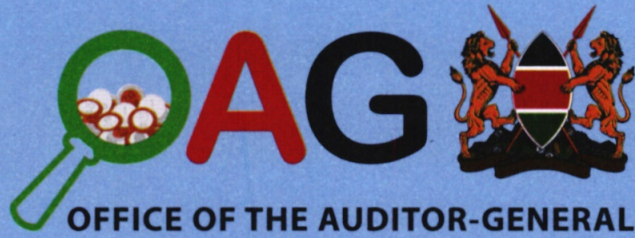


REPUBLIC OF KENYA



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REPORT

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THE AUDITOR-GENERAL

ON

MARSABIT LEVEL 5 HOSPITAL

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

COUNTY GOVERNMENT OF MARSABIT



OFFICE OF THE AUDITOR GENERAL
4TH FLOOR, TIMES TOWER
P. O. Box 30084 - 00100 NAIROBI

10 JUL 2024

RECEIVED



**MARSABIT LEVEL 5 HOSPITAL
(County Government of Marsabit)**

**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)

Marsabit level 5 Hospital (Marsabit County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2022

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Marsabit level 5 Hospital (Marsabit County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2022

Table of Content:

I.	Key Entity Information and Management.....	iv
II.	The Board of management.....	viii
III.	Management team.....	ix
IV.	Chairman's Statement /Health County executive.....	xi
V.	Report of The Chief executive Officer.....	xii
VI.	Statement of Performance Against Predetermined Objectives.....	xv
VII.	Corporate Governance Statement.....	xxi
VIII.	Management Discussion and Analysis.....	xxi
IX.	Environment and Sustainability Reporting.....	xxv
X.	Report of The Board of Management / County Executive.....	xxviii
XI.	Statement of Board of Management's Responsibilities.....	xxix
XII.	Report of Independent auditor General.....	xxxi
XIII.	Statement of Financial Performance for the Year Ended 30June 2022.....	1
XIV.	Statement of Financial Position as At 30 th June 2022.....	3
XV.	Statement of Changes in Net assets for the Year Ended 30June 2022.....	5
XVI.	Statement of Cash Flows for the Year ended 30 June 2022.....	7
XVII.	Statement of Comparison of Budget and Actual Amounts for the Year Ended 30 June 2022.....	9
XVIII.	Notes to Financial Statements.....	12
XIX.	Appendices.....	65

Key Entity Information and Management

(a) Background information

2 BACKGROUND INFORMATION

The County of Marsabit has a total area of 70,961.2Km² and occupies the extreme part of Northern Kenya. It has an international boundary with Ethiopia to the North, borders Turkana to the west, Isiolo and Samburu County to the South and Wajir County to the East. It lies between latitude 02° 45' North and 04° 27' North and longitude 37° 57' East and 39° 21' East.

Most of the county constitutes an extensive plain lying between 300m and 900m above the sea level, sloping gently towards the south east. The plain is bordered to the west and north by hills and mountain ranges and is broken by volcanic cones and calderas. The most notable topographical features of the county are: Ol Donyo Ranges (2066m above sea level) in the South West, Mt. Marsabit (1865m above sea level) in the Central part of the county, Hurri Hills (1685m above sea level) in the North Eastern part of the county, Mt. Kulal (2235m above sea level) in North West and the mountains around Sololo- Moyale escarpment (up to 1400m above sea level) in the North East.

Marsabit County Referral hospital is situated in Marsabit town Headquarters in Marsabit County in upper eastern region of Kenya, 277kilometers from Isiolo County on Nairobi, Isiolo –Ethiopia highway. The hospital was started as a dispensary in 1930s and now it's a full-fledged level 5 hospital and has a catchment area of 20,174 people. It serves clients from within and surrounding sub- counties e.g. clients from Laisamis Sub-county, North Horr Sub-county and Moyale Sub-County who prefer to come to the facility for treatment. It is the only referral center in the County. This facility provides preventive, curative and promotive health services and has a bed capacity of 120 beds and 5 incubators. The hospital has many stakeholders including: NASCOP, Population and Health Integrated Assistance plus (APHIA plus) Eastern, UNICEF, WFP (provision of food supplements to the malnourished clients), and other government ministries.

Vision

An efficient and high quality health care system that is accessible, equitable and affordable for Marsabit County population.

Mission

To promote and participate in the provision of integrated and high quality, promotive, preventive, curative and rehabilitative health care services to all Marsabit County population.

Goal

The goal of the department of health is to attain the highest possible standards of health that are responsive to its needs of the population.

(a) Key Management

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

- County department of health
- Board of Management
- Accounting Officer/ Medical Superintendent
- Management
- Others (*specify*)

(b) 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.	Chief Executive Officer	Liban Waqo/ Kussu Abduba Currently Serving.
2.	Head of finance	Kobia Kithela
3	Health Administrative Officer	Muthomi Marete
4.	Head of supply chain	Anthony Kimani
5	Nursing Officer in-Charge	Sarah Kabale
6	Laboratory Manager	Hassan Godana
7	Human Resource Officer	Abdulahi halakhe
8	Clinical Officer In charge	Peter Muchunu
9	Dentist	Dr Nurr Jillo Buke
10	Pharmacy in Charge	Masse Abdi
11	Health Records and information Officer	Catherine Ngei

(Include all positions regarded as top management in your organisation).

(c) Fiduciary Oversight Arrangements

Marsabit County Referral Hospital has clear oversight strategy as detailed below. The Hospital Management team is involved in day to day activities of the Hospital in terms of service delivery by availing necessary support to the staff of the Hospital. They make

sure the necessary resources are availed which include drugs and non-pharms, laboratory reagents and any other essentials required for the running of the Hospital.

The HMT prepares budgets and the budgets are approved by the Executive and in turn the Executive give Authority to Incur Expenditure (AIEs).

The Hospital has established a Cost Sharing Committee.

(d) Entity Headquarters

P.O. Box 5-60500
Marsabit, Town
Kenya

(e) Entity Contacts

Telephone: (+254) 720841604, (+254) 720921826
E-mail: Marsabithospital@gmail.com, Marsabithospital@yahoo.com
Website: www.go.ke

(f) Entity Bankers

Kenya Commercial Bank, Marsabit Branch.

(g) Independent Auditors

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

(h) Principal Legal Adviser

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

(i) County Attorney

Flavia Gikone
P.O. Box. 384- 60500
Marsabit, Kenya

The Board of Management

Ref	Directors	Details
1.	Director 1	
2.	Director 2	
3.	Director 3	
4.	Director 4/Alternate	
5.	MEDSUP	
6.	Entity Secretary	

NB.





- The Hospital has no existing Board of Directors .The names were forwarded to be gazetted.
- The Health County Executive oversees the operationalization of the Hospital activities.

The Executives includes the following Offices ; Office of the CECM, Health. Office of the Chief Officer, Medical Services

Marsabit level 5 Hospital (Marsabit County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2022

NB: The Hospital has no Board but the process is at an advanced stage to constitute one.

I. Management Team

Ref	Management	Details
1.	<p>Kussu Abduba (Degree in HSM, Diploma in KRCHN)</p> 	<p>Current CEO (Appointed as CEO in February 2023) Former CEO (LIBAN SUKE)</p>
2.	<p>Dr Arero Duba (Degree in medicine and Surgery)</p>	<p>Medical Superintendent</p>
	<p>Muthomi Marete (Diploma Business Administration)</p> 	<p>Senior HAO</p>
3.	<p>Kobia Kithela (CPA (K) , Bcom, Finance option)</p> 	<p>Chief Accountant</p>
4.	<p>Sarah Kabale (KRPN)</p> 	<p>Nursing Officer In-charge</p>
5.	<p>Hassan Godana (Diploma in laboratory technology)</p>	<p>Laboratory manager</p>
<p><i>(Note: The Med sup and the Entity Secretary will feature both under the 'Board' and 'Management'.)</i></p>		

I. Chairman/ Health County Executive Committee Member (CECM) Statement

Marsabit County Referral Hospital was operation in the last one financial year 2021-2022

As a going concern entity, the hospital will continue rendering services to Marsabit County residents and its environs in the long run.


During the period, the Hospital has been able to offer services which are affordable, accessible and acceptable and in line with its Vision and Mission. Its core mandate or mission is to promote and participate in the provision of integrated and high quality, promotive, preventive, curative and rehabilitative health care services to all Marsabit County population.

During the year, there has been increase in revenue collection, as detailed in the financial reports.

There was also a tremendous increase in the number of patients who visited the Hospital both Outpatient and Inpatient.

In terms of commodity supplies, The County procured drugs and non-pharmaceuticals which made sure optimal operations were available. Utility bills of 9,123,724 and food and rations expenses were paid during the year.

The Hospital has a prudent financial management strategy which as seen accountability of the Hospital resources.


Name: GRACE KILMS Date: 9 MAY 2023
CECM- HEALTH SERVICES.

Disclosure: The Hospital has no Board but the process is at an advanced stage to constitute one.

II. Report of The Chief Executive Officer

Marsabit County Referral Hospital is driven by 7 Health pillars:

1) Health service delivery

During the financial year ended, access to service delivery was optimal with patients seeking to our facility across the county. We have only one ambulance which is functional and no utility vehicle.

The hospital as critical committees which includes among others:

- i) IPC committee*
- ii) Quality management committee*
- iii) Drug and therapeutic committee*

We are committed to patient safety and wellbeing in line with our professionalism and integrity.

2) Health workforce

The following is a list of all health workers by cadre.

STAFF ESTABLISHMENT

Facility Name	Cadre	In Post	Ideal No.
MARSABIT C.R. H	CONSULTANTS	8	12
MARSABIT C.R. H	Medical Officers	2	12
MARSABIT C.R. H	Dentist	1	2
MARSABIT C.R. H	Pharmacist	1	3
MARSABIT C.R. H	Pharmaceutical technologist	8	10
MARSABIT C.R. H	Clinical officers	19	25
MARSABIT C.R. H	Specialized RCOs	7	10
MARSABIT C.R. H	Nursing staff	85	200
MARSABIT C.R. H	Radiographer	5	8

Marsabit level 5 Hospital (Marsabit County Government)

Annual Report and Financial Statements for The Year Ended 30th June 2022

MARSABIT C.R. H	Dental technologist	0	0
MARSABIT C.R. H	Laboratory technologists	18	30
MARSABIT C.R. H	Laboratory technician	2	6
MARSABIT C.R. H	Nutritionist	9	12
MARSABIT C.R. H	Clerical officers	6	10
MARSABIT C.R. H	Clerk/cashier	0	3
MARSABIT C.R. H	Hospital Accountant	2	2
MARSABIT C.R. H	General attendants	9	65
MARSABIT C.R. H	Drivers	10	5
MARSABIT C.R. H	cateress	1	2
MARSABIT C.R. H	Cooks	0	6
MARSABIT C.R. H	Watchmen	0	15
MARSABIT C.R. H	Store attendant	0	3
MARSABIT C.R. H	Health Administrative Officer	2	2
MARSABIT C.R. H	Health records and information officer	8	10
MARSABIT C.R. H	Community Oral Health Officer	4	6
MARSABIT C.R. H	Physiotherapist	4	6
MARSABIT C.R. H	Occupational Therapist	3	5
MARSABIT C.R. H	Orthopaedic trauma technician	1	3
MARSABIT C.R. H	Mortuary attendant	1	2
MARSABIT C.R. H	CHAs	15	18
Total		231	493

Disclosure:

Cashiers, Revenue clerks, Cooks are employed on temporary basis. The hospital has 14 cashiers/revenue clerks

CASUALS STAFF

Due to acute shortage of subordinate staff the hospital has 74 casual staff who are paid by the Department of health.

3) Health products

The Hospital receives drugs from KEMSA through the County Government. Subsequently, we also purchase emergency drugs and some non-pharmaceutical from local supplier. The KEMSA fill rate is approximately 45% of the total orders.

4) Health care financing

The source of revenue for the hospital are:

- i) Facility improvement fund*
- ii) UHC*
- iii) NHIF capitations*

These funds are managed by the HMT and approved by the Executives (Chief Officer of health services and CECM health).

5) Leadership and management

The Hospital is managed by Hospital Management team (HMT). There is need for all members of this team to undergo senior management courses (SMC)

6) Health management Information System

We have automated all health services in the hospital including cash management. The hospital has area local network and Fibre which helps in efficient communication

7) Infrastructure

We have recently installed an Oxygen plant which is functional. The Institution has these key blocks or building.

