

REPUBLIC OF KENYA



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OFFICE OF THE AUDITOR-GENERAL

*Enhancing Accountability*

THE NATIONAL ASSEMBLY  
**REPORT**

DATE: 11 APR 2023

DAY:  
TUESDAY

TABLED  
BY:

Hon. Owen Bayo, MP  
**OF** Deputy Leader - majority

CLERK-AT  
THE-TABLE:

Retha Ngunjiri

**THE AUDITOR-GENERAL**

**ON**

**RESILIENT SUSTAINABLE SYSTEMS FOR  
HEALTH (RSSH) KEN-T-TNT 2067 – SUB  
RECEIPT**

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

**MINISTRY OF HEALTH**





**PROJECT NAME: Resilient Sustainable Systems for Health (RSSH) KEN-T-TNT 2067  
Sub Recipient - Ministry of Health**

**IMPLEMENTING ENTITY: MINISTRY OF HEALTH**

**PROJECT GRANT/CREDIT NUMBER: 2067**

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**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED**

**JUNE 30, 2022**

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

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## 1. Project Information and Overall Performance

### 1.1 Name and registered office

#### **Name**

The project's official name is Resilient Sustainable Systems for Health (RSSH) KEN-T-TNT 2067 Sub Recipient - Ministry of Health

#### **Objective**

The key objective of the project is to strengthen the health system so as to enhance resilience and sustainability with an aim of delivering health services in a sustainable, equitable and effective way.

#### **Address**

The project headquarters offices are Nairobi City, Nairobi County, Kenya.

The address of its registered office is: Ministry of Health.

**Contacts:** The following are the project contacts

Resilient Sustainable Systems for Health (RSSH) KEN-T-TNT 2067 Sub Recipient - Ministry of Health

P.O. Box: 30016

Telephone: (254) (020)2717077

E-mail: pshealthke@gmail.com

## 1.2 Project Information

<b>Project Start Date:</b>	The project start date is 01-07-2021
<b>Project End Date:</b>	The project end date is 30-06-2024
<b>Project Manager:</b>	The project manager is Dr. Agnes Nakato Jumba
<b>Project Sponsor:</b>	The project sponsor is GLOBAL FUND

## 1.3 Project Overview

Line Ministry/State Department of the project	The project is under the supervision of the Health Ministry.
Project number	2067
Strategic goals of the project	The strategic goals of the project are as follows: (i) Build resilient and sustainable systems for health towards improved health outcomes and accelerating progress towards Universal Health Coverage (ii) Enhance the fight against new pandemics such as Covid-19 and prepare for emerging threats to global health security
Achievement of strategic goals	The project management aims to achieve the goals through the following means: i. Strengthen data systems and data use ii. Build an adequate health workforce iii. Strengthen community responses and systems iv. Promote integrated service delivery for the attainment of Universal Health Coverage
Other important background information of the project	The project which is housed at the Department of National Health Systems Strengthening plays a coordination role in the cross cutting health systems issues in the sector.

	<p>In addition, the project strives to ensure that the interventions implemented are responsive to the country's needs and are complementary to other interventions implemented by stakeholders other than the Global Fund. This is intended to minimize duplications in the sector.</p>
<p>Current situation that the project was formed to intervene</p>	<p>The project was formed to intervene in the following areas:</p> <ul style="list-style-type: none"><li>i. Health sector governance and planning</li><li>ii. Health products management systems</li><li>iii. Laboratory systems</li><li>iv. Human resources for health</li><li>v. Integrated service delivery and quality improvement</li><li>vi. Health management information systems</li></ul>
<p>Project duration</p>	<p>The project started on 1st July 2021 and is expected to run until 30 June 2024</p>

#### **1.4 Bankers**

The following are the bankers for the current year:

**ABC BANK LTD  
GreenHouse Mall  
P.O. Box 38610-00800  
NAIROBI**

#### **1.5 Auditors**

**The Auditor General  
Anniversary Towers  
P.O. BOX 30084-00100  
NAIROBI**

### 1.6 Roles and Responsibilities

List the different people who will be working on the project. This list would include the project manager and all the key stakeholders who will be involved with the project. Also, record their role, their positions, and their contact information.

<b>Names</b>	<b>Title designation</b>	<b>Key qualification</b>	<b>Responsibilities</b>
Susan Mochache	Principal Secretary	Master of Communication Management	Accounting Officer
Dr. Julius Ogato	Snr Deputy Director Medical Services	Master of Medicine in Radiology	Project Coordinator
Dr. Nakato Jumba	Asst. Director Medical Services	Master of Medicine in Health Economics	Project Manager
Dadson Munyiri	Principal Accountant	MBA, CPA(K)	Project Accountant
David Gachua	Supply Chain Officer	Advanced Dip in Supply Management	Project Procurement Officer

### 1.7 Funding summary

The Project is for duration of 3 years from 2021 to 2024 with an approved budget of US\$ 9,920,388 (use donor currency) equivalent to Kshs 1,073,372,973 as highlighted in the table below:

<b>YEAR</b>	<b>USD</b>	<b>KSH</b>
2021/2022	4,515,492	488,570,321
2022/2023	3,143,438	340,115,856
2023/2024	2,261,458	244,686,796
<b>TOTAL</b>	<b>9,920,388</b>	<b>1,073,372,973</b>

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Below is the funding summary:

**A. Source of Funds**

Source of funds	Donor Commitment-		Amount received to date – (30 June 2022)		Undrawn balance to date	
	Donor currency (A)	Kshs (A')	Donor currency Kshs (B)	Kshs (B')	Donor currency Kshs (A)-(B)	Kshs (A)-(B)
<b>(i) Grant</b>						
Global Fund	9,920,388	1,073,372,973	2,747,086	297,231,093	7,173,303	776,141,881
<b>Total</b>	<b>9,920,388</b>	<b>1,073,372,973</b>	<b>2,747,086</b>	<b>297,231,093</b>	<b>7,173,303</b>	<b>776,141,881</b>

