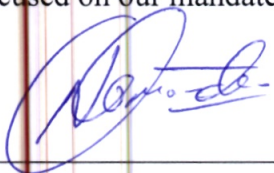
- The Hospital managed to treat and conduct outreaches to schools surrounding and students sensitized
- The team managed to operationalize two theatres and we have been able to do operations.
- Public health did their surveillance well and the year ended without outbreak
- The team managed to stock the facility With Human Drugs, Lab Reagents, Non - Pharmaceuticals, orthopaedic Utilities, and at no point the hospital suffers acute shortage of these items.
- The hospital managed to do cancer screening and treatment services
- The Team Managed to Start and Operationalize two new departments, physiotherapy Unit and orthopedic Unit Fully Equipped

II. Infrastructure and other patient support system

- Full renovation of kitchen and borehole for water supply,
- Fully equipped ambulance and utility vehicle for patient support.
- Fully functional maternity abolition with water flow system.

I take this opportunity to acknowledge the support of The Homabay County Government, and Development partners. Many thanks to the chairman and Members of the Board for their strategic guidance and support. I wish to also register my appreciation to all stakeholders including The Safaricom Foundation, NGOs, CBOs and our suppliers for supplying goods and services required for patient care and the entire staff for their commitment to providing excellent services to our clients and having played different roles and keeping us focused on our mandate.

Signed: _____

 30/6/2022

Medical Superintendent

3. Statement of Performance Against Predetermined Objectives

Section 164 (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 County Government entity in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board includes a statement of the county government entity's performance against predetermined objectives.

Key Objectives

The overall objective is improved clinical outcomes, satisfied clients, learning, growth and development. This will be achieved only if the Hospital is able to: -

- 1) Enhance access to quality services commensurate with the level and expectations of the coverage population by; -
 - (a) Improving drug, non-pharmaceuticals, laboratory reagent supplies and improving patients menu
 - (b) Staff motivation to enhance positive attitude and a conducive work place
 - (c) Improving essential and emergency medical services, medical laboratory and imaging diagnostic services includingspecialist pathology services,
 - (d) Expanding and ensuring equitable access by all clients by anticipating and planning for the marginalized ('ignored'), indigent and vulnerable
 - Advocating for registration with the NHIF
 - Providing fee exemptions and improving the waiver system
 - Providing outreach services
 - Providing cohort friendly service packages e.g. for the Adolescents, Youth, Elderly, Men, key population etc.
 - Delivery package insurance of mother baby pack to mothers who have delivered
- 2) Improve human resource capacity (adequacy), effectiveness (knowledge and skills), motivation and satisfaction.
 - a) Human Resource is indispensable in the provision of Healthcare Services
 - b) There's need to investment in identification for recruitment and training to match staff establishment requirements and skills' mix with current and projected coverage population needs
- 3) Improve financial resources collection, mobilization, risk management and accountability
 - a) The hospital must exploit its full potential with regards to insured clients in the coverage population including but not limited to the NHIF comprehensive Scheme, the NHIF EduAfya, the NHIF Universal Coverage
 - b) The hospital must assess and mitigate the risk of revenue loss through willful negligence, laxity, corrupt practices and theft.
 - c) The Hospital must strengthen existing systems that enhance access without inherent revenue reduction e.g. subsidized services and commodities, waiver system.
 - d) The hospital must make every effort to aggressively market its strengths and exploit its opportunities
- 4) Improve consumables (pharmaceuticals, non-pharmaceuticals, supplies and other materials) availability and security

- a) The critical and indispensable role health commodities play in the outcomes of health processes MUST always be recognized and prioritized for investment and resource allocation.
 - b) While it is accurate to consider healthcare a service industry, it is unreasonable to expect any positive results or outcomes without the input of requisite appropriate, affordable and quality health commodities
 - c) It will be necessary to forecast the required quantities of all essential health commodities relevant to the needs of the Hospital's coverage population
 - d) There's need to provide adequate and appropriate space for the storage and security of the commodities
 - e) There's need to supplement the supplies procured by the County Government by establishing own source revenue.
 - f) The authority of hospital managers should be increased and hospital tender committees created and empowered to enable us to purchase goods more efficiently and responsively.
 - g) Spending bands should be widened, and modern systems and managerial skills developed to increase the hospital procurement capacity.
 - h) If the hospital has the capacity and is in a position to comply with the requisite financial regulations we will in time, be able to decide whether to procure on our own, through government and other agencies
- 5) Improve infrastructural development and equipment and medical devices availability, maintenance and security
- a) This relates to the built environment, in-patient beds, furniture, equipment and machines, transport and technology (ICT) required for effective delivery of health services.
 - b) It is a fundamental pillar in the improvement of client experience and outcomes
 - c) Infrastructure must be designed, chosen, placed and maintained to ensure, Client safety, Efficiency and effectiveness, Sustainability and Equity and Accessibility.
 - d) There's need to ensure all critical and capital-intensive equipment are under service contracts and that preventive and / or routine maintenance of the same is the rule and is carried out as indicated in a plan.
 - e) As much as possible, mutually beneficial comprehensive placement agreements will be encouraged to broaden the range of service availability, to reduce client inconvenience and to facilitate better service delivery and outcomes
- 6) Improve on health and financial information systems automation, integration, transparency and application. Improve care through technology.
- a) A health information system (HIS) is a system that integrates data collection, processing, reporting, and use of the information necessary for improving health service effectiveness and efficiency through better management at all levels of health services.
 - b) It is a way of collecting, storing, managing and transmitting (reporting) data including, Clients' electronic medical records (EMR), Hospital's operational (HR, Finance, Procurement) management

