

Office of the Auditor General
of State Finances (OAG-Rwanda)



RWINKWAVU DISTRICT HOSPITAL

Compliance audit report

For the year ended 30 June 2024

**RWINKWAVU DISTRICT HOSPITAL
COMPLIANCE AUDIT REPORT FOR THE YEAR ENDED 30 JUNE 2024**

TABLE OF CONTENTS

1. BACKGROUND, MANDATE & GOVERNANCE.....	3
2. STATEMENT OF MANAGEMENT RESPONSIBILITIES.....	7
3. REPORT OF THE AUDITOR GENERAL.....	8
4. DESCRIPTION OF THE SUBJECT MATTERS AND SCOPE.....	11
5. COMPLIANCE WITH LAWS AND REGULATIONS REGULATING PUBLIC SPENDING	14
6. REALIZATION OF VALUE FOR MONEY IN UTILIZATION OF PUBLIC FUNDS...	22
7. IMPLEMENTATION OF PREVIOUS AUDIT RECOMMENDATIONS.....	29
8. STATUS OF IMPLEMENTATION OF PREVIOUS AUDIT RECOMMENDATIONS..	31
APPENDICES.....	32

RWINKWAVU DISTRICT HOSPITAL BACKGROUND, MANDATE & GOVERNANCE

1. BACKGROUND, MANDATE & GOVERNANCE

1.1 Background of Rwinkwavu District Hospital

Rwinkwavu District Hospital is one of the two hospitals of Kayonza District in the Eastern Province of Rwanda. It is located in Kinihira Village, Nkondo Cell, Rwinkwavu Sector at approximately 12 km from the main road Kayonza- Rusumo (through Kabarondo) on Akagera National Park Road.

Rwinkwavu Hospital started its activities in 1947. However, it was destroyed in 1994 during the Genocide against Tutsi in Rwanda. After, the hospital re-opened under Partners in Health which managed the crisis of health care. It was returned to Government management in 2010 with different managerial challenges based on its background.

Rwinkwavu District Hospital serves about 253,153 inhabitants from eight (8) Sectors of Kayonza District namely:

1. Rwinkwavu Sector;
2. Kabare Sector;
3. Nyamirama Sector;
4. Ruramira Sector;
5. Murama Sector;
6. Ndego Sector; and
7. Kabarondo Sector.
8. Mwiri sector

Its catchment area also covers Rugendabari Cell of Mukarange Sector, Kayonza District.

Rwinkwavu District Hospital supervises nine (9) Health Centers within its catchment area to ensure that high quality health care services are provided to the population. These are:

1. Ruramira Health Centre;
2. Nyamirama Health Centre,
3. Ndego Health Centre;
4. Karama Health Centre;
5. Kabarondo Health Centre;
6. Cyarubare Health Centre;
7. Rutare Health Centre and
8. Rwinkwavu Health Centre.
9. Kageyo Health Centre

1.2 Mandate of Rwinkwavu District Hospital

The principal activities of Rwinkwavu District Hospital consist of providing equitable, affordable and quality health care services to the population. It also ensures technical supervision of Health Centers in its catchment area while promoting preventive and curative solutions; thereby contributing to the welfare of the population.

As a public hospital, Rwinkwavu District Hospital offers outpatient and inpatient services to all persons seeking medical care from the hospital.

RWINKWAVU DISTRICT HOSPITAL BACKGROUND, MANDATE & GOVERNANCE

1.2.1 Services offered by the Hospital

The health care services offered by the Hospital are categorized into Clinical and Support services, as follows:

The **Clinical services** comprises of:

- Outpatient (OPD) services;
- Inpatient services (internal medicine, gynecology and obstetrics, maternity, paediatrics, surgery, neonatology);
- Emergency care services;
- Ambulance services;
- Pharmacy services;
- Radiology services;
- Laboratory, including biochemistry, hematology, microbiology, serology and molecular biology;
- Non-Communicable Diseases (NCD) services
- Pediatrics Development Clinic (PDC) services
- Antiretroviral (ARVs) services for people living with HIV/AIDS;
- One Stop Centre services for Gender-Based Violence (GBV) cases;
- Paramedical services (Dentistry, Ophthalmology, Medical imaging, Mental health, Physiotherapy);
- Family planning services;
- Social and nutrition services. and
- Mortuary services.

The **Support services** include:

- Finance and Administration;
- Procurement;
- Logistics and stock management;
- Recovery;
- Cashiers;
- Information and Technology Management;
- Reception, Public relations and customer care;
- Quality Improvement;
- Planning, Monitoring and Evaluation;
- Laundry;
- Secretariat;
- Maintenance.
- Library, documentation and archives.

1.3 Vision of Rwinkwavu District Hospital

To become a center of Excellency in providing safe, effective and efficient healthcare services in East Africa by competent staffs respecting standards of ethical behavior

RWINKWAVU DISTRICT HOSPITAL BACKGROUND, MANDATE & GOVERNANCE

1.4 Mission of Rwinkwavu District Hospital

- To provide high quality standard medical and surgical healthcare based on updated and evidence-based practices to clients from different health centers of Kayonza District and abroad
- Supervision of health centers in the catchment area & Education and research.

1.5 Governance of Rwinkwavu District Hospital

Rwinkwavu District Hospital is a Non-Budget Agency (NBA)/Subsidiary entity under Kayonza District. Its functions are governed by two (2) Organs; namely the Health Committee and the Management Committee.

1.5.1 The Health Committee

The Health Committee is the authority responsible for the overall direction of Rwinkwavu District Hospital. It is the body in charge of oversight and it is entrusted to make strategic decisions for the hospital.

The members of the Health Committee who served during the year ended 30 June 2024 and up to the date of this report were as follows:

Nº	Name	Position
1	ZIGIRA Alphonse	Chairperson
2	KAYIGIRE Anselme	Vice Chairperson, Representative of the District Executive Committee
3	SINDAYIGAYA Sicaire	Member, Representative of the Non-Profit Organizations
4	ASIIMWE Charles	Member, Representative of the Private Sector
5	UMUGWANEZA Walda	Member, Representative of Community Health workers
6	MUSHIMIYIMANA Jean de DIEU	Member, Representative of Heads of Health Centers
7	MUKAMUNANA Alphonsine	Member, Representative of Ministry of Health
8	Dr. MWISENEZA Phoebe	Secretary of Health Committee and Hospital Director General

1.5.2 The Management Committee

The management is responsible for running the day-to-day operations of the hospital and is headed by a Hospital Director General. The hospital has three (3) Units (headed by Directors), namely:

- (i) Medical and Allied Health Sciences Services Unit;
- (ii) Nursing and Midwifery Unit (including Nursing Department and Midwifery Department); and
- (iii) Administration and Finances Unit.

RWINKWAVU DISTRICT HOSPITAL

BACKGROUND, MANDATE & GOVERNANCE

The Members of the Management team who served during the year ended 30 June 2024 and up to the date of this report were as follows:

N°	Name	Position
1	Dr. MWISENEZA Phoebe	Director General
2	GATARIKI Jacques	Director of Administration and Finance
3	NYIRATUZA Adeline	Director of Nursing and Midwifery
4	Dr. UMUGWANEZA Olive	Clinical Director
5	NIYONSABA Jane Peter	Member
6	DUSABINEMA Firmin	Member

RWINKWAVU DISTRICT HOSPITAL

STATEMENT OF MANAGEMENT RESPONSIBILITIES FOR THE YEAR ENDED 30 JUNE 2024

2. STATEMENT OF MANAGEMENT RESPONSIBILITIES

Article 78 of the Organic Law N° 002 2022 OL of 12/12/2022 on Public Finance Management require each public sector entity to submit its annual financial statements to the Minister with a copy thereof to the Auditor General of State Finances within forty-five (45) days following the end of the fiscal year.