- i) Mother and child complex*
- ii) CT scan Centre*
- iii) X-ray*
- iv) Wards*
- v) Laboratory complex*


Marsabit level 5 Hospital (Marsabit County Government)


Annual Report and Financial Statements for The Year Ended 30th June 2022

- vi) Theatre
- vii) Dental

ASSETS

MARSABIT COUNTY REFERRAL HOSPITAL					
S/NO.	CATEGORY OF ASSET	NO.	STATUS	OWNERSHIP DOCUMENTS	REMARKS
1	LAND	15.3 ACRES	OCUPIED	TITLE DEED	NO PROCESSED(no title deed)
	ii STAFF HOUSING	30	OCUPIED	RECORDS	4 CONDEMNED
	iii BUILDINGS	17	OCUPIED		VARIOUS UNITS, WARD, OFFICES
2	MOTOR VEHICLES	0			
3	PLANT AND EQUIPMENTS	210	SERVICABLE	RECORDS	ASSORTED MEDICAL EQUIPMENT
4	FURNITURE AND FITTINGS	247	USABLE	RECORDS	ASSORTED
5	ICT EQUIPMENTS	42	USABLE	RECORDS	SOME NEED REPLACEMENT
6	Oxygen plant (new)	1	new	donation	functional
7	INTANGIBLE ASSETS	MEDBOSS (1)	IN USE	RECORDS	NEEDS UPGRADING



 Name Kussen Abduba Sign 

 Chief Executive Officer Date 9/5/23

III. Statement Of Performance Against Predetermined Objectives

Section 164 Subsection 2 (f) of the Public Finance Management Act, 2012 requires the accounting officer to include in the financial statement, a statement of the County Government entity’s performance against predetermined objectives.

Marsabit level 5 Hospital (Marsabit County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2022

The Hospital has 7 strategic pillars/ themes/issues and objectives within the current Strategic Plan for the FY 2021-2022. These strategic pillars/ themes/ issues are as follows;

- 1) *Health service delivery*
- 2) *Health workforce*
- 3) *Health care financing*
- 4) *Health products*
- 5) *Leadership and management*
- 6) *Health management and information*
- 7) *infrastructure*

Department of Health services has develops its annual work plans based on the above *Health pillars* /Themes/Issues. Assessment of the performance against its annual work plan is done on a quarterly basis. Marsabit County Referral Hospital used the department work plan in its operations. We have adapted some of the pillars from the Health department as below.

Introduction-

- Marsabit county covers a total area of 70, 961.2 sq km and is located in the extreme part of northern Kenya. it borders Ethiopia to the north, lake Turkana to the west, Samburu to the south, Isiolo and Wajir counties to the east, with an estimated projected population of 459,785 (243,548 males, 216,219 female) people (knbs 2019).
- Marsabit County has three main livelihood zones: pastoral livelihood zone (81%), agro-pastoral livelihood zone (16%), and formal employment (3%).

1.1.1 Population Demographics

According to the 2019 Kenya Population and Housing Census, the Marsabit County has a population of 459785 where 243,548 were males and 216,219 were females. The county has 77,495 households with 5.8 average household size. The County has a low population density of 6 persons per Sq. Km. Details of population breakdown and description are tabulated below:

Table 1: Population Breakdown and Description

	<i>Description</i>	<i>Population Segment Estimates</i>	<i>County Projected Population FYX</i>	<i>County P</i>
1	Total population in County		498,201	514144
2	Total Number of Households		81101	82934
3	Children under 1 year (12 months)	3.1	15548	15939
4	Children under 5 years (60 months)	14.7	73426	75579
5	Under 15-year population	43.4	216287	223139
6	Women of child bearing age (15 – 49 Years)	21.9	108984	112598
7	Estimated Number of Pregnant Women	3.3	16510	16968
8	Estimated Number of Deliveries	3.2	16028	16453
9	Estimated Live Births	3.2	16028	16453
10	Total number of Adolescent (15-24)	21.3	106117	109513

Marsabit level 5 Hospital (Marsabit County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2022

11	Adults (25-59)	27.5	136822	141390
12	Elderly (60+)	5.4	26903	27764

1.1.2 Health Sector Catchment Population for the County

Marsabit County had an improved outpatient utilization rate of 79% compared to the previous year which was at 61.9%, meaning that the residents made at least 1.0 out-patient visits per year, the improvement could have been as a result of new health facilities which were operationalized by the County Government, although the ideal utilization of Outpatient visits are supposed to be 3.0 visits per person per year.

Table 2: County population and Utilization

	Sub-County/Sub national level	Population for FY FY X-1	Number of New + Revisits Outpatients (past 12 months) FY X-1	Outpatient U Number of vi per FY
	(A)	(B)	(C)	(D)= C
1	Laisamis sub county	107,226	44066	41
2	Moyale sub county	159,153	180737	114
3	North Horr sub county	132,660	50219	38
4	Saku Sub county	83,856	104210	124
	County	482,893	379232	79

Table 3: Under 5 Years top Ten Commonest Outpatient Health Conditions

	Condition (In order of priority relevance to the county)	Occurrence (Quantitative)	Proportion of total
1	Upper Respiratory Tract Infections	43423	35.6
2	Diarrhoea with no dehydration	17633	14.4
3	Pneumonia	6476	5.3
4	Tonsillitis	5042	4.1
5	Diseases of the skin	4148	3.4
6	Lower Respiratory Tract Infections	3816	3.1
7	Diarrhoea with some dehydration	3357	2.8
8	Tested for Malaria	3246	2.7
9	Intestinal worms	2695	2.2
10	Eye Infections	2658	2.2

Table 4: Over 5 Years Top Ten Commonest Outpatient Health Conditions

	Condition (In order of priority relevance to the county)	Occurrence (Quantitative)	Proportion of total cases
1	Upper Respiratory Tract Infections	56181	23.6
2	Diarrhoea	18091	7.6
3	Urinary Tract Infections	17938	7.5
4	Pneumonia	12953	5.5
5	Diseases of the skin	9697	4.1
6	Other Lower Respiratory tract infections	7311	3.1
7	Arthritis, Joint pains etc.	5677	2.4
8	Intestinal worms	5410	2.3

Marsabit level 5 Hospital (Marsabit County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2022

9	Eye Infections/Conditions	4609	1.9
10	Other injuries	3980	1.7

Table 5: Analysis of the County Health Department (SWOT analysis)

<p>Strengths</p> <ol style="list-style-type: none"> 1.Existence of County stakeholders' forum 2.Availability of skilled personnel 3.County budget allocations 4.Well established HMIS 5.Existing community units 6. Improved infrastructure 	<p>Weaknesses</p> <ol style="list-style-type: none"> 1.Inadequate trained health personnel 2.Inadequate health facilities 3.Inadequate and delayed disbursement of funds 4.Inadequate blood for emergency transfusion 5.Frequent stock out on drugs and non-pharms 6.Poor health seeking behavior and poor treatment adl 7. Insecurity
<p>Opportunities</p> <ol style="list-style-type: none"> 1.Availability of CBOs and NGOs working in the county; 2.Increased Government support through funding 3.Political goodwill 4.Public participation 	<p>Threats</p> <ol style="list-style-type: none"> 1.Poverty and illiteracy 2. Retrogressive cultural practices e.g. early marriages 3.Drug abuse; 4.Cultural barriers in SGBV case resolutions (kan courts) 5.Emerging and re-emerging conditions eg Covid 6.Drought resulting to persistent malnutritions 7. Pastoralism

Table 6: Infrastructure per Level (Only input functional infrastructure)

Infrastructure	Number Available by Provider Type FY X-1				Number projected by Provider Ty	
	Level 5	Level 4	Level 3	Level 2	Level 5	Level 4
1. Total Number of Facilities	1	6	30	89	3	10
2. Total Number of health facility beds	150	262	150	89	200	292
3. Number of Cancer treatment centers *	1	0	0	0	0	0
4. Number of ICU Beds	3	6	0	0	6	10
5. Number of HDU Beds	3	4	0	0	6	8
6. Number of Renal Beds	5	0	0	0	8	4
7. Number of Delivery Beds	2	12	30	89	6	24
8. Number of Maternity Beds	24	35	30	0	30	40
9. Number Operating Theatres	3	5	0	0	4	6

Marsabit level 5 Hospital (Marsabit County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2022

Infrastructure	Number Available by Provider Type FY X-1				Number projected by Provider Ty	
	Level 5				Level 5	
10 Number of facilities Providing MRI services	0	0	0	0	2	4
11 Number of facilities Providing CT-Scan Services	1	1	0	0	2	3
12 Number of facilities providing basic X-Ray services	1	2	0	0	2	6
13 Number of facilities providing Ultra Sound services	1	5	0	0	2	10
14 Number of facilities with Tertiary Laboratories (Class C or D)	1	0	0	0	2	0
15 Number of facilities with Secondary Laboratory Services (Class B)	1	6	0	0	2	0
16 Number of facilities with Basic Laboratory Services (Class A)	1	6	20	0	2	0

Table 7: Health infrastructure density

Infrastructure	Baseline X-1	Targets X+1
Number of Health facilities per 10,000 population	2	3
Number of Hospital Beds per 10,000 population	99	120
Number of ICU beds per 100,000 population	2	4

IV. Corporate Governance Statement

Disclosure:

The hospital has no established Board in place during the year in review. Plan are underway to gazette the Board members. Already Names have been forward

V. Management Discussion and Analysis

The management should make use of tables, graphs, pie charts and other descriptive tools to make the information as understandable as possible. The information should show a trend for the last three years. Some of the details to be included under this section are;

Clinical/operational performance

HOSPITAL BED CAPACITY		122
PATIENT ATTENDANCE	(OUTPATIENT)	28561
	(INPATIENT)	2154
NUMBER OF OPERATIONS		387
ACCIDENT AND EMERGENCY ATTENDANCE		954
SPECIALISED CLINIC (SURGEON)		270
GYNAECOLOGY		100

Financial performance.

	Financials (FIF)	2021-2022	
1	Renal drugs	240,000.00	
2	medical gases	340,000.00	

Marsabit level 5 Hospital (Marsabit County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2022

3	emergency drugs	1,143,670.00	
4	kitchen gases	140,000.00	
5	contingency	270,964.00	
6	water and sewerage	170,000.00	
7	non-pharms	912,000.00	
8	fuel and lubricants		
9	laboratory reagents	390,000.00	
10	maintenance of buildings	110,000.00	
11	theatre lunches		
12	staff/maternity patient tea		
13	sanitary and cleaning		
14	stationary	15,000.00	
15	telephone and airtime	183,500.00	
16	catering		
17	X-ray supplies		
18	dental supplies		
19	maintenance of medical equipment		
20	training		
21	electricity		
22	security services		
23	maintenance of office equipment		
24	cleaning services		
25	travel and accommodation		
26	purchase of computers		
27	eye clinic drugs		
28	casual wages	1,659,140.00	

Marsabit level 5 Hospital (Marsabit County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2022

29	subsistence	50,000.00	
30	insecticides	86,000.00	
	Total	5,710,274.00	

Disclosure: Total Collections as per Medboss system was Ksh 11,042,295.00 which is captured in the financial statements as total recognized medical service income.

	NHIF claims and capitations	2021-2022	
1	Renal drugs	295,000.00	
2	medical gases	870,000.00	
3	emergency drugs	2,801,530.00	
4	kitchen gases	692,000.00	
5	contingency	1,969,300.00	
6	water and sewerage	911,440.00	
7	non-phams	3,844,230.00	
8	fuel and lubricants	1,580,000.00	
9	laboratory reagents	1,200,545.00	
10	maintenance of buildings	1,076,000.00	
11	theatre lunches	672,080.00	
12	staff/maternity patient tea		
13	sanitary and cleaning	1,174,000.00	
14	stationary	568,550.00	
15	telephone and airtime	253,000.00	

Marsabit level 5 Hospital (Marsabit County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2022

16	catering	735,625.00	
17	Xray supplies	100,000.00	
18	dental supplies	236,830.00	
19	maintenance of medical equipment	280,000.00	
20	training		
21	electricity	158,000.00	
22	security services	1,134,000.00	
23	maintenance of office equipment		
24	cleaning services	1,538,000.00	
25	travel and accommodation		
26	purchase of computers	320,000.00	
27	eye clinic drugs	100,000.00	
28	casual wages	925,000.00	
	TOTAL	23,435,130.00	

Disclosure: The amount of Nhif Claims in the FS of Ksh 21,229,530 is the net after end year adjustments. NB: The above report form the basis of income and expenditure. In kind contributions from County Government was Kshs 9,123,724.00 and transfers was Kshs 5,923,725.00. This was all towards payment of electricity.