- c) When functioning well, the HIS facilitates planning, monitoring, and the overall quality assurance and improvement
- 7) Foster a visionary governance and competent committed leadership
 - a) Good governance and effective leadership are considered core components of a resilient health system
 - b) Good governance ensures evidence-based policy making resulting in Efficient and effective service provision and management systems, Transparency with checks and balances and Accountability
 - c) There's need to promote and lobby for leadership with demonstrable willingness to take ownership and stewardship of the hospital and to continually do what is best for the same.
- 8) Foster and expand partnerships, collaboration and social responsibility, The overriding goal is to achieve better outcomes through either one or a combination of, raising awareness about unmet needs, Provision of resources (Finances, HR, Consumables, Equipment, Plant and Machinery, Provision of joint platforms for coordination, monitoring and evaluation, Tapping into each other's unique but complementary expertise, Research and learning
- 9) Foster learning, change and improvement culture in the Hospital through improved stakeholder participation and feedback management, research and innovation.
 - a) Strengthen and expand partnership and collaboration with training institutions including but not limited to the Kenya Medical Training College, Medical training universities and colleges, AMREF International University and the Kenya School of Government.
 - b) Strengthen and expand partnership and collaboration with research institutions including the Kenya Medical Research Institute and other institutions of higher learning
 - c) Institutionalize and strengthen continuous professional development
 - d) Institutionalize and invest in operational research initiatives
 - e) Facilitate continuous client feedback management

Two strategic themes were identified each with a strategic result whose successful execution will enable the Hospital achieve its mission and vision. These are:

	Strategic Theme	Strategic Result
1	Managerial and Operational Excellence	Seamless, effective and timely service delivery and efficient Utilization of resources
2	Professional in clinical services	Improved quality healthcare services

9. Corporate Governance Statement

The Ndhiwa Sub-county Board of management have responsibilities, Functions, structures and ethical conduct. In addition to this, their major priority is ensuring excellent service delivery to patients.

Role of the Board

The responsibility of driving good corporate governance and stewardship of the Hospital is vested in the board. The board through its committees provide strategic direction while the Medical Superintendent assisted by the Executive Management Committee is accountable to the Board for implementing the strategy.

10. Management Discussion and Analysis

Clinical performance

During the financial year ending 30th June 2022, Ndhiwa sub-County Hospital continued to offer specialized medical care by attending to over 10,000 patients. Outpatient clients being 2,581, inpatient client 409, deliveries 1,175 and Maternal child health (MCH) 6,069.

Reproductive Health

A total of 1632 deliveries were conducted during the year under review. This is attributed mainly to increased referrals from sub counties and nearby counties, in need of specialized maternity services and the support from the Government of Kenya through the Linda Mama Scheme, which has allowed mothers to deliver at Ndhiwa sub-County Hospital without having to personally incur any cost. Ndhiwa sub-County Hospital lauds HE. Excellency the President for the transformation of lives through the success of this noble scheme.

I. Environmental and Sustainability Reporting

Ndhiwa Sub County Hospital 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 customer 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

As a Sub county hospital, we recognize that we must conduct our operations in a manner that considers the environmental and social impact to ensure that success and longevity of the business. We are committed to being transparent, candid, and open about our operations.

At Ndhiwa Sub County Hospital we have a pragmatic approach to sustainability, we focus on identifying and putting into practice initiatives and programs that deliver real world and lasting benefits to all our stakeholders.

Engaging with our stakeholders informs our decision making, strengthened our relationship and helps us deliver our commitments and success as an entity. In order to achieve these goals, we recognize that we must work in partnership with other interested stakeholders in who share our commitment and have a stake in our entity.

We actively engage with Government, regulators, customers, suppliers, investors and individual citizens to create an environment that is supportive of solutions.

ii) Environmental performance

In our offices and clinical areas, we continue encouraging employees to help reduce energy consumption by switching of their computers and lights at the end of the day.

As part of adopting energy efficient technology, we have a microwave incinerator that helps with waste management.

In packaging of medicine, we use environmentally friendly bags. In medical waste we are using bags which are clearly marked for clinical waste, bottles, leftover food, staffs are also provided with personal protective equipment

iii) Employee welfare

Ndhiwa Sub-County Hospital staff are employed and remunerated by the Homabay County Government.

With a recruitment policy of at least a third is not of more than one gender.

Policy guiding hiring process

Every department prepares Human Resource Plans to support achievement of goals and objectives in their strategic plans. The plans are based on comprehensive job analysis and are reviewed every year to address emerging issues and staffing needs.

On the basis of these Human resource plans, departments develop annual recruitment plans which is forwarded to the County Public Service Board at the beginning of each financial year to enable it plan to fill vacancies.

Departments through the County Public Service Board will advertise all vacant posts in a manner that reaches the widest pool of potential applicants.

Recruitment is undertaken on the basis of fair competition and merit, representation of Kenyans diverse communities, adequate and equal opportunities to all gender, youth, members of all ethnic groups, persons with disabilities and minorities.

Efforts made in improving skills and managing careers

Training and capacity building in the County's Public Service is key towards improving skills and managing career progression.

Training Needs Assessment is a performance audit that generates and provides information to assess the inadequacy of knowledge and skills which inhibits an organisation from attaining its objectives.

Training in the County's Public Service is based on Training Needs Assessment which are conducted in each department.

Departments are required to prepare training projections based on Training Needs Assessment to guide in the nomination of officers for training.

Selection of trainees for all training programmes are based on identified needs and normally emphasises on training for performance improvement.

Training programmes comprise both short- and long-term courses in specific professions that are intended to impart required knowledge, skills and attitudes to enhance staff performance.

The County continually develops its employee's professional knowledge and skills and encourage them to join relevant professional bodies. The County establishes mechanisms for supporting employees where the career guidelines require them to be members of a professional body.

For new staff who have joined the County, Induction Training is expected to help them familiarise with the work environment and requirements. Departments are expected to conduct induction training within three (3) months for newly recruited officers and those joining the departments on transfers, promotions and re-designation.

Appraisal and reward system

Staff Performance Appraisal System is predicated upon the principles of work planning, setting of agreed performance targets, feedback and reporting. Appraisal systems is also linked to other human resource systems and processes including staff development, career progression, placement, rewards and sanctions.