Article 20 of the Organic Law N° 002 2022 stipulates that the Chief Budget Manager is responsible for complying with all legal provisions in maintaining accounts and records of the budget agency, preparing reports on budget execution, preparing mid-term plan, annual action plan and budget for the entity, exercising control over the execution of the budget, including authorization of commitments and payments and collection of revenue, managing revenues and expenditures, managing the financial resources for the budget agency effectively, efficiently and in a transparent manner, ensuring sound internal control systems, preparing and implementing cash flow plans and preventing incurrence of unlawful expenditure.

As Chief Budget Manager, I accept responsibility for complying with all the provisions of the Organic Law on Public Finance Management, applicable public financial management regulations and other laws relating to public finance in incurring expenditure and managing the financial resources for **Rwinkwavu District Hospital**, effectively, efficiently and in a transparent manner; as determined by Article 20 of the Organic Law N° 002 2022 OL of 12/12/2022 on Public Finance Management.

In my opinion, **Rwinkwavu District Hospital**, complied with all applicable laws, regulations and guidelines in incurring expenditure and I further confirm that financial resources were managed effectively, efficiently and transparently to enable the realization of value for money for public funds.

Signature: _____

Dr. MWISENEZA Phoebe
Hospital Director General



Date: 01/10/2025

**RWINKWAVU DISTRICT HOSPITAL
COMPLIANCE AUDIT REPORT FOR THE YEAR ENDED 30 JUNE 2024**

3. REPORT OF THE AUDITOR GENERAL

REPORT ON COMPLIANCE

Dr. MWISENEZA Phoebe

Director General

3.1 Conclusion

In accordance with the Article 166 of the Constitution of the Republic of Rwanda , and Articles 6 and 14 of Law N° 79/2013 of 11/09/2013 determining the mission, organization and functioning of the Office of the Auditor General of State Finances (OAG), I carried out a compliance audit on whether **Rwinkwavu District Hospital** complied with applicable laws, regulations, guidelines and realized value for money in incurring expenditure for the year ended 30 June 2023 evaluated against the compliance with laws, regulations and guidelines regulating public expenditure. The evidence obtained is sufficient and appropriate to provide a basis for my conclusion that **Rwinkwavu District Hospital** complied in all material respects, with applicable laws, regulations, guidelines and realized value for money in incurring expenditure. The conclusions I expressed are described below:

3.1.1 Unqualified conclusion on compliance with applicable laws, regulations and guidelines regulating public spending

Based on audit work performed, **Rwinkwavu District Hospital** complied, in all material respects with applicable laws, regulations and guidelines regulating public spending in incurring expenditure for the year ended 2024.

3.1.2 Qualified conclusion on realization of value for money in utilization of public funds

Based on audit work performed, except for the effect of the matter (s) described in the *Basis for qualified conclusion* section 3.2.2 of my report paragraph 1 to 2 below, **Rwinkwavu District Hospital** realized value for money in utilization of public funds for the year ended 2024.

3.2 Basis for conclusions

The audit was conducted in accordance with the International Standards of Supreme Audit Institutions (ISSAIs). I am independent of **Rwinkwavu District Hospital** and have fulfilled my ethical responsibilities in accordance with the ethical requirements that are relevant to my audit of public entities as determined by the Code of ethics for International Organization of Supreme Audit Institutions (INTOSAI). I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion on whether the entity complied with applicable laws, regulations and guidelines regulating public spending and realized value for money in incurring expenditure.

**RWINKWAVU DISTRICT HOSPITAL
COMPLIANCE AUDIT REPORT FOR THE YEAR ENDED 30 JUNE 2024**

3.2.1 Basis for Qualified Conclusion on realization of value for money in utilization of public funds

REVIEW OF ASSET MANAGEMENT

(1) Long unrepaired damaged medical equipment

Article 71 of the Organic Law on Public Finance Management N° 002/2022.OL of 12/12/2022 states that Chief Budget Manager is responsible for the acquisition, maintenance, recording and disposal of public property in accordance with this Organic Law and other relevant legislation.

However, through the physical verification conducted on 24 June 2025 at Rwinkwavu District Hospital and the report from the Biomedical equipment, shown that there are 26 equipment with total of Frw 201,700,000, which lack some spare parts among these items there those with more than 10 months without being repaired.

This equipment mainly include ultrasound in maternity services, incubator in neonatology services, mobile x-ray machine, digital x-ray machine in laboratory services and washing machine in laundry services. There was no enough back up to cover the gap in the services that were being served by this unrepaired equipment. This impacts on the service delivery in the hospital.

Failure to dispose-of or repair damaged assets within reasonable time and put them in use exposes them to the risk of more damage, hence, affecting the health services. *For details, refer to section 6.1.1*

2) Failure to maintain the old hostel block

OAG field visit conducted on 24 June 2025 noted a hostel block with total value of Frw 32,616,000 which had not been maintained for more than two (2) years. It has old ceiling, wall humidity, and a broken rain gutter. It is important to note, the hostel block is not in use.

Therefore, the deterioration of the asset over time may increase future repair costs or render it completely unusable. *For details refer to section 6.1.2*

3.3 Management's responsibility for compliance

The Organic Law N° 002/2022 OL of 12/12/2022 on Public Finance Management specifies that management of **Rwinkwavu District Hospital** is responsible for ensuring compliance with all the provisions of the Organic Law, applicable public financial management regulations and other laws relating to public finance, to manage economically, effectively, efficiently and in a transparent manner, all the public funds in accordance with relevant legal provisions.

3.4 Auditor General's responsibility for compliance

Article 167 of the Constitution of the Republic of Rwanda, requires the Auditor General to confirm that:

- Expenditure incurred was necessary and in conformity with the laws and regulations in force and sound management;

RWINKWAVU DISTRICT HOSPITAL
COMPLIANCE AUDIT REPORT FOR THE YEAR ENDED 30 JUNE 2024

- Controls to safeguard the receipt, custody and proper use of public funds were put in place and that the laws and regulations in force were duly observed to prevent misappropriation of public funds; and
- **Rwinkwavu District Hospital** acquired and utilized human, material and financial resources economically, efficiently and effectively to prevent squandering of public funds.

My responsibility includes expressing a conclusion on whether the activities, financial transactions and information reflected in the financial statements are, in all material respects, in compliance with the above provisions of the Constitution implemented through Organic Law N° 002/2022 OL of 12/12/2022 on Public Finance Management and other existing laws and regulations relating to public financial management in Rwanda. This responsibility includes performing procedures to obtain audit evidence about whether the entity's expenditure was incurred in accordance with applicable laws, regulations and guidelines and whether value for money was realized in utilization of public funds. Such procedures include the assessment of the risks of material non-compliance.