- revenue sources,
- utilisation of funds etc



 Name  Sign
 Chief Executive Officer 

Environmental And Sustainability Reporting

Two-to-three pages)

Marsabit Level 5 Hospital exists to transform lives. It's what guides us to deliver our strategy, putting the client/Citizen first, delivering health services, and improving operational excellence. Below is an outline of the organisation's policies and activities that promote sustainability.

i) *Sustainability strategy and profile*

The Hospital main mandate is to offer curative, preventive and rehabilitative health care services to Marsabit county residents and its environs. The institution is a going concern entity with hope of providing services in the long run.

To sustain the operations of the hospital, AWP's have been developed based on the seven key Health pillars which are geared to providing health care services to our clients.

Availability of resources is limited but strategies have been put in place to avail emergency medical care and making sure the all operations of the hospital are carried on daily basis.

ii) *Environmental performance*

The Institution has in place Infection Prevention Committee which is involved in infection control and waste dispose management. The Institution is situated in a clean environment and we have been involved in tree planting, beautification of the environment by planting flowers in the hospital compound.

Clean water has been availed to the Hospital staff quarters and this has improved hygiene among the staff.

The waste disposal is essential. The Hospital has an Incinerator which burns all medical waste products.

The existence of a placenta pit helps in disposal of placentas and this helps to prevent infections.

iii) Employee welfare

The Hospital is not an employer. The county Government is involve in Employees. However, the Hospital engages staff on casual basis due to shortages being experienced at the County level

We are also in the process of establishing a staff welfare to deal with family issues effecting the staff.

iv) Market place practices-

a) Responsible competition practice.

The Institution being a non-profit making Organization, is not in competition. The core mandate of the Hospital is to provide affordable, accessible and acceptable health care services to the clients.

b) Responsible Supply chain and supplier relations

The Hospital is a Procurement entity. The Institution has suppliers who supply the necessary goods and services for the smooth running of its activities.

We have maintained a good relationship with our suppliers by prompt payments, and honouring credit agreements.

c) Responsible marketing and advertisement

The Hospital is non-profit making Organization hence marketing and advertisement is not the applicable.

d) Product stewardship

Health care is the backbone of life. Without Health care services many deceases could cause many fatalities. The Hospital is geared in providing affordable, accessible and acceptable health care services to the clients. Availability of essential drugs is necessary so that no patient misses treatment. Also other medical services like laboratory services, radiology services, dental and theatre are very vital in health care provision.

v) Corporate Social Responsibility / Community Engagements

Over the years, we have been involved in conducting free medical camps as below

VII. Report of The Board of Management/ County Executive Member-health

The Board members 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.

Principal activities

- 1) Provision of health care services
- 2) Staff welfare
- 3) Infection Prevention Control (IPC)
- 4) Customer centric
- 5) Social Responsibility activities
- 6) Prudent Financial Management

Integrity and Accountability

Results

The results of the Hospital for the year ended June 30th 2022 are set out on page 1 to 57

Board of Management

Disclosure

Since the Hospital has no Board in place, The County Health Executive oversee the operations of the Hospital.

The Executive is responsible for oversight until a Board is established

Auditors

The Auditor General is responsible for the statutory audit of the *Marsabit Level 5 Hospital* in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015

By Order of the Board

KUSSU ABDUBA

Name

Chief Executive Officer


Sign


CHIEF EXECUTIVE OFFICER
MARSABIT LEVEL 5 HOSPITAL
MARSABIT COUNTY GOVERNMENT

VI. Report of The Board of Management/ County Executive Member-health

The Board members 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.

Principal activities

- 1) Provision of health care services
- 2) Staff welfare
- 3) Infection Prevention Control (IPC)
- 4) Customer centric
- 5) Social Responsibility activities
- 6) Prudent Financial Management

Integrity and Accountability

Results

The results of the Hospital for the year ended June 30th 2022 are set out on page 32 to 41

Board of Management

Disclosure

Since the Hospital has no Board in place, The County Health Executive oversee the operations of the Hospital.

The Executive is responsible for oversight until a Board is established

Auditors

The Auditor General is responsible for the statutory audit of the *Marsabit Level 5 Hospital* in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015 or Certified Public Accountants were nominated by the Auditor General to carry out the audit of the *entity* for the year/period ended June 30, 2022 in accordance to section 23 of the Public Audit Act, 2015 which empowers the Auditor General to appoint an auditor to audit on his behalf.

By Order of the Board

..... *Kushu Mbatia*
Name  Sign.....
Chief Executive Officer Date... *9/15/2023*

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 that *Hospital*, which give a true and fair view of the state of affairs of the *Hospital* at the end of the financial year/period and the operating results of the *Hospital* for that year/period. The Board of Management is also required to ensure that the *Hospital* keeps proper accounting records which disclose with reasonable accuracy the financial position of the *Hospital*. The council members are also responsible for safeguarding the assets of the *Hospital*.

The Board of Management is responsible for the preparation and presentation of the *Hospital's* financial statements, which give a true and fair view of the state of affairs of the *Hospital* 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 *Hospital*, (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud, (iv) safeguarding the assets of the *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 the *Hospital's* financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012. The Board members are of the opinion that the *Hospital's* financial statements give a true and fair view of the state of *Hospital's* transactions during the financial year ended June 30, 2022, and of the *Hospital's* financial position as at that date. The Board members further confirm the completeness of the accounting records maintained for the *Hospital*, which have been relied upon in the preparation of the *Hospital's* financial statements as well as the adequacy of the systems of internal financial control.

Nothing has come to the attention of the Board of management to indicate that the *Hospital* will not continue to offer services to the public for at least the next twelve months from the date of this statement.

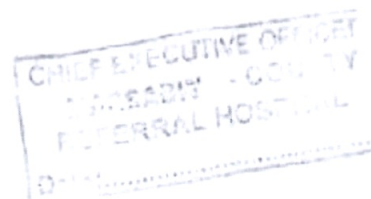
Approval of the financial statements

The *Hospital's* financial statements were approved by the Health County Executive on 9/05/2023 and signed on its behalf by:

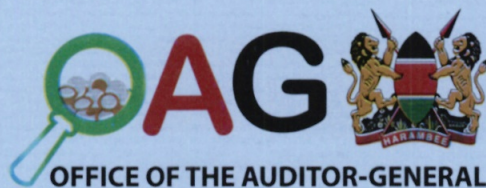
GRACE GALMO
.....
Name:
CECM
County Health Executive

KUSSU ABDUBA
.....
Name:
Chief Executive Officer

9/5/2023



REPUBLIC OF KENYA



Enhancing Accountability

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Website: www.oagkenya.go.ke

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

REPORT OF THE AUDITOR-GENERAL ON MARSABIT LEVEL 5 HOSPITAL FOR THE YEAR ENDED 30 JUNE, 2022 – COUNTY GOVERNMENT OF MARSABIT

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 that 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 Marsabit Level 5 Hospital – County Government of Marsabit set out on pages 1 to 56, which comprise of the statement of the financial position as at 30 June, 2022 and the statement of financial

Report of the Auditor-General on Marsabit Level 5 Hospital for the year ended 30 June, 2022 – County Government of Marsabit

performance, statement of changes in net assets, statement of cash flows and the 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 Marsabit Level 5 Hospital – County Government of Marsabit as at 30 June, 2022 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, the Health Act, 2017 and the Marsabit County Health Services Act, 2016.

Basis for Qualified Opinion

1. Inaccuracies in the Presentation and Disclosure of the Financial Statements

Review of the financial statements revealed the following anomalies with regard to presentation and disclosure:

- i. The Hospital did not disclose in-kind contributions from the County Government regarding salaries and wages for Hospital Staff.
- ii. Management did not include revenue estimates for the year in the statement of comparison of budget and actual amounts.

In the circumstances, the accuracy, completeness, presentation and disclosure of the highlighted balances could not be confirmed.

2. Unsupported Inventories Balance

The statement of financial position reflects Kshs.5,871,604 in respect of inventories. However, the balance was not supported with annual stock take and bin cards for each store item. Further, the inventories balance could not be generated from the Electronic Medical Records systems which also includes inventory for pharmaceuticals.

In the circumstances, the existence, accuracy and completeness of inventories balance could not be confirmed.

3. Unsupported Expenditure on Casuals

The statement of financial performance and, as disclosed in Note 16 to the financial statements, reflects an amount of Kshs.3,429,220 in respect to payment of wages to seventy four (74) casual workers. However, documentation supporting the expenditure and information on how these casuals were engaged, was not provided.

In the circumstances, the accuracy and completeness of the payment to casuals of Kshs.3,429,220 could not be confirmed.

4. Variances in Revenue from Rendering Services

The statement of financial performance reflects Kshs.11,042,295 in respect of rendering of services – medical services income as disclosed in Note 11 to the financial statements. However, the amount does not include National Health Insurance Fund (NHIF) reimbursement of Kshs.28,134,950 reflected in the NHIF records revealed resulting to an unexplained variance of Kshs.28,134,950.

In the circumstances, the accuracy and completeness of revenue from rendering services of Kshs.11,042,295 could not be confirmed.

5. Non-Disclosure of Property, Plant and Equipment Balance

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

In the circumstances, the accuracy, completeness and ownership of Nil property, plant and equipment 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 Marsabit Level 5 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.

Key Audit Matters

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Lack of an Approved Budget

The statement of financial performance reflects actual receipts and payments for the year of Kshs.47,319,274.00 and Kshs.46,180,743.00, respectively. However, no supporting documents were provided to show that annual estimates relating to the year under review were prepared and approved by the Hospital's Board or Management Committee. This is a contravention of the requirements of Section 7(i) of the Marsabit County Health Services Act, 2016 which states, *inter alia*, that the Hospital Committee shall be responsible for approving estimates before submission to the Executive Member (of Health).

In the circumstances, Management was in breach of the law.

2. Inadequacies in Universal Health Care as per Kenya Quality model

Review of records provided revealed that the Hospital had significant deficit in staff, essential services and hospital equipment and machines as tabulated below:

S/No.	Category	Recommended by the Kenya Quality Model for Health	In-Post	Deficit	Deficit %
1.	Medical Officers	50	2	48	96
2.	Anesthesiologists	7	1	6	86
3.	Surgeons	4	0	4	100
4.	Gynaecologists	4	0	2	100
5.	Paediatrics	4	0	2	100
6.	Radiologists	4	0	2	100
7.	Kenya Registered Community Health Nurses	75	15	60	80
8.	Paediatric Services	1	0	1	100
9.	Radiology Services	1	0	1	100
10.	Renal Services / Dialysis	1	0	1	100
11.	Chemotherapy	1	0	1	100
12.	Clinical Pharmacy	1	0	1	100
13.	ICU Beds	12	5	7	58
14.	HDU Beds	12	0	12	100

In the circumstances, the Hospital was not operating at the desired levels as anticipated by the Universal Health Coverage under Quality Health Model.

3. Failure to Bank all Cash Collections Intact

Review of revenue records revealed that during the year under review the Hospital's revenue collection amounted to Kshs.11,042,295 while revenue banked amounted to Kshs.5,109,975 as computed from the bank statements thus leaving a balance of Kshs.5,932,320 which represents expenditure at source. Failure to bank all collections intact is contrary to Regulation 63(4) of the Public Finance Management (County Governments) Regulations, 2015 which states that, all public moneys collected by a receiver of revenue or collector of revenue or collected and retained by a county government entity, shall be paid into the designated bank accounts of the county government and shall not be used by any public officer in any manner between the time of their receipts and payment into the bank except as provided by law..

In the circumstances, Management was in breach of the law.

4. Late Submission of Financial Statements

The Management of Marsabit Level 5 Hospital submitted the financial statements for the year ended 30 June, 2022 to the Office of the Auditor-General on 15 April, 2024, more than 18 months after the statutory deadline of 30 September, 2022 contrary to Section 149(2)(k) of the Public Finance Management Act, 2012 which states, *inter alia*, that an accounting officer shall, in respect of the entity concerned, not later than three months after the end of each financial year, prepare annual financial statements for that financial year and submit them to the Auditor-General for audit, with a copy to the County Treasury.

In the circumstances, Management was in breach of the law.