Prior to the beginning of the performance appraisal period, departments prepare work plans based on their strategic plans. The departments work plans includes the departmental priorities objectives from which individual performance targets will be derived.

Employee's individual work plans will be derived from the departmental work plans and officers job description.

The appraisals period covers one (1) year starting 1st July to 30th June of the following year. The performance appraisal reflects the summation of the year's performance including quarterly and mid-year reviews.

Reward System

Exemplary performance is rewarded through incentives, promotions, recognition of major improvements, training.

Policy on safety and compliance with occupational safety and health Act of 2007, (OSHA)

Employees are protected from accidents and occupational hazards arising at the work place. Measures to prevent and mitigate against accidents at work place, explosions, fire, floods, earthquakes, both threats. Through provision of First aid kits, fire protection, firefighting and demonstration, providing fire assembly areas, emergency preparedness in such events.

- Fire protection and protection in buildings
- No hazardous or highly inflammable materials should be stored in buildings
- Firefighting equipment should be placed in strategic places
- Provision of protective equipment and clothing
- Medical examination
- Compensation of officers in case of injury at work

iv) Market place practices-

Responsible Supply chain and supplier relations

Suba County has suppliers that supply goods and services. We manage contracts and engage multiple service providers for our operations. Our own reputation as service providers is always a top priority. For that reason, we are focused on ensuring our suppliers comply with best practices and adhere to our contract agreement for all services and goods offered.

v) Corporate Social Responsibility Statement

As a way of creating awareness on health seeking behaviour and encourage early diagnosis and treatment, Ndhiwa Suba County Hospital conducts several clinical outreaches in the community within its catchment area. It offers screening and free medical services.

11. Report of the Board of Management

The Board of Management submit their report together with the audited financial statements for the year ended June 30, 2022, which show the state of the Hospital's affairs.

a) Principal activities

The principal activities of the Hospital are:

- i. Provide financial resources for medical supplies, rehabilitation and medical equipment for health facilities in the Hospital.
- ii. Support capacity building in the management of the Hospital
- iii. To give decision making autonomy to the Hospital management committees, to plan and manage the resources within their control
- iv. To improve the quality of health care services in the Hospital

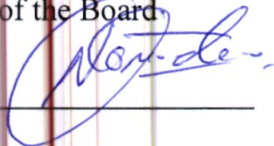
b) Results

The results of the Hospital for the year ended June 30, 2022, are set out on page 1

c) Auditors

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

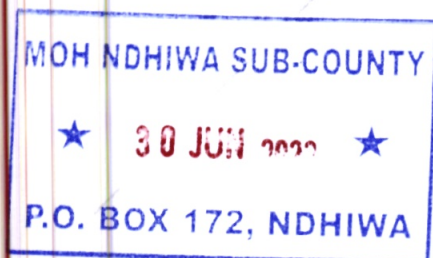
By Order of the Board



Secretary to the Board

30/6/2022

Date



12. Environmental And Sustainability Reporting

Two-to-three pages)

vi) Sustainability strategy and profile

Include an Introductory paragraph on the main mandate of the organization and its strategy on sustainability. Sustainability being the ability to maintain or continue offering services to the citizens of the country over the long- term. The top management especially the accounting officer should refer to sustainable efforts, broad trends in political and macroeconomic affecting sustainability priorities, reference to international best practices and key achievements and failure.

vii) Environmental performance

Outline clearly, environmental policy guiding the organisation, provide evidence of the policy. Outline successes, shortcomings, efforts to manage biodiversity, waste management policy and efforts to reduce environmental impact of the organisation's products.

viii) Employee welfare

Give account of the policies guiding the hiring process and whether they take into account the gender ratio, whether they take in stakeholder engagements and how often they are improved. Explain efforts made in improving skills and managing careers, appraisal and reward systems. The organisation should also disclose their policy on safety and compliance with Occupational Safety and Health Act of 2007, (OSHA.)

ix) Market place practices-

The organisation should outline its efforts to:

a) Responsible competition practice.

Explain how the organisation ensures responsible competition practices with issues like anti-corruption, responsible political involvement, fair competition, and respect for competitors.

b) Responsible Supply chain and supplier relations

Explain how the organisation maintains good business practices, and treats its own suppliers responsibly by honouring contracts and respecting payment practices.

c) Responsible marketing and advertisement

Outline efforts to maintain ethical marketing practices.

d) Product stewardship

Outline efforts to safeguard consumer rights and interests.

x) Corporate Social Responsibility / Community Engagements

The organisation gives details of CSR activities carried out in the year and the impact to the society.

Give evidence of community engagement including charitable giving (cash and material), Corporate Social Investment and other forms of community engagements.

13. Report of The Board of Management

The Board members submit their report together with the Audited Financial Statements for the year ended June 30, 2022, which show the state of Ndhiwa level 4 hospital's *Financial Statement as true and fair view.*

Principal activities

The principal activities of the entity

Results

The results of the entity for the year ended June 30 2022

Board of Management

The members of the Board who served during the year are shown on page. During the year, 2021/2022 none of the director(s) retired/ resigned, and none of the director (s) was appointed within the period.

Auditors

The Auditor General is responsible for the statutory audit of Ndhiwa level 4 hospital in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015.

OR

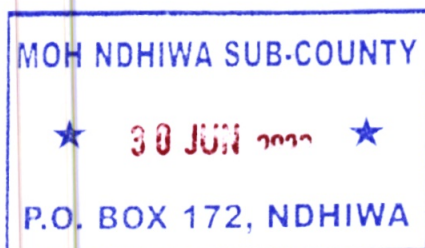
By Order of the Board

*Dr. ODUNDO NIGODEMUS
30/6/2022*

.....

