

REPUBLIC OF KENYA



Enhancing Accountability

REPORT

OF

THE AUDITOR-GENERAL

ON

MALINDI SUB-COUNTY LEVEL 4 HOSPITAL

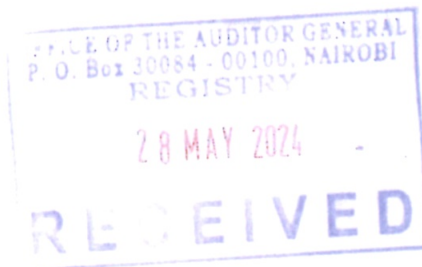
**FOR THE YEAR ENDED
30 JUNE, 2022**

COUNTY GOVERNMENT OF KILIFI

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Malindi Sub-County Level 4 Hospital (Kilifi County Government)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2022

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

Malindi Sub-County Hospital (Kilifi County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2022

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I. Key Entity Information and Management

(a) Background information

Malindi Sub-County Hospital is a level 4 hospital established under gazette notice number 786 of 4th February 2020 and is domiciled in Shela ward along Casuarina road in Malindi Sub-County, Malindi Constituency in Kilifi County under the Health Department and is governed by a Board of Management. Malindi Sub-County Hospital has been in existence for more than 72 years, having been established in the mid 1900 to cater for the health needs of the residents of the then Malindi District. It was started as a Native Hospital in Malindi Town the major Urban Centre in the then Malindi District and second largest Urban Centre in the then Coast Province. After Independence, it became a Sub District Hospital, then a District Hospital in 1997. Since then it has grown to become a referral Hospital for the Sub-County and for some North Coast District like; Lamu, Tana River, Garissa and Ijara Districts in the North Eastern Province.

(b) Principal Activities

The Vision of Hospital is to be a center of excellence in healthcare delivery and self- sustaining / autonomous referral Hospital in the North Cost and beyond, while its mission is to provide affordable, accessible, acceptable and timely quality Health care to the people of Malindi District and beyond. The main mandate of Malindi Sub-County Hospital is to provide curative, preventive, promotive and rehabilitative health services as provided for in the Public Health Act. Cap 242 of the Laws of Kenya. Servicing the Health care needs of the people.

The following are the core values of the hospital;

- Servicing the Health care needs of the people.
- Performing to the highest standards of Professionalism.
- Respect and compassion for all patients / clients.
- Observation of individual contribution to the institution's success within the Health Team.

(c) Key Management

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

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

(d) Fiduciary Management

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

No.	Designation	Name
1.	Chief Executive Officer	Dr. Job Gayo
2.	Head of finance	Mr. Baraka Ndilo
3.	Hospital Accountant	Mr. Martin Karisa
4.	Head Administration	Zuma Bimba
5.	Head of Nursing Services	Matron Philomena Munga

Name	Details of qualifications and experience
1. Dr Job Gayo D.O.B 2 nd March 1986	Dr Gayo is the CEO of the hospital. He is a healthcare consultant and holds an MBA from Gulgliemo Macroni University, Italy.
2. Baraka Joseph Ndilo D.O B 23 rd December 1987	Mr, Ndilo is a graduate with a BCOM degree from Pwani University with over 6 years working experience. He is a CPA finalist awaiting ICPAK membership registration and has completed his MBA (Finance) proposal writing and data collection. He is due for graduation next year(2023)
3. Mr. Macgoan Sabastian D.O.B 16 TH February 1994	Mr, Macgoan is the procurement officer for the hospital. He has a Diploma in Procurement and Logistics Management from Chuka University with over 10 years working experience as head of logistics with Kobil.
4. Mr. Zuma Bimba	Mr Zuma is the Hospital administrator. He is a graduate of Methodist University with a degree in Health system. He is a Health System expert with over ten years of working experience in the health sector.

5. Matron Philomena Munga D.O.B 15 th March 1974	Matron Philomena is a Registered Nurse with a degree in Nursing. She has over 15 years working experience and has participated in the development of the FP CIDP for Kilifi County. She was also involved in the development of AYSRH Guideline.
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(e) Fiduciary Oversight Arrangements

The fiduciary oversight of the county is done by:

i The County Assembly

The County assembly, pursuant to the constitution of Kenya, 2010 and the County Government Act, 2012 under Article 8(1) has fiduciary oversight role over the execution of the functions of the County Government., it approves the budget and expenditure of the County Government in accordance with article 207 of the constitution of Kenya. It also approves the borrowings of the County Government in accordance with article 212 of the Constitution of Kenya 2010.

ii The Controller of budget

The controller of budget has fiduciary oversight role of the County Government under article 22(5) of the Constitution of Kenya, 2010 by approving withdrawal from the public funds only when satisfied that the is authorized by law.

iii County executive committee

The County Executive Committee exercise executive authority in accordance with the constitution and county legislation.

iv. Internal Auditor Department

The internal Audit Department of the County Government of Kilifi ensures that the internal controls exist and are adhered to. The internal Audit reports to the county Audit Committee.

(f) Entity Headquarters

P.O. Box 4, Malindi
Casuarina Road
MALINDI, KENYA

(g) Entity Contacts

Telephone: (+254) 736 213701 /0702 744917
E-mail: malindimedicalsuperintendent@gmail.com
Website:

(h) Entity Bankers

Co-operative Bank of Kenya
Malindi Branch
P.O BOX 2022, 80200
Malindi Kenya

(i) Independent Auditors

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



(j) Principal Legal Adviser



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



(k) County Attorney



P.O. Box.519
Kilifi, Kenya

II. The Board of Management

Ref	Directors	Details
1.	 <p>Mr Christopher Kambi 15th June 1969 Board Chairman</p>	<p>Mr. Kambi is the Board Chairperson. He is a graduate with a Bachelor of Management & Leadership degree (Business Administration Option) from Management University of Africa. He has also completed a Masters of Management and Leadership from the same University and is due for Graduation in December 2024. He has also done a Diploma in management & Leadership (Business Administration Option) From Management University of Africa and has over 25 years in Organization Management. He is also a member of Kenya Institute of Management.</p>
2.	 <p>Priscillah Githinji – Oluoch 12th July 1973 Vice Chair</p>	<p>Priscillah holds a Bachelor of Development Studies and Masters of Project Planning and Management from the University of Nairobi. In addition, she holds a Diploma in Water Engineering from the Technical University in Kenya and a Post Graduate Diploma in Land Regularization & Management from Erasmus University, Netherlands. As a professional, she is a Task Force member of Inclusive Urban Sanitation at International Water Association (IWA) and Africa Utility Data Collaborative of African Water and Sanitation Association (AfWASA).</p>




	<p>She is the Technical Manager - Sanitation of Malindi Water & Sewerage Company Ltd. with over 25 years' experience in water and sanitation service delivery. She the vice chairperson of the Board and represents Professionals in the technical field.</p>
<p>3.</p>  <p>Mrs. Lucy Muli – Kina 1st January 1962 Board Member</p>	<p>Mrs Muli is a graduate with a Bachelors of Law (LLB) – University Of Nairobi. She also has a Diploma In Law from Kenya School of Law. She is a Certified Public Secretary and currently doing her MBA at Mt. Mount Kenya University. Mrs Lucy has a vast experience in law matters working as a Senior Partner with Muli & Ole Kina Advocates in Malindi handling conveyancing and commercial legal work and company secretarial services.</p>
<p>4.</p>  <p>Mr Attas S. Ali 17th February 1971 Board Member</p>	<p>Mr Attas is a graduate with a degree in Human Resource. He is a notable businessman and has a wealth of experience in the business sector. He is also very versed with educational matters serving as board member of various educational institutions and he is one of the executive directors for MEDA foundation.</p>





<p>5.</p>	 <p>Dr Job Gayo 2nd March 1986 Medsup</p>	<p>Dr Gayo is the CEO of the hospital. He is a healthcare consultant and holds an MBA from Gulgliemo Macroni University, Italy.</p>
<p>6.</p>	 <p>CPA Michael Bidii Ngala 12th October 1977 Board Member Chair- Finance Committee</p>	<p>CPA Michael B Ngala, A member of the Malindi Hospital Management Board and the Chair of Finance and General-purpose Committee of the Board.</p> <p>He brings a wealth of experience from the public sector especially in public Finance administration having worked for the defunct Local Authorities and now currently working for the County Assembly of Kilifi as the Clerk of the Assembly.</p> <p>He is a CPA(K) holder and a member of ICPAK of good standing.</p> <p>He holds a Masters Degree in Strategic Management from Taita Taveta University and Bachelors Degree in Commerce (Accounting option) from The University of Nairobi.</p> <p>He has also done Strategic Leadership Development Program (SLDP) at Kenya School of Government and is a member of Institute of Directors (IoD) Kenya.</p>

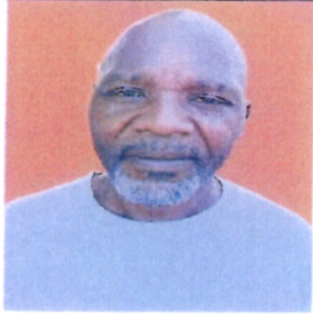


7	 <p>CPA Edwin Matara 22nd April 1987 Board Member</p>	<p>Mr Matara holds a Bachelor’s degree of Actuarial science with IT, a Master of Science in Finance and currently completing a PhD in Business Administration strategic management alongside being a qualified Certified Public Accountant (CPA-K). He is a highly resourceful cross-functional finance, accounting, business management and administration manager with a well-rounded skill set focusing on excellence in operations and service delivery, efficiency and strategic management of organizations. He possess exemplary expertise in accounting, auditing and reporting, resource administration and organizational strategic planning, Enterprise Risk Management (ERM), Quality Management Systems (QMS), Integrity Assurance and Policies, strategy formulation and implementation, monitoring and evaluation as well as assets and financial management.</p>
8.		<p>Eric Mwashigadi is a member of the board. He has a Diploma in cooperative management with a vast experience in finance and hotel industry having served for over 20 years in different capacities in the</p>



	<p>Mr Eric Mwashigadi D.O.B 26TH March 1959 Board Member</p>	<p>Hotel industry the notable one being financial controller. He is also the General Manger in Manufacturing of Activated Carbon. Mr. Mwashigadi serves in the audit sub-committee of the board.</p>
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III. Management Team