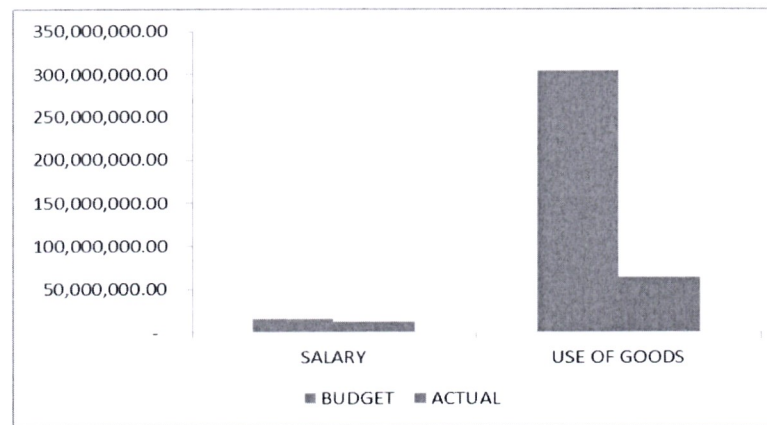
**B. Application of Funds**

Application of funds	Amount received to date – (30 <sup>th</sup> June 2022)		Cumulative amount paid to date – (30 <sup>th</sup> June 2022)	Unutilised balance to date (30th June 2022)	
	Donor currency	Kshs		Donor currency	Kshs
(i) Grant	(A)	(A')	(B')	(A)-(B)	(A')-(B')
Global Fund	2,747,086	297,231,093	76,461,592	2,040,409	220,769,502
<b>Total</b>	<b>2,747,086</b>	<b>297,231,093</b>	<b>76,461,592</b>	<b>2,040,409</b>	<b>220,769,502</b>

**Project information and overall performance (continued)**

**1.8 Summary of Overall Project Performance:**

i) *Budget performance against actual amounts for current year and for cumulative to-date,*



Compensation of employees expenditure was 78.7% of budgeted amount.

Use of goods expenditure was 21.1% of budgeted amount.

ii) *Physical progress based on outputs, outcomes, and impacts since project commencement*

The project realized various outputs and outcomes in majority of the modules. Impacts are however yet to be realized as most of the activities were partially completed.

In summary, progress under the modules is as follows;

The project realized various outputs and outcomes in majority of the modules. Impacts are however yet to be realized as most of the activities were partially completed.

In summary, progress under the modules is as follows;

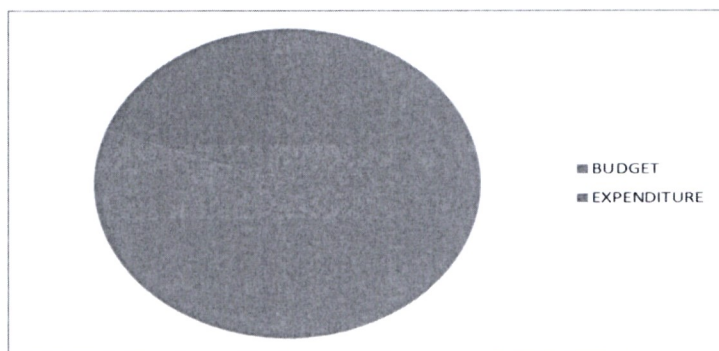
- Health sector governance and planning
  - No activity under this module has been implemented under this module hence no output realized
- Health products management systems

- Outputs- Development of training curriculum and training of health on health care workers
- Laboratory systems
  - Outputs- Training of health care workers and development of guiding documents
- Human resources for health
  - No activity under this module has been implemented under this module hence no output realized
- Integrated service delivery and quality improvement
  - Outputs included development and review of strategic documents and supervision with an expected outcome of improving service delivery
- Health management information systems and M&E
  - Outputs included capacity building of health care workers at national and sub-national level and development of monitoring guidelines

*iii) Comment on value-for-money achievements*

There was value for money for a large proportion of activities implemented. However, some activities require follow through to completion to ensure the impact is realized.

*iv) Indicate the absorption rate for each year since the commencement of the project.*



Budget absorption rate was at 23.9% at the end of the financial year.

- v) *List the implementation challenges and recommended way forward.*

Challenges

- Delay in the commencement of implementation of the activities due to processes required to set up the project such as opening of bank account and MPESA platform
- Reprogramming and postponement of a significant number of activities thereby negatively impacting on the absorption rate
- The project lacks a financial officer and dedicated procurement officer and accountant which has affected the implementation of activities
- Inadequate equipment and low budgetary allocation for various items such as fuel

Way Forward

- Submit budgetary requests that cater for purchase of required equipment
- Review approved implementation timelines to align with expected expenditures
- Initiate/Fast track recruitment of the relevant staff for the project to ensure smooth implementation and monitoring of progress.

**1.9 Summary of Project Compliance:**

- i) *Include significant cases of non-compliance with applicable laws and regulations, and essential external financing agreements/covenants,*

There were no significant cases of non-compliance with applicable laws and regulations.

- ii) *Include consequences suffered on account of non-compliance or likely to be suffered.*

There were no significant cases of non-compliance with applicable laws and regulations.

- iii) *Indicate mitigation measures taken or planned to be taken to alleviate the adverse effects of actual or potential consequences of non-compliance.*

There were no significant cases of non-compliance with applicable laws and regulations.