Name

Secretary to the Board



14. Statement of Board of Management's Responsibilities

Section 164 of the Public Finance Management Act, 2012 requires the Board of Management to prepare financial statements in respect of Ndhiwa Level 4 hospital, which give a true and fair view of the state of affairs of Ndhiwa Level 4 hospital at the end of the financial year/period and the operating results of the *entity* for that year/period. The Board of Management is also required to ensure that t Ndhiwa Level 4 hospital keeps proper accounting records which disclose with reasonable accuracy the financial position of Ndhiwa Level 4 hospital. The council members are also responsible for safeguarding the assets of Ndhiwa Level 4 hospital.

The Board of Management is responsible for the preparation and presentation of the financial statements, which give a true and fair view of the state of affairs of ndhiwa level 4 for and as at the end of the financial year (period) ended on June 30, 2022. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period, (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity, (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud, (iv) safeguarding the assets of Ndhiwa level 4 hospital; (v) selecting and applying appropriate accounting policies, and (vi) making accounting estimates that are reasonable in the circumstances.

The Board of Management accepts responsibility for Ndhiwa level 4 hospital financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and The Board members are of the opinion that Ndhiwa level 4 hospital financial statements give a true and fair view of the state of Ndhiwa level 4 hospital transactions during the financial year ended June 30, 2022, and of the Ndhiwa level 4 hospital financial position as at that date. The Board members further confirm the completeness of the accounting records maintained for Ndhiwa level 4 hospital, which have been relied upon in the preparation of Ndhiwa level 4 hospital financial statements as well as the adequacy of the systems of internal financial control.

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

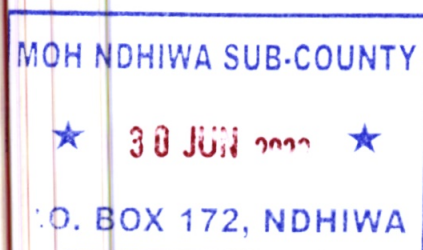
Nothing has come to the attention of the Board of management to indicate that will not remain a going concern for at least the next twelve months from the date of this statement.

Approval of the financial statements

The Hospital's financial statements were approved by the Board on _____ and signed on its behalf by:

.....
Name:
Chairperson
Board of Management

.....
Name:
Accounting Officer



REPUBLIC OF KENYA



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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 NDHIWA LEVEL 4 HOSPITAL FOR THE YEAR ENDED 30 JUNE, 2022 - COUNTY GOVERNMENT OF HOMA BAY

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Ndhiwa Level 4 Hospital - County Government of Homa Bay set out on pages 1 to 28, which comprise the statement of financial position as at 30 June, 2022 and the statement of financial performance,

statement of changes in net assets, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

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

Basis for Qualified Opinion

1. Inaccuracies in the Financial Statements

The statement of cash flows reflects total cash payments (cash out flows) balance of Kshs.15,608,987 while the statement of financial performance reflects total payments amount of Kshs.27,277,276 resulting to an unexplained variance of Kshs.11,668,289.

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

2. Non-Disclosure and Doubtful Ownership of Property, Plant and Equipment

The statement of financial position reflects a nil balance in respect to property, plant and equipment. However, the Hospital did not have ownership documents (title deed) for the land on which it is built and Logbooks for the motor vehicles in its possession. Additionally, the entire class of the net fixed assets had not been valued by a professional valuer to depict the current market values. Furthermore, an ultrasound machine donated to the facility by the M-pesa foundation has been lying idle for two years for lack of a qualified technician to operate it.

In the circumstances, the accuracy, ownership and completeness of the property, plant and equipment Nil balance could not be confirmed.

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the Ndhiwa Level 4 Hospital 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 qualified opinion.

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final revenue budget and actual on comparable basis of Kshs.28,505,686 and Kshs.22,270,746 respectively resulting to an under-funding of Kshs.6,234,940 or 22% of the budget. However, the Hospital spent an amount of Kshs.27,277,276 against actual revenues of Kshs.22,270,746 resulting to an over-utilization of Kshs.5,006,530 or 30%.

The under-funding and over-utilization affected the planned activities and may have impacted negatively on service delivery to the public.

My opinion is not modified in respect of this matter.

Key Audit Matters

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution and based on the audit procedures performed, except for the matters described in the Basis for Conclusion, 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. Inadequate Staffing

Review of the Hospital's staffing in comparison with the recommended staffing as per the checklist designed for Level 4 Hospitals revealed the following variances as indicated below;

Criteria (Staffing Requirement)	Minimum Required	Number of Staff Confirmed	Variances Noted
Medical Officers	16	3	13
Anesthesiologists	2	3	-1
General Surgeons	2	0	2
Gynecologists	2	0	2
Pediatricians	2	0	2
Radiologists	2	0	2
Registered Community Health Nurses	75	24	51

In the circumstances, the quality of services being offered may not meet the threshold requirements of a Level 4 Hospital.

2. Lack of Provision of Essential Services

A review of the services offered at Ndhiwa Level 4 Hospital revealed that the Hospital did not fully offer services required as listed below;

Criteria (Requirement)	Confirm Services	Variances Noted
Surgical Services	Minor surgery done.	Not fully compliant
Pediatric Services	Minor services provided	Not fully compliant
Gynecology Services	Minor services provided	Not fully compliant
Radiology Services	Ultra Sound Machine is available but technical person to operate the machine not available.	Not fully compliant
Renal Services	Services not available	Not compliant
Tuberculosis Services	Management done at Ndhiwa Level 4 Hospital.	Compliant

In the circumstances, the Hospital does not meet the Level 4 Hospital requirements.

3. Inadequate Hospital Equipment, Machines and Bed Capacity

Kenya Quality Model for Health Checklist designed for Level 4 Hospitals recommends the following resource requirements to be met by the Hospital as below: -

Criteria (Requirement)	Minimum Required	Number Confirmed	Variances Noted
Bed Capacity	150	48	102
Incubators (New-Born)	5	2	3
Cots	5	2	3
Resuscitaire in Theatre	1	1	0
Resuscitative in Labour Ward	2	1	1
Functional ICU Beds	6	0	6
HDU Beds	6	0	6
Renal Unit with Dialysis Machines	5	0	5
Functional Operating Theatres Maternity and General	2	1	1

In the circumstances, the Hospital is in breach of the Kenya Quality Model for Health for Level 4 Hospitals requirements.