Ref	Name	Designation
1	 <p>Dr Job Gayo Consultant</p>	<p>Medical Superintendent</p>
2	 <p>Matron Philomena Munga Registered Nurse</p>	<p>Nursing Officer In charge</p>
3	 	<p>Hospital Administrator</p>

	Zuma Bimba Administrator	
4	 <p>Baraka Joseph Ndilo Bachelor of Commerce (Finance) CPA</p>	\Head of finance
5	 <p>Martin Karisa Accountant</p>	Hospital Accountant
6	 <p>Mr. Joseph Kimani Chief Medical Laboratory Technologist</p>	Laboratory In charge
7	 <p>Amina Suleiman</p>	Head of Nutrition

	Amina Salim Suleiman. BSc (Foods, Nutrition and Dietetics)	
8	 <p>Mr. Stanley Chai Biomedical Engineer</p>	Head of Maintenance
9	 <p>Grace Kiura Health Records Information Officer</p>	Health Records In charge
10	 <p>Dr. Noreen Were Gynecologist</p>	Head of Curative Services

11	 <p>Dr. Kahindi Justus Pharmacist</p>	Pharmacy In charge
12	 <p>Macgoan Sabastien Procurement Officer</p>	Procurement

IV.Chairman’s Statement

Malindi Sub County Hospital exists and operates within a broader socio-economic and political context. The understanding of this environment is critical in enabling the hospital to position itself strategically to take advantage of emerging opportunities and deal with threats. Of fundamental importance in this environment is government policy. As a public hospital, Malindi Sub County Hospital is governed by the policies and regulations set forth by both the Ministry of Health and the County department of health services. Malindi Sub-County Hospital’s main mandate is to provide curative and rehabilitative services. It offers specialized clinical services in various disciplines. It serves as a centre for research activities, training for medical student and health workers. Malindi Sub-County Hospital being a centre of excellence in healthcare delivery is always set and ready for the dynamic healthcare and environmental changes. In playing its constitutionally mandated role for health service delivery, the Malindi Sub-County Hospital will focus on translating the broader GoK health sector strategic aspirations into operational implementation imperatives. In so doing, MSCH has always been guided by a clear strategic imperative including its vision and mission statements; and core organizational principles and values. The key strengths for Malindi Sub-County Hospital include;

- Highly skilled personnel
- Strategic physical location
- Availability of specialists
- Price leadership
- Adequate land for future expansion
- Strong linkage with the community

The hospital needs to take advantage and maximise on these strengths to have a competitive edge in the market and to ensure best service delivery to our prospective customers.

However the hospital also faces a myriad of challenges including but not limited to; Under-staffing, old and dilapidated infrastructure, lack of an integrated ICT system, inadequate and obsolete working tools and equipment, inadequate security surveillance system.

These challenges are hindering the provision of optimal health care service delivery to our clients and need to be addressed to ensure efficient services. Future plans of the hospital is to establish a civil servants clinic, introduce a 24-hrs OPD services, increasing our bed capacity and conduct complex surgeries e.g. renal transplant, heart surgeries and neuro -sciences amongst others.

It is in this regard that I have the pleasure to present the Malindi Sub County Level 4 Hospital financial statements for 2021/2022 ending 30th June 2022. The financial statements present the financial performance of HSIF fund in relation to ensuring affordable and quality healthcare.

Christopher Kambi



**Chairperson
Board of Management**

V. Report of The Chief Executive Officer

BACKGROUND

Malindi Sub County Hospital has been in existence for almost a century having been established in the mid-1900s as a dispensary to cater for the health needs of the people of Malindi. Since then it has grown to become a level IV referral hospital serving people from Kilifi County and private hospitals in more than 5 other counties in the Coastal Region of Kenya with a population of more than 3 million people.

The hospital, having been commissioned in 1969, has seen a lot of development by the government and its partners in providing more funds to improve the in-patient capacity and outpatient facilities to its present state. The main mandate of the hospital is to provide curative and rehabilitative services. Additionally, it also provides preventive and promotive healthcare. It offers specialized clinical services in various disciplines and serves as a training centre for medical students and health workers. It is also a hub for research activities in Medicare and other health related fields. The hospital has 389 staff: consisting of 276 regular staff, 18 County contracted 5 Locum Nurses, 3 Locum Doctors, interns, 87 Malindi Sub County Hospital contracted staffs as casuals. The hospital has not outsourced any services.

FINANCE

Revenue

The hospital's revenue is derived from Facility improvement funds (FIF), County grants, and donors. During this financial year the hospital has realized great improvement of revenue compared to the last financial 2020/2021 however last financial year may have not been a good base for comparison as Malindi Sub County Hospital was one of the hospital piloting universal healthcare. Operating revenue increased from Sh.99.8 Million to Sh. 121.38 Million. The number of patients' admissions Increased by 14.63% while the Mortality rate dropped from 7.8% to 6%. The key drivers of our revenue included Pharmacy, Laboratory, Maternity, and Renal, Bed fees, surgical income and Radiology, which contributed to the total revenue.

Expenditure

The total expenditures for the hospital during the period amounted to Kshs. 117,617,851 representing 99% of the total approved budget. Top drivers of the budget were Medical drugs, Staff remunerations, Non-pharmaceuticals, patient's food, Laboratory, Contracted Services among others. High Utilization rate realized.

ACHIEVEMENTS

The HMB and hospital management realized great achievement in terms of revenue generation, which has grown compared to the previous financial year 2020/2021. Infrastructural development such as renovation of drug store, renovations of various structures including acquisition of computers for our NHIF claims department have yielded good results. We were able to carry out Successful several eye surgery Camps, which benefited many of our patients across the whole Sub-County leading to an overall increment in our revenue performance.

CHALLENGES

Malindi Sub County Referral Hospital based on the population that its serves is faced with a lot of challenges ranging from Global issues, financial constraints, inadequate human resource, environmental challenges, infrastructural i.e. dilapidated buildings, and technological growth that the hospital have to adopt in order to succeed in the healthcare service delivery.

LOOKING FORWARD

Modern Technology transformation is one of the pillars of the Strategic Plan. The hospital has embarked on this journey to increase operational efficiencies, enhance customer experience through consistent and patient-focused service delivery and informed decision-making aided by business intelligence. Crucial to this will be the implementation of the key operational systems, the Hospital Information Management System (HIMS).

APPRECIATION

I take this opportunity to express my sincere gratitude and appreciation to the Ministry of health, county government of Kilifi, development partners, stakeholders, management and staff for their continued support, which made us, achieves these results. I look forward to your continued support in the year 2022/2023.



Dr. Job Gayo

Hospital Medical Superintendent

VI. 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.

Malindi Sub-County Hospital has 4 strategic pillars/ themes/issues and objectives within the current Strategic Plan for the FY 2021- FY 2022. These strategic pillars/ themes/ issues are as follows;

1. Service Quality Management
2. Human resource for health
3. Management of hospital infrastructure
4. Development of a strategic Integrated Health Management Information System

Malindi sub-County Hospital develops its annual work plans based on the above 4 pillars/Themes/Issues. Assessment of the Board's performance against its annual work plan is done on a quarterly basis. The *Hospital* achieved its performance targets set for the FY 2021/2022 period for its 4 strategic pillars, as indicated in the diagram below:

Strategic Pillar/Theme/Issues	Objective	Key Performance Indicators	Activities	Achievements
Service Quality Management	<ul style="list-style-type: none"> To Enhance customer care services 	<ul style="list-style-type: none"> Presence of a Grievance Redress Committee Presence of a 24hr customer care desk Presence of a customer complaints and status register 	<ul style="list-style-type: none"> Implementing a Customer Redress Mechanism 	<ul style="list-style-type: none"> A customer desk introduced at outpatient, at the entrance Suggestion/complaints box installed in key areas of the hospital
	<ul style="list-style-type: none"> Enhance Continuous Quality Improvement 	<ul style="list-style-type: none"> Number of meetings for the Facility's Stakeholders Forum 	<ul style="list-style-type: none"> Strengthening the Engagement and Coordination of Hospital Partners 	<ul style="list-style-type: none"> Several Meetings Held Several stakeholders Identified
	<ul style="list-style-type: none"> To gauge level of customer satisfaction 	<ul style="list-style-type: none"> Number of Implemented Open Days Number of customer satisfaction surveys conducted 	<ul style="list-style-type: none"> Strengthening Community Involvement /Public Participation in Health Services Delivery 	<ul style="list-style-type: none"> Customer satisfaction survey conducted

	<ul style="list-style-type: none"> To improve service delivery 	<ul style="list-style-type: none"> Implementation of the KEPH service packages (%) 	<ul style="list-style-type: none"> Streamlining the Health Service Delivery Organization and Ensuring a Continuum of Care 	<ul style="list-style-type: none"> 60% Achievement
	<ul style="list-style-type: none"> To Enhance Effective Internal and External Referral Systems 	<p>Presence of a health services referral framework that observes:</p> <ul style="list-style-type: none"> Client movement Health provider movement Clients' specimen movement Clients' parameters movement Management and coordination of referral services 	<ul style="list-style-type: none"> Implementation of a Comprehensive Health Services Referral Framework 	<ul style="list-style-type: none"> Referral guidelines implemented 80%
	<ul style="list-style-type: none"> To reduce the amount of resources used in treating people 	<p>Focusing on social-determinants of health</p> <ul style="list-style-type: none"> Number of clean and safe water points in the facility Number of proper sanitation blocks in the facility 	<ul style="list-style-type: none"> Increase Focus on Preventive and Promotive Health Interventions 	<ul style="list-style-type: none"> Hand washing facilities installed in various points in the facilities Increased number of usable toilets in the hospital

	<ul style="list-style-type: none"> To gauge level of customer satisfaction 	<ul style="list-style-type: none"> Evidence reports of customer satisfaction surveys 	<p>Promoting Quality Improvement and Patient Safety</p>	<p>Customer survey for lab and outpatient done</p>
	<ul style="list-style-type: none"> To manage customer expectations regarding the delivery of products and services 	<ul style="list-style-type: none"> Number of audited departmental delivery service charters 	<p>Developing a Patient Navigation Program</p>	<ul style="list-style-type: none"> Service charters displayed in service points
Human resource for health	<ul style="list-style-type: none"> Improved performance and management 	<ul style="list-style-type: none"> Increase in the number of health personnel 	<ul style="list-style-type: none"> Lobbying the Recruitment of Human Resource 	<ul style="list-style-type: none"> Hired additional staffs on Locum basis
	<ul style="list-style-type: none"> Staff Motivation To develop Staff 	<ul style="list-style-type: none"> Implement rewards and sanctions policy Payment of contracted nonclinical staffs Conduct training need assessment Hiring of Contracted technical staff 	<ul style="list-style-type: none"> Human Resource Development and Motivation Improve staff performance culture 	<ul style="list-style-type: none"> All staffs awarded at an annual staff party Annual staff party was done successfully <p>All Staffs are involved in decision making through various committees, HMT, Departmental meeting, staff meeting days,</p>