KAMUHIRE Alexis
AUDITOR GENERAL

KIGALI, *2th October*, 2025



RWINKWAVU DISTRICT HOSPITAL
COMPLIANCE AUDIT REPORT FOR THE YEAR ENDED 30 JUNE 2024

4. DESCRIPTION OF THE SUBJECT MATTERS AND SCOPE

In accordance with the mandate vested in the Office of the Auditor General under Article 166 of the Constitution of the Republic of Rwanda , and Articles 6 and 14 of Law N° 79/2013 of 11/09/2013 determining the mission, organization and functioning of the Office of the Auditor General of State Finances (OAG), I carried out a compliance audit on whether the **Rwinkwavu District Hospital** complied with laws, regulations and guidelines regulating public spending in incurring expenditure for the year ended 30 June 2024. I also evaluated whether **Rwinkwavu District Hospital** realized value for money in utilization of public funds for the year ended 30 June 2024.

4.1 Audit Objective

Article 167 of the Constitution of the Republic of Rwanda and article 6 of Law N° 79/2013 of 11/09/2013 determining the mission, organization and functioning of the OAG, require the Auditor General to confirm that:

- Expenditure incurred was necessary and in conformity with the laws and regulations in force and sound management;
- Controls to safeguard the receipt, custody and proper use of public funds were put in place and that the laws and regulations in force were duly observed to prevent misappropriation of public funds; and
- **Rwinkwavu District Hospital** acquired and utilized human, material and financial resources economically, efficiently and effectively to prevent squandering of public funds.

I conducted compliance audit to confirm whether **Rwinkwavu District Hospital** complied with applicable laws, regulations and guidelines regulating public spending in incurring expenditure and realized value for money in utilization of public funds.

4.2 Audit Criteria

Criteria refer to relevant acts /laws or resolutions of the legislature and guidance issued by the competent public authorities, with which the audited entity is expected to comply. The following are applicable criteria:

4.2.1 Compliance with applicable laws, regulations regulating public expenditure

- Organic Law N° 002/2022 OL of 12/12/2022 on Public Finance Management;
- Ministerial Order No 001/MINEDUC/2023 of 04/01/2023 determining benefits for learners
- Law N° 031/2022 of 21/11/2022 governing public procurement;
- Ministerial Order N° 001/23/10/ TC of 10/10/2023 establishing regulations governing public procurement;
- Prime Minister's Order N° 034/01 of 13/01/2020 related to the community-based health insurance scheme subsidies
- Law N° 051/2023 of 05/09/2023 amending Law N° 027/2022 of 20/10/2022 establishing taxes on income;
- Law N° 017/2020 of 07/10/2020 establishing the general statute governing public servants
- Law N° 003/2016 of 30/03/2016 governing maternity leave benefit scheme

RWINKWAVU DISTRICT HOSPITAL
COMPLIANCE AUDIT REPORT FOR THE YEAR ENDED 30 JUNE 2024

- Law N° 37/2012 of 09/11/2012 establishing the Value Added Tax;
- Presidential Order N° 128/01 of 03/12/2020 relating to recruitment of public servant and induction programme;
- Ministerial Order N° 03/MIFOTRA/15 of 09/06/2015 determining modalities for recruiting contractual staff in public service;
- Ministerial Order N°001/16/10/TC of 26/01/2016 relating to financial regulations.
- Signed funding agreements.
- Approved salary scales;

4.2.2 Realization of value for money in utilization of public funds

- Organic Law N° 002/2022 OL of 12/12/2022 on Public Finance Management;
- Contracts signed between **Rwinkwavu District Hospital** and the suppliers

4.3 Summary of Work Performed and Methods

To obtain sufficient and appropriate audit evidence on which I based on to express a conclusion, I used different techniques in gathering evidence namely; inquires inspection of documents, inspection of fixed assets or constructed infrastructure and re-computation. The methods used for gathering audit evidence are explained below:

Inquiries: This method of gathering audit evidence involves seeking information from relevant persons, both within and outside the audited entity, and may include: Formal written inquiries; Informal oral discussions; Interviewing and asking questions of relevant persons, including experts; and preparing and sending questionnaires or surveys.

Inspection of documents: This method involves the examination of documents and records, both internal and external, in paper, electronic or other forms.

Inspection of fixed assets or constructed infrastructure: This method involves examining an asset or constructed infrastructure to determine its physical condition, its use and applicable required asset's specifications.

Re-computation: This method consists of confirming the mathematical accuracy of documents or records and can be performed through the use of Computer Assisted Audit Techniques.

**DETAILED AUDIT FINDINGS PER
SUBJECT MATTER**

**RWINKWAVU DISTRICT HOSPITAL
COMPLIANCE AUDIT REPORT FOR THE YEAR ENDED 30 JUNE 2024**

5. COMPLIANCE WITH LAWS AND REGULATIONS REGULATING PUBLIC SPENDING

5.1 REVIEW OF COMPLIANCE WITH PROCUREMENT PROCEDURES IN INCURRING EXPENDITURE

5.1.1 Disqualification of bidder without considering other reasonable factors

Observation

Article 59 of the Ministerial Order N° 001/23/10/TC of 10/10/2023 establishing regulations governing public procurement states that, subject to the provisions of the law governing public procurement, a bidder's prices are considered abnormal when they are more than 20% higher or lower than the updated market price. Before rejecting such a bid, the procuring entity is required to conduct an analysis of the abnormally high or low price. This analysis should include the following steps:

- a) Reviewing the market survey, considering the bid prices of other technically responsive bidders, prices in similar recent contracts, and current market conditions;
- b) Reviewing the cost breakdown of the unit price for each item to ensure that it is neither too low nor too high;
- c) Requesting written clarification from the bidder regarding resources, price breakdown, material inputs, pricing, and other relevant elements.

On 23 March 2024, Rwinkwavu District Hospital published a framework tender for the purchase of spare parts and maintenance of biomedical equipment with an estimated cost of **Frw 8,000,000**. Bids were opened on 4 April 2024, and two bids were received:

- Uhuru Pharmaceutical and Laboratory Supplier (Uphalab) Ltd: **Frw 18,040,000**
- SILICONET Ltd: **Frw 10,650,000**

On 17 April 2024, the Tender Committee evaluated the bids and issued a notification of rejection to both bidders, stating that their prices exceeded the budget. The notification also indicated that bidders had seven calendar days to lodge any protest against the decision.

On the same day (17 April 2024), SILICONET Ltd, the lowest and first-ranked bidder, submitted a written request to the hospital seeking to discuss the possibility of adjusting their price to fit the hospital's budget. However, on 23 April 2024, the hospital responded, informing the bidder that such discussions were not allowed.

The audit noted that the hospital rejected all bids without considering the bidder's request for negotiation or conducting any further analysis as required by the regulations. In particular, there was no additional market survey or cost breakdown review.

It was also noted that the initial market survey conducted prior to publishing the tender relied on a single supplier, making the price estimate potentially unreliable due to lack of comparison.

RWINKWAVU DISTRICT HOSPITAL
COMPLIANCE AUDIT REPORT FOR THE YEAR ENDED 30 JUNE 2024

Risk

Unjustified disqualification of bidders may delay the implementation of planned activities and result in missed opportunities for cost-effective solutions. Additionally, it undermines the principles of fairness and transparency in public procurement.

Recommendation

The hospital management should comply with public procurement regulations throughout the tendering process. Due diligence should be exercised during bid evaluations, including analysis of abnormal prices as required. In cases of uncertainty, the Tender Committee should seek guidance from RPPA to ensure adherence to legal and ethical standards.