## **2. Statement of Performance against Project's Predetermined Objectives**

### **Introduction**

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

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

- i. Build resilient and sustainable systems for health towards improved health outcomes and accelerating progress towards Universal Health Coverage
- ii. Enhance the fight against new pandemics such as Covid-19 and prepare for emerging threats to global health security

### **Progress on attainment of strategic development objectives**

For purposes of implementing and cascading the above development objectives to specific sectors, all the development objectives were made specific, measurable, achievable, realistic and time-bound (SMART) and converted into development outcomes. Attendant indicators were identified for reasons of tracking progress and performance measurement:

Resilient Sustainable Systems for Health (RSSH) KEN-T-TNT 2067 Sub Recipient - Ministry of Health  
**Annual Report and Financial Statements for the financial year ended June 30, 2022**

Below we provide the progress on attaining the stated objectives:

Project	Objective	Outcome	Indicator	Performance
Resilient Sustainable Systems for Health (RSSH) KEN-T-TNT 2067 SUB RECIPIENT - Ministry of Health	To improve the timeliness in reporting	Increased HMIS/other reporting units submitting reports on time	% HMIS units/other reporting units submitting timely reports	Trainings supported by the project have seen an improvement in the timeliness of KHIS reporting from 94% in 2020 to 95% in 2021. The results are auto-generated from the Kenya Health Information System (KHIS) year under review.
	To improve the availability of the tracer medicines for the three diseases (TB, HIV &	Increased availability of tracer medicines for the three diseases (TB, HIV & Malaria) in the health	% of health facilities with tracer medicines for the three diseases available on the day of	The availability of tracer medicines for the three diseases is as follows for the FY 2021/2022;

	Malaria) in the health facilities	facilities	the visit or day of reporting	<p>For HIV, there has been an improvement from 42% in Quarter 1 to 86.6% in Quarter 4 while for TB and Malaria, there has been a decline in the availability of their tracer medicines, from 99% in Quarter 1 to 50.2% in Quarter 4 for TB and from 78% in Quarter 1 to 72.5% in Quarter 4 for Malaria. The reason for the decline will be determined during the Joint support supervisions scheduled in the current Financial Year.(The data is from the KHIS April-June</p>
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Resilient Sustainable Systems for Health (RSSH) KEN-T-TNT 2067 Sub Recipient - Ministry of Health  
*Annual Report and Financial Statements for the financial year ended June 30, 2022*

				2022 MOH reports(HIV - MOH729B Revision 2019, TB- FCDDR- Revised 2017 and Malaria-MOH 743.)
	To increase public financial management system components used for grant financial management	Increased use of public financial management system components for grant financial management	% of public financial management system components used for grant financial management	ERP is functional at the moment though stagnating at 88% since it's not yet fully adopted by the SRs.

### **3. Environmental and Sustainability reporting**

**Resilient Sustainable Systems for Health (RSSH) KEN-T-TNT 2067 SUB RECIPIENT - Ministry of Health** exists to transform lives. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy.

Below is a brief highlight of our activities that drive towards sustainability.

#### **1. Sustainability strategy and profile**

The **Resilient Sustainable Systems for Health (RSSH) KEN-T-TNT 2067 SUB RECIPIENT - Ministry of Health** project has integrated its functions within the Ministry of Health both at the Headquarters and implementation at the county level. In addition, the project has ensured country ownership through ensuring that departments within MOH are responsible for implementing activities at county level.

#### **2. Environmental performance**

The project is yet to develop and operationalize an environmental policy

#### **3. Employee welfare**

The project leverages on and implements policies in Human resource instruments at Ministry of Health. Specifically, The Human Resource Policies and Procedures Manual provides various incentives and disciplinary measures. This includes a comprehensive medical cover and a 30-day annual leave.

#### **4. Market place practices**

##### **a) Responsible Supply chain and supplier relations-**

The project adhered to the Public Procurement and Asset Disposal Act of 2015 and Regulations 2020.

##### **b) Responsible ethical practices**

The project adhered to procurement thresholds for procurement by quotations and contracts.

##### **c) Regulatory impact assessment**

The project observes fair competition.

## **5. Community Engagements**

The project did not budget for community engagements during the year under review. Its activities were limited in scope.

#### 4. Statement of Project Management responsibilities

The *Principal Secretary* for the Ministry of Health and the *Project Coordinator* for **Resilient Sustainable Systems for Health (RSSH) KEN-T-TNT 2067 SUB RECIPIENT - Ministry of Health** are responsible for the preparation and presentation of the Project's financial statements, which give a true and fair view of the state of affairs of the Project for and as at the end of the financial year (period) ended on June 30, 2022.

This responsibility includes (i) Maintaining adequate financial management arrangement and ensuring that these continue to be effective throughout the reporting period, (ii) Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the project, (iii) Designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statement, and ensuring that they are free from material misstatements, whether due to error or fraud, (iv) safeguarding the assets of the project, (v) Selecting and applying appropriate accounting policies and (v) Making accounting estimates that are reasonable in the circumstances.

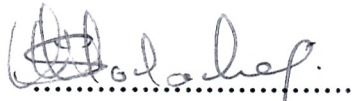
The *Principal Secretary* for the Ministry of Health and the *Project Coordinator* for **Resilient Sustainable Systems for Health (RSSH) KEN-T-TNT 2067 SUB RECIPIENT - Ministry of Health** accept responsibility for the Project's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards.

The *Principal Secretary* for the Ministry of Health and the *Project Coordinator* for **Resilient Sustainable Systems for Health (RSSH) KEN-T-TNT 2067 SUB RECIPIENT - Ministry of Health** are of the opinion that the Project's financial statements give a true and fair view of the state of Project's transactions during the financial year/period ended June 30, 2022, and of the Project's financial position as at that date. The *Principal Secretary* for Health and the *Project Coordinator* for **Resilient Sustainable Systems for Health (RSSH) KEN-T-TNT 2067 SUB RECIPIENT - Ministry of Health** further confirm the completeness of the accounting records maintained for the Project, which have been relied upon in the preparation of the Project financial statements as well as the adequacy of the systems of internal financial control.

The *Principal Secretary* for the Ministry of Health and the *Project Coordinator* for **Resilient Sustainable Systems for Health (RSSH) KEN-T-TNT 2067 SUB RECIPIENT - Ministry of Health** confirm that the Project has complied fully with applicable Government Regulations and the terms of external financing covenants, and that Project funds received during the financial year/period under audit were used for the eligible purposes for which they were intended and were properly accounted for.