The audit was conducted in accordance with the 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, based on the audit procedures performed, except for the matter described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that, nothing else has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

Basis for Conclusion

1. Failure to Establish Hospital's Board of Management

Review of the financial statements indicates that the Hospital's Board of Management was not in place. This was against the provisions of Section 5(1) of the Marsabit County Health Services Act, 2016, which states that, there are established Hospital Management Boards and Rural health facility committees whose composition and functions are as prescribed in this Act.

In the circumstances, the Hospital is not likely to deliver effective services to the citizens due to lack of oversight.

2. Ineffective Internal Audit Arrangements

Review of the Hospital's governance system revealed that it relied on the Internal Audit Unit of the Marsabit County Executive since it had not established its own unit. However, during the year under review, the Internal Audit Unit did not carry out any audits on the operations of the Hospital. This is contrary to Regulation 153(1)(a) of the Public Finance Management (County Governments) Regulations, 2015 which states that Internal auditors shall review and evaluate budgetary performance, financial management, transparency and accountability mechanisms and processes in county government entities, including County Assembly.

In the circumstances, the Hospital could not benefit from the independent assurance over its financial reporting and risk management processes.

3. Lack of Policy Documents

During the financial year under review, the Hospital did not have a risk management strategy in place and therefore, had no approved processes and guidelines on how to mitigate operational, legal and financial risks. Consequently, the Management did not perform formal risk assessments on all key financial risk areas such as cash, revenue and expenditure. Further, it was noted that the Management lacked a disaster recovery plan/business continuity plan and therefore crucial information may never be recovered in the event of a disaster. In addition, the Hospital was operating without an approved waiver policy to show proper guidelines and procedures on waiver and therefore the effectiveness and sufficiency of the controls could not be confirmed.

In the circumstances, the Hospital may not achieve its desired objectives where crucial policy documents are non-existent.

4. Unsupported Banking Arrangements

During the year under review the Hospital operated a bank account which also received deposits on behalf of Saku Public Health Office. The operating arrangements between the Hospital and Saku Public Health Office were not provided. Equally, there was no confirmation as to how much was indeed collected on behalf of Saku Public Health Office and how it was spent.

In the circumstances, there is a risk of comingling of funds which may cause confusion on which facility owns which funds and which may lead to loss of Hospital's funds.

5. Lack of a Procurement Unit

Review of the procurement system indicated that the Hospital lacked a procurement unit responsible for overseeing procurement activities. Further, there was no evidence provided to confirm that the supplies were inspected on receipt and subsequently utilized. In addition, the Hospital did not prepare annual procurement plan during the year under review.

In the circumstances, the Hospital is likely to mismanage public resources where it lacks a professional procurement unit.

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

Responsibilities of the Management and 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 overall governance.

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

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

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

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

to overall governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

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

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

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

Because of its inherent limitations, internal 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 scepticism throughout the audit. I also:


- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to

these risks and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

15 July, 2024

Marsabit Level 5 Hospital (Marsabit County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2022

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

Description	Notes	2021/22	2020/21
		Kshs	Kshs
Revenue from non-exchange transactions			
Transfers from the County Government	6	5,923,725.00	
In- kind contributions from the County Government	7	9,123,724.00	
Grants from donors and development partners	8	0.00	
Transfers from other Government entities	9	21,229,530.00	
Public contributions and donations	10	0.00	
Revenue from exchange transactions			
Rendering of services- Medical Service Income	11	11,042,295.00	
Revenue from rent of facilities	12	0.00	
Finance /Interest Income	13	0.00	
Other income (<i>specify</i>)	14	0.00	
Revenue from exchange transactions			
Total revenue		47,319,274.00	
Expenses			
Medical/Clinical costs	15	14,805,084.00	
Employee costs	16	3,429,220.00	
Board of Management Expenses	17	0.00	
Depreciation and amortization expense	18	0.00	
Repairs and maintenance	19	3,265,437.00	
Grants and subsidies	20	0.00	
General expenses	21	24,681,002.00	
Finance costs	22	0.00	
Total expenses		46,180,743.00	

Marsabit Level 5 Hospital (Marsabit County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2022

Other gains/(losses)			
Gain on disposal of non-Current assets	23	0.00	
Unrealized gain on fair value of investments	24	0.00	
Medical services contracts Gains/Losses	25	0.00	
Impairment loss	26	0.00	
Gain on foreign exchange transactions			
Total other gains/(losses)			
Net Surplus for the year	41	1,138,531.00	
Attributable to:			
Surplus/(deficit) attributable to minority interest			
Surplus attributable to owners of the controlling entity			

(The notes set out on pages 12 to 65 form an integral part of the Annual Financial Statements.)

The Hospital's financial statements were approved by the Health County Executive on 9/5/23 and signed on its behalf by:

The Hospital's financial statements were approved by the Health County Executive on 9/5/23 and signed on its behalf by:

Grace Gumbo

Maria Kithula

Kussu Abulha



CPA KOBIA
 CHIEF ACCOUNTANT
 MARSABIT COUNTY REFERRAL HOSPITAL
 ICPAK No: 22906
 Date: 9/5/23

CHIEF EXECUTIVE OFFICER

CHIEF EXECUTIVE OFFICER
 MARSABIT - COUNTY
 REFERRAL HOSPITAL
 Date: 9/5/23

IX. Statement of Financial Position as at 30th June 2022

Description	Notes	2021/22 Kshs	2020/21 Kshs
Assets			
Current assets			
Cash and cash equivalents	27	2,790,696.15	
Receivables from exchange transactions	28	3,051,470.00	
Receivables from non-exchange transactions	29	0.00	
Inventories	30	5,871,604.00	
Total Current Assets		11,713,770.15	
Non-current assets			
Property, plant, and equipment	31		
Intangible assets	32		
Investment property	33		
Total Non-current Assets		11,713,770.15	
Total assets		11,713,770.15	
Liabilities			
Current liabilities			
Trade and other payables	34	4,776,225.00	
Refundable deposits from customers/Patients	35		
Provisions	36	0.00	
Finance lease obligation	37	0.00	
Current portion of deferred income	38	0.00	
Current portion of borrowings	39	0.00	
Total Current Liabilities		4,776,225.00	
Non-current liabilities		0.00	
Provisions	36	0.00	
Non-Current Finance lease obligation	37	0.00	
Non-Current portion of deferred income	38	0.00	
Non - Current portion of borrowings	39	0.00	
Service concession liability	40	0.00	

Marsabit Level 5 Hospital (Marsabit County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2022

Description	Notes	2021/22 Kshs	2020/21 Kshs
Total Non-current liabilities			
Total Liabilities		4,776,225.00	
Net assets		6,937,545.15	
Revaluation reserve			
Accumulated surplus/Deficit		1,138,531.00	
Capital Fund		5,799,014.15	
Totals		6,937,545.15	
Total Net Assets and Liabilities		11,713,770.15	

(The notes set out on pages 12 to 65 form an integral part of the Annual Financial Statements.)

The Hospital's financial statements were approved by the Health County Executive on 9/5/23 and signed on its behalf by:

Grace Odumo

Mohio Kithe la

Kuscu Abduba

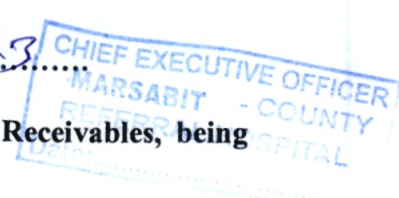
Chief Accountant

Chief Executive Officer

ICPAK No: 22906

CPA KOSIAS RITHI
CHIEF ACCOUNTANT
MARSABIT COUNTY REFERRAL HOSPITAL
Date: 9/5/23

Date: 9/5/23



Disclosure: Capital fund is made of Cash and Cash equivalent and Receivables, being opening balances as at 1st July 2021 as follows:

Cash and cash equivalent 541,944.15
Receivables (nhif claims) 5,257,070.00
Total 5,799,014.15

This is to represent measurable assets of the Hospital at transition from cash basis to accrual basis because we were not doing comparatives for year 2021-2022 in full.

X. Statement of Changes in Net Asset for The Year Ended 30 June 2022

	Revaluation reserve	Accumulated surplus/Deficit	Capital Fund	Total
As at July 1, 2020	0	0	0	0
Revaluation gain	0	-	-	0
Surplus/(deficit) for the year	-	0	-	0
Capital/Development grants	-	-	0	0
As at June 30, 2021	0	0	0	0
At July 1, 2021	0	0	5,799,014.15	5,799,014.15
Revaluation gain	0	-	-	
Surplus/(deficit) for the year	-	1,138,531.00	-	1,138,531.00
Capital/Development grants	-	-		
At June 30, 2022	0	1,138,531.00	5,799,014.15	6,937,545.15

(Note:

- For items that are not common in the financial statements, the entity should include a note on what they relate to – either on the face of the statement of changes in equity/net assets or among the notes to the financial statements.
- Prior year adjustments should have an elaborate note describing what the amounts relate to. In such instances, a restatement of the opening balances needs to be done.)

(The notes set out on pages 12 to 65 form an integral part of the Annual Financial Statements.)

The Hospital's financial statements were approved by the Board on 9/5/22 and signed on its behalf by:



[Signature]

CECO-Health

[Signature]

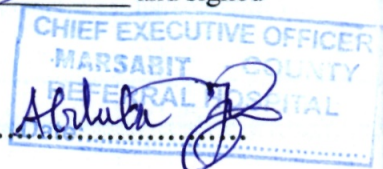
Head of Finance

ICPAK No: 22906



[Signature]

Chief Executive Officer



Marsabit Level 5 Hospital (Marsabit County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2022

Date... 9/5/23

Date... 9/5/23

Date... 9/5/23

Statement of Cash Flows for the Year Ended 30 June 2022

Description	Note	2021/22 Kshs	2020/21 Kshs
Cash flows from operating activities			
Receipts			
Transfers from the County Government ()	6	5,923,725.00	
Transfers from the County Government (in kind)			
Grants from donors and development partners		0.00	
Transfers from other Government entities	9	26,687,250.00	
Public contributions and donations		0.00	
Rendering of services- Medical Service Income	11	11,042,295.00	
Revenue from rent of facilities		0.00	
Finance / interest income		0.00	
Other receipts(<i>specify</i>)		0.00	
Total Receipts		43,653,270.00	
Payments			
Medical/Clinical costs	15	11,263,254.00	
Employee costs	16	3,429,220.00	
Board of Management Expenses		0.00	
Repairs and maintenance	19	3,251,202.00	
Grants and subsidies		0.00	
General expenses	21	23,460,842.00	
Finance costs		0.00	
Refunds paid out			
Total Payments		41,404,518.00	
Net cash flows from operating activities	41	2,248,752.00	
Cash flows from investing activities			
Purchase of property, plant, equipment, & intangible assets		0.00	
Proceeds from the sale of property, plant, and equipment		0.00	
Acquisition of investments		0.00	
Net cash flows used in investing activities		0.00	
Cash flows from financing activities			
Proceeds from borrowings		0.00	
Repayment of borrowings		0.00	
Capital grants received		0.00	

*Marsabit Level 5 Hospital (Marsabit County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2022*

Net cash flows used in financing activities		0.00	
Net increase/(decrease) in cash and cash equivalents			
Cash and cash equivalents at 1 July 2021	27	541,944.15	
Cash and cash equivalents at 30 June 2022	27	2,790,696.15	

(IPSAS 2 allows an entity to present the cash flow statement using the direct or indirect method but encourages the direct method. PSASB also recommends the use of direct method of cash flow preparation).