Management comment

The hospital management noted recommendations, hospital rejected all the bids as they exceeded the budget according on the Law N° 031/2022 of 21/11/2022, Article 43. However, after you clearly pointed out an error we made, we will proceed to correct them accordingly to ensure that such issues do not occur again.

5.1.2 Delays noted in signing contracts for awarded tenders

Observation

Article 46 of the Law N° 031/2022 of 21/11/2022 governing public procurement states that the procuring entity notifies at the same time the successful bidder and the unsuccessful bidders of the provisional outcome of the bid evaluation. The notification specifies the major elements on which the tender award is based on and informs bidders that they have seven (7) days to lodge a complaint, if any, before a procurement contract is signed with the successful bidder.

Further, article 109 paragraph 6 and 7 of the Ministerial Order N° 001/23/10/TC of 10/10/2023 establishing regulations governing public procurement states that for national tenders, the performance security is provided within 15 days from the submission date of the invitation letter to sign the contract and for international tenders, the performance security is provided within 21 days from the submission date of the invitation letter to sign the contract

However, review of procurement process revealed that Rwinkwavu District hospital signed thirteen (13) contracts worth Frw 136,773,790 with delays ranging between 5 and 34 days. *Refer to appendix 1 for details.*

Risk

Delays in signing contracts may adversely affect the timely implementation of planned activities and impede achievement of intended objectives.

Recommendation

Going forward, Rwinkwavu District Hospital management should ensure that, after tender notification, the contracts are signed within reasonable timeframe. This will enable them to obtain goods and services on time as planned.

RWINKWAVU DISTRICT HOSPITAL
COMPLIANCE AUDIT REPORT FOR THE YEAR ENDED 30 JUNE 2024

Management comment

Hospital management acknowledges the delay in signing contracts, which have been caused by issues with the e-procurement system, negotiation for some contracts and other different issues like weekend. In managing the contracts, we have taken into account the bid validity period. However, we accepted your recommendations and we will implement measures to comply with your advice.

RWINKWAVU DISTRICT HOSPITAL
COMPLIANCE AUDIT REPORT FOR THE YEAR ENDED 30 JUNE 2024

5.2 REVIEW OF COMPLIANCE WITH HUMAN RESOURCE MANAGEMENT PRACTICES

5.2.1 Lack of plan to fill vacant positions in Rwinkwavu District Hospital

Observation

Prime Minister's Instruction N° 001/03 of 01/09/2020 determining organizational structure, salaries and fringe benefits for employees of Referral Hospitals, Provincial Hospitals, District Hospitals, Specialized hospitals, Medicalized health Centre's and Health Centre's outlines the District Hospital structure and positions and requires Rwinkwavu District Hospital to have 179 staff.

The audit revealed a number of vacant positions. As of 30 June 2024, there were 19 vacant positions representing 11% of total positions in organization structure, included in this figure are 15 medical staff that represent 79% of the total vacant positions. *For details refer to the table below:*

Description	At the time of audit in June 2025
Total expected staff per current structure(A)	179
Total staff available (B)	160
Total vacant Positions (C)	19
% of vacant position (D=C/A) %	11%
Expected medical staff(A)	150
Total staff available (B)	135
Vacant positions(C=A-B)	15
% of vacant position %(D=C/A) %	10%
Expected supporting staff(A)	29
Total staff available (B)	25
Vacant Positions(C=A-B)	4
% of vacant position (D=C/A) %	14%

For details refer to appendix 2.

However, no plan was availed by management on how these vacant positions shall be filled in the near future.

Risk

Due to vacant job positions, there is a risk of poor performance. This can adversely affect health care service delivered to the public.

Recommendation

Management of Rwinkwavu District Hospital in collaboration with Ministry of Health, Kayonza District should establish a long-term plan to progressively fill the vacant positions for better service delivery.

RWINKWAVU DISTRICT HOSPITAL COMPLIANCE AUDIT REPORT FOR THE YEAR ENDED 30 JUNE 2024

Management comment

Hospital management noted the recommendation that the speed up of the staff replacement, recruitment and we will continue to work along with Ministry of Health and Kayonza District for recruiting the staff as per structure. This should be done within five years as it appears on Prime Minister's Instructions N° 001/03 of 01/09/2020 in its article 12

These instructions come into force on the date of their publication in the Official Gazette of the Republic of Rwanda. However, additional changes in organizational structures of health facilities under these instructions shall be implemented upon the revision of the 2020/2021 national budget following their budget allocation. Also, the additional changes shall be progressively implemented over a period of five (5) years."

5.2.2 Staff turnover in Rwinkwavu District Hospital

Observation

The main core mission of Rwinkwavu District Hospital is to provide high-quality, standard medical and surgical healthcare services, based on updated and evidence-based practices, to clients from Kayonza District and abroad.

However, the audit noted that the staff turnover in medical services departments as well as in support staff over the last two (2) years. *See the table below:*

Year	Turnover in Medical staff
2024-2025	4
Year	Turnover in support staff
2023-2024	3

For details, See appendix 3.

Risk

Highlighted medical and support staff turnover may lead to the loss of experienced medical staff at Rwinkwavu District Hospital. This may negatively lead to poor service delivery to the patient looking for health care services.

Recommendation

The hospital management in collaboration with the Ministry of Health and other concerned stakeholders should ensure that this issue is minimized or addressed.

Management comment

This is due to the fact that there are few doctors and the need for them is high. Furthermore, when they finish their undergraduate studies, they work for a short time and then go on to do a specialty because the country needs more specialists. This will be done by ensuring that hospitals continue to work with Ministry of Health and other ministries to find a sustainable solution that will prevent this high turnover.

**RWINKWAVU DISTRICT HOSPITAL
COMPLIANCE AUDIT REPORT FOR THE YEAR ENDED 30 JUNE 2024**

5.2.3 Significant delays in replacement of medical staff who leave Rwinkwavu District hospital

Observation

During the review of the process of replacement of outgoing staff in Rwinkwavu District hospital from 2023 to 2025, audit noted the delays in replacement of twenty-seven (27) medical staff who leave the hospital with new staff. The delays ranged between **243 and 668 days**. *For details, refer to appendix 4*

Risk

Delay in replacement of outgoing staff increases the workload to remaining staff by working more hours than they are allowed. This may also lead to poor service delivery to patients.

Recommendation

The Hospital management in collaboration with MINISANTE should ensure that the outgoing staff are replaced on time to avoid the increase of workload to the remaining staff and to ensure quality and speed of service delivery.

Management comment

Hospital management noted the recommendation and will continue to work with Ministry of health and Kayonza district to ensure timely replacement.

5.2.4 Rwinkwavu Hospital staff holding positions in acting capacity for a long period

Observation

Paragraph 3 of Article 57 of Law N° 017/2020 of 07/10/2020 establishing the general statutes governing public servants stipulates that a public servant serves in an acting position for a period not exceeding one (1) year.