**Approval of the Project Financial Statements**


The Project financial statements were approved by the *Principal Secretary* for the Ministry of Health and the *Project Coordinator* for **Resilient Sustainable Systems for Health (RSSH) KEN-T-TNT 2067 SUB RECIPIENT - Ministry of Health** on 10<sup>TH</sup> NOVEMBER 2022 and signed by them.



Susan Mochache  
Principal Secretary



Dr. Julius Ogato  
Project Coordinator

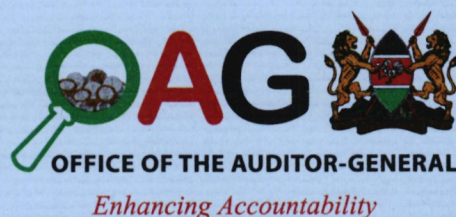


Dadson Munyiri  
Project Accountant  
ICPAK Member No: 20962



# REPUBLIC OF KENYA

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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 RESILIENT SUSTAINABLE SYSTEMS FOR HEALTH (RSSH) KEN-T-TNT 2067 - SUB RECEIPT FOR THE YEAR ENDED 30 JUNE, 2022 – MINISTRY OF HEALTH**

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### **PREAMBLE**

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

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

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

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

### **REPORT ON THE FINANCIAL STATEMENTS**

#### **Opinion**

I have audited the accompanying financial statements of Resilient Sustainable Systems for Health (RSSH) KEN-T-TNT 2067 - Sub Receipt set out on pages 1 to 18, which

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*Report of the Auditor-General on Resilient Sustainable Systems for Health (RSSH) KEN-T-TNT 2067 - Sub Receipt for the year ended 30 June, 2022 – Ministry of Health*

comprise of the statement of financial assets as at 30 June, 2022, and the statement of receipts and payments, 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, the financial statements present fairly, in all material respects, the financial position of the Resilient Sustainable Systems For Health (RSSH) KEN-T-TNT 2067 - Sub Receipt as at 30 June, 2022, and its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and Grant Agreement No. KEN-T-TNT-2067 dated 14 June, 2021 between Global Fund and the Republic of Kenya.

### **Basis for Opinion**

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of Resilient Sustainable Systems for Health (RSSH) KEN-T-TNT 2067 - Sub Receipt Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### **Emphasis of Matter**

#### **Budgetary Control and Performance**

The statement of comparison of budget and actual amounts reflects final receipts budget of Kshs.319,584,334 and actual on comparable basis of Kshs.297,231,093, resulting to underfunding of Kshs.22,353,241 (or 7%) of the budget. Similarly, the Project spent an amount of Kshs.76,461,592 out of the approved expenditure budget of Kshs.319,584,334, resulting in an under expenditure of Kshs.243,122,743 (or 76%) of the budget.

The underfunding and underperformance may have affected the Project's key objectives of building resilient and sustainable systems for health and enhancing the fight against new pandemics.

### **Key Audit Matters**

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

## REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

### **Conclusion**

As required by Article 229(6) of the Constitution, I confirm that, nothing 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**

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

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

### **Conclusion**

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the procedures performed, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

### **Basis for Conclusion**

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.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by Financing Agreement dated 14 June, 2021, I report based on my audit, that:

- i. 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;
- ii. In my opinion, adequate accounting records have been kept by the Project, so far as appears from the examination of those records; and,
- iii. The Project's financial statements are in agreement with the accounting records and returns.

## **Responsibilities of Management and those Charged with Governance**

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

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

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

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

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

### **Auditor-General's Responsibilities for the Audit**

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. Reasonable assurance is a high level of assurance, but 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 control in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

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


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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Project's ability to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Project to cease to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Project to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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

  
CPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

Nairobi

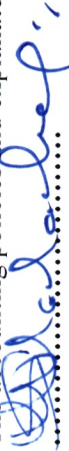
23 November, 2022

Resilient Sustainable Systems for Health (RSSH) KEN-T-TNT 2067 Sub Recipient - Ministry of Health  
**Annual Report and Financial Statements for the financial year ended June 30, 2022**

**6. Statement of Receipts and Payments for the year ended 30th June 2022.**

Note	Receipts and payments controlled by the entity	Payments made by third parties	Total	2020-2021		Cumulative to-date (From inception)
				Receipts and payments controlled by the entity	Payments made by third parties	
				Kshs.	Kshs.	Kshs.
1	297,231,093		297,231,093			297,231,093
	<b>297,231,093</b>		<b>297,231,093</b>			<b>297,231,093</b>
<b>Payments</b>						
2	12,500,575		12,500,575			12,500,575
3	63,961,017		63,961,017			63,961,017
	<b>76,461,592</b>		<b>76,461,592</b>			<b>76,461,592</b>
	<b>220,769,501</b>		<b>220,769,501</b>			<b>220,769,501</b>

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

  
 Susan Mochache  
 Principal Secretary

  
 Dr Julius Ogato  
 Project Coordinator

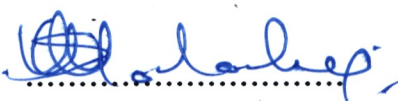
  
 Dadson Munyri  
 Project Accountant

ICPAK Member No: 20962

**7. Statement of Financial Assets as at 30<sup>th</sup> June 2022**

Description	Note	2021-2022	2020-2021
		Kshs	Kshs
<b>Financial Assets</b>			
<b>Cash and Cash equivalents</b>			
Bank Balances	4.A	191,090,518	
Cash Balances	4. B		
Cash equivalents (m-pesa account)	4.C	29,038,983	
<b>Total Cash and Cash equivalents</b>		<b>220,129,501</b>	
Imprests and Advances	5	640,000	
<b>Total Financial Assets</b>		<b>220,769,501</b>	
<b>Financial Liabilities</b>			
<b>Net Assets</b>		<b>220,769,501</b>	
<b>Represented By</b>			
Fund Balance B/fwd.	7		
Surplus/(Deficit) for the Year		220,769,501	
<b>Net Financial Position</b>		<b>220,769,501</b>	

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 10<sup>th</sup> NOVEMBER 2022 and signed by:



**Susan Mochache**  
Principal Secretary



**Dr Julius Ogato**  
Project Coordinator

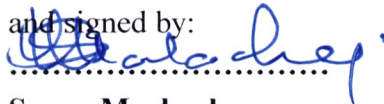


**Dadson Munyiri**  
Project Accountant  
ICPAK Member No: 20962

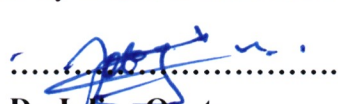
**8. Statement of Cashflow for the year ended 30<sup>th</sup> June 2022**

Description	Notes	2021-2022	2020-2021
		Kshs	Kshs
<b>Cashflow from operating activities</b>			
<b>Receipts</b>			
Proceeds from domestic and foreign grants	1	297,231,093	
<b>Total receipts</b>		297,231,093	
<b>Payments</b>			
Compensation of employees	2	12,500,575	
Purchase of goods and services	3	63,961,017	
<b>Total Payments</b>		76,461,592	
<b>Adjustments during the year</b>			
Decrease/(increase) in accounts receivable	5	(640,000.00)	
<b>Net cash flow from operating activities</b>		220,129,501	
<b>Cashflow from investing activities</b>			
<b>Net cash flows from investing activities</b>			
<b>Cash flow from financing activities</b>			
Net cash flow from financing activities			
Net increase in cash and cash equivalents		220,129,501	
<b>Cash and cash equivalent at beginning of the year</b>	4		
<b>Cash and cash equivalent at end of the year</b>	4	220,129,501	

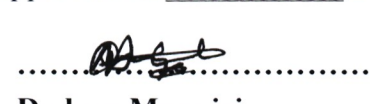
The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on 10<sup>th</sup> NOVEMBER 2022 and signed by:

  
 .....

**Susan Mochache**  
 Principal Secretary

  
 .....

**Dr Julius Ogato**  
 Project Coordinator

  
 .....


**Dadson Munyiri**  
 Project Accountant  
 ICPAK Member No: 20962


9. Statement of Comparison of Budget and Actual amounts for the year ended 30<sup>th</sup> June 2022

Receipts/Payments Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilization Difference e=c-d	% of Utilization f=d/c %
<b>Receipts</b>						
Transfer from Government entities						
Proceeds from domestic and foreign grants	319,584,334		319,584,334	297,231,093	22,353,241	93%
Proceeds from borrowings						
Miscellaneous receipts						
<b>Total Receipts</b>	<b>319,584,334</b>		<b>319,584,334</b>	<b>297,231,093</b>	<b>22,353,241</b>	
<b>Payments</b>						
Compensation to employees	15,890,155		15,890,155	12,500,575	3,389,580	78.7%
Purchase of goods and services	303,694,179		303,694,179	63,961,017	239,733,162	21.1%
Social security benefits						
Acquisition of non-financial assets						
Transfers to other government entities						
Other grants and transfers						
<b>Total Payments</b>	<b>319,584,334</b>		<b>319,584,334</b>	<b>76,461,592</b>	<b>243,122,742</b>	<b>23.9%</b>
<b>Surplus or Deficit</b>				<b>220,769,501</b>		

Note: The significant budget utilisation/performance differences in the last column are explained in Annex 1 to these financial statements.

  
 Susan Mochache  
 Principal Secretary

  
 Dr Julius Ogato  
 Project Coordinator

  
 Dadson Munyiri  
 Project Accountant  
 ICPAK Member No: 20962

## **10. Significant Accounting Policies**

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

### **10.1 Statement of compliance and basis of preparation**

The financial statements have been prepared in accordance with Cash-basis IPSAS financial reporting under the cash basis of accounting, as prescribed by the PSASB and set out in the accounting policy note below. This cash basis of accounting has been supplemented with accounting for; a) receivables that include imprests and salary advances and b) payables that include deposits and retentions. The financial statements comply with and conform to the form of presentation prescribed by the PSASB.

The accounting policies adopted have been consistently applied to all the years presented.

### **10.2 Reporting entity**

The financial statements are for **Resilient Sustainable Systems for Health (RSSH) KEN-T-TNT 2067 SUB RECIPIENT - Ministry of Health** under the Ministry of Health. The financial statements are for the reporting entity **Resilient Sustainable Systems for Health (RSSH) KEN-T-TNT 2067 SUB RECIPIENT - Ministry of Health** as required by Section 81 of the PFM Act, 2012 .

### **10.3 Reporting currency**

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

### **10.4 Recognition of receipts**

**Resilient Sustainable Systems for Health (RSSH) KEN-T-TNT 2067 SUB RECIPIENT - Ministry of Health** recognises all receipts from the various sources when the event occurs, and the related cash has actually been received.

#### **i) Transfers from the Exchequer**

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

**ii) External Assistance**

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

**iii) Other receipts**

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

**iv) Donations and grants**

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

**v) Proceeds from borrowing**

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

**vi) Undrawn external assistance**

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

**10.5 Recognition of payments**

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

**i) Compensation to employees**

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

**Significant Accounting Policies (Continued)**

**ii) Use of goods and services**

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

**iii) Interest on borrowing**

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

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

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

**v) Acquisition of fixed assets**

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

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

**10.6 In-kind donations**

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

## **Significant Accounting Policies (Continued)**

### **10.7 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.

### **10.8 Restriction on cash**

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

### **10.9 Imprests and Advances**

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

### **10.10 Contingent Liabilities**

A contingent liability is:

- a) A possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or
- b) A present obligation that arises from past events but is not recognised because:

### **Significant Accounting Policies (Continued)**

- i) It is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; or
- ii) The amount of the obligation cannot be measured with sufficient reliability.

Some of contingent liabilities may arise from: litigation in progress, guarantees, indemnities. Letters of comfort/ support, insurance, Public Private Partnerships, 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.

### **10.11 Contingent Assets**

**Resilient Sustainable Systems for Health (RSSH) KEN-T-TNT 2067 SUB RECIPIENT - Ministry of Health** 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 **Resilient Sustainable Systems for Health (RSSH) KEN-T-TNT 2067 SUB RECIPIENT - Ministry of Health** 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.