The notes set out on pages 1² to 65 form an integral part of the Annual Financial Statements. The Hospital's financial statements were approved by the Health County Executive on 9/5/23 and signed on its behalf by:

The Hospital's financial statements were approved by the Health County Executive on 9/5/23 and signed on its behalf by:



CPA KOBIC KITHELA
Chief Accountant
ICPAK No: 22906
Date: 9/5/23

KUSSU ABDULRA
Chief Executive Officer
Date: 9/5/23
MARSABIT COUNTY REFERRAL HOSPITAL

XI. Statement Of Comparison of Budget and Actual Amounts For The Year Ended 30 June 2022

Description	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% of utilisation
	a	b	c=(a+b)	d	e=(c-d)	f=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs	
Revenue						
Transfers from the County Government(in kind)	45,800,000.00	0	45,800,000.00	15,047,449.00	30,752,551.00	33%
Grants from donors and development partners						
Transfers from other Government entities	25,435,130.00		25,435,130.00	21,229,530.00	4,205,600.00	82.47 %
Public contributions and donations						
Rendering of services- Medical Service Income	14,400,000.00	0	14,400,000.00	11,042,295.00	3,357,705.00	76.68 %
Revenue from rent of facilities						
Finance / interest income						
Other receipts (<i>specify</i>)						
Total income	85,635,130.00		85,635,130.00	47,319,274.00	38,315,856.00	
Expenses						
Medical/Clinical costs	65,424,000.00	0	65,424,000.00	14,805,084.00	50,618,916.00	22.63%
Employee costs	7,200,000.00	0	7,200,000.00	3,429,220.00	3,770,780.00	47.63%
Remuneration of directors						
Repairs and maintenance	5,100,000.00	0	5,100,000.00	3,265,437.00	1,834,563.00	64.03%
Grants and subsidies						
General expenses	29,574,980.00	0	29,574,980.00	24,681,002.00	4,893,978.00	83.45%
Finance costs						
Refunds (patients refunds)	449,020.00	0	449,020.00		449,020.00	-

Marsabit Level 5 Hospital (Marsabit County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2022

Total expenditure	107,748,000.00	85,635,130.00	46,180,743.00	61,567,257.00
Surplus/Deficit for the period	22,112,870.00	22,112,870.00		23,251,401.00
Capital expenditure			1,138,531.00	



NB: The Hospital Budgets are not predictable. The revenues collected are budgeted either monthly or quarterly and this is what forms the budget. Also yearly projections are done on need basis. The departmental budgets are mainly tagged which the entire County budgets.

(Budget notes)


1. The hospital expects to receive additional funding from the county Government to supplement its operations. The County paid for food and rations and part of electricity bills. (10% over/ under) IPSAS 24.14
2. There was no reallocation done during the year. The revenues received were the ones utilized. (IPSAS 24.29)
- 3) The Hospital can sustain itself on 40% to 50%. The County Government is expected to fund the budget deficit.

The Hospital's financial statements were approved by the Health County Executive on 9/5/23 and signed on its behalf by:

The Hospital's financial statements were approved by the Health County Executive on 9/5/23 and signed on its behalf by:

Chief Accountant
 ICPAK No: 22906



Chief Executive Officer

Disclaimer: The Hospital is not in full compliance with IPSAS. We are gearing towards full compliance in subsequent audits.

XI. Statement Of Comparison of Budget and Actual Amounts For The Year Ended 30 June 2022

Description	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% of utilisation
	a	b	c=(a+b)	d	e=(c-d)	f=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs	
Revenue						
Transfers from the County Government(in kind)	45,800,000.00	0	45,800,000.00	15,047,449.00	30,752,551.00	0.33
Grants from donors and development partners						
Transfers from other Government entities	25,435,130.00		25,435,130.00	21,229,530.00	4,205,600.00	0.83
Public contributions and donations						
Rendering of services- Medical Service Income	14,400,000.00	0	14,400,000.00	11,042,295.00	3,357,705.00	0.77
Revenue from rent of facilities						
Finance / interest income						
Other receipts (<i>specify</i>)						
Total income	85,635,130.00		85,635,130.00	47,319,274.00	38,315,856.00	
Expenses						
Medical/Clinical costs	65,424,000.00	0	65,424,000.00	14,805,084.00	50,618,916.00	0.23
Employee costs	7,200,000.00	0	7,200,000.00	3,429,220.00	3,770,780.00	0.48
Remuneration of directors						
Repairs and maintenance	5,100,000.00	0	5,100,000.00	3,265,437.00	1,834,563.00	0.64
Grants and subsidies						
General expenses	29,574,980.00	0	29,574,980.00	24,681,002.00	4,893,978.00	0.83
Finance costs						
Refunds (patients refunds)	449,020.00	0	449,020.00		449,020.00	-

XX Hospital (XX County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2022

Total expenditure	107,748,000.00		85,635,130.00	46,180,743.00	61,567,257.00	
Surplus/Deficit for the period	22,112,870.00		22,112,870.00	1,138,531.00	23,251,401.00	
Capital expenditure						

NB: The Hospital Budgets are not predictable. The revenues collected are budgeted either monthly or quarterly and this is what forms the budget. Also yearly projections are done on need basis. The departmental budgets are mainly tagged which the entire County budgets.

(Budget notes)

1. The hospital expects to receive additional funding from the county Government to supplement its operations. The County paid for food and rations and part of electricity bills. (10% over/ under) IPSAS 24.14
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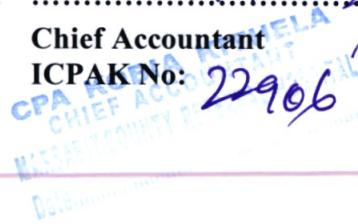
The Hospital's financial statements were approved by the Health County Executive on 9/5/23 and signed on its behalf by:

The Hospital's financial statements were approved by the Health County Executive on 9/5/23 and signed on its behalf by:

GRACE GALMO
 CECEM
 Health Services



KOBIA KAMELA
 Chief Accountant
 ICPAK No: 22906



KUSCU ABDULRAHMAN
 Chief Executive Officer



Disclaimer: The Hospital is not in full compliance with IPSAS. We are gearing towards full compliance in subsequent audits.

XII. Notes To the Financial Statements

1. General Information

Marsabit Level 5 Hospital entity is established by and derives its authority and accountability from Health Act. The entity is wholly owned by the Marsabit County Government and is domiciled in Marsabit County in Kenya.

The entity's principal activity is to offer high quality health care services that is accessible, equitable and affordable for Marsabit County population and its environs.

2. Statement Of Compliance And Basis Of Preparation

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant, and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts and actuarially determined liabilities at their present value. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgement in the process of applying the *entity's* accounting policies. The areas involving a higher degree of judgment or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in pages 33-42. 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 *Marsabit County Supplement Act, 2016*, and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

Disclaimer: The Hospital is not in full compliance with IPSAS. We are gearing towards full compliance in subsequent audits.

3. Adoption of New and Revised Standards

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.

Notes to the Financial Statements (Continued)

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

Standard	Effective date and impact:
<p>IPSAS 41: Financial Instruments</p>	<p>Applicable: 1st January 2023:</p> <p>The objective of IPSAS 41 is to establish principles for the financial reporting of financial assets and liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of an Entity’s future cash flows.</p> <p>IPSAS 41 provides users of financial statements with more useful information than IPSAS 29, by:</p> <ul style="list-style-type: none"> • Applying a single classification and measurement model for financial assets that considers the characteristics of the asset’s cash flows and the objective for which the asset is held; • Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and • Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between an Entity’s risk management strategies and the accounting treatment for instruments held as part of the risk management strategy. <p>The standard will help mitigate risks which may be experienced by the institution.</p>
<p>IPSAS 42: Social Benefits</p>	<p>Applicable: 1st January 2023</p> <p>The objective of this Standard is to improve the relevance, faithful representativeness and comparability of the information that a reporting Entity provides in its financial statements about social benefits. The information provided should help users of the financial statements and general-purpose financial reports assess:</p> <ol style="list-style-type: none"> (a) The nature of such social benefits provided by the Entity; (b) The key features of the operation of those social benefit schemes; and

	<p>(c) The impact of such social benefits provided on the Entity’s financial performance, financial position and cash flows. <i>(The Hospital will adopt the standard where applicable)</i></p>
Amendments to Other IPSAS resulting from IPSAS 41, Financial Instruments	<p>Applicable: 1st January 2023:</p> <p>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.</p> <p>b) Amendments to IPSAS 30, regarding illustrative examples on hedging and credit risk which were inadvertently omitted when IPSAS 41 was issued.</p> <p>c) Amendments to IPSAS 30, to update the guidance for accounting for financial guarantee contracts which were inadvertently omitted when IPSAS 41 was issued.</p> <p>Amendments to IPSAS 33, to update the guidance on classifying financial instruments on initial adoption of accrual basis IPSAS which were inadvertently omitted when IPSAS 41 was issued. <i>(The Hospital will adopt the standard where applicable)</i></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. <i>The Hospital will adopt the standard where applicable</i></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</p>

Marsabit level 5 Hospital (Marsabit County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2022

	<p>information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cash flows of an Entity.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p> <p><i>The Hospital will adopt the standard where applicable</i></p>
<p>IPSAS 44: Non-Current Assets Held for Sale and Discontinued Operations</p>	<p><i>Applicable 1st January 2025</i></p> <p>The Standard requires,</p> <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> <p><i>The Hospital will adopt the standard where applicable</i></p>

ii. Early adoption of standards

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

4. Summary Of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other Government entities

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (*cash, goods, services, and property*) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the entity and can be measured reliably.

Notes to the Financial Statements (Continued)

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.

Dividends

Dividends or similar distributions must be recognized when the shareholder's or the entity's right to receive payments is established.

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 2021/2022 was approved by Board/Health Executive on *August 2021*. 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 did not have additional appropriations for the FY 2021/2022. 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 under section *XI* of these financial statements.

Notes to the Financial Statements (Continued)

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.

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 xxx 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.

Notes to the Financial Statements (Continued)

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

Financial assets

Initial recognition and measurement

Financial assets within the scope of IPSAS 29 Financial Instruments: Recognition and Measurement are classified as financial assets at fair value through surplus or deficit, loans and receivables, held-to-maturity investments

or available-for-sale financial assets, as appropriate. The Entity determines the classification of its financial assets at initial recognition.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. Losses arising from impairment are recognized in the surplus or deficit.

Notes to the Financial Statements (Continued)

Held-to-maturity

Non-derivative financial assets with fixed or determinable payments and fixed maturities are classified as held to maturity when the Entity has the positive intention and ability to hold it to maturity. After initial measurement, held-to-maturity investments are measured at amortized cost using the effective interest method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The losses arising from impairment are recognized in surplus or deficit.

Impairment of financial assets

The Entity assesses at each reporting date whether there is objective evidence that a financial asset or an entity of financial assets is impaired. A financial asset or an entity of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that have occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the entity of financial assets that can be reliably estimated. Evidence of impairment may include the following indicators:

- The debtors or an entity of debtors are experiencing significant financial difficulty
- Default or delinquency in interest or principal payments
- The probability that debtors will enter bankruptcy or other financial reorganization
- Observable data indicates a measurable decrease in estimated future cash flows (e.g. changes in arrears or economic conditions that correlate with defaults)

Financial liabilities

Initial recognition and measurement

Financial liabilities within the scope of IPSAS 29 are classified as financial liabilities at fair value through surplus or deficit or loans and borrowings, as appropriate. The Entity determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings, plus directly attributable transaction costs.

Notes to the Financial Statements (Continued)

Loans and borrowing

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the effective interest method. Gains and losses are recognized in surplus or deficit when the liabilities are derecognized as well as through the effective interest method amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate.

i) Inventories

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

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

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

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

j) Provisions

Provisions are recognized when the Entity has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Entity expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain.

Notes to the Financial Statements (Continued)

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

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.

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.

k) Nature and purpose of reserves

The Entity creates and maintains reserves in terms of specific requirements. *(Entity to state the reserves maintained and appropriate policies adopted.)*

l) 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.

m) 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.

Notes to the Financial Statements (Continued)

n) 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.

o) 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.

p) 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.

q) 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.

Notes to the Financial Statements (Continued)

r) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year. For the purposes of these financial statements, cash and cash equivalents also include short term cash imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.

s) Comparative figures

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

t) Subsequent events

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

5. Significant Judgments and Sources of Estimation Uncertainty

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

Estimates and assumptions

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

Notes to the Financial Statements (Continued)

Useful lives and residual values

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

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

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions is included in Note xxx.

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.

(Include provisions applicable for your organisation e.g provision for bad debts, provisions of obsolete stocks and how management estimates these provisions).

6. Transfers From The County Government

Description	2021/22	2020/21
	KShs	KShs
Unconditional grants		
Operational grant	0.00	
Level 5 grants	0.00	
Other grants	0.00	
	0.00	
Conditional grants		
User fee forgone	0.00	
Transforming health services for Universal care project (THUCP)	0.00	
DANIDA	0.00	
Wards Development grant	0.00	
Paediatric block grant	0.00	
Administration block grant	0.00	
Laboratory grant		
Total government grants and subsidies		

Marsabit level 5 Hospital (Marsabit County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2022

Notes to the Financial Statements (Continued)

6 Transfers from The County Government

Name of the Entity sending the grant	Amount recognized to Statement of financial performance KShs	Amount deferred under deferred income KShs	Amount recognised in capital fund.	Total grant income during the year	Total 2021/2022
			KShs	KShs	KShs
Marsabit County Government(electricity)	5,923,725.00	0	0	0	5,923.725.00
Total	5,923,725.00	0	0	0	5,923.725.00

(Ensure that the amount recorded above as having been received from the County fully reconciles to the amount recorded by the amount recorded as transferred by the County. An acknowledgement note/receipt should be raised in favour of the sending County Government. The details of the reconciliation have been captured as cash receipts to KCB bank from county Government as electricity bills payment.