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 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 matters described in the Basis for Conclusion, I confirm that nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

1. Lack of Risk Management Policy

Management had not established risk management policies, and risk management strategies, which include fraud prevention mechanisms and a system of risk management and internal controls that builds robust business operations.

In the circumstances, it was not possible to confirm the effectiveness of the internal controls, risk management and governance of Hospital.

2. Lack of Approved Disaster Recovery Plan, Approved IT Strategic Plan and Approved IT Policy

The Hospital does not have an approved Information System Disaster Recovery Plan, approved information technology policy, approved IT strategic plan and a Business Continuity Plan. This was contrary to Regulation 22(1)(b) of the Public Finance Management Act, County Regulations, 2015 states the accounting officers shall, in accordance with Article 226(2) of the Constitution and Section 149(1) of the Act, be accountable to the County Assembly responsibilities for maintaining effective systems of internal control and the measures taken to ensure that they are effective.

Management indicated that they do rely on the County Disaster Policy but have put measures in place to ensure that the County Policy is domesticated.

3. Unsatisfactory Board of Management Activities

Review of the Board of Management activities and related documents availed for audit revealed the following anomalies: -

- i. There was no attendance register for Board meetings held during the year,
- ii. The Board did not constitute the various sub committees to assist the main Board,

- iii. The appointment letters nor the Gazette Notice appointing the Board members were all missing.

In the circumstances, it was not possible to confirm the effectiveness of the internal controls, risk management and governance of Hospital.

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

Responsibilities of Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with 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 Hospital's ability to continue to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the Hospital or to cease operations.

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

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

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

Auditor-General's Responsibilities for the Audit

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. Reasonable assurance is a high level of assurance but

Report of the Auditor-General on Ndhiwa Level 4 Hospital for the year ended 30 June, 2022 - County Government of Homa Bay

is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement and weakness when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal controls in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal controls would not necessarily disclose all matters in the internal controls 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 Management.
- Conclude on the appropriateness of Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Hospital's ability to continue to sustain its services. If I conclude that a material uncertainty exists,

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

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

18 July, 2024

Ndhiwa Level 4 Hospital (Homa Bay County Government)
Annual Report and Financial Statements
For The Year Ended 30th June 2022

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

Description	Notes	2021/2022	2020/2021
		Ksh	Kshs
In-Kind Contributions from the County Government	1	5,505,686.00	-
Rendering of Services-Medical Services Income	1	16,765,060.00	--
Total Income		22,270,746.00	-
Expenses			-
Use of Goods and Services	2	16,894,771.00	-
Employee Costs	3	3,009,402.00	-
Board of Management Expenses	4	322,500.00	-
Repairs and Maintenance	5	1,789,100.00	-
General Expenses	6	5,261,503.00	-
Depreciation and amortisation	21	-	-
Total Expenses		27,277,276.00	-
Net Surplus for the year 2022/2023		(5,006,530.00)	-

The Hospital's financial statements were approved by the Board on _____ and signed on its behalf by:



.....
Chairman
Board of Management



.....
Head of Finance
ICPAK No:



.....
Medical Superintendent

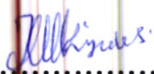


Ndhiwa Level 4 Hospital (Homa Bay County Government)
Annual Report and Financial Statements
For The Year Ended 30th June 2022

17. Statement of Financial Position As At 30th June 2022

Description	Notes	2021/2022	2020/2021
		Ksh	Kshs
Net Fixed Assets	20	-	-
Current Assets			
Cash and Cash Equivalents	7	661,770.00	-
Receivables from Exchange Transactions	10	1,002,990.00	-
Inventories	11	738,930.00	-
Total Current Assets		2,403,690.00	-
Total Net Assets		2,403,690.00	-
Short Term Liabilities			
Trade and Other Payables	12	7,410,220.00	-
Total Short Term Liabilities		7,410,220.00	-
Financed By			
Net Assets	9	(5,006,530.00)	
Total Net Assets and Liabilities		2,403,690.00	

The Hospital's financial statements were approved by the Board on _____ and signed on its behalf by:



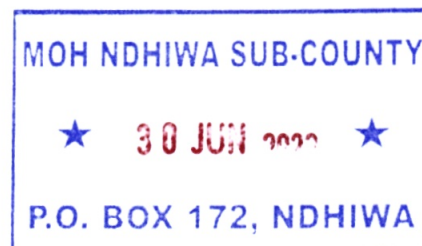
Chairman
Board of Management



Head of Finance
ICPAK No:



Medical Superintendent



Ndhiwa Level 4 Hospital (Homa Bay County Government)
Annual Report and Financial Statements
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18. Statement of Changes in Net Asset for The Year Ended 30 June 2022

Description	Accumulated Surplus/Deficit	Total
	Ksh	Ksh
As at 1 July 202	-	-
Deficit for the year	(5,006,530.00)	(5,006,530.00)
As at 30 June 2022	(5,006,530.00)	(5,006,530.00)

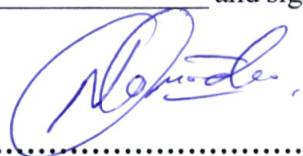
The Hospital's financial statements were approved by the Board on _____ and signed on its behalf by:



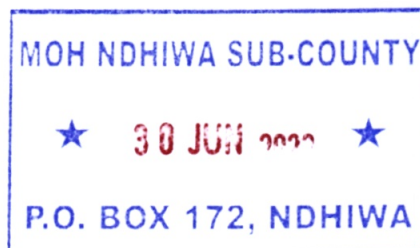
Chairman
Board of Management



Head of Finance
ICPAK No:



Medical Superintendent



Ndhiwa Level 4 Hospital (Homa Bay County Government)
Annual Report and Financial Statements
For The Year Ended 30th June 2022