Malindi Sub-County Hospital (Kilifi County Government)

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

<p>Management of hospital infrastructure</p>	<ul style="list-style-type: none"> To provide Modern Medical Equipment , plants and Machinery 	<ul style="list-style-type: none"> Construction of a specialized Intensive Care Unit Increased Number of operating theatres Expansion of Maternity Ward <p>Expansion of the Outpatient Dept.</p>	<ul style="list-style-type: none"> Construction and Expansion of hospital service units 	<ul style="list-style-type: none"> Plans under way for operationalisation for 24/hr OPD services Partners identified to put a modern maternity block with theatre facilities
	<ul style="list-style-type: none"> To enhance Routine Maintenance of Infrastructures 	<ul style="list-style-type: none"> Construction of Hospital walkways Equip Hospital call House Construction of a warehouse Construction of Oxygen plant 	<ul style="list-style-type: none"> Maintenance of Hospital Infrastructure 	<ul style="list-style-type: none"> Partners(AM REF) identified to construct a liquid oxygen plant Construction of a drug store completed Plans are underway to renovate all walkways in the hospital

<p>Development of a strategic Integrated Health Management Information System</p>	<ul style="list-style-type: none"> To facilitate accurate record keeping. 	<ul style="list-style-type: none"> Implementing a functional Electronic Medical Records System 	<p>Strengthen health data and information flow at the facility</p>	<ul style="list-style-type: none"> Procurement for a modern EMR system to be initiated in the upcoming financial year
	<ul style="list-style-type: none"> Facilitate prudent Financial Management To increase revenue Generation 	<ul style="list-style-type: none"> Installation of an EMR system Availability of a reliable WiFi connection 	<ul style="list-style-type: none"> Automate health data and information flow at the facility 	<ul style="list-style-type: none"> Procurement for a modern EMR system to be initiated in the upcoming financial year

VII. Corporate Governance Statement

Malindi Sub-County Hospital Board of Management is responsible for the corporate governance of the Hospital and is accountable to Ministry of Health, County department of health Kilifi County for ensuring that the Hospital complies with the laws and the highest standards of corporate governance and business ethics. The Board members attach great importance to the need to conduct the business and operations of the Hospital with integrity and in accordance with generally accepted corporate practice and endorse the internationally developed principles of good corporate governance.

a) Board of Management

The Board of Management is composed of non-executive members appointed by the C.E.C.M Health Kilifi County. The Appointed Board of Management to be held accountable and responsible for the efficient and effective governance of the hospital. Members of the Board have a range of skills and experience and each brings an independent judgment and considerable knowledge to the Board's discussions. The board term is two years renewal subject to performance.

Summarized below are the key roles and responsibilities of the Board:

- Approve and adopt strategic plans and annual budgets, set objectives and review key risk and performance areas.
- Resource Mobilization
- Determine overall policies and processes to ensure integrity of the Hospital's management of risk and internal contracts; and
- Review at regular meetings Management's performance against approved budget.

The full Board meets at least 4 times a year and the Chairperson has regular meetings/Consultations with the Chief Executive Officer. The Board members are given appropriate and timely information so that they can maintain full and effective control over strategic, financial, operational and compliance issues. Except for direction and guidance on general policy, the Board has delegated authority for conduct of day-to-day business to the Chief Executive Officer. The Board nonetheless retains responsibility for establishing and maintaining the Hospital's overall internal control, financial, operational and compliance framework.

b) Board Meetings

The Board as per the Annual work plan meets quarterly or additionally when necessary to consider matters of overall control of the hospital. The Board agenda and work plan are prepared early in the year and adequate notice, agenda and Board papers are circulated within stipulated timelines. The Main Board held 4 meetings attended by members as shown below.

No.	Name	Q1	Q2	Q3	Q4	Total
1	Christopher Kambi-Chair	1/1	1/1	1/1	1/1	4/4
2	Priscilah Oluoch- Vice Chair	1/1	1/1	1/1	1/1	4/4
3	Mr. Atlas S Ali	1/1	NIL	NIL	1/1	2/4
4	Dr Job Gayo	1/1	1/1	1/1	1/1	4/4
5	Eric Mwashigadi	1/1	NIL	1/1	1/1	3/4
6	Mrs Lucy Muli-Kina	1/1	NIL	1/1	1/1	3/4
7	CPA Michael Bidii Ngala	1/1	NIL	1/1	1/1	3/4
8	Mary Mathenge	NIL	NIL	NIL	NIL	NIL
9	CPA Edwin Matara	1/1	NIL	NIL	NIL	1/4

c) Board Remuneration

Non-Executive Members provide services to the hospital to which they are entitled to an allowances the allowance is paid as per the government of Kenya allowance circulars.

d) Committees of the Board

The Board has three (3) standing committees, which meet under the terms of reference set by the Board. The standing committees as follows:

- Finance and general purpose committee
- Quality Primary Healthcare Committee
- Audit Sub Committee

The membership of the committees is as tabulated below;

Finance and General-Purpose Committee

- | | |
|----------------------|----------------------|
| 1. Michael B. Ngala | - Committee Chairman |
| 2. Priscila Githinji | - Member |
| 3. Lucy Muli-Kina | - Member |
| 4. Dr. Job Gayo | - Member |
| 5. Baraka Ndilo | - Ex-Official Member |

The finance committee ensures that the facility has sound financial management strategies, policies and systems that promote, accountability, prudent use of resources and compliance with statutory and all regulatory requirements. The committee has the following duties and responsibilities as directed by the Board:

- a) Review the hospitals annual work plans and associated budgets prepared by the management and submit them to the Board for approval.
- b) Ensure that the allocation of resources is aligned to the priority areas identified within the strategic plan.
- c) Review quarterly financial reports submitted by management and submit the same to the Board for discussion and adoption.
- d) Provide general direction in the Hospital's budgeting matters.
- e) Advise the CEO and the Board on financial management approaches that enhances internal controls to improve efficiency, transparency and accountability.
- f) Review major audit issues raised by both internal and external auditors.

Primary Health Care Committee

- | | |
|---------------------------|----------------------|
| 1. Mr Attas Sharif | - Committee Chairman |
| 2. Madam Mary Mathenge | - Member |
| 3. Matron Emily Karisa | - Ex-official Member |
| 4. Matron Philomena Munga | - Ex-official Member |
| 5. Mr. Daniel Yawa | - Ex-official Member |

The audit committee ensures that the facility has sound primary health management strategies, policies and systems that promote the availability of quality services, accessibility and predictability of standardized primary health care services through effective leadership and governance. The committee has the following duties and responsibilities as directed by the Board:

- a) Promote and fulfil the rights of all persons served by the facility towards the progressive realization of their right to the highest attainable standards of health care.
- b) Promote the implementation of primary health care through a systemic approach and clear delineation of roles of all stakeholders towards realization of universal health coverage;
- c) Provide for the establishment of primary health care networks, community health units and other stakeholder centred engagement forums for sustainable provision of primary health care services;
- d) Provide for the role of the multi-disciplinary team in the provision of primary health care services;
- e) Provide for the role of community health officers, community health assistants and community health promoters in the provision of community based primary health care services.

Audit Committee

- | | |
|------------------------|----------------------|
| 1. Mr. Eric Mwashigadi | - Committee Chairman |
| 2. Mr. Edwin Matara | - Member |
| 3. Madam Mary Mathege | - Member |
| 4. Mr. Zuma Bimba | - Member |
| 5. Mr. Said Ali | - Member |

The committee ensures that the facility has sound financial management strategies, policies and systems that promote, accountability, prudent use of resources and compliance with statutory and all regulatory requirements. The committee has the following duties and responsibilities as directed by the Board:

- a) Advise the CEO and the Board on financial management approaches that enhances internal controls to improve efficiency, transparency and accountability.
- b) Review major audit issues raised by both internal and external auditors
- c) Periodic review of the adequacy of management procedures with regard to issues relating to risk management, control and governance.
- d) Review special audits/ investigations on any concerns and complaints regarding corruption, lack of accountability and transparency brought to the attention of the committee by management and present to the Board for discussion and direction.

VIII. Management Discussion and Analysis

The considerations in restructuring an organization are effective coordination of roles and responsibilities to avoid overlap and duplication of roles and effort; clear accountability for results; enhanced teamwork and effective communication; and career development for staff. Appropriate structures also allow the organization to resource and sustain essential skills and expertise in the organization.

The overall leadership and governance of MSCH will be vested in the Hospital Management Board. The Board members are appointed in accordance with the policies of the County Government of Kilifi. The day-to-day management of the hospital is vested on the Chief Executive Officer.

The Chief Executive Officer will be assisted in performing the functions of his or her position by the Senior Management Team (SMT), which consists of the CEO with the four key managers and the Hospital Management Team (HMT). The HMT is made up of the divisional heads and heads of departments. MSCH has developed a governance framework defining the respective roles of the Management.