7. In Kind Contributions from The County Government

Description	2021/22	2020/21
	KShs	KShs
Salaries and wages	0	
Pharmaceutical and Non-Pharmaceutical Supplies	0	
Medical supplies-Drawings Rights (KEMSA)	0	
Utility bills	9,123,724.00	
Total grants in kind	9,123,724.00	

These include payments made directly by the County Governments for electricity bills. These has been captured as both income and an expense.

8. Grants From Donors and Development Partners

Description	2021/22	2020/21
	KShs	KShs
Cancer Centre grant- DANIDA		
World Bank grants		
Paediatric ward grant- JICA		
Research grants		
Other grants (<i>specify</i>)		
Total grants from development partners		

(Provide brief explanation for this revenue)

Notes to the Financial Statements (Continued)

8 (a) Grants from donors and development partners (Classification)

Name of the Entity sending the grant	Amount recognized to Statement of financial performance	Amount deferred under deferred income	Amount recognised in capital fund.	Total grant income during the year	Total 2020/21
	KShs	KShs	KShs	KShs	KShs
Donor e.g., DANIDA					
JICA					
World Bank					
Total					

9. Transfers From Other Government Entities

Description	2021/22	2020/21
	KShs	KShs
Transfer from National Government (Ministry of Health)	0	
Transfer from National Hospital Insurance fund (nhif claims)	21,229,530.00	
Transfer from xxx Institute	0	
Total Transfers		
Reconciled as follows		
Transfer for NHIF	Kshs 26,687,250.00	
Less: opening receivables	Kshs 5,257,070.00	
Adjustments	Kshs 200,650.00	
Total transfers	Kshs 21,229,530.00	21,229,530.00

10. Public Contributions and Donations

Description	2021/22	2020/21
	KShs	KShs
Public donations		
Donations from local leadership		
Donations from religious institutions		
Donations from other international organisations and individuals		
Other donations(<i>specify</i>)		
Donations in kind-amortised		
Total donations and sponsorships		

(Provide brief explanation for this revenue)

Marsabit level 5 Hospital (Marsabit County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2022

Notes to the Financial Statements (Continued)

10 (a) Reconciliations of amortised grants

Description	2021/22	2020/21
	KShs	KShs
Balance unspent at beginning of year		
Current year receipts		
Amortised and transferred to revenue		
Conditions to be met – remain liabilities		

11. Rendering of Services-Medical Service Income

Description	2021/22	2020/21
	KShs	KShs
Pharmaceuticals	769,795.00	
Non-Pharmaceuticals		
Laboratory	2,129,400.00	
Radiology	2,454,400.00	
Orthopedic and Trauma Technology	12,200.00	
Theatre	466,750.00	
Accident and Emergency Service		
Anesthesia Service		
Ear Nose and Throat service		
Nutrition service		
Cancer centre service		
Dental services	614,800.00	
Reproductive health		
Paediatrics services		
Farewell home services		
Other medical services income	5,043,970.00	
Refunds	(449,020.00)	
Total revenue from the rendering of services	11,042,295.00	

(Other medical services fee relates to other charges not listed above)

Collection per month

<i>Juy21</i>	<i>1,177,550</i>	<i>jan 22</i>	<i>810,155</i>
<i>Aug21</i>	<i>1,251,685</i>	<i>feb 22</i>	<i>765,915</i>
<i>Sept21</i>	<i>1,238,905</i>	<i>marc</i>	<i>765,710</i>
<i>Oct21</i>	<i>994,170</i>	<i>apr</i>	<i>788,885</i>
<i>Nov21</i>	<i>887,005</i>	<i>may</i>	<i>1,007,340</i>
<i>Dec21</i>	<i>741,530</i>	<i>jun</i>	<i>1,062,465</i>

Total **11,491,315 less refund 449,020= 11,042,295**

NB: Refunds are given when no services are given and no drugs used.

Notes to the Financial Statements (Continued)

12. Revenue From Rent of Facilities

Description	2021/22	2020/21
	KShs	KShs
Residential property		
Commercial property		
Total Revenue from rent of facilities		

(Provide brief explanation for this revenue)

13. Finance /Interest Income

Description	2021/22	2020/21
	KShs	KShs
Cash investments and fixed deposits		
Interest income from short- term/ current deposits		
Interest income from Treasury Bills		
Interest income from Treasury Bonds		
Interest from outstanding debtors		
Total finance income		

(Provide brief explanation for this revenue)

14. Other Income

Description	2021/22	2020/21
	KShs	KShs
Insurance recoveries		
Income from sale of tender		
Services concession income		
Sale of goods (water, publications, containers etc)		
Total other income		

(NB: All income should be classified as far as possible in the relevant classes and other income should be used to recognise income not elsewhere classified).

Marsabit level 5 Hospital (Marsabit County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2022

Notes to the Financial Statements (Continued)

15. Medical/ Clinical Costs

Description	2021/22	2020/21
	KShs	KShs
Dental costs/ materials	247,810.00	
Laboratory chemicals and reagents	690,304.00	
Public health activities	183,000.00	
Food and Ration		
Uniform, clothing, and linen		
Dressing and Non-Pharmaceuticals	8,807,430.00	
Pharmaceutical supplies	2,085,660.00	
Health information stationery		
Reproductive health materials		
Sanitary and cleansing Materials	1,715,850.00	
Purchase of Medical gases	480,000.00	
X-Ray/Radiology supplies		
Other medical related clinical costs(operational costs)	595,030.00	
Total medical/ clinical costs	14,805,084.00	
Adjustments for cash flows		
Less: drugs in kind	(3,541,830.00)	
Balance to cash flows	11,263,254.00	

(Other medical/clinical related costs refers to all other costs involved in management of the patients directly not analysed above.)

16. Employee Costs

Description	2021/22	2020/21
	KShs	KShs
Salaries, wages, and allowances	2,584,100.00	
Contributions to pension schemes		
Service gratuity		
Performance and other bonuses		
Staff medical expenses and Insurance cover		
Group personal accident insurance and WIBA		
Social contribution		
Other employee costs (daily casual labour)	845,120.00	
Employee costs	3,429,220.00	

(Social contribution relates to expenses incurred by the employer towards social welfare of Employees)

Notes to the Financial Statements (Continued)

17. Board of Management Expenses

Description	2021/22	2020/21
	KShs	KShs
Chairman's Honoraria		
Sitting allowance		
Mileage		
Insurance expenses		
Induction and training		
Travel and accommodation allowance		
Airtime allowances		
Total		

18. Depreciation And Amortization Expense

Description	2021/22	2020/21
	KShs	KShs
Property, plant and equipment		
Intangible assets		
Investment property carried at cost		
Total depreciation and amortization		

19. Repairs And Maintenance

Description	2021/22	2020/21
	KShs	KShs
Property- Buildings	1,231,606.00	
Medical equipment	274,295.00	
Office equipment		
Furniture and fittings		
Computers and accessories	160,000.00	
Motor vehicle expenses(fuel for hospital genet and incinerator	1,599,536.00	
Maintenance of civil works	0	
Total repairs and maintenance	3,265,437.00	
Adjustments for Cash flow Purposes		
Actual cash payments	3,251,202.00	
Accrued expenses – part of payables	14,235.00	
Total Repairs and Maintenance Costs	3,265,437.00	

Notes to the Financial Statements (Continued)

20. Grants And Subsidies

Description	2021/22	2020/21
	KShs	KShs
Community development and social work		
Education initiatives and programs		
Free/ subsidised medical camp		
Disability programs		
Free cancer screening		
Other grants and subsidies(<i>specify</i>)		
Total grants and subsidies		

21. General Expenses

Description	2021/22	2020/21
	KShs	KShs
Advertising and publicity expenses		
Catering expenses	1,175,395.00	
Waste management expenses (cleaning services)	1,245,000.00	
Insecticides and rodenticides		
Audit fees		
Bank charges(accumulated)	13,588.00	
Conferences and delegations		
Consultancy fees		
Contracted services	981,932.00	
Electricity expenses	5,900,000.00	
Insurance		
Research and development expenses		
Travel and accommodation allowance		
Legal expenses		
Licenses and permits		
Courier and postal services		
Printing and stationery	1,003,799.00	
Hire charges		
Rent expenses		
Water and sewerage costs	1,088,995.00	
Skills development levies		
Telephone and mobile phone services	84,210.00	

Marsabit level 5 Hospital (Marsabit County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2022

Description	2021/22	2020/21
	KShs	KShs
Other operating expenses	13,188,083.00	
Staff training and development		
Subscriptions to professional bodies		
Subscriptions to newspapers periodical, magazines, and gazette notices		
Library books/Materials		
Parking charges		
Total General Expenses	24,681,002.00	
Adjustments for Statement of Cash Flows Purpose		
General Expenses paid for in Cash	23,460,842.00	
Accrued operating costs	1,220,160.00	
Total expenditure recognized	24,681,002.00	

22. Finance Costs

Description	2021/22	2020/21
	KShs	KShs
Borrowings (amortized cost) *		
Finance leases (amortized cost)		
Interest on Bank overdrafts/Guarantees		
Interest on loans from commercial banks		
Total finance costs		

23. Gain/Loss On Disposal Of Non-Current Assets

Description	2021/22	2020/21
	KShs	KShs
Property, plant, and equipment		
Intangible assets		
Other assets not capitalised (<i>specify</i>)		
Total gain on sale of assets		

24. Unrealized Gain On Fair Value Investments

Description	2021/22	2020/21
	KShs	KShs
Investments at fair value		
Total gain		

Notes to the Financial Statements (Continued)

25. Medical Services Contracts Gains /Losses

Description	2021/22	2020/21
	KShs	KShs
Comprehensive care contracts with NHIF		
Non- Comprehensive contracts care with NHIF		
Linda Mama Program		
Waivers and Exemptions		
Total Gain/Loss		

26. Impairment Loss

Description	2021/22	2020/21
	KShs	KShs
Property, plant, and equipment		
Intangible assets		
Total impairment loss		

27. Cash And Cash Equivalentents

Description	2021/22	2020/21
	KShs	KShs
Current accounts	2,739,101.15	
On - call deposits		
Fixed deposits accounts		
Cash in hand	51,595.00	
Others(<i>specify</i>)- Mobile money		
Total cash and cash equivalentents	2,790,696.15	

As at 1st July 2021 the opening cash balance was **Ksh 541,944.15**

(The amount should agree with the closing and opening balances as included in the statement of cash flows)

Notes to the Financial Statements (Continued)

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

Description		2021/22	2020/21
Financial institution	Account number	KShs	KShs
a) Current account			
Kenya Commercial bank	1102656240	2,124,732.40	
Kenya Commercial bank	1145056148	607,279.50	
Kenya Commercial bank	1153165007	7,089.25	
Equity Bank, etc			
Sub- total			
b) On - call deposits			
Kenya Commercial bank			
Equity Bank – etc			
Sub- total			
c) Fixed deposits account			
Bank Name			
Sub- total			
d) Others(specify)			
cash in hand		51,595.00	
Mobile money- Mpesa, Airtel money			
Sub- total		2,790,696.15	
Grand total		2,790,696.15	

28. Receivables From Exchange Transactions

Description	2021/22	2020/21
	KShs	KShs
Medical services receivables(nhif claims)	3,051,470.00	
Rent receivables		
Other exchange debtors		
Less: impairment allowance		
Total receivables	3,051,470.00	

Marsabit level 5 Hospital (Marsabit County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2022

Notes to the Financial Statements (Continued)

29. Receivables From Non-Exchange Transactions

Description	2021/22	2020/21
	KShs	KShs
Transfers from the County Government		
Undisbursed donor funds		
Other debtors (<i>non-exchange transactions</i>)		
Less: impairment allowance		
Total		

(Undisbursed donor funds refer to funds expected where conditions for disbursements have been met by the recipient as at the reporting date)