### **10.12 Pending bills**

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

### **Significant Accounting Policies (Continued)**

#### **10.13 Budget**

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

#### **10.14 Third party payments**

Included in the receipts and payments, are payments made on its behalf by to third parties in form of loans and grants. These payments do not constitute cash receipts and payments and are disclosed in the payment to third parties' column in the statement of receipts and payments. During the year, no loan disbursements were received in form of direct payments from third parties.

#### **10.15 Exchange rate differences**

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

**10.16 Comparative figures**

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

**10.17 Subsequent events**

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

**10.18 Prior period adjustments**

Prior period adjustments relate to errors and other adjustments noted arising from previous year(s).

**11. Notes to the Financial Statements**

**1. Proceeds From Domestic and Foreign Grants**

During the financial period to 30 June 2022, we received grants from donors as detailed in the table below:

Name of Donor	Date received	Amount received in donor currency	Grants received in cash	Grants received as direct payment*	Grants received in kind	Total amount in Kshs	
						2021-2022 Kshs	2020-2021 Kshs
Grants Received from Bilateral Donors (Foreign Governments)							
Global Fund	08/02/2022	141,912	15,354,650			15,354,650	
Global Fund	19/04/2022	2,605,174	281,876,443			281,876,443	
<b>Total</b>		<b>2,747,086</b>	<b>297,231,093</b>			<b>297,231,093</b>	

Resilient Sustainable Systems for Health (RSSH) KEN-T-TNT 2067 Sub Recipient - Ministry of Health  
*Annual Report and Financial Statements for the financial year ended June 30, 2022*

**2. Compensation to Employees**

	2021/2022			2020/2021	Cumulative to-date
	Payments made by the Entity in Cash	Payments made by third parties	Total payments	Total payments	
	Kshs	Kshs	Kshs	Kshs	Kshs
-					
Basic salaries of permanent employees					
Basic wages of temporary employees	10,028,011				10,028,011
Personal allowances paid as part of salary	2,472,564				2,472,564
<b>Total</b>	<b>12,500,575</b>				<b>12,500,575</b>

**3. Purchase of Goods and Services**

	2021/2022		2020/2021	Cumulative to- date Kshs
	Payments made in Cash Kshs	Payments made by third parties Kshs	Total payments Kshs	
Domestic travel and subsistence	63,961,017		63,961,017	63,961,017
<b>Total</b>	<b>63,961,017</b>		<b>63,961,017</b>	<b>63,961,017</b>

**4. Cash And Cash equivalents**

Description	2021-2022	2020-2021
	Kshs	Kshs
Bank accounts (Note 4 A)	191,090,518	
Cash equivalents – M-PESA (Note 4 C)	29,038,983	
<b>Total</b>	<b><u>220,129,501</u></b>	

KEN-T-TNT Project has 1 number of project accounts spread within the project implementation area and nil number of foreign currency designated accounts managed by the National Treasury as listed below:

**4 A Bank Accounts**

**Project Bank Accounts**

Details	2021-2022	2020-2021
	Kshs	Kshs
<u>Foreign Currency Accounts</u>		
Total Foreign Currency balances		
<u>Local Currency Accounts</u>		
ABC Bank Ltd (A/c No 011215006083)	191,090,518	
Total local currency balances	191,090,518	
Total bank account balances	191,090,518	

**4 B Cash in hand**

Description	2021-2022	2020-2021
	KShs	KShs
<b>Total cash in hand balances</b>		

**4 C Cash equivalents (short-term deposits)**

Description	2021-2022	2020-2021
	Kshs	Kshs
M-pesa Account No 3032400	29,038,983	
<b>Total</b>		

**5. Imprests and Advances**

Description	2021-2022	2020-2021
	Kshs	Kshs
Government Imprests	640,000	
Salary advances		
<b>Total</b>	<b>640,000</b>	

Notes to the Financial Statements (Continued)

5b: Breakdown of Imprests and Advances

Name of Officer or Institution	Amount Taken	Due Date of Surrender	Amount Surrendered	Balance 2022	Balance 2021
	Kshs	Kshs	Kshs	Kshs	Kshs
David Gachua	640,000	30/06/2022		640,000	
<b>Total</b>	<b>640,000</b>			<b>640,000</b>	

6. Deposits and Retention Monies

Description	2021-2022	2020-2021
	Kshs	Kshs
Retention		
Deposits		
<b>Total</b>		

7. Fund Balance Brought Forward

Description	2021-2022	2020-2021
	Kshs	Kshs
Bank accounts	191,090,518	
Cash in hand		
Cash equivalents (short-term deposits)	29,038,983	
Outstanding imprests and advances	640,000	
<b>Total</b>	<b>220,769,501</b>	


**12. Prior Year Auditor-General's Recommendations**

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)

Note: The project start date was 1<sup>st</sup> July 2022, there are therefore, no prior year audits recommendations.

  
 Susan Mochache  
 Principal Secretary

  
 Dr. Julius Ogato  
 Project Coordinator

  
 Dadson Munyiri  
 Project Accountant  
 ICPAK Member No. 20962

**13. Other Important Disclosures**

**1. Pending Accounts Payable – (Annex 2)**

	<b>Balance b/f FY 2020/2021</b>	<b>Additions for the period</b>	<b>Paid during the year</b>	<b>Balance c/f FY 2021/2022</b>
<b>Description</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>
Construction of buildings				
Construction of civil works				
Supply of goods		15,024,760		15,024,760
Supply of services				
<b>Total</b>				

14. Annexes

Annex 1 - Variance explanations - Comparative Budget and Actual amounts for FY 2021-2022