19. Statement of Cash Flows for The Year Ended 30 June 2022

Description	Notes	2021/2022	2020/2021
		Ksh	Ksh
Cash flows from operating Activities			
Receipts			
Transfer from the County Government		-	
Rendering of Services-Medical Services Income-NHIF/FIF	19	16,421,926.00	-
Total Cash Receipts		16,421,926.00	-
Cash Payments			
Use of Goods and Services	13	(7,932,177.00)	-
Employees Costs	14	(1,965,728.00)	-
Board of Management Expenses	15	(322,500.00)	-
Repairs and Maintenance	16	(1,688,350.00)	-
General Expenses	17	(3,700,232.00)	-
Total Cash Payments		(15,608,987.00)	-
Net Cash flow from operating activities		812,939.00	-
Cash flows from Investing Activities			
Purchase of Assets	18	(154,700.00)	-
Net Cash flows from Investing Activities		(154,700.00)	-
Cash flows from Financing Activities		-	-
Net increase/ (decrease) in cash and cash equivalents		658,239.00	-
Cash and cash equivalents as at 1 July 2022		3,531.00	-
Cash and cash equivalents as at 30 June 2023		661,770.00	-

Ndhiwa Level 4 Hospital (Homa Bay County Government)
Annual Report and Financial Statements
For The Year Ended 30th June 2022

The Hospital's financial statements were approved by the Board on _____ and signed on its behalf by:



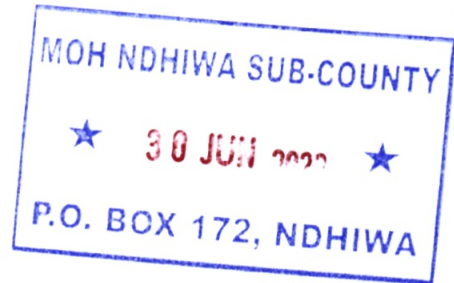
.....
Chairman
Board of Management



.....
Head of Finance
ICPAK No:



.....
Medical Superintendent



20. Statement of Comparison of Budget and Actual Amounts for Year Ended 30 Jun 2022

Description	Original Budget	Adjustments	Final Budget	Actual on Comparable basis	Performance difference	% Utilization
	A	B	C=(A+B)	D	E=(C-D)	F=D/C%
Income	Ksh	Ksh	Ksh	Ksh	Ksh	Ksh
In-Kind Contribution from the County Government	5,505,686.00	-	5,505,686.00	5,505,686.00	-	100.00
Rendering Services	23,000,000.00	-	23,000,000.00	16,765,060.00	6,234,940.00	72.89
Total Income	28,505,686.00	-	28,505,686.00	22,270,746.00	6,234,940.00	78.13
Expenditure						
Medical/ Clinical Costs	16,955,686.00	-	16,955,686.00	16,894,771.00	60,915.00	99.64
Employees Costs	3,200,000.00	-	3,200,000.00	3,009,402.00	190,598.00	94.04
Board Members Allowances	350,000.00	-	350,000.00	322,500.00	27,500.00	92.14
Repairs and Maintenance	2,000,000.00	-	2,000,000.00	1,789,100.00	210,900.00	89.46
General Expenses	6,000,000.00	-	6,000,000.00	5,261,503.00	738,497.00	87.69
Depreciation and Amortization		-			-	
Total Expenditure	28,505,686.00	-	28,505,686.00	27,277,276.00	1,228,410.00	95.69
Deficit for the FY 2021/2022	-	-	-	(5,006,530.00)		

21. Notes to the Financial Statements

1. General Information

1. General Information

Ndhiwa Level 4 Hospital was established by the Kenya gazette notice No. 786 and derives its authority and accountability from Public Finance Management Act, 2012. The entity is wholly owned by the County Government of Homabay and is domiciled in Kenya.

2. Statement of Compliance and Basis of Preparation

The financial statements have been prepared on a historical cost basis. 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 Hospital's accounting policies.

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

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.

22. Statement of Compliance and Basis of Preparation

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant, and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts and actuarially determined liabilities at their present value. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgement in the process of applying the *entity's* accounting policies. The areas involving a higher degree of judgment or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note xx The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the *entity*. The financial statements have been prepared in accordance with the PFM Act, and *(include any other applicable legislation)*, and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

23. Adoption of New and Revised Standards

- i. *New and amended standards and interpretations in issue effective in the year ended 30 June 2022.*

IPSASB deferred the application date of standards from 1st January 2022 owing to Covid 19. This was done to provide entities with time to effectively apply the standards. The deferral was set for 1st January 2023.

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

Standard	Effective date and impact:
IPSAS 41: Financial Instruments	<p>Applicable: 1st January 2023:</p> <p>The objective of IPSAS 41 is to establish principles for the financial reporting of financial assets and liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of an Entity's future cash flows. IPSAS 41 provides users of financial statements with more useful information than IPSAS 29, by:</p> <ul style="list-style-type: none"> • Applying a single classification and measurement model for financial assets that considers the characteristics of the asset's cash flows and the objective for which the asset is held; • Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and • Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between an Entity's risk management strategies and the accounting treatment for instruments held as part of the risk management strategy.
Amendments to Other IPSAS resulting from IPSAS 41, Financial Instruments	<p>Applicable: 1st January 2023:</p> <ol style="list-style-type: none"> a) Amendments to IPSAS 5, to update the guidance related to the components of borrowing costs which were inadvertently omitted when IPSAS 41 was issued. b) Amendments to IPSAS 30, regarding illustrative examples on hedging and credit risk which were inadvertently omitted when IPSAS 41 was issued.