Contrary to the above provision, the audit noted four (4) Rwinkwavu District hospital staff in acting position for a period beyond one (1) year. The period in acting ranged from **1.8 to 3 years** counted from allowed period on acting position. *For more details, refer to the table below:*

S/N	Names	Position	Start date of acting	Expected end date on acting position	Date of audit	Years in acting
			A	B= (A+1 year)	C	D=(C-A)
1	NIYONSABA Jane Peter	Ag. Human Resource officer	14/12/2022	14/12/2023	25/06/2025	2.5
2	AYINKAMIYE Adelphine	Ag. Recovery officer	29/12/2021	29/12/2022	25/06/2025	3
3	FAZIL Rachel	Ag. Accountant	24/08/2023	24/08/2024	25/06/2025	1.8

**RWINKWAVU DISTRICT HOSPITAL
COMPLIANCE AUDIT REPORT FOR THE YEAR ENDED 30 JUNE 2024**

S/N	Names	Position	Start date of acting	Expected end date on acting position	Date of audit	Years in acting
4	MUKASHYAKA Nelly	Ag. Principle cashier	24/08/2023	24/08/2024	25/06/2025	1.8

Risk

Serving in acting capacity for long period may affect the staff's own performance and motivation. Hence, adversely impacting the efficient and effective performance of Rwinkwavu District Hospital.

Recommendation

Rwinkwavu District Hospital through Kayonza District should adopt a way forward to settle the issue of employees occupying various positions in acting capacity for long period.

Management comment

The management acknowledges that there are employees who have been working in temporary positions for long period and will continue working with the district to recruit new employees so that temporary positions can be filled.

5.3 REVIEW OF EXPENDITURE

5.3.1 Failure to pay mission allowances to staff before their departure for official missions

Observation

Articles 3 and 5 of the Ministerial Instructions N° 01/19.23 of 03/03/2016 determining mission allowance of civil servants on mission inside the country provide that a civil servant on official mission is entitled to mission allowance based on his/her job level, and the allowance is granted to the civil servant before departure.

Contrary to this provision, on sample basis the audit noted cases where the hospital paid mission allowances amounting to Frw 13,817,842 to staff members after completing their missions. The delays in payment of mission allowances ranged between 10 and 332 days counted from the start of the mission to the date of payments. *For details, refer to appendix 5*

Risk

The employees who travel without travel allowances their performance can adversely be affected. Hence, the intended objective may not be achieved.

Recommendation

Hospital management should ensure that staff mission allowances are paid to the intended beneficiaries prior to departure for fieldwork as required.

**RWINKWAVU DISTRICT HOSPITAL
COMPLIANCE AUDIT REPORT FOR THE YEAR ENDED 30 JUNE 2024**

Management comment

The Hospital management acknowledges that they don't pay staff mission before they go to mission due to two reasons:

Budget constraints: For example, an employee/staff can go to the field while there are no enough funds because the hospital uses money generated from insurance companies. Once they pay, the hospital management pay also the staff.

Another challenge relates to the nature of the hospital as the services are open 24/24 hours a day, even weekends and the process for payment cannot be completed before the staff depart for missions.

However, the hospital will work with the employees who go to the mission on how they will be paid before going and the hospital management will set instructions based on the law of the mission on which they will get their allowance before going to the field.

5.3.2 Delay in settling supplier's invoices

Observation

Article 144 of the Law N° 031/2022 of 21/11/2022 governing public procurement states that the payment of any invoice to be paid must not exceed forty-five (45) days from the day the successful bidder submits it together with all required supporting documents.

Contrary to the above requirement, review of expenditure noted that Rwinkwavu District Hospital delayed to settle supplier's invoices amounting to **Frw 109,387,873**. The delays ranged between **5 and 215 days**.

Risk

Failure to settle invoices/requests for payment issued to Rwinkwavu District Hospital as they fall due may adversely affect the reputation of the entity as well as damaging its relationship with the suppliers. Consequently, this may delay implementation of planned activities.

Recommendation

Rwinkwavu District Hospital management should ensure that invoices/requests for payment received are settled within the required deadlines by the law.

Management comment

Management noted the recommendation which caused by constraint of budget and will continue to advocate to insurance companies to timely pay submitted hospital invoices which will enable the hospital to pay suppliers on time.

**RWINKWAVU DISTRICT HOSPITAL
COMPLIANCE AUDIT REPORT FOR THE YEAR ENDED 30 JUNE 2024**

6 REALIZATION OF VALUE FOR MONEY IN UTILIZATION OF PUBLIC FUNDS

6.1 REVIEW OF ASSET MANAGEMENT

6.1.1 Long unrepaired damaged medical equipment

Observation

Article 71 of the Organic Law on Public Finance Management N° 002/2022.OL of 12/12/2022 states that Chief Budget Manager is responsible for the acquisition, maintenance, recording and disposal of public property in accordance with this Organic Law and other relevant legislation.

However, through the physical verification conducted on 24 June 2025 at Rwinkwavu District Hospital and the report from the Biomedical equipment, shown that there was **26** equipment with total of Frw **201,700,000**, which lack some spare parts for more than 10 months without being repaired.

This equipment mainly include ultrasound in maternity services, incubator in neonatology services, mobile x-ray machine, digital x-ray machine in laboratory services and washing machine in laundry services. There was no enough back up to cover the gap in the services that were being served by this unrepaired equipment. This negatively impacts on the service delivery in the hospital. *See the picture below for more details:*

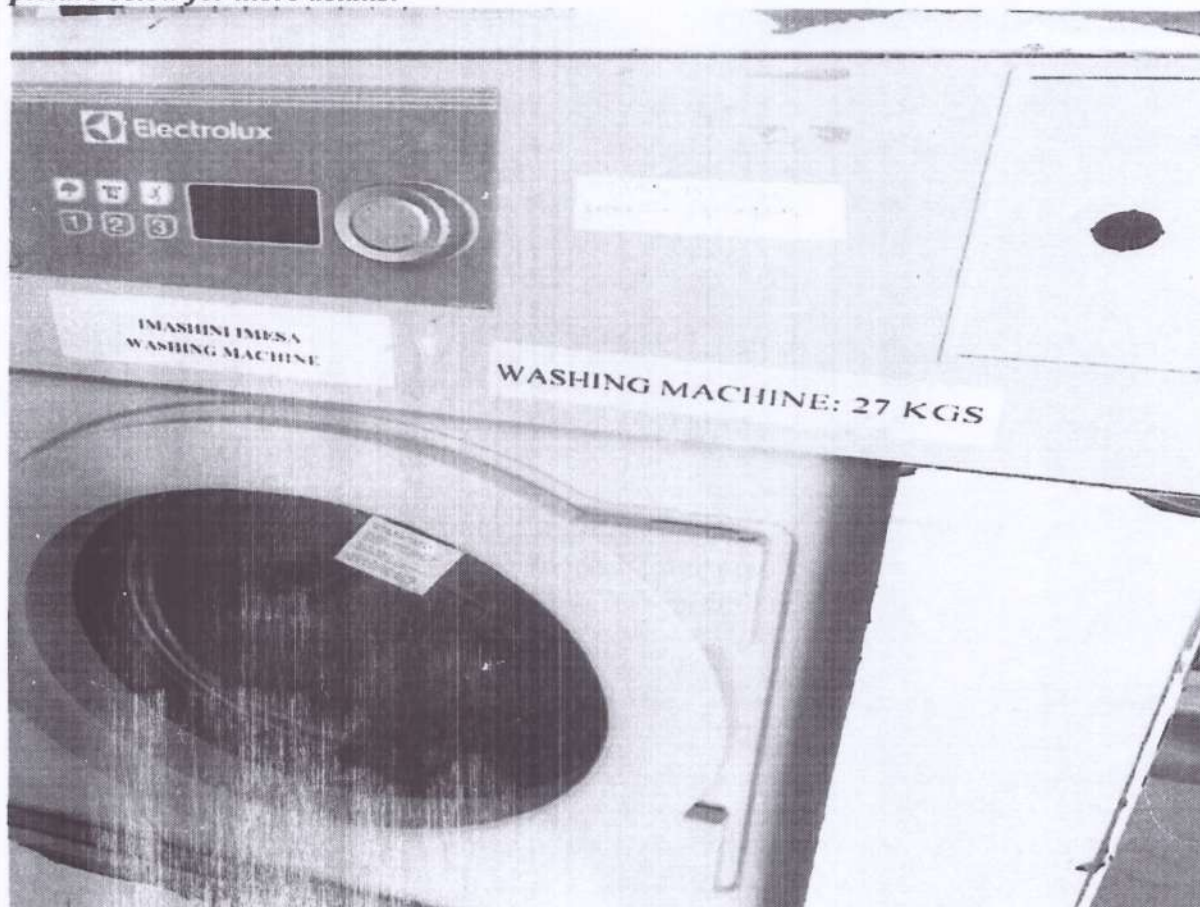


Photo taken by OAG on 24 June 2025, showing idle washing machine in the laundry.