	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization	Comments on Variance (below 90% and over 100%)
	a	b	c=a-b	d=b/a %	
<b>Receipts</b>					
Proceeds from domestic and foreign grants	319,584,334	297,231,093	22,353,241	93%	
<b>Total Receipts</b>	319,584,334	297,231,093	22,353,241		
<b>Payments</b>					
Compensation of employees	15,890,155	12,500,575	3,389,580	78.7%	Project Finance officer not hired
Purchase of goods and services	303,694,179	63,961,017	239,733,162	21.1%	Project started in late. (March) 2022
<b>Total payments</b>	<b>319,584,334</b>	<b>76,461,592</b>	<b>243,122,742</b>		

Resilient Sustainable Systems for Health (RSSH) KEN-T-TNT 2067 Sub Recipient - Ministry of Health  
*Annual Report and Financial Statements for the financial year ended June 30, 2022*

**Annex 2: Pending bills**

Resilient Sustainable Systems for Health (RSSH) KEN-T-TNT 2067 Sub Recipient - Ministry of Health Pending Bills 30-06-2022			
NO	NAME	DATE	AMOUNT
1	PHOENICIA HOTEL	22/04/2022	475,000.00
2	HADASSAH HOTEL	05/05/2022	175,000.00
3	BURCH'S RESORT	19/03/2022	375,000.00
4	THE KYAKA HOTEL	11/03/2022	1,397,720.00
5	BURCH'S RESORT	19/03/2022	775,000.00
6	WHITE RHINO HOTEL	07/06/2022	60,000.00
7	TEA TOT HOTEL	25/03/2022	258,400.00
8	BURCH'S RESORT	25/03/2022	410,000.00
9	GELIAN HOTEL	18/04/2022	190,000.00
10	BURCH'S RESORT	22/04/2022	237,500.00
11	SAFARI ICE LTD	05/03/2022	70,000.00
12	KINGS PREMIER INN	08/03/2022	245,000.00
13	EAGLE PALACE HOTEL	06/05/2022	462,500.00
14	TEA TOT HOTEL	27/03/2022	800,000.00
15	67 AIRPORT HOTEL	20/03/2022	1,770,000.00
16	GELIAN HOTEL	16/05/2022	300,000.00
17	BEST WESTERN HOTEL	06/03/2022	70,000.00
18	KITUI PREMIER RESORT	06/03/2022	84,000.00
19	FLORENCE HOTEL	06/03/2022	74,000.00
20	THE LUKE HOTEL	06/03/2022	69,000.00
21	THE EZRI LTD	06/03/2022	70,000.00
22	GOLDEN GATE HOTEL	06/03/2022	64,000.00
23	SOSA COTTAGES	06/03/2022	70,000.00
24	MOUNTAIN BREEZE HOTEL	06/03/2022	75,000.00
25	AFRICAN DADA RESORT	06/03/2022	76,700.00
26	SHERATTON REGENCY HOTEL	06/03/2022	73,000.00
27	STANLEYS HAVEN LTD	06/03/2022	70,000.00
28	SEMARA HOTELS	06/03/2022	84,000.00
29	THE PLACE CARAVAN	06/03/2022	70,000.00
30	THE LANTERN RESORT	06/03/2022	61,000.00
31	RIFT VALLEY HILLS RESORT	06/03/2022	71,000.00
32	BURCH'S RESORT	25/03/2022	740,000.00
33	BURCH'S RESORT	25/03/2022	312,500.00
34	EAGLE PALACE HOTEL	22/04/2022	437,500.00
35	EAGLE PALACE HOTEL	13/05/2022	437,500.00
36	EAGLE PALACE HOTEL	06/05/2022	437,500.00
37	EAGLE PALACE HOTEL	25/03/2022	1,925,000.00
38	BURCH'S RESORT	25/03/2022	250,000.00

Resilient Sustainable Systems for Health (RSSH) KEN-T-TNT 2067 Sub Recipient - Ministry of Health  
*Annual Report and Financial Statements for the financial year ended June 30, 2022*

39	GOLF HOTEL	01/06/2022	15,000.00
40	KSG KABARNET	07/06/2022	10,440.00
41	EAGLE PALACE HOTEL	01/06/2022	15,000.00
42	LAKE NAIVASHA	08/04/2022	487,500.00
43	RAINBOW HOTEL	18/04/2022	475,000.00
44	EAST COAST HORIZON	15/06/2022	399,000.00
	<b>TOTAL</b>		<b>15,024,760.00</b>

**Annex 3: Other Support Documents**

- i. Bank Reconciliations statement as at 30<sup>th</sup> June 2022
- ii. Board of Survey Report

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**REPUBLIC OF KENYA**  
**BANK RECONCILIATION**

AS AT 30TH JUNE, 2022

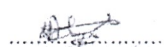
MOH-GF-RSSH M-PESA A/C

3032400

	Sh.	Sh.	Sh.
Balance as per M-pesa			
Less -----			36,941,627.00
1. Payments in Cash book not yet recorded in M-pesa...			-
		7,902,644.00	(7,902,644.00)
2. Receipts in M-pesa not yet recorded in Cash book .....		-	-
Add -----			
3. Payment in M-PESA not yet recorded in Cash Book .....			
4 Receipts in Cash Book not yet Recorded in M-pesa.....		-	-
Cash Book Balance.....			29,038,983.00

I certify that I have verified the balance in the Cash Book with the M-pesa Statement and that the above reconciliation is correct.

Signature



Designation.....P.A.....

Date .....30/6/22.....