The overall annual performance is as illustrated below:

a) Clinical/Operational Performance

Summary table:

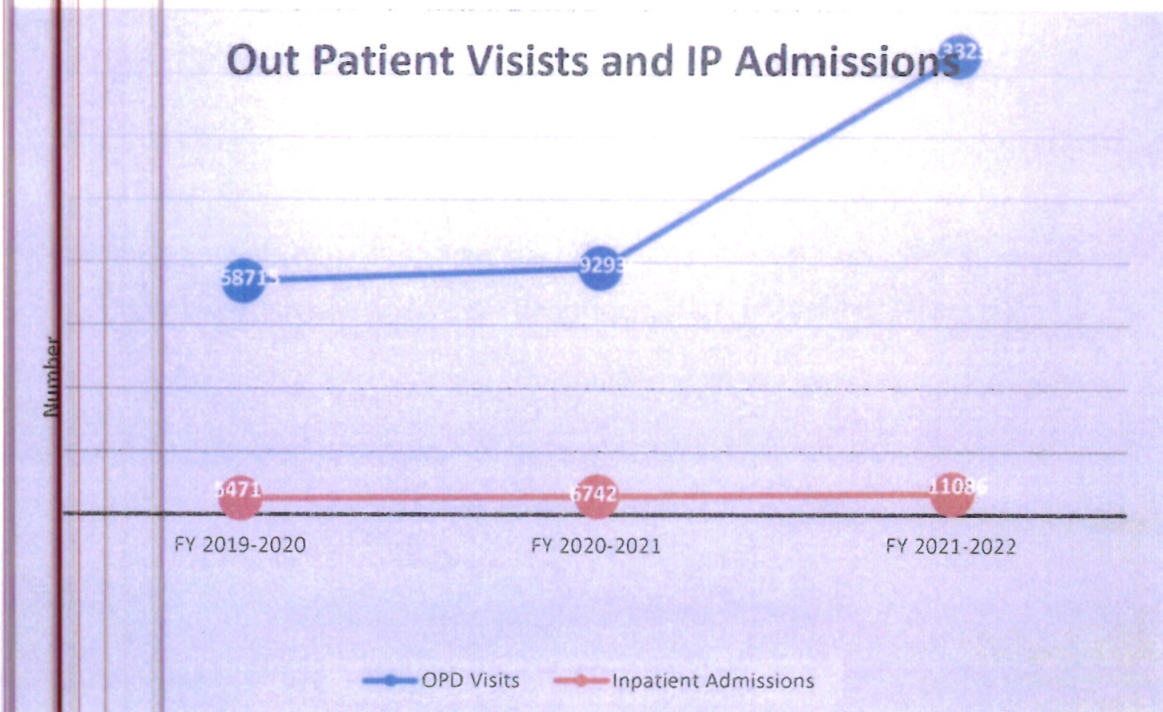
		FY 2019-2020	FY 2020-2021	FY 2021-2022
Bed capacity		180	185	194
Patient Attendance: Inpatient and Out-patient	OPD Visits	58,715	92,396	133,237
	Admissions	5,471	6,742	11,086
Accident and Emergency (Casualty) attendance		13,646	22,100	19,915
Specialised Clinics attendance		20,804	20,223	25,710
Average Length of Stay (In-patients) in Days		6	6.4	6.9
Bed Occupancy rate		85%	82%	99%
Mortality rate		8%	7.8%	6%
Surgical Theatre utilization	Major	1,168	1,510	1,1570
	Minor	208	403	420
	Circumcision	250	456	485
	Total	1,376	1,913	1,990
Maternity (Total Deliveries)		2,473	3,509	4,646

Tables and Charts:

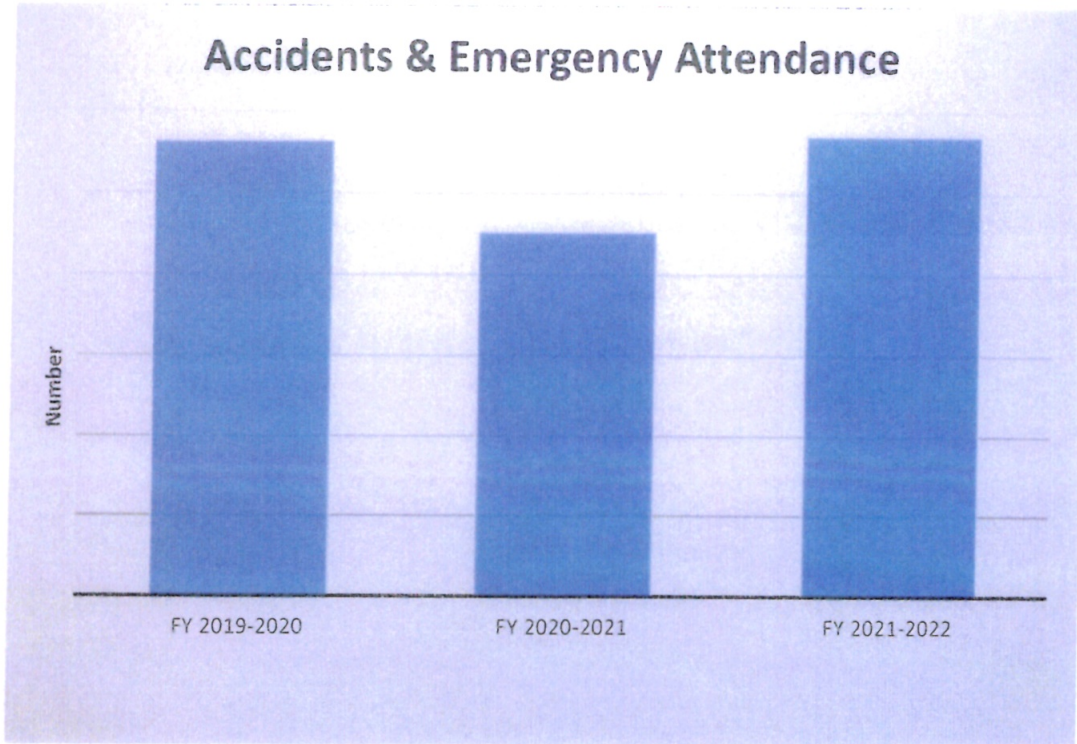
1. Bed Capacity

	FY 2019-2020	FY 2020-2021	FY 2021-2022
Available Beds	180	185	194

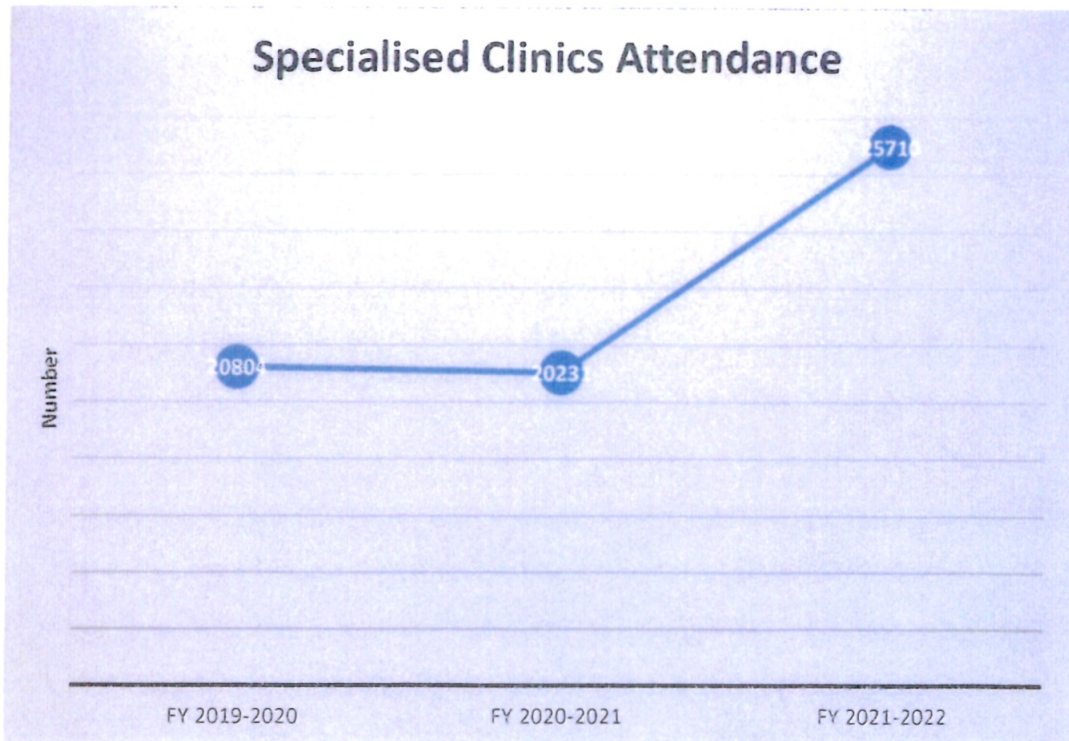
2. Patient Attendance: OPD Visits and Inpatient Admissions



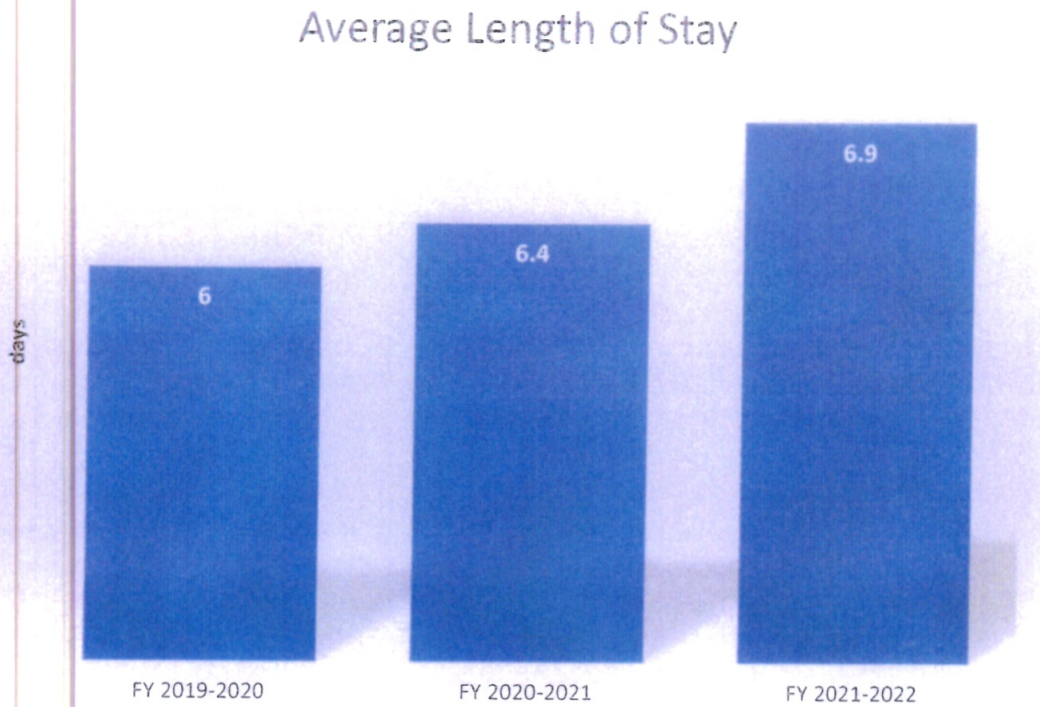
3. Accident and Emergency (Casualty) attendance