Ndhiwa Level 4 Hospital (Homa Bay County Government)
Annual Report and Financial Statements
For The Year Ended 30th June 2022

Standard	Effective date and impact:
	<p>c) Amendments to IPSAS 30, to update the guidance for accounting for financial guarantee contracts which were inadvertently omitted when IPSAS 41 was issued.</p> <p>Amendments to IPSAS 33, to update the guidance on classifying financial instruments on initial adoption of accrual basis IPSAS which were inadvertently omitted when IPSAS 41 was issued.</p>
Other improvements to IPSAS	<p>Applicable 1st January 2023</p> <ul style="list-style-type: none"> • <i>IPSAS 22 Disclosure of Financial Information about the General Government Sector.</i> <p>Amendments to refer to the latest System of National Accounts (SNA 2008).</p> <ul style="list-style-type: none"> • <i>IPSAS 39: Employee Benefits</i> <p>Now deletes the term composite social security benefits as it is no longer defined in IPSAS.</p> <ul style="list-style-type: none"> • IPSAS 29: Financial instruments: Recognition and Measurement <p>Standard no longer included in the 2021 IPSAS handbook as it is now superseded by IPSAS 41 which is applicable from 1st January 2023.</p>
IPSAS 43	<p>Applicable 1st January 2025</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>Applicable 1st January 2025</p> <p>The Standard requires,</p> <p>Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and:</p> <p>Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.</p>

ii. **Early adoption of standards**

The Entity did not early – adopt any new or amended standards in year 2021/2022.

24. Summary of Significant Accounting Policies

a. Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other Government entities

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

ii) Revenue from exchange transactions

Rendering of services

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

Sale of goods

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

Interest income

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

Rental income

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

Notes to the Financial Statements (Continued)

b. Budget information

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

c. Taxes

Sales tax/ Value Added Tax

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

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

Notes to the Financial Statements (Continued)

d. Investment property

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

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

e. Property, plant and equipment

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the entity recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus or deficit as incurred. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value.

25. Notes to the Financial Statements

f. Leases

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

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

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

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

g. 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.

Notes to the Financial Statements (Continued)

h. Research and development costs

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

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

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

i. Financial instruments

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

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

Notes to the Financial Statements (Continued)

Financial assets

Classification of financial assets

The entity classifies its financial assets as subsequently measured at amortised cost, fair value through net assets/ equity or fair value through surplus and deficit on the basis of both the entity's management model for financial assets and the contractual cash flow characteristics of the financial asset. A financial asset is measured at amortized cost when the financial asset is held within a management model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding. A financial asset is measured at fair value through net assets/ equity if it is held within the management model whose objective is achieved by both collecting contractual cashflows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. A financial asset shall be measured at fair value through surplus or deficit unless it is measured at amortized cost or fair value through net assets/ equity unless an entity has made irrevocable election at initial recognition for particular investments in equity instruments.

Subsequent measurement

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

Amortized cost

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

Notes to the Financial Statements (Continued)

Fair value through net assets/ equity

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

Fair value through surplus or deficit

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

Trade and other receivables

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

Impairment

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

Financial liabilities

Classification

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

Notes to the Financial Statements (Continued)

j. Inventories

Inventory is measured at cost upon initial recognition. To the extent that inventory was received through non-exchange transactions (for no cost or for a nominal cost), the cost of the inventory is its fair value at the date of acquisition.

Costs incurred in bringing each product to its present location and conditions are accounted for as follows:

- Raw materials: purchase cost using the weighted average cost method.
- Finished goods and work in progress: cost of direct materials and labour, and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs.

After initial recognition, inventory is measured at the lower cost and net realizable value. However, to the extent that a class of inventory is distributed or deployed at no charge or for a nominal charge, that class of inventory is measured at the lower cost and the current replacement cost. Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or distribution. Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the Entity.

k. Provisions

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

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

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

Notes to the Financial Statements (Continued)

l. Social Benefits

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

m. Contingent liabilities

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

n. Contingent assets

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

o. Nature and purpose of reserves

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

p. 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.

Notes to the Financial Statements (Continued)

q. Employee benefits

Retirement benefit plans

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

r. 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.

s. Borrowing costs

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

t. Related parties

The Entity regards a related party as a person or an entity with the ability to exert control individually or jointly, or to exercise significant influence over the *Entity*, or vice versa. Members of key management are regarded as related parties and comprise the directors, the CEO/principal and senior managers.

Notes to the Financial Statements (Continued)

u. Service concession arrangements

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

v. 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.

w. Comparative figures

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

x. Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended June 30, 2022.

2. Significant Judgments and Sources of Estimation Uncertainty

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

Estimates and assumptions.

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

Useful lives and residual values

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

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

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions is included. 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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1. Rendering of Services-Medical Services Income

Description	2021/2022	2020/2021
	FIF	FIF
	Ksh	Kshs
Laboratory	655,840.00	-
Pharmaceuticals	477,370.00	-
Health Records	693,250.00	-
Other Medical Services	73,600.00	-
Total FIF	1,900,060.00	-
	2021/2022	2020/2021
	Ksh	Kshs
Non Pharmaceuticals	-	-
Laboratory	-	-
Pharmaceuticals	3,484,790.00	-
Free Maternity	10,377,220.00	-
Other Medical Services	1,002,990.00	-
Total NHIF	14,865,000.00	-
Total Rendering of Services-Medical Services Income	16,765,060.00	-
In-Kind Contributions from The County Government	5,505,686.00	-
Total Income For the FY 2021/2022	22,270,746.00	-

2. Use of Goods and Services

Description	2021/2022	2020/2021
	Ksh	Kshs
	Laboratory reagents	590,300.00
Food rations	4,389,158.00	-
Non-Pharmaceuticals	1,759,895.00	-
Sanitary and cleaning materials	906,400.00	-
Medical Supplies	5,785,486.00	-
Medical Records	1,117,442.00	-
Purchase of Medical Equipment	148,000.00	-
Accrued Expenses	2,198,090.00	-
Totals	16,894,771.00	-

3. Employees Costs

Description	2021/2022	2020/2021
	Ksh	Kshs
Salaries, Wages and Allowances	3,009,402.00	-
DSA		

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Totals	3,009,402.00	-
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4. Board of Management Expenses