**RWINKWAVU DISTRICT HOSPITAL
COMPLIANCE AUDIT REPORT FOR THE YEAR ENDED 30 JUNE 2024**

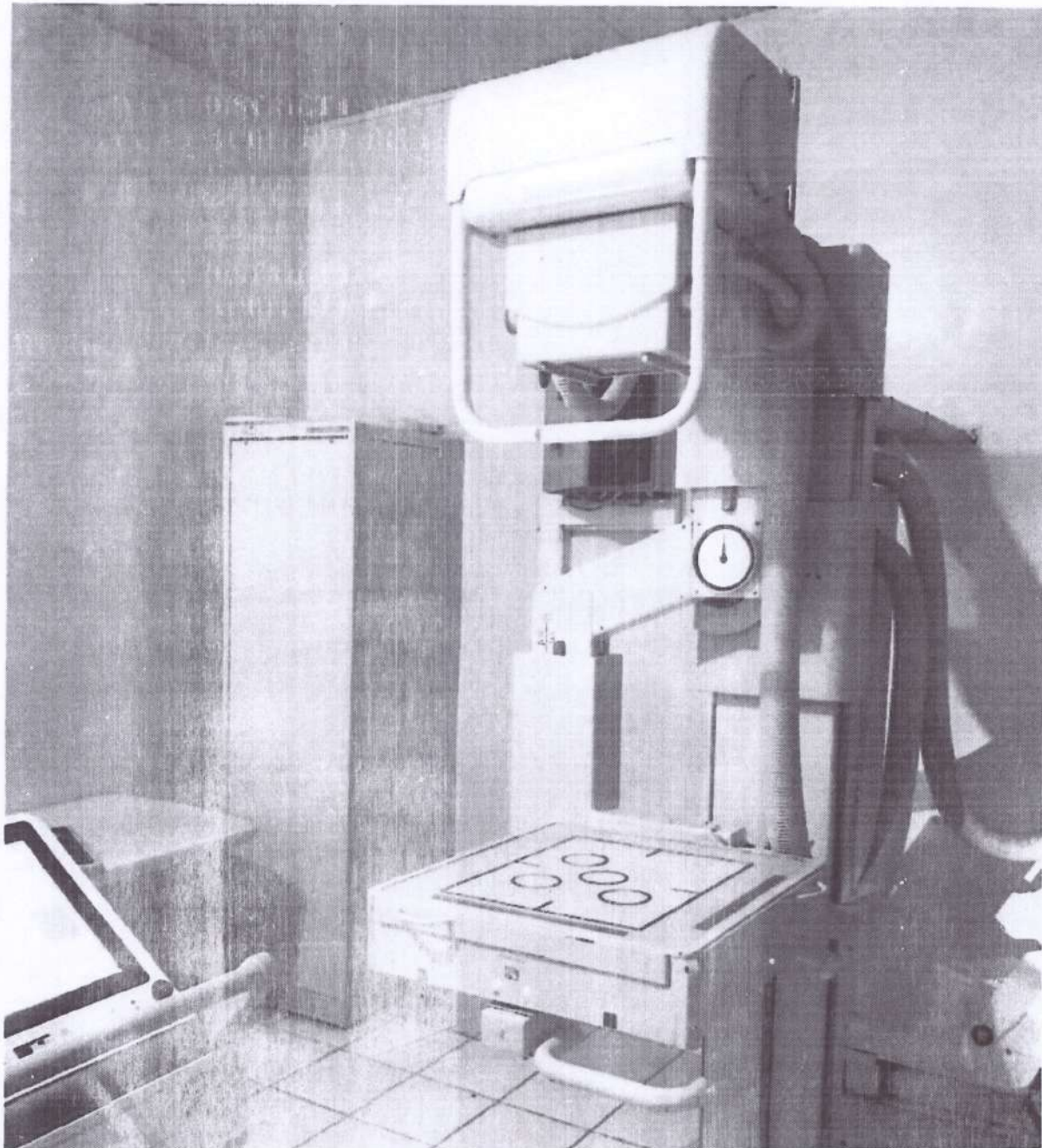


Photo taken by OAG on 24 June 2025, showing the non-functional Digital X-ray Machine

Risks

Failure to dispose of or repair damaged assets within reasonable time and put them to use may expose them to the risk of further deterioration. Consequently, the hospital may fail to recover any possible resale value from these damaged assets if it continues to hold them for long period.

Recommendations

Hospital management must establish and approve repair or maintenance plans for all damaged assets. These plans should be followed up and progressively implemented to prevent losses from prolonged disuse. For assets where repair or maintenance is not feasible, RDH should expedite the

RWINKWAVU DISTRICT HOSPITAL COMPLIANCE AUDIT REPORT FOR THE YEAR ENDED 30 JUNE 2024

auctioning or recycling process to recover resale value and ensure continued quality service to the public.

Management comment

Management admits that some medical equipment is not functional because they need spare parts. In brief, medical equipment in health facilities in Rwanda are maintained by the Rwanda Biomedical Center (RBC), which provides various sources of supplies to help hospitals after an assessment done by the hospital staff.

What Rwinkwavu Hospital did was to write to RBC that there was medical equipment which were not working. When the staff in charge of medical equipment calls RBC, they tell him that the contract has not yet been signed.