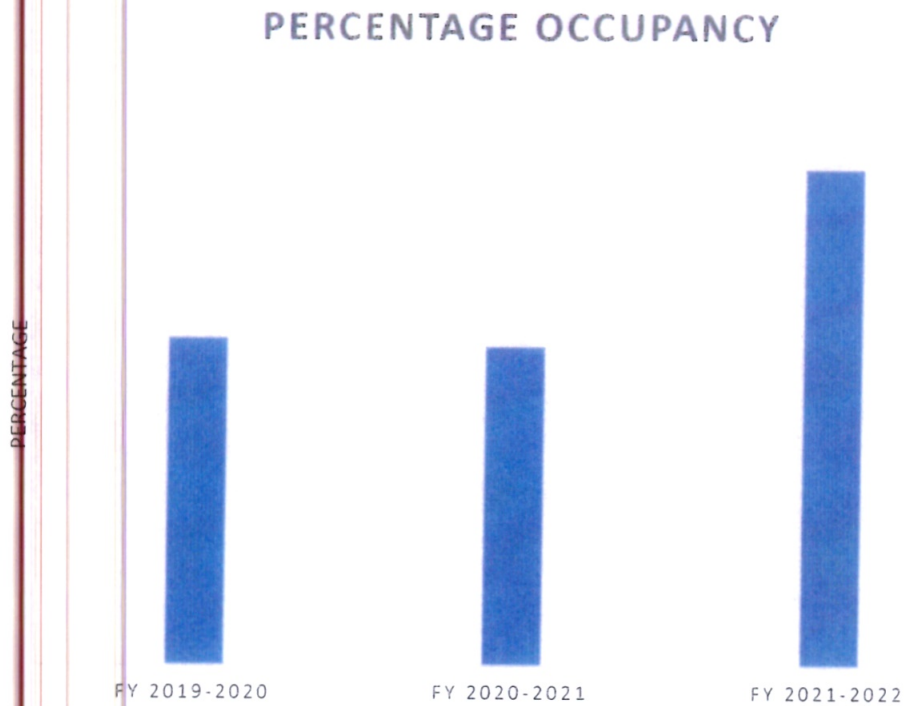
4. Specialised Clinics attendance



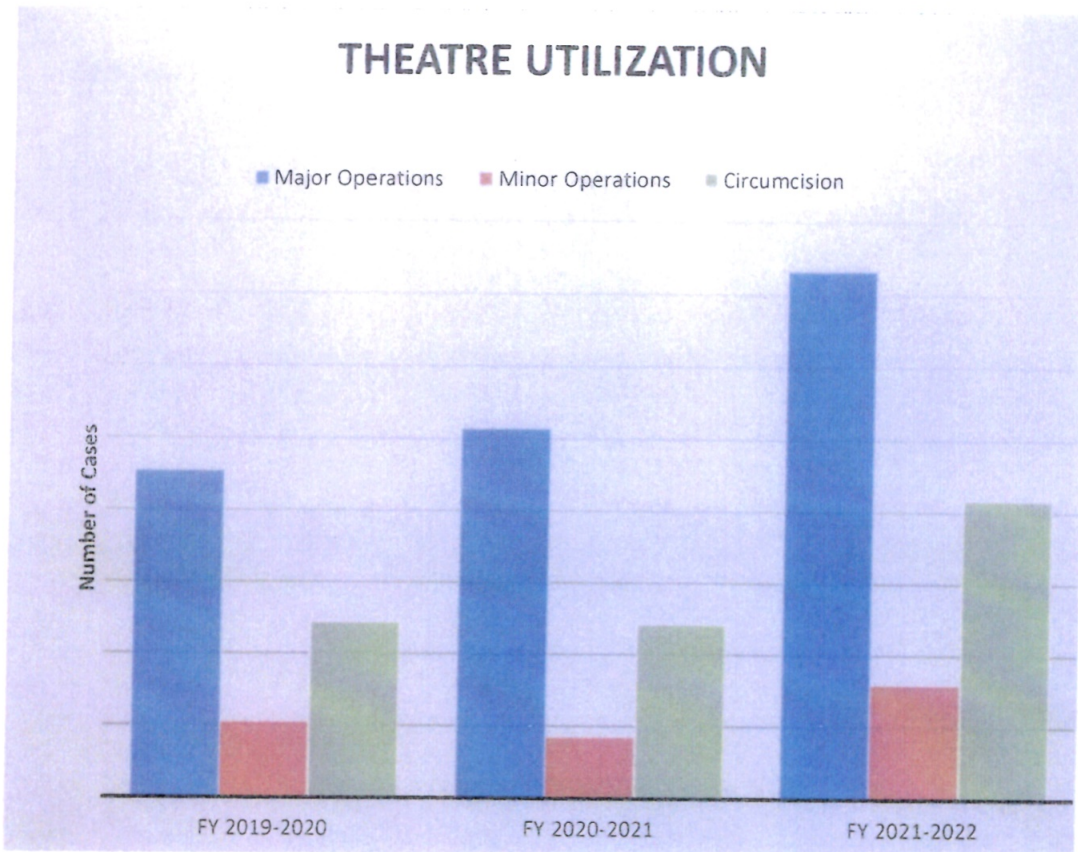
5. Average Length of Stay (In-patients) in Days



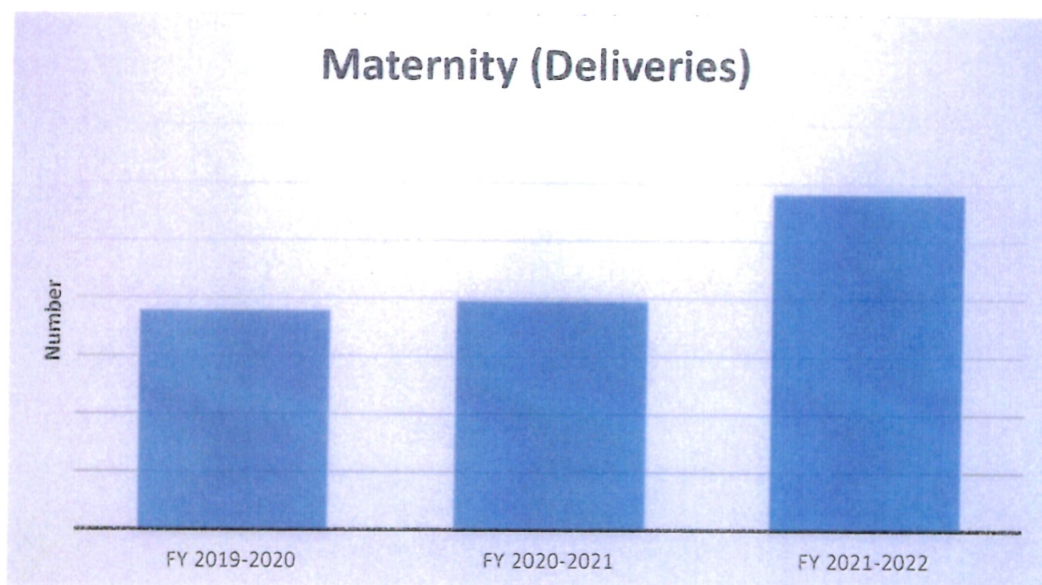
6. Bed Occupancy rate



8. Surgical Theatre utilization



9. Maternity (Total Deliveries)



Financial performance that includes

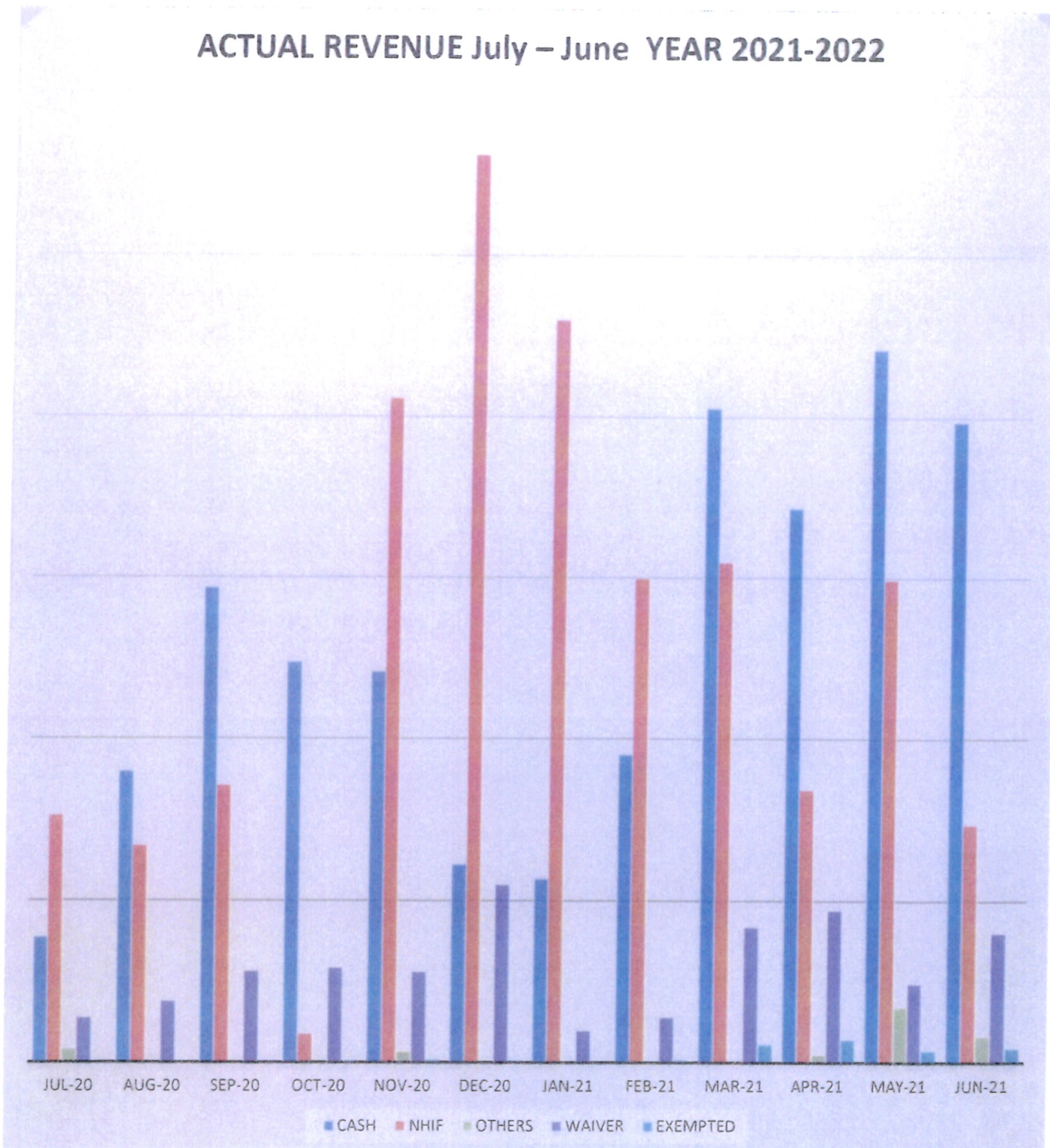
Revenue Sources

MSCH revenue Sources Includes:

- Conditional Grants
- User Fees Comprising of
 - Cash collection
 - NHIF Collections
 - Other insurances such as MNET,
 - Training Fees

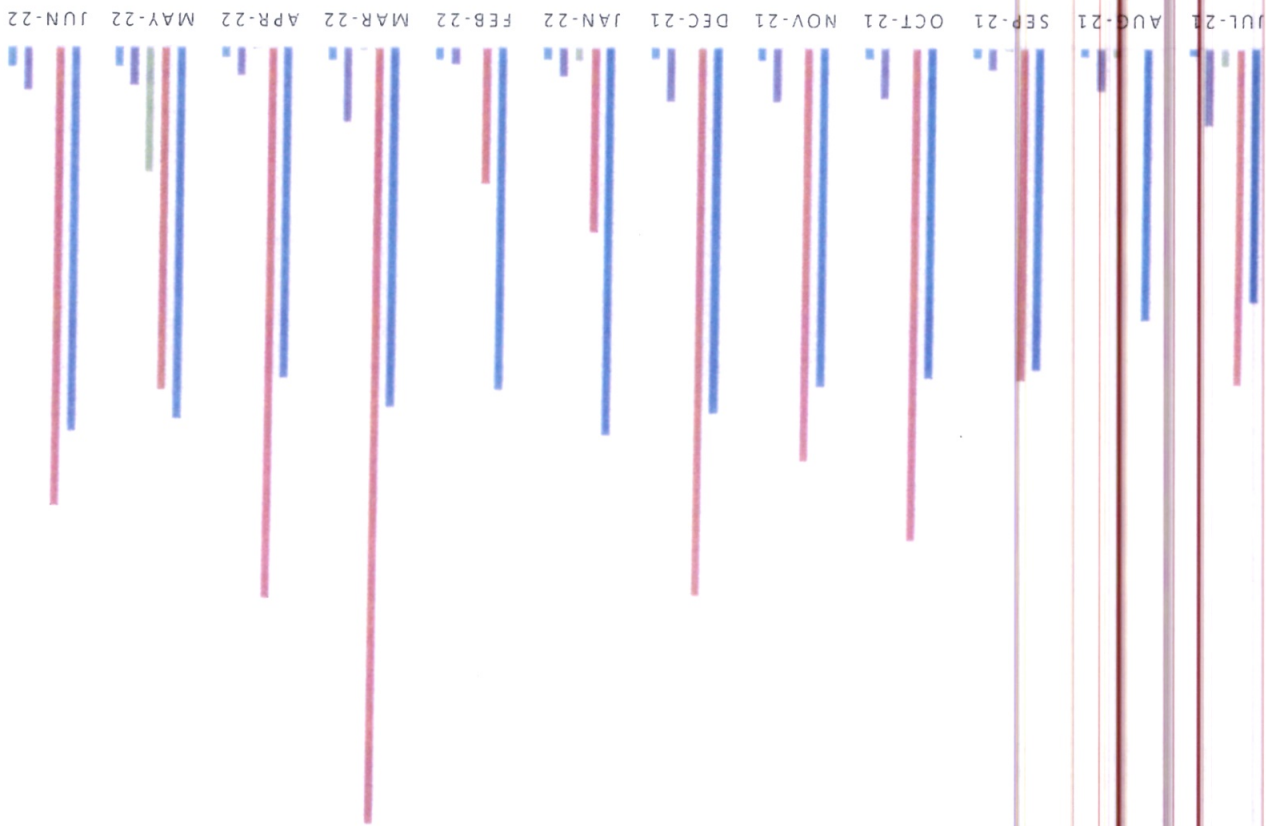
Analysis of revenue performance for the two financial years is as listed below:

COMPARATIVE ANALYSIS OF REVENUE FY 2020/2021 – 2021/2022



**ACTUAL REVENUE JULY - JUNE YEAR 2020-2021
 (PREVIOUS)**

■ CASH ■ NHIF ■ OTHERS ■ WAIVER ■ EXEMPT



ANALYSIS OF EXPENDITURE FY 2021/2022

A. EXPENDITURE RETURNS FY 2021 – 2022 MALINDI SCH

ITEM CODE	ITEM DESCRIPTION	APPROVED ESTIMATES	EXPENDITURE/PAYMENTS	BALANCE
		FY 2021/2022	FY 2021/2022	
2110201	Contractual Employees	16,375,100	16,374,359	741
2110202	Casual Labor	519,000	518,936	64
2120101	CONTRIBUTION TO NSSF	380,200	380,000	200
2210201	Telephone , telex mobile phones	576,900	575,870	1,030
2210203	Courier and Postal Services	15,490	14,190	1,300
2210301	Domestic travel cost	903,100	902,590	510
2210303	Domestic-daily subsistence allowance	7,375,500	7,375,270	230
2210504	Advertising, awareness & publicity campaigns	212,000	212,000	-
2210605	Contribution in lieu of rates	10,000	9,900	100
2210701	Training, Travel Allowance	344,400	344,200	200
2210801	Catering services, gifts, food drinks	1,663,500	1,661,910	1,590
2210802	Boards, committee, conference	2,528,600	2,518,800	9,800
2211001	Medical Drugs	9,984,773	9,983,603	1,170
2211002	Dressings and Non-pharmaceuticals	14,465,000	14,464,892	108
2211004	Fungicides, insecticides, sprays	760,000	759,725	275
2211005	Chemical and Industrial Gases	1,431,440	1,430,940	500
2211006	Purchase of workshop tools spares and small equip	1,914,000	1,913,985	15

2211008	Lab materials, supplies and small equipment	7,134,727	7,134,536	191
2211015	Food and Rations	1,962,000	1,961,880	120
2211021	Purchase of Bedding and Linen	121,550	121,540	10
2211024	Purchase of X ray supplies	703,000	702,000	1,000
2211025	purchase rehabilitative supplies	143,500	143,310	190
2211027	Purchase of medical records	937,000	937,000	-
2211101	General Office Supplies	9,620,099	9,620,060	39
2211102	Supplies and access for computers and printer	2,412,960	2,412,500	460
2211103	Sanitary and cleaning materials	5,186,000	5,185,880	120
2211201	Refined Fuels	1,691,560	1,691,190	370
2211204	Other Fuels	5,500	5,500	-
2211301	Bank service commission and charges	18,300	16,060	2,240
2211306	membership fees, Dues & sub to professional	225,000	223,300	1,700
2220101	Maintenance of Motor Vehicles	659,260	658,390	870
2220201	Maintenance of Plant, Machinery	1,095,530	1,094,830	700
2220205	Maintenance of Buildings and stations	2,857,500	2,853,859	3,641
2220206	Maintenance of computers software and network	145,500	145,500	-
3110902	purchase of household & institutional appliances	16,000	15,610	390
3111001	Purchase of office furniture & fittings	962,455	962,455	-
3111002	Purchase of computers, printers & other IT equip	2,243,500	2,243,490	10
3111003	Purchase of Air conditioners, Fans and Heating Appliances	1,972,980	1,972,200	780

Malindi Sub-County Hospital (Kilifi County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2022

3111101	Purchase of Medical & Dental Equipment	21,500	21,500	-
3111111	Purchase of ICT networking & communication equipment	16,800	16,800	-
3111114	Purchase Therapy Appliances	3,231,309	3,167,497	63,812
	TOTALS	102,842,533	102,748,057	94,476

Utilization Rate 99.99%

IX. Environmental and Sustainability Reporting

MSCH 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

MSCH and its stakeholders are increasingly emphasizing on the need to ensure sustainability for both its investments and its resource mobilization and financing capabilities with an objective of ensuring that MSCH going concern is secured. The hospital has conducted a basic assessment of available options for feasible financing tools that would assure the hospital of its long-term sustainability. The hospital has reviewed its current resource mobilization strategies and proposed feasible sustainability financing options, which include

- Enhancement of our specialized services such as renal services, palliative services etc.
- Introduction of a civil servants clinic
- Public Private Partnership
- Enhancing Client satisfaction through quality service care
- Bringing on board more financial institutions i.e. lobbying for more engagement with other insurance firms

ii) Environmental performance

MSCH is using the National Health Care Waste Management policy guideline which is guiding us in the management of the waste that we generate in the organization, and we have a copy of the policy.

Successes

- We are having colour-coded bins [receptacles] at all generation points in the departments.
- The hospital has one of the best working incinerator in the north coast region to incinerate the infectious waste
- There are segregation posters alongside the receptacles to guide in the segregation of waste.
- We have waste treatment equipment within the organization that helps us treat our waste and we only dispose-off non-contaminated waste to the dumping site.
- The general cleanliness of the organization is well maintained both indoors and grounds.

Challenges

- Frequent breakdown of the equipment and the cost of repair and maintenance.
- High cost fuel bill.
- Shortage of staffs

Efforts to Reduce Environmental Impact of Waste Products

The waste passes through a microwave during treatment process, which renders it harmless before they are taken to the dumpsite.

The incinerator burns the waste at a very high temperature and the products are harmless.

iii) Employee welfare

Hiring process involves bringing new employees on board. This is the mandate of the County Public Service Board reference made from the Public Service Commission Human Resource Manual and procedures May 2016, mentioned in section B which provides the rules governing recruitment and appointment of new officers.