Description	2021/2022	2020/2021
	Ksh	Kshs
BOM Sitting Allowances	322,500.00	-
Totals	322,500.00	-

5. Repairs and Maintenance

Description	2021/2022	2020/2021
	Ksh	Kshs
Motor Vehicle Repairs and Maintenance	864,000.00	-
Repair of Buildings	564,800.00	-
Accrued expenses	360,300.00	-
Totals	1,789,100.00	-

6. General Expenses

Description	2021/2022	2020/2021
	Ksh	Kshs
Bank service charges	4,890.00	-
Consultancy fees/Contracted professionals	-	-
Contracted services-Security	96,000.00	-
Electricity expenses	674,950.00	-
Catering Services	-	-
Refined fuel,oil & Lubricants	1,448,100.00	-
Other Fuel-Charcoal & Firewood	-	-
Telephone and mobile phone services	63,450.00	-
Printing & Stationery	-	-
General Office Supplies	897,750.00	-
Uniforms	35,000.00	-
Water	40,000.00	-
Accrued expenses	2,001,363.00	-
Total General Expenses	5,261,503.00	-

7. Cash and Cash Equivalent as at 30th June 2023

Description	2021/2022	2020/2021
	Ksh	Kshs
Cooperative Bank Ltd-Account No.01141636116300	661,770.00	-
Totals	661,770.00	-

8. Bank Service Charges

Description	2021/2022	

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	Ksh	
Cooperative Bank Ltd-Account No.01141636116300	4,890.00	-
Totals	4,890.00	-

9. Statement of Changes in Net Assets for the year ended 30th June 2022

Description	2021/2022	2020/2021
	Ksh	Kshs
As at 1 July 202	-	-
Deficit for the year	(5,006,530.00)	(5,006,530.00)
As at 30 June 2022	(5,006,530.00)	(5,006,530.00)

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10. Receivables from Exchange Transactions as at 30th June 2022

Description	2021/2022	2020/2021
	Ksh	Kshs
NHIF	1,002,990.00	-
Total Receivables from Exchange Transactions as at 30th June 2022	1,002,990.00	-

11. Inventories

Description	2021/2022	2020/2021
	Ksh	Kshs
Pharmaceuticals supplies	250,000.00	-
Non Pharmaceuticals supplies	150,000.00	-
Food supplies	20,000.00	-
Laboratory Reagents	250,000.00	-
Cleaning Materials	68,930.00	-
Total Inventories	738,930.00	-

12. Trade and Other Payables

Description	2021/2022	2020/2021
	Ksh	Kshs
Hospital software suppliers	577,608.00	-
Clinical Costs	6,832,612.00	-
Total Trade Payables for the FY 2022/2023	7,410,220.00	-

13. Use of Goods and Services

Description	2021/2022	2020/2022
	Ksh	Ksh

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Laboratory reagents	510,300.00	-
Food rations	3,910,292.00	-
Non-Pharmaceuticals	1,192,100.00	-
Sanitary and cleaning materials	958,820.00	-
Medical Supplies	539,665.00	-
Medical Records	786,000.00	-
Linens/clothing supplies	35,000.00	-
Totals	7,932,177.00	-
14. Employees Costs		
Description	2021/2022	2020/2022
	Ksh	Ksh
Salaries, Wages and Allowances	1,895,228.00	-
DSA	70,500.00	-
Totals	1,965,728.00	-
15. Board of Management Expenses		
Description	2021/2022	2020/2022
	Ksh	Ksh
BOM Sitting Allowances	322,500.00	-
Totals	322,500.00	-
16. Repairs and Maintenance		
Description	2021/2022	2020/2022
	Ksh	Ksh
Motor Vehicle expenses	689,100.00	-
Repair of Buildings	372,300.00	-
Computer repairs	90,000.00	-
Repair of electrical works	291,950.00	-
General Repairs	195,000.00	-
Other repairs and maintenance	50,000.00	-

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Totals	1,688,350.00	-
17. General Expenses		
Description	2021/2022	2020/2022
	Ksh	Ksh
Bank service charges	4,890.00	-
Contracted services-Security	96,000.00	-
Contracted Professional Services	80,500.00	-
Electricity expenses	323,000.00	-
Refined fuel, oil & Lubricants	1,041,500.00	-
Other Fuel-Charcoal & Firewood	692,700.00	-
Telephone and mobile phone services	104,950.00	-
Printing & Stationery	1,198,192.00	-
Catering Services	-	-
General Office Supplies	158,500.00	-
Total General Expenses	3,700,232.00	-
18. Purchase of Assets		
Description	2021/2022	2020/2022
	Ksh	Ksh
Assets Purchased	154,700.00	-
Total Purchases of Assets	154,700.00	-

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19. Cash Received For The Period

	FIF for 2021/2022	NHIF for 2021/2022	TOTAL 2021/2022	TOTAL 2020/2021
	Ksh	Ksh	Ksh	Ksh
Jul.21	270,850.00	5,098,660.00	5,369,510.00	-
Aug.21	153,330.00	18,650.00	171,980.00	-
Sep.21	60,040.00	620,020.00	680,060.00	-
Oct.21	189,120.00	233,800.00	422,920.00	-
Nov.21	207,520.00	344,340.00	551,860.00	-
Dec.21	220,846.00	844,270.00	1,065,116.00	-
Jan.22	227,640.00	-	227,640.00	-
Feb.22	95,790.00	1,605,540.00	1,701,330.00	-
Mar.22	122,260.00	752,180.00	874,440.00	-
Apr.22	178,790.00	52,800.00	231,590.00	-
May 22	34,450.00	3,779,260.00	3,813,710.00	-
Jun.22	137,190.00	1,181,830.00	1,319,020.00	-
Total	1,897,826.00	14,531,350.00	16,429,176.00	-
	Less Refund to Patient		7,250.00	-
	Total Revenue Received for the year 2021/2022		16,421,926.00	-