6.1.2 Failure to maintain the old hostel block

Observation

OAG field visit conducted on 24 June 2025 noted a hostel block with total value of **Frw 32,616,000** which had not been maintained for more than two (2) years. It has old ceiling, wall humidity, and a broken rain gutter. *See the picture below:*

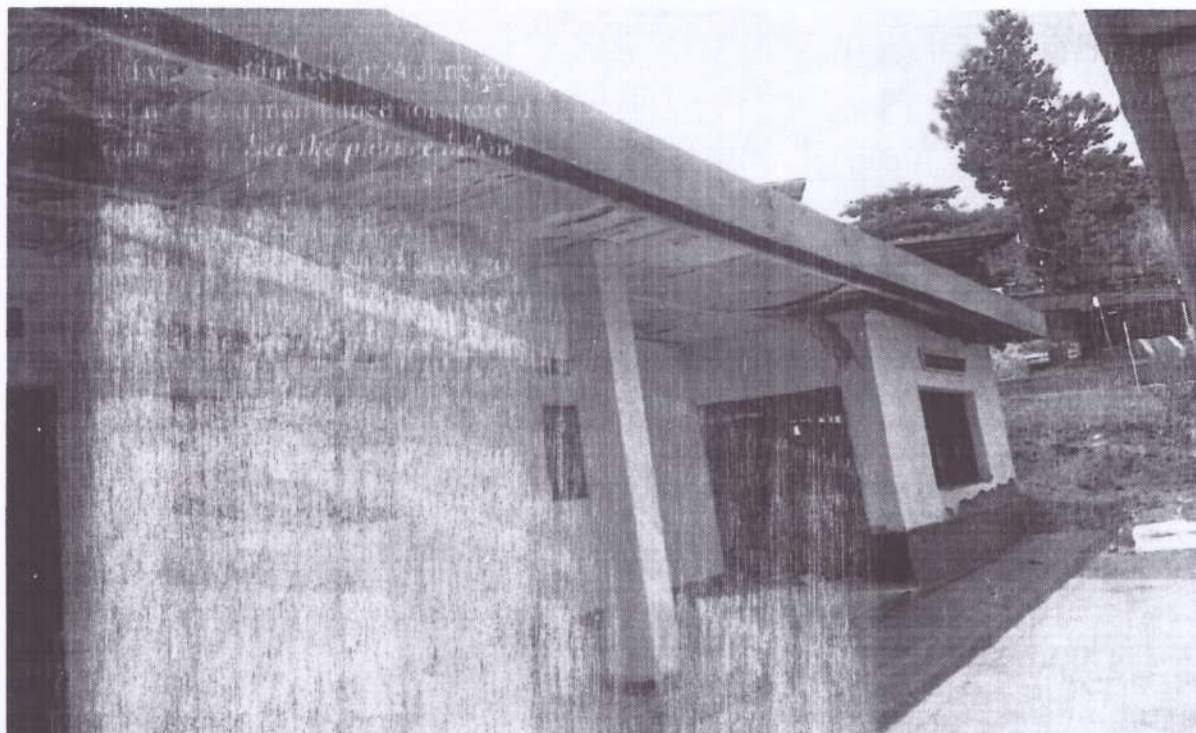


Photo taken by OAG on 24 June 2025. Showing damaged hostels building.

Risk

Deterioration of the asset over time may increase future repair costs or render it completely unusable.

**RWINKWAVU DISTRICT HOSPITAL
COMPLIANCE AUDIT REPORT FOR THE YEAR ENDED 30 JUNE 2024**

Recommendation

Management should conduct a technical assessment to determine the extent of the damage for future rehabilitation and thereafter a decision should be made whether to renovate, repurpose, or demolish the structure.

Management comment

Management agrees to conduct a technical assessment on the old block to determine if it can be redeveloped and used. Management will continue to seek partners to restore the block back into use.

**RWINKWAVU DISTRICT HOSPITAL
COMPLIANCE AUDIT REPORT FOR THE YEAR ENDED 30 JUNE 2024**

6.2 REVIEW OF SERVICE DELIVERY

6.2.1 Lack of basic clinical equipment at Rwinkwavu District Hospital

Observation

According to the Health Service Packages for Public Health Facilities issued by the Ministry of Health in 2017, Annex G outlines the required Basic Clinical Equipment and Supplies for all levels of health facilities.

However, during the audit of Rwinkwavu District Hospital, it was noted that some essential equipment listed in the annex were missing at the hospital. *For details, see the table below:*

S/N	Description	Number
1	Patella hammer with brush and needle	6
2	Central Lines	Not specified
3	Foot Manual suction machines	8

Risk

The lack of essential clinical equipment may hinder the delivery of effective and timely healthcare services, potentially compromising patient safety and quality of care.

Recommendation

Management of Rwinkwavu District Hospital should conduct a comprehensive review of the existing clinical equipment against the Ministry of Health requirements. Any gaps identified should be addressed by prioritizing procurement.

Management comment

Hospital management noted the recommendation and will continue to work with Rwanda medical supply to ensure that the missing basic clinical equipment are available.

6.2.2 Low number of in-patient beds in maternity and neonatology departments

Observation

Rwinkwavu District Hospital provides a broad range of medical services to both outpatients and inpatients, including maternity and neonatology care. These services encompass inpatient admissions for deliveries and newborn care.

However, based on a review of the hospital's bed occupancy data for the sample of end of the month data from August 2023 to August 2024, it was noted that the number of inpatient beds in the Neonatology department were insufficient.

The proportion of missing beds ranged from 5% to 59%, indicating a significant gap between demand and available bed capacity during the period under review.

**RWINKWAVU DISTRICT HOSPITAL
COMPLIANCE AUDIT REPORT FOR THE YEAR ENDED 30 JUNE 2024**

For more details, see the table below:

Month	Number of beds_DH Neonatology	Present at the end of the month_DH Neonatology	Shortage of Beds	Percentage increase
	A	B	C=(B-A)	D=(C/A*100)
Aug-23	22	26	4	18
Nov-23	22	31	9	41
Jan-24	22	25	3	14
Feb-24	22	29	7	32
Mar-24	22	35	13	59
Apr-24	22	31	9	41
May-24	22	30	8	36
Jun-24	22	27	5	23
Jul-24	22	23	1	5
Aug-24	22	23	1	5

Risk

The limited number of available beds in these departments may result in overcrowding which may compromise the quality of care. Further, this may lead to neonatal mortality. Additionally, it may negatively affect patient satisfaction and the hospital's ability to respond to emergencies.

Recommendation

The Hospital Management should conduct a comprehensive needs assessment to ensure that these essential services are adequately equipped to handle patient volumes.

Management comment

The management noted the recommendation that neonatology and maternity patient beds will have enough space, in collaboration with Ministry of Health, Kayonza District and partners by expanding buildings or construction of new building to ensure that these essential services are adequately equipped to handle patient volume.

6.2.3 Inadequate number of midwives and medical staff at Rwinkwavu District Hospital

Observation

A review of service delivery at Rwinkwavu District Hospital revealed that the facility currently has 9 fully qualified doctors, 16 intern doctors, and 18 midwives serving a catchment population of 253,153 people. This equates to approximately one medical staff member for every 5,887 individuals. This results in a ratio of 1 doctor for every 43,249 people, which is significantly higher than the National Strategy for Transformation (NST1) 2017-2024 of 1 doctor for every 7,000 people and one midwife per 2,500 women. *For details, see the table below:*

Staff Category	Available at Rwinkwavu	Population Served	Current Ratio
Total Doctors (Full + Intern)	25	253,153	1 doctor per 10,126 people

RWINKWAVU DISTRICT HOSPITAL
COMPLIANCE AUDIT REPORT FOR THE YEAR ENDED 30 JUNE 2024

Staff Category	Available at Rwinkwavu	Population Served	Current Ratio
Midwives	18	253,153	1 midwife per 14,064 people

This situation is primarily due to a nationwide shortage of medical professionals. Additionally, hospital management has reported difficulties in attracting and retaining medical doctors in rural areas.

Risk

The current staffing levels may lead to compromised service delivery, potentially hindering the provision of quality healthcare and delaying progress toward national health goals.

Recommendation

Management should collaborate with the Ministry of Health to develop and implement targeted strategies aimed at meeting national and international healthcare staffing standards, such as those recommended by the World Health Organization.

Management comment

The hospital management acknowledges, the audit finding and will continuously advocate for adequate medical and midwives' staff from MOH and other stakeholders.