**1. PAYMENT IN THE CASH BOOK NOT YET IN THE M-PESA STATEMENT.**

DATE	REFERENCE (V/ NO.)	PARTICULARS	AMOUNT
		various	7,902,644.00
			-
		TOTAL	7,902,644.00

**2. RECIEPTS IN M-PESA STATEMENT NOT YET RECORDED IN CASH BOOK .**

DATE	REFERENCE (V/ NO.)	PARTICULARS	AMOUNT
		TOTAL	

**3. PAYMENT IN THE M-PESA STATEMENT NOT YET RECORDED IN CASH BOOK**

DATE	REFERENCE (V/ NO.)	PARTICULARS	AMOUNT
		TOTAL	

**4. RECIEPTS IN CASH BOOK NOT YET RECORDED IN M-PESA STATEMENT.**

DATE	REFERENCE (V/ NO.)	PARTICULARS	AMOUNT
		TOTAL	



**MOH-GF-RSSH-GRANT****PAYMENT IN CASH BOOK NOT YET IN M-PESA STAMENT 30TH JUNE 2022**

<b>DATE</b>	<b>REF</b>	<b>PARTICULARS</b>	<b>AMOUNT</b>
6-Jun-22	CB NO 006	Dr. Joseph Sitienei	77,600.00
6-Jun-22	CB NO 006	Jully Kamoet	65,000.00
6-Jun-22	CB NO 006	Samuel Cheburet	52,400.00
6-Jun-22	CB NO 006	Joseph Mbugua	52,400.00
6-Jun-22	CB NO 006	Christine Mbuli	52,400.00
15-Jun-22	CB NO 002	Dr. Zeinab Gura	65,000.00
15-Jun-22	Reversal	Lilly Ng'ang'a	61,228.00
27-Jun-22	CB NO 026	Dr. Joseph Sitienei	77,600.00
30-Jun-22	CB NO 027	Various	912,000.00
30-Jun-22	CB NO 028	Various	1,329,740.00
30-Jun-22	CB NO 029	Various	727,820.00
30-Jun-22	CB NO 030	Various	1,366,800.00
30-Jun-22	CB NO 031	Various	3,062,057.00
30-Jun-22	VARIOUS	Excess provision for m-pesa charges	599.00
		<b>TOTAL</b>	<b>7,902,644.00</b>



**REPUBLIC OF KENYA**  
**BANK RECONCILIATION**

F.O. 30

AS AT 30<sup>TH</sup> JUNE, 2022

MOH-GF-RSSH-GRANT ACCOUNT

11215001006083

	Sh.	Sh.	Sh.
Balance as per Bank Certificate .....			
<b>Less -----</b>			
1. Payments in Cash book not yet recorded in Bank Statement.....			203,587,489.20
		12,500,574.60	(12,500,574.60)
<b>Add -----</b>			
2. Receipts in Bank Statement not yet recorded in Cash book .....			
3. Payment in Bank Statement not yet recorded in Cash Book .....		3,604.00	3,604.00
4 Receipts in Cash Book not yet Recorded in Bank Statement .....			
<b>Cash Book Balance.....</b>			<b>191,090,518.60</b>

I certify that I have verified the Bank balance in the cash Book with the bank Statement and that the above reconciliation is correct.

Signature

*[Signature]*

Designation... P.A. ....

Date 30/6/22

**1. PAYMENT IN THE CASH BOOK NOT YET IN THE BANK STATEMENT.**

DATE	REFERENCE (V/ NO.)	PARTICULARS	AMOUNT
30/06/2022	Various	Salary	12,500,574.60
	<b>TOTAL</b>		<b>12,500,574.60</b>

**2. RECEIPTS IN BANK STATEMENT NOT YET RECORDED IN CASH BOOK.**

DATE	REFERENCE (V/ NO.)	PARTICULARS	AMOUNT
	<b>TOTAL</b>		

**3. PAYMENT IN THE BANK STATEMENT NOT YET RECORDED IN CASH BOOK**

DATE	REFERENCE (V/ NO.)	PARTICULARS	AMOUNT
30/6/2022	Various	Bank Charges	3,604.00
	<b>TOTAL</b>		<b>3,604.00</b>

**4. RECEIPTS IN CASH BOOK NOT YET RECORDED IN BANK STATEMENT.**

DATE	REFERENCE (V/ NO.)	PARTICULARS	AMOUNT
	<b>TOTAL</b>		

1  
2  
3  
4

**MOH-GF-RSSH-GRANT****PAYMENT IN CASH BOOK NOT YET IN BANK STAMENT 30TH JUNE 2022**

<b>DATE</b>	<b>REF</b>	<b>PARTICULARS</b>	<b>AMOUNT</b>
30-Jun-22		Dorothy Mibei	3,959,600.40
30-Jun-22		Dorothy Mibei	1,015,436.10
30-Jun-22		Dickson Kirathe	3,034,205.40
30-Jun-22		Dickson Kirathe	728,563.65
30-Jun-22		Rose Muthee	3,034,205.40
30-Jun-22		Rose Muthee	728,563.65
		<b>TOTAL</b>	<b>12,500,574.60</b>

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12  
13  
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REPUBLIC OF KENYA

F.O 51

Report of the Board of Survey on the Cash and Bank Balances of Molt GTF Date 1/7/2022  
RSSH - GRANT as at the close of

Business on 30<sup>th</sup> June 2022

The Board, Consisting of (Names and Official titles)

LITI WAMBUA - CHAIR  
FELIX WAMBUA - MEMBER  
ROSE NDAWA - MEMBER

Assembled at the office .....

At ..... (time) on the .....

And the following cash was produced:

Notes .. .. .	sh .....	<u>NIL</u>
Silver .. .. .	sh .....	<u>NIL</u>
Copper .. .. .	sh .....	<u>NIL</u>
Cheque(as per details on reverse) .. .. .	Sh .....	<u>NIL</u>
		<u>NIL</u>

It was overserved that cheques amounting to shs. NIL cts. Had been oh hand for more than 14 days prior to the date of survey

The cash consists of East African currency and does not contain any demonetized coin or notes.

The cash Book reflected the following balances as at the close of business on the

Cash on hand .. <u>M-PESA</u> .. .. .	.. Sh. <u>M-PESA 29,088,983</u>
Bank Balance .. .. .	.. Sh. <u>191,090,518.6</u>
	<u>220,129,501.60</u>

The Bank Certificate of Balances showed a sum of Shs. .... cts ..... Fifty Six ..... (Sh.....) cts .....

Standing to the credit account on .....  
The difference between this figure and the Bank Balance as shown by the Cash Book is accounted for in the Bank Reconciliation Statement (F.)30 attached.

Chair Person

[Signature]

Chair

Member of the Board

[Signature]

Member

Member of the Board

[Signature]

Member

Date .....