Improvement of employee skills and career management is done through employee sponsorship to further their studies in line with their careers. This is done by sponsorship and supporting employees to attend short courses offered by the government institutions.

Training programs are based on the identified needs from the training needs assessments and are emphasized for performance improvement addressing both individual and organizational goals.

Performance management system is a process conducted by the employer to identify areas of weakness and support the individuals in order to get better results. It's an annual exercise intended to provide employees with clear understanding of job expectations, regular feedback on performance, advice and steps for improving performance, rewards for good performance and actions for poor performance. It helps to measure performance and ultimately the achievement of intended results for the organization.

The Human Resource Manual procedures also provides for guidelines and standards for the prevention and protection of officer against accidents and occupational hazards arising at the work place. It provides for guidelines, procedures and modalities for the administration and payment of compensation for work related injuries and accidents contracted while and in the course of employment.

iv) Market place practices

a) Responsible completion practices

This is effectively done through making good use of the instituted internal committees to help minimize corruption.

b) Responsible supply chain and supplier relations

Ensures best involvement of suppliers in the tendering process and feedback given to suppliers in good time.

c) Responsible marketing and advertisement

Effectively done using the local community engagement

d) Corporate social responsibility

- Conducting of regular outreaches to create awareness on various healthcare issues.
- Cancer patients supported by various partners through MSCH to visit their homes and give them support in various ways in their homes.
- Organization of free medical camps
- Based on assessment, patients have reduced medical cost including waivers given by the hospital.

X. Report of The Board of Management

The Board members submit their report together with the Audited Financial Statements for the year ended June 30, 2022, which show the state of the *hospital's* affairs.

Principal activities

The principal activities of the entity are to provide quality and affordable preventive, promotive, rehabilitative and curative health services in Kilifi County and neighbouring Counties such as Tana River and Lamu.

Results

The results of the entity for the year ended June 30 are set out on page 48 to 53

Board of Management

The members of the Board who served during the year are shown on page xii.

Auditors

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

By Order of the Board



DR JOB GAYO

SECRETARY OF THE BOARD

VI. 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 to MSCH, 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 entity for that year/period. The Board of Management is also required to ensure that the MSCH keeps proper accounting records, which disclose with reasonable accuracy the financial position of the entity. The board members are also responsible for safeguarding the assets of the entity.

The Board of Management is responsible for the preparation and presentation of the MSCH's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year ended on June 30, 2022. This responsibility includes:

Maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period,

Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity,

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,

Safeguarding the assets of the Hospital

Selecting and applying appropriate accounting policies, and

Making accounting estimates that are reasonable in the circumstances.

The Board of Management accepts responsibility for the MSCH'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 MSCH's financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2022 and of the entity's financial position as at that date.

REPUBLIC OF KENYA

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P.O. Box 30084-00100
NAIROBI

REPORT OF THE AUDITOR-GENERAL ON MALINDI SUB-COUNTY LEVEL 4 HOSPITAL FOR THE YEAR ENDED 30 JUNE, 2022 - COUNTY GOVERNMENT OF KILIFI

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, gazetted 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

Qualified Opinion

I have audited the accompanying financial statements of Malindi Sub-County Level 4 Hospital - County Government of Kilifi set out on pages 1 to 20, which comprise of the

Report of the Auditor-General on Malindi Sub-County Level 4 Hospital for the year ended 30 June, 2022 – County Government of Kilifi

statement of financial position as at 30 June, 2022, and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of 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 Malindi Sub-County Level 4 Hospital - County Government of Kilifi 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 Health Act, 2017, the County Governments Act, 2012 and Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Lack of Quarterly Revenue Reports

The Statement of financial performance reflects Kshs.121,289,140 in relation to Transfers from Health Services Improvement Fund (HSIF) as disclosed in Note 6 to the financial statements. However, the Hospital did not provide evidence to show that the reports were prepared and submitted to the County Treasury with a copy to the Auditor-General as per Section 64(1) of the Public Finance Management (County Governments) Regulations, 2015 which requires the Accounting Officer or receiver of revenue or collector of revenue to prepare a quarterly report not later than the 15th day after the end of quarter.

In the circumstances, the accuracy and completeness of the revenue collected could not be confirmed.

2. Undisclosed Receivables from National Health Insurance Fund (NHIF)

The statement of financial position reflects receivables from non-exchange transactions of Kshs.7,346,057 as disclosed in Note 14 to the financial statements. However, review of National Health Insurance Fund (NHIF) records maintained at the Hospital revealed that the Hospital submitted claims amounting to Kshs.34,991,029 out of which settled claims amounted to Kshs.21,180,409 resulting to an outstanding amount of Kshs.13,810,620 which has not been disclosed as receivables in the financial statements.

In the circumstances, the accuracy and completeness of receivables from exchange transactions balance of Kshs.7,346,057 could not be confirmed.

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

The statement of financial position reflects a balance Kshs.7,113,427 in respect of property, plant and equipment as disclosed in Note 15 to the financial statements. However, Physical verification of the Hospital compound, offices and records maintained

at the Hospital revealed that there were assets that were not included in the financial statements. These included land, software applications, medical and other equipment. In addition, review of the fixed assets register provided for audit verification reveals that mandatory details that include asset description, acquisition dates and costs, location of assets, source of funding/donation, depreciation charge, status of the assets, work-in-progress and net book value were missing. The register was incomplete and therefore the source of reported balances in the statement of financial position was not established.

In the circumstances, the valuation, ownership and completeness of property, plant and equipment balance of Kshs.7,113,427 could not be confirmed.

4. Undisclosed Inventory Balance

During the year under review, the Hospital operated equipped stores for pharmaceuticals, non-pharmaceuticals, kitchen and nutrition department, cleaning and laboratory items and equipment. However, no evidence was provided to indicate that stock taking exercise was conducted as at the end of the financial year. As a result, Management was not in position to identify, separate and account for the inventories to disclose in the financial statements.

In the circumstances, the accuracy and completeness of the Kshs Nil balance in the financial statements could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects approved budgeted revenue of Kshs.128,857,457 against actual revenue of Kshs.121,289,140 resulting in net under-collection of Kshs.7,568,317 or 6%. Similarly, Management spent Kshs.117,607,851 against actual receipts of Kshs.121,289,140 resulting to an underutilization of Kshs.3,681,289 or 3% of the actual receipts.

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

However, my opinion is not modified in respect of this matter.

Key Audit Matters

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

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 matter 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

Irregular Use of Low Value Procurement

The statement of financial performance and Note 7 to the financial statements reflects Kshs.45,611,371 in respect to Medical/clinical costs. Review of the expenditure revealed procurement of items through low value procurement method amounting to Kshs.1,826,495 contrary to Section 107 of the Public Procurement and Asset Disposal Act, 2015 which states that a procuring entity may use a low-value procurement procedure if, the entity is procuring low value items which are not procured on a regular or frequent basis and are not covered in framework agreement; and the estimated value of the goods, works or non-consultancy services being procured are less than or equal to the maximum value per financial year for that low-value procurement procedure as may be prescribed.

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

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, and based on the audit procedures performed, except for the matters 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. Board of Management Expenses

During the year under review the Hospital paid Kshs.78,000 as sitting allowance to Board of Management members as disclosed in Note 9 to the financial statements. However, Board work plan for the year was not prepared. In addition, Board charter was not provided for review.

In the circumstances, the effectiveness of governance in the Hospital could not be confirmed.

2. Use of Obsolete Revenue Management System

Review of the revenue collection management system used by the Hospital revealed that there were no user declaration forms issued to the system users for control purposes. Furthermore, Management indicated that the system's vendor had withdrawn his services and hence exposing the client's data to risks of misuse and related data security breaches.

In the circumstances, the effective and seamless collection of revenue cannot be guaranteed from the use of unsupported and unsecured revenue collection system.

3. Inadequacies in Assets Management

Examination of relevant processes, procedures and practices with regard to recording, reporting, use and maintenance of fixed assets revealed that the Hospital has a motor vehicle fleet of twenty four (24) vehicles whose ownership documents were not produced for audit verification. In addition, review of motor vehicle inventory, work tickets and physical verification revealed that eight (8) motor vehicles of unknown value were grounded and four (4) under repair and parked at various garages in Malindi town and others within the Hospital compound without due regard on wear, tear and possibility of vandalism.

In the circumstances, effectiveness of control and safeguarding of assets could not be confirmed.

4. Failure to Account for Information Communication (ICT) Equipment

The statement of financial position reflects a balance of Kshs.7,113,427 in respect of property, plant and equipment which includes a net book value of Kshs.3,980,403 in respect of ICT equipment as disclosed in Note 15 to the financial statements. Examination of records maintained at the Hospital revealed six (6) laptops amounting to Kshs.960,000

that had been procured and distributed for use by various staff members without a signed distribution list.

In the circumstances, it was not possible to confirm the controls on safeguarding of assets.

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

Responsibilities of Management and those Charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the Hospital's ability to continue sustain services disclosing, as applicable, matters related to sustainability of services and using the applicable 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 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 controls in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal 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 Malindi Sub-County Level 4 Hospital policies and procedures may deteriorate.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Hospital ability to continue as a going concern or 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 sustaining 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 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.


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

01 July, 2024

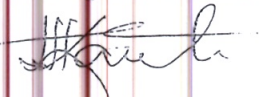
Malindi Sub-County Hospital (Kilifi County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2022

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

Description	Note	2021/2022 Kshs
Revenue from non-exchange transactions		
Transfers from HSIF Fund	6	121,289,140
Total revenue		121,289,140
Expenses		
Medical/ Clinical Costs	7	45,611,371
Employee costs	8	18,079,851
Board of Management Expenses	9	78,000
Depreciation and Amortization Expense	10	2,153,462
Repair and Maintenance	11	8,517,859
General Expenses	12	45,320,770
Total expenses		119,761,313
Surplus/(deficit) for the period		1,527,827

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

Christopher Kambi



.....
Chairman

Board of Management

Baraka Ndilo



.....
Head of Finance

ICPAK No:

Job Gayo



.....
Medical Superintendent

XIV. Statement of Financial Position as of 30th June 2022

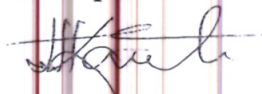
Details	Note	2021/2022
		Kshs
Assets		
Current assets		
Cash and cash equivalents	13	55,097
Receivables from Non-exchange transactions	14	7,346,057
Total Current Assets		7,401,154
Non-current assets		
Property, plant, and equipment	15	7,113,427
Total Non-current Assets		7,113,427
Total assets		14,514,581
Liabilities		
Current liabilities		
Trade and other payables from exchange transactions	16	5,629,931
Total liabilities		5,629,931
Net assets		
Accumulated surplus		8,884,650
Total net assets and liabilities		14,514,581

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

Christopher Kambi

Baraka Ndilo

Job Gayo





Chairman

Head of Finance

Medical Superintendent

Board of Management

ICPAK No:

Malindi Sub-County Hospital (Kilifi County Government)
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XV. Statement of Changes in Net Asset for The Year Ended 30 June 2022

	Revolving Fund	Revaluation Reserve	Accumulated surplus	Total
		KShs	KShs	KShs
Balance as at 1 July 2021	-	-	7,356,823	7,356,823
Adjustments				-
Surplus/(deficit) for the period	-	-	1,527,827	1,527,827
Balance as at 30 June 2022	-	-	8,884,650	8,884,650

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

Christopher Kambi



.....