30. Inventories

Description	2021/22	2020/21
	KShs	KShs
Pharmaceutical supplies/Non pharmaceuticals	5,871,604.00	
Maintenance supplies		
Food supplies		
Linen and clothing supplies		
Cleaning materials supplies		
General supplies		
Less: provision for impairment of stocks		
Total	5,871,604.00	

Marsabit level 5 Hospital (Marsabit County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2022

Notes to the Financial Statements (Continued)

31. Property, Plant and Equipment

Description	Land	Buildings and Civil works	Motor vehicles	Furniture, fittings, and office equipment	ICT Equipment	Plant and medical equipment	Capital Work in progress	Total
	Shs		Shs	Shs	Shs	Shs	Shs	Shs
Cost								
At 1 July 2020								
Additions								
Disposals								
Transfers/adjustments								
At 30th June 2021								
At 1 st July 2021								
Additions								
Disposals								
Transfer/adjustments								
At 30th June 2022								
Depreciation and impairment								
At 1 July 2020								
Depreciation for the year								
Disposals								
Impairment								

Marsabit level 5 Hospital (Marsabit County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2022

Description	Land	Buildings and Civil works	Motor vehicles	Furniture, fittings, and office equipment	ICT Equipment	Plant and medical equipment	Capital Work in progress	Total
At 30 June 2021								
At July 2021								
Depreciation								
Disposals								
Impairment								
Transfer/adjustment								
At 30th June 2022								
Net book values								
At 30 th June 2021								
At 30 th June 2022								

Notes to the Financial Statements (Continued)

32. Intangible Assets-Software

Description	2021/22	2020/21
	KShs	KShs
Cost		
At beginning of the year		
Additions		
Additions–Internal development		
Disposal		
At end of the year		
Amortization and impairment		
At beginning of the year		
Amortization for the period		
Impairment loss		
At end of the year		
NBV		

33. Investment Property

Description	2021/22	2020/21
	KShs	KShs
At beginning of the year		
Additions		
Fair value gain		
Depreciation (<i>where investment property is at cost</i>)		

Marsabit level 5 Hospital (Marsabit County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2022

At end of the year		
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34. Trade And Other Payables

Description	2021/22	2020/21
	KShs	KShs
Trade payables (debts owed to suppliers)	4,776,225.00	
Employee dues		
Third-party payments (<i>unremitted payroll deductions</i>)		
Audit fee		
Doctors' fee		
Total trade and other payables	4,776,225.00	

Marsabit level 5 Hospital (Marsabit County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2022

Notes to the Financial Statements (Continued)

35. Refundable Deposits from Customers/Patients

Description	2021/22	2020/21
	KShs	KShs
Medical fees paid in advance		
Credit facility deposit		
Rent deposits		
Others (refunds to patients) med boss		
Total deposits		

36. Provisions

Description	Leave provision	Bonus provision	Other provision	Total
	KShs	KShs	KShs	KShs
Balance at the beginning of the year				
Additional Provisions				
Provision utilised				
Change due to discount & time value for money				
Total provisions				
Current Provisions				
Non-Current Provisions				
Total Provisions				

37. Finance Lease Obligation

Marsabit level 5 Hospital (Marsabit County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2022

Description	2021/22	2020/21
	Kshs	Kshs
Current Lease obligation		
Long term lease obligation		
Total		

Marsabit level 5 Hospital (Marsabit County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2022

Notes to the Financial Statements (Continued)

38. Deferred Income

Description	2021/22	2020/21
	KShs	KShs
Current Portion		
Non-Current Portion		
Total		

38 (a) The deferred income movement is as follows:

Description	National government	International funders/ donors	Public contributions and donations	Total
Balance b/f				
Additions during the year				
Transfers to Capital fund				
Transfers to statement of financial performance				
Other transfers (<i>Specify</i>)				
Balance C/F				

39. Borrowings

Description	2021/22	2020/21
	KShs	KShs
Balance at beginning of the period		
External borrowings during the year		

Marsabit level 5 Hospital (Marsabit County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2022

Domestic borrowings during the year		
Repayments of external borrowings during the year		
Repayments of domestic borrowings during the year		
Balance at end of the period		

Marsabit level 5 Hospital (Marsabit County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2022

Notes to the Financial Statements (Continued)

39. (a) Breakdown of Long- And Short-Term Borrowings

Description	2021/22	2020/21
	KShs	KShs
Current Obligation		
Non-Current Obligation		
Total		

(Current portion of borrowings are those borrowings that are payable within one year or the next financial year. Additional disclosures on terms of borrowings, nature of borrowings, security and interest rates should be disclosed).

40. Service Concession Arrangements

Description	2021/22	2020/21
	KShs	KShs
Fair value of service concession assets recognized under PPE		
Accumulated depreciation to date		
Net carrying amount		
Service concession liability at beginning of the year		
Service concession revenue recognized		
Service concession liability at end of the year		

41. Cash Generated from Operations

	2021/22	2020/21
	KShs	KShs
Surplus for the year before tax		
Adjusted for:		

Marsabit level 5 Hospital (Marsabit County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2022

Depreciation	0	
Non-cash grants received	0	
Impairment	0	
Gains and losses on disposal of assets	0	
Contribution to provisions	0	
Contribution to impairment allowance	0	
Working Capital adjustments		
Increase in inventory	0	
Increase in receivables	0	
Increase in deferred income(surplus for the year)	0	
Increase in payables	0	
Increase in payments received in advance	0	
Net cash flow from operating activities	0	

(The total of this statement should tie to the cash flow section on net cash flows from/ used in operations)

Notes to the Financial Statements (Continued)

42. Financial Risk Management

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

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

(i) Credit risk

The entity has exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Credit risk arises from cash and cash equivalents, and deposits with banks, as well as trade and other receivables and available-for-sale financial investments. Management assesses the credit quality of each customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external assessment in accordance with limits set by the directors. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by the company's management based on prior experience and their assessment of the current economic environment. The carrying amount of financial assets recorded in the financial statements representing the entity's maximum exposure to credit risk without taking account of the value of any collateral obtained is made up as follows:



Marsabit level 5 Hospital (Marsabit County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2022

Notes to the Financial Statements (Continued)

Description	Total amount	Fully performing	Past due	Impaired
	Kshs	Kshs	Kshs	Kshs
At 30 June 2020				
Receivables from exchange transactions				
Receivables from –non-exchange transactions				
Bank balances				
Total				
At 30 June 2022				
Receivables from exchange transactions				
Receivables from –non-exchange transactions				
Bank balances				
Total				

(NB: The totals column should tie to the individual elements of credit risk disclosed in the entity's statement of financial position)

The customers under the fully performing category are paying their debts as they continue trading. The credit risk associated with these receivables is minimal and the allowance for uncollectible amounts that the company has recognised in the financial statements is considered adequate to cover any potentially irrecoverable amounts. The entity has significant concentration of credit risk on amounts due from xxxx

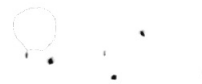
The board of management sets the company's credit policies and objectives and lays down parameters within which the various aspects of credit risk management are operated.

(ii) Liquidity risk management

Marsabit level 5 Hospital (Marsabit County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2022

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

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



Marsabit level 5 Hospital (Marsabit County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2022

	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
At 30 June 20xx				
Trade payables				
Current portion of borrowings				
Provisions				
Deferred income				
Employee benefit obligation				
Total				
At 30 June 20xx				
Trade payables				
Current portion of borrowings				
Provisions				
Deferred income				
Employee benefit obligation				
Total				

(iii) Market risk

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

Marsabit level 5 Hospital (Marsabit County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2022

Notes to the Financial Statements (Continued)

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

a) Foreign currency risk

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

	KShs	Other currencies	Total
	Kshs	Kshs	Kshs
At 30 June 20xx			
Financial assets (investments, cash, debtors)			
Liabilities			
Trade and other payables			
Borrowings			
Net foreign currency asset/(liability)			

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

	KShs	Other currencies	Total
	Kshs	Kshs	Kshs
At 30 June 20xx			
Financial assets (investments, cash, debtors)			

Marsabit level 5 Hospital (Marsabit County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2022

Liabilities			
Trade and other payables			
Borrowings			
Net foreign currency asset/(liability)			

Notes to the Financial Statements (Continued)

Foreign currency sensitivity analysis

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

	Change in currency rate	Effect on Profit before tax	Effect on equity
	Kshs	Kshs	Kshs
20xx			
Euro	10%		
USD	10%		
20xx			
Euro	10%		
USD	10%		

Interest rate risk

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

Management of interest rate risk

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



Sensitivity analysis

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

Marsabit level 5 Hospital (Marsabit County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2022

Notes to the Financial Statements (Continued)

Using the end of the year figures, the sensitivity analysis indicates the impact on the statement of financial performance if current floating interest rates increase/decrease by one

percentage point as a decrease/increase of KShs xxx (20xx: KShs xxx). A rate increase/decrease of 5% would result in a decrease/increase in surplus of KShs xxx (20xx – KShs xxx).

iv) Capital Risk Management

The objective of the entity’s capital risk management is to safeguard the Hospital’s ability to continue as a going concern. The entity capital structure comprises of the following funds:

	2021/22	2020/21
	Kshs	Kshs
Revaluation reserve		
Retained earnings		
Capital reserve		
Total funds		
Total borrowings		
Less: cash and bank balances		
Net debt/ (<i>excess cash and cash equivalents</i>)		
Gearing		

43. Related Party Balances

Nature of related party relationships



Marsabit level 5 Hospital (Marsabit County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2022

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

Government of Kenya

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

Marsabit level 5 Hospital (Marsabit County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2022

Notes to the Financial Statements (Continued)

- i) The National Government;
- ii) The Parent Ministry;
- iii) Xxx;
- iv) Xxx;
- v) Xxx;
- vi) Key management;
- vii) Board of directors;

Description	2021/2022	2020/2021
	Kshs	Kshs
Transactions with related parties		
a) Services offered to related parties		
Services to xxx		
Sales of services to xxx		
Total		
b) Grants from the Government		
Grants from County Government		
Grants from the National Government Entities		
Donations in kind		
Total		



Marsabit level 5 Hospital (Marsabit County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2022

c) Expenses incurred on behalf of related party		
Payments of salaries and wages for xxx employees		
Payments for goods and services for xxx		
Total		
d) Key management compensation		
Directors' emoluments		
Compensation to the medical Sup		
Compensation to key management		
Total		

Marsabit level 5 Hospital (Marsabit County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2022

Notes to the Financial Statements (Continued)

44. Segment Information

(Where an organisation operates in different geographical regions or in departments, IPSAS 18 on segmental reporting requires an entity to present segmental information of each geographic region or department to enable users understand the entity's performance and allocation of resources to different segments)

45. Contingent Liabilities

Contingent liabilities	2021/22	2020/21
	Kshs	Kshs
Court case xxx against the company		
Bank guarantees in favour of subsidiary		
Total		

(Give details)

46. Capital Commitments

Capital Commitments	2021/22	2020/21
	Kshs	Kshs
Authorised For (Receivable and cash and cash equivalent b/f	0	
Authorised And Contracted For	0	
Total	0	

(NB: Capital commitments are commitments to be carried out in the next financial year and are disclosed in accordance with IPSAS 17. Capital commitments may be those that have been authorised by the board but at the end of the year had not been contracted or those already contracted for and ongoing)

47. Events After The Reporting Period

Marsabit level 5 Hospital (Marsabit County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2022

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

48. Ultimate And Holding Entity

The entity is a Semi- Autonomous Government Agency under the Department of Health Services of County Government of Marsabit. Its ultimate parent is the Government of Kenya.

49. Currency

The financial statements are presented in Kenya Shillings (Kshs).

XIII. Appendices

Appendix 1: Progress on Follow Up Of Auditor Recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)

Guidance Notes:

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

.....

Accounting Officer

(To be signed by the accounting officer of the Hospital)



Marsabit level 5 Hospital (Marsabit County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2022

APPENDIX II: Projects Implemented by The Entity

Projects

Projects implemented by the Hospital Funded by development partners

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

Status of Projects completion

(Summarise the status of project completion at the end of each quarter, i.e. total costs incurred, stage which the project is etc)

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

Marsabit level 5 Hospital (Marsabit County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2022

APPENDIX IV: Inter-Entity Confirmation Letter
[Insert your Letterhead]

[Insert name of beneficiary entity]
[Insert Address]

The *[insert SC/SAGA/Fund name here]* wishes to confirm the amounts disbursed to you as at 30th June 2022 as indicated in the table below. Please compare the amounts disbursed to you with the amounts you received and populate the column E in the table below Please sign and stamp this request in the space provided and return it to us.