Chairman
Board of Management

Baraka Ndilo



.....

Head of Finance
ICPAK No:

Job Gayo



.....

Medical Superintendent

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

Description	Note	2021/2022 Kshs
Cash flows from operating activities		
Receipts		
Transfers from HSIF Fund	6	113,943,083
Total Receipts		113,943,083
Payments		
Medical/ Clinical Costs	7	40,009,144
Employee costs	8	17,969,657
Board of Management Expenses	9	78,000
General Expenses	12	38,992,106
Repair and Maintenance	11	7,572,956
Total Payments		104,621,863
Net cash flows from operating activities	17	9,321,220
Cashflow from Investing activities		
Purchase of Property, Plant and Equipment	15	(9,266,889)
Net cash flows used in investing activities		(9,266,889)
Net increase/(decrease) in cash and cash equivalents		54,331
Cash and cash equivalents at 1 JULY 2021		766
Cash and cash equivalents at 30th June 2022	13	55,097

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

Christopher Kambi

Baraka Ndilo

Job Gayo





.....
Chairman
Board of Management

.....
Head of Finance
ICPAK No:

.....
Medical Superintendent

XVII. Statement of Comparison of Budget and Actual Amounts for The Year Ended 30 June 2022

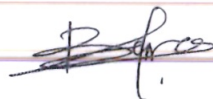
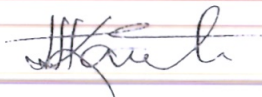
	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% utilisation
Description	2021/2022	2021/2022	2021/2022	2021/2022	2021/2022	2021/2022
Revenue	Kshs	Kshs	Kshs	Kshs	Kshs	
Transfers from County Govt & FIF Revenue	71,638,043	57,219,414	128,857,457	121,289,140	(7,568,317)	94%
Total income	71,638,043	57,219,414	128,857,457	121,289,140	7,568,317	94%
Expenses						
Medical/ Clinical Costs	25,040,409	24,636,390	49,676,799	45,611,371	4,065,428	92%
Employee costs	15,869,062	2,219,100	18,088,162	18,079,851	8,311	100%
Board of Management Expenses	78,000	-	78,000	78,000	-	100%
General Expenses	25,248,232	25,199,634	50,447,866	45,320,770	5,127,096	90%
Repair and Maintenance	5,402,340	5,164,290	10,566,630	8,517,859	2,048,771	81%
Total expenditure	71,638,043	57,219,414	128,857,457	117,607,851	11,249,606	91%
Surplus for the period	-	-	-	3,681,289	(3,681,289)	

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

Christopher Kambi

Baraka Ndilo

Job Gayo



.....
Chairman
Board of Management

.....
Head of Finance
ICPAK No:

.....
Medical Superintendent

Notes to the Budget

In accordance with IPSAS 24.29, the changes in the budget amounting to Ksh.57,219,414 was attributed to reallocations and the supplementary budget.

The actual revenue fell short of the budgeted revenue by Kshs. 7,568,317. This represents a variance of approximately 13% below the budgeted amount. This was attributed to lower-than-expected cash collections and reimbursements from NHIF. Also underperformance in revenue collections from sources like Public Health contributed to the short fall.

The figures of Total Expenses and Surplus/(Deficit) For the Period in the ***Statement of Financial Performance*** and ***Statement of Comparison of Budget and Actual*** have a difference of ***Kshs 2,153,462/-***. This amount represents the depreciation for the year.

The notes set out on pages 53-68 form an integral part of the Annual Financial Statements.

XVIII. Notes To the Financial Statements

1. General Information

MSCH is established by and derives its authority and accountability from HSIF Act. The entity is wholly owned by the Kilifi County Government and is domiciled in Malindi Kenya. The entity's principal activity is to in provide curative, preventive, promotive and rehabilitative health services.

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

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

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><i>(No impact of the standard to the Entity)</i></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

Malindi Sub-County Hospital (Kilifi County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2022

	<p>(c) The impact of such social benefits provided on the Entity's financial performance, financial position and cash flows.</p> <p><i>(No impact of the standard to the Entity)</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.</p> <p><i>(No impact of the standard to the Entity)</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.</p> <p><i>(No impact of the standard to the Entity)</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 information gives a basis for users of financial statements to assess the effect that</p>

Notes to the Financial Statements (Continued)

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 VIII of these financial statements.

c) 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. The rate of depreciation is as indicated below,

Description	Furniture, fittings, and office equipment	IT Equipment	Plant and medical equipment
Cost	Shs	Shs	Shs
Depreciation Rate	12.50%	30%	12.50%

d) 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.

Notes to the Financial Statements (Continued)

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

i) 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 imprest and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.

j) Comparative figures

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

k) Subsequent events

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

Malindi Sub-County Hospital (Kilifi County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2022

Notes to the Financial Statements (Continued)

However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Entity. Such changes are reflected in the assumptions when they occur. (IPSAS 1.140)

Useful lives and residual values

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

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

Notes to the Financial Statements (Continued)

6. Transfers from HSIF

Description	2021/2022 Kshs
Grants – HSIF Q1	121,289,140
Grants – HSIF Q2	-
Grants – HSIF Q3	-
Grants – HSIF Q4	-
Total	121,289,140

7. Medical/ Clinical Costs

Description	2021/2022 Kshs
Sanitary and cleaning Materials	1,493,560
Dressing and Non-Pharmaceuticals	9,675,160
Purchase of medical gases	-
Laboratory chemicals and reagents	9,860,489
Pharmaceutical supplies	10,508,892
Food and ration	2,014,914
Uniform, clothing and linen	724,280
	121,540

Malindi Sub-County Hospital (Kilifi County Government)
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Notes to the Financial Statements (Continued)

16. Trade and Other Payables

Description		2021/2022
		Kshs
Trade payables		5,629,931
Total trade and other payables		5,629,931

17. Cash Generated from Operations

Description		2021/2022
		Kshs
Surplus for the year before tax		1,527,827
Adjusted for:		
Depreciation		2,153,462
Working Capital adjustments		
Decrease in receivables		310,278
Increase in payables		5,329,653
Net cash flow from operating activities		9,321,220

18. Trial Balance

S/NO	DESCRIPTION	AMOUNT (KSHS)	
		Debit (DR)	Credit (CR)
1	Transfers from HSIF Fund		121,289,140
2	Medical/ Clinical Costs	45,611,371	
3	Employee costs	18,079,851	
4	Board of Management Expenses	78,000	
5	Depreciation and Amortization Expense	2,153,462	
6	Repair and Maintenance	8,517,859	
7	General Expenses	45,320,770	
8	Property, plant, and equipment	7,113,427	
9	Cash and cash equivalents	55,097	
10	Receivables from Non-exchange transactions	7,346,057	
11	Trade and other payables from exchange transactions		5,629,931
12	Accumulated surplus		8,884,650
13	Surplus for the period	1,527,827	
	TOTAL	135,803,721	135,803,721

XIX. Appendices

Appendix 1: Progress on Follow up Of Auditor Recommendations

There are no follow up recommendations by Auditor.

Dr Job Gayo



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Accounting Officer

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

*Malindi Sub-County Hospital (Kilifi County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2022*

APPENDIX II: Inter-Entity Confirmation Letter/

*Malindi Sub-County Hospital
P.O BOX 4, Malindi*

The HSiF 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 Malindi Sub-County Hospital as at 30 th June 2022							
Amounts Disbursed by HSiF(KShs) as at 30th June 2022							
Reference Number	Date Disbursed	Recurrent (A)	Development (B)	Inter-Ministerial (C)	Total (D)=(A+B+C)	Amount Received by MSCH as at 30th June 2022 (E)	Differences (KShs) (F)=(D-E)
FT212357ZXLX	24 Aug 2021	2,759,329	-	-	2,759,329	2,759,329	-
FT212585HZNS	16 Sep 2021	51,247,358	-	-	51,247,358	51,247,358	-
FT21300QW1WW	28 Oct 2021	6,095,250	-	-	6,095,250	6,095,250	-
FYT213426YM9Z	8 Dec 2021	7,912,000	-	-	7,912,000	7,912,000	-
FYT213504ST29	16 Dec 2021	6,955,634	-	-	6,955,634	6,955,634	-
FT22024GR34V	25 Jan 2022	3,786,778	-	-	3,786,778	3,786,778	-
FT22063LT8J4	7 Mar 2022	4,451,940	-	-	4,451,940	4,451,940	-
FT22104S27FD	19 Apr 2022	8,660,231	-	-	8,660,231	8,660,231	-
FT2212959Y56	10 May 2022	5,575,200	-	-	5,575,200	5,575,200	-
FT22158DDPBW	7 Jun 2022	3,979,430	-	-	3,979,430	3,979,430	-
FT221587N5H	7 Jun 2022	2,217,780	-	-	2,217,780	2,217,780	-
FT22172D065Z	21 Jun 2022	7,771,353	-	-	7,771,353	7,771,353	-
FT22180C0Z55	29 Jun 2022	2,520,800	-	-	2,520,800	2,520,800	-
TOTAL		113,933,083	-	-	113,933,083	113,933,083	-

Malindi Sub-County Hospital (Kilifi County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2022

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

Head of Accountants MSCH:

Name Baraka Ndilo

Sign



Date