Confirmation of amounts received by <i>[Insert name of beneficiary entity]</i> as at 30 th June 2022							
Reference Number	Date Disbursed	Amounts Disbursed by <i>[SC/SAGA/Fund]</i> (KShs) as at 30th June 2022				Amount Received by <i>[beneficiary entity]</i> (KShs) as at 30 th June 2021 (E)	Differences (KShs) (F)=(D-E)
		Recurrent (A)	Development (B)	Inter-Ministerial (C)	Total (D)=(A+B+C)		
Total							

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

Head of Accountants department of beneficiary entity:

Name SignDate

APPENDIX V Reporting of Climate Relevant Expenditures

Name of the Organization

Telephone Number

Email Address

Name of Medical Supp/MD/Head

Name and contact details of contact person (in case of any clarifications)

Project Name	Project Description	Project Objectives	Project Activities					Source Of Funds	Implementing Partners
				Q1	Q2	Q3	Q4		

Marsabit level 5 Hospital (Marsabit County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2022

APPENDIX VI Disaster Expenditure Reporting Template

Date:						
Entity						
Period to which this report refers (FY)	Year			Quarter		
Name of Reporting Officer						
Contact details of the reporting officer:	Email			Telephone		
Column I	Column II	Column III	Column IV	Column V	Column VI	Column VII
Programme	Sub-programme	Disaster Type	Category of disaster related Activity that require expenditure reporting (response/recovery/mitigation/preparedness)	Expenditure item	Amount (Ksh s.)	Comments

MARSABIT LEVEL 5 HOSPITAL JOURNALS 2021-2022				
	description	Dr	Cr	narrations
Jv 1	maintenance of buildings	771,371.00		being recognition of expenditure at source
	cash		771,371.00	
Jv 2	medical gases	480,000.00		being recognition of expenditure at source
	cash		480,000.00	
Jv 3	water and sewerage	1,088,995.00		
	cash		1,088,995.00	being recognition of expenditure at source
Jv 4	stationaries	166,709.00		
	cash		166,709.00	being recognition of expenditure at source
Jv 5	sanitary and cleaning	185,850.00		
	cash		185,850.00	being recognition of expenditure at source
Jv 6	catering	173,740.00		
	cash		173,740.00	being recognition of expenditure at source
Jv 7	casual wages	845,120.00		
	cash		845,120.00	being recognition of expenditure at source
Jv 8	laboratory reagents	138,304.00		
	cash		138,304.00	being recognition of expenditure at source
Jv 9	drugs and non pharms	1,699,900.00		
	cash		1,699,900.00	being recognition of expenditure at source
Jv 10	telephone and airtime	84,210.00		
	cash		84,210.00	being recognition of expenditure at source
Jv 11	fuel and lubricants	249,536.00		
	cash		249,536.00	being recognition of expenditure at source
Jv 12	other operating expenses	39,080.00		
	cash		39,080.00	being recognition of expenditure at source
Jv 14	Revenues	5,257,070.00		recognition of capital fund (opening bal at bank and receivables on 1st july 2021)
	capital fund		5,257,070.00	
Jv 15	Revenues	9,123,724.00		
	in kind contribution fro county		9,123,724.00	being recognition of revenue from county not in cash book (electricity)
Jv 16	Receivables	3,051,470.00		being recognition of receivables as revenues
	NHIF claims(Revenue)		3,051,470.00	
Jv 17	Medical/ Clinical Costs	3,541,830.00		being recognition payables
	General Expenses	1,220,160.00		
	Repairs & Maintenance	14,235.00		
	Payables		4,776,225.00	
	Totals	28,131,304.00	28,131,304.00	

**MARSABIT LEVEL 5 HOSPITAL
GENERAL LEDGER 2021/2022**

Ledger	Date	DR.	CR.	GL Amount
Catering	31-Jan	CB		170,000.00
Catering	31-Mar	CB		183,000.00
Catering	30-Apr	CB		127,030.00
Catering	31-Jul	CB		252,125.00
Catering	31-Oct	CB		169,500.00
Catering	31-Dec	CB		100,000.00
				1,001,655.00
cleaning services	31-Jan	CB		60,000.00
cleaning services	30-Apr	CB		255,000.00
cleaning services	30-Jun	CB		370,000.00
cleaning services	30-Jun	CB		60,000.00
cleaning services	31-Jul	CB		285,000.00
cleaning services	31-Oct	CB		135,000.00
				1,165,000.00
computer and accessories	31-Aug	CB		160,000.00
				160,000.00
dental supplies	31-Jan	CB		60,000.00
dental supplies	31-May	CB		67,810.00
dental supplies	31-Aug	CB		120,000.00
				247,810.00
Drugs and non-pharms	31-Jan	CB		300,000.00
Drugs and non-pharms	31-Mar	CB		100,000.00
Drugs and non-pharms	31-Mar	CB		528,000.00
Drugs and non-pharms	30-Jun	CB		135,000.00
Drugs and non-pharms	31-Jul	CB		2,224,700.00
Drugs and non-pharms	30-Sep	CB		200,000.00
Drugs and non-pharms	30-Sep	CB		78,000.00
				3,565,700.00
emergency drugs	30-Apr	CB		85,150.00
emergency drugs	30-Jun	CB		250,000.00
emergency drugs	31-Jul	CB		250,000.00
emergency drugs	31-Aug	CB		541,530.00
emergency drugs	30-Nov	CB		663,980.00
emergency drugs	31-Dec	CB		150,000.00
				1,940,660.00
Fuel and Lubricants	1-Jul	CB		650,000.00
Fuel and Lubricants	31-Jan	CB		100,000.00
Fuel and Lubricants	30-Sep	CB		100,000.00
Fuel and Lubricants	30-Nov	CB		400,000.00
Fuel and Lubricants	31-Dec	CB		100,000.00
				1,350,000.00
laboratory reagents/supplies	31-Mar	CB		46,500.00
laboratory reagents/supplies	31-Mar	CB		150,000.00
laboratory reagents/supplies	31-Jul	CB		55,000.00
laboratory reagents/supplies	31-Aug	CB		266,000.00
laboratory reagents/supplies	31-Oct	CB		34,500.00
				552,000.00
maintenance of buildings	31-Jan	CB		50,000.00
maintenance of buildings	31-Mar	CB		50,000.00
maintenance of buildings	31-Jul	CB		140,000.00
maintenance of buildings	31-Dec	CB		200,000.00
				440,000.00
maintenance of medical equipment	31-Mar	CB		274,295.00
				274,295.00
other operating expenses (FIF)	31-Jan	CB		150,000.00
other operating expenses (FIF)	28-Feb	CB		98,000.00
other operating expenses (FIF)	31-Mar	CB		365,000.00
other operating expenses (FIF)	30-Apr	CB		318,000.00
other operating expenses (FIF)	30-Jun	CB		590,000.00
other operating expenses (FIF)	31-Jul	CB		451,000.00

other operating expenses (FIF)	31-Aug	CB		835,000.00
other operating expenses (FIF)	30-Sep	CB		850,000.00
other operating expenses (FIF)	31-Oct	CB		415,000.00
other operating expenses (FIF)	30-Nov	CB		191,000.00
other operating expenses (FIF)	31-Dec	CB		300,000.00
				4,563,000.00
other operating expenses (NHIF)	31-Jan	CB		979,000.00
other operating expenses (NHIF)	28-Feb	CB		1,090,000.00
other operating expenses (NHIF)	31-Mar	CB		1,092,000.00
other operating expenses (NHIF)	30-Apr	CB		540,000.00
other operating expenses (NHIF)	31-May	CB		418,000.00
other operating expenses (NHIF)	30-Jun	CB		800,000.00
other operating expenses (NHIF)	31-Jul	CB		1,642,000.00
other operating expenses (NHIF)	31-Aug	CB		680,000.00
other operating expenses (NHIF)	30-Sep	CB		610,000.00
other operating expenses (NHIF)	31-Oct	CB		580,000.00
other operating expenses (NHIF)	30-Nov	CB		942,000.00
other operating expenses (NHIF)	31-Dec	CB		1,060,000.00
				10,433,000.00
sanitary and cleaning	31-Mar	CB		100,000.00
sanitary and cleaning	31-Jul	CB		980,000.00
sanitary and cleaning	31-Oct	CB		80,000.00
sanitary and cleaning	30-Nov	CB		300,000.00
sanitary and cleaning	31-Dec	CB		70,000.00
				1,530,000.00
security services	30-Apr	CB		238,966.00
security services	30-Sep	CB		252,000.00
security services	30-Nov	CB		252,000.00
security services		CB		238,966.00
				981,932.00
stationaries	31-Jan	CB		88,000.00
stationaries	31-Mar	CB		200,040.00
stationaries	31-Jul	CB		145,525.00
stationaries	30-Sep	CB		320,000.00
stationaries	31-Oct	CB		83,525.00
				837,090.00
theatre staff lunches	31-Jul	CB		122,000.00
theatre staff lunches	30-Sep	CB		290,000.00
theatre staff lunches	31-Oct	CB		183,030.00
				595,030.00
water and sewerage	30-Jun	CB		40,440.00
				40,440.00
X-ray supplies	31-Jul	CB		100,000.00
X-ray supplies	31-Aug	CB		83,000.00
				183,000.00
Renal Supplies		CB		145,000.00
			Totals	30,005,612.00

Totals 30,005,612.00

MARSABIT LEVEL 5 HOSPITAL
TRIAL BALANCE AS AT 30TH JUNE 2022

Item Code	DEBIT Particulars	Expenditure per Cashbooks for (NHIF&FIF) Kshs	FIF at Source	Per Cashbook for Acct ends -- 700	Adjustments	DR	CR	Particulars
	Revenues							
	Trnsfers from the County Governments						5,923,725.00	
	In Kind Contribution from the County Government						9,123,724.00	
	Income: NHIF Claims						21,229,530.00	
	FIF collections						11,491,315.00	
	Refunds					449,020.00		
	Expenses							
3111101	dental supplies	247,810.00				247,810.00		Medical Costs
2211008	laboratory reagents/supplies	552,000.00	138,304.00			690,304.00		Medical Costs
2211002	drugs and non-pharms	3,565,700.00	1,699,900.00		3,541,830.00	8,807,430.00		Medical Costs
2211024	x-ray supplies	183,000.00				183,000.00		Medical Costs
2211001	emergency drugs	2,085,660.00				2,085,660.00		Medical Costs
2211103	sanitary and cleaning	1,530,000.00	185,850.00			1,715,850.00		Medical Costs
2211005	Medical gases		480,000.00			480,000.00		Medical Costs
2210801	theatre staff lunches	595,030.00				595,030.00		Medical Costs
2211302	bank charges	13,336.00		252.00		13,588.00		General Expenses
2211305	security services	981,932.00				981,932.00		General Expenses
2810205	other operating expenes (imprests)	14,996,000.00	39,080.00		1,220,160.00	13,188,083.00		General Expenses
2211101	stationary	837,090.00	166,709.00			1,003,799.00		General Expenses
2210102	water and sewerage		1,088,995.00			1,088,995.00		General Expenses
2211305	cleaning services	1,165,000.00		80,000.00		1,245,000.00		General Expenses
2210801	catering	1,001,655.00	173,740.00			1,175,395.00		General Expenses
2210201	telephone and airtime		84,210.00			84,210.00		General Expenses
	Electricity Expenses			5,900,000.00		5,900,000.00		General Expenses
2220203	maintenance of medical equipment	274,295.00				274,295.00		Repairs & Maintenance
2220205	maintenance of buildings	440,000.00	777,371.00		14,235.00	1,231,606.00		Repairs & Maintenance
2211201	fuel and lubricants	1,350,000.00	249,536.00			1,599,536.00		Repairs & Maintenance
2211102	computers and accessories	160,000.00				160,000.00		Repairs & Maintenance
2110202	casual wages	2,584,100.00	845,120.00			3,429,220.00		Employee Costs
	Assets							
	Cash and Bank					2,790,696.15		
	Receivables					3,051,470.00		
	Inventories					5,871,604.00		
	Liabilities							
	payables						4,776,225.00	
	Reserves						5,799,014.15	
		32,562,608.00	5,928,815.00	5,980,252.00	4,776,225.00	58,343,533.15	58,343,533.15	-