**RWINKWAVU DISTRICT HOSPITAL
COMPLIANCE AUDIT REPORT FOR THE YEAR ENDED 30 JUNE 2024**

7 IMPLEMENTATION OF PREVIOUS AUDIT RECOMMENDATIONS

7.1 Unresolved issues from previous audit recommendations

7.1.1 Lack of CCTV camera system in Rwinkwavu District Hospital

Observation

Article 6 of Prime Minister Instructions N° 001/03 of 11/07/2014 relating to the fire prevention in Rwanda states that any public building or other public place should have at a minimum firefighting equipment. Paragraph 5 of the same article specifies this equipment including Closed Circuit Television (CCTV) cameras and control room.

As highlighted in previous audit, the audit noted again that there was no CCTV camera system installed in Rwinkwavu DH buildings.

Risk

Failure to install CCTV camera system in hospital premises may result into poor security measure. Hence, identification of incidence affecting the building and other asset may not be timely discovered.

Recommendation

Rwinkwavu DH management should ensure that the CCTV camera system and control room is installed.

Management comment

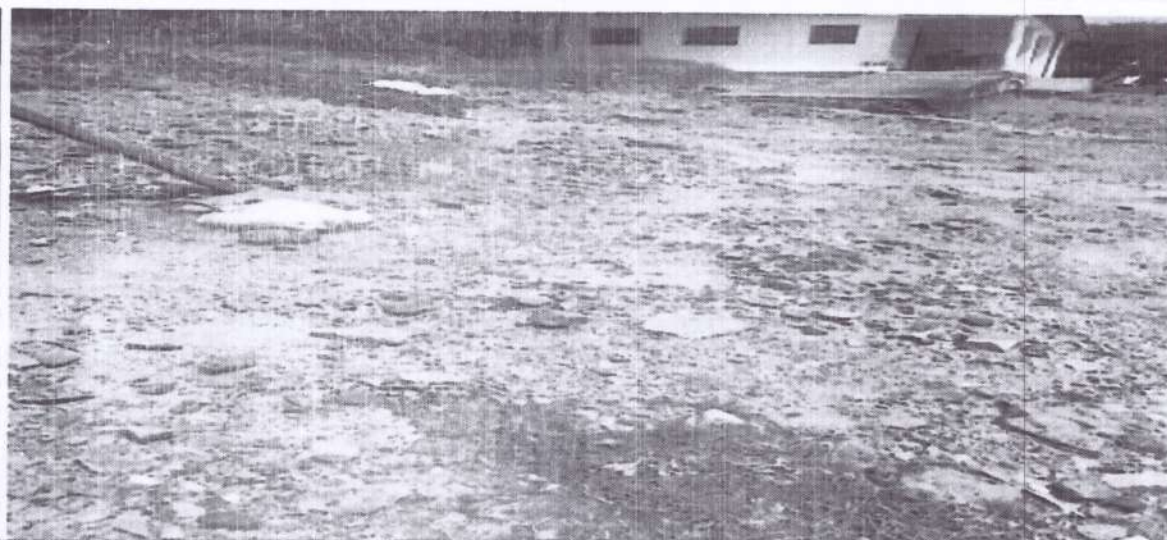
Management acknowledges that hospital without cameras is due to lack of capacity. In collaboration with various Partners, including, the district, and the Ministry of Health will set how the cameras will be available and install them in the next fiscal year 2025-2026.

7.1.2 Unconstructed path heading to mortuary block

Observation

On 24 June 2025, OAG field visit conducted within Rwinkwavu District hospital compound noted unconstructed path (unpaved) from laundry block to mortuary block. ***See the following picture for illustration on the next page:***

**RWINKWAVU DISTRICT HOSPITAL
COMPLIANCE AUDIT REPORT FOR THE YEAR ENDED 30 JUNE 2024**



Unconstructed (unpaved) path, photo taken by OAG on 24 June 2023

Risk

Unconstructed path makes it difficult to move from other blocks to the mortuary block especially in the rain period.

Recommendation

The hospital in collaboration with its stakeholders should find the required resources to pave the path.

Management comment

Management acknowledges that OAG while conducting their activities found the Morgue Road which is not yet paved due to lack of capacity but that work had been done based on the hospital's capacity to carry out Umuganda to improve this road. In order to continue to find a solution to construct paving, management will continue to work with stakeholders to ensure that capacity is available which should be done in fiscal year 2025-2026.

RWINKWAVU DISTRICT HOSPITAL
COMPLIANCE AUDIT REPORT FOR THE YEAR ENDED 30 JUNE 2024

8. STATUS OF IMPLEMENTATION OF PREVIOUS AUDIT RECOMMENDATIONS

Observation

Article 80 of organic Law N° 002/2022 OL of 12/12/2022 on Public Finance Management, the Chief Budget Manager shall be responsible for implementing the recommendations of the Auditor General of State Finances aimed at improving the effective management and use of public funds and property.

Contrary to this provision, an assessment of the status on the implementation of previous audit recommendations revealed that (73%) of the audit recommendations made in the previous audit were implemented, (9%) of the audit recommendations were partially implemented and the (18%) are yet to be implemented. *See the summary in the table below:*

Description	Number
1. Total number of findings raised in the previous audit report (a)	26
2. Total number of recommendations not applicable during current year (b)	1
3. Number of recommendations beyond management control (c)	3
4. Total number of recommendations applicable at the time of current audit (a-b-c)	22
5. Number of recommendations that have been fully implemented as at time of current audit	16
6. Number of recommendations that have been partially implemented as at time of current audit	2
7. Number of recommendations not implemented as at time of current audit	4
8. Percentage of previous recommendations fully implemented $[N^{\circ}5/(N^{\circ}4)] \times 100$	73%
9. Percentage of previous recommendations partially implemented $[N^{\circ}6/(N^{\circ}4)] \times 100$	9%
10. Percentage of previous recommendations not implemented as at time of current audit $[N^{\circ}7/(N^{\circ}4)] \times 100$	18%

Detailed status on implementation of prior year audit recommendations is provided in **appendix 6**.

Risk

Non-implementation of some of the previous audit recommendations results in persistence weaknesses in internal control systems and management of public funds and therefore the desired improvements may not be realized.

Recommendation

Management should ensure that proper action plan for implementation of current and prior year audit recommendations is put in place and followed up to ensure full implementation of audit recommendations as soon as practicable.

Management comment

District management is committed to implement the OAG's recommendations as given to the hospital.

APPENDICES

**RWINKWAVU DISTRICT HOSPITAL
COMPLIANCE AUDIT REPORT FOR THE YEAR ENDED 30 JUNE 2024**

Appendix 1: Delays noted in signing contracts for awarded tenders

S/N	Tender reference	Tender description	Estimated cost	Date of notification	Expected date of contract signature	Date of signing of contract	Delays in signing contract
				A	B=A+15+7	C	D= (C-B)
1	000004/NC/NCB/2023/2024/RWINKWAVU HOSPITAL/FRW	Provision of Communication Services and CUG	27,542,000	13-Oct-23	4-Nov-23	30-Nov-23	26
2	000001/G/RFQ/2023/2024/RWINKWAVU HOSPITAL/FRW	Purchase office furniture and other related	5,000,000	30-Mar-24	21-Apr-24	26-Apr-24	5
3	000006/NC/NCB/2023/2024/RWINKWAVU HOSPITAL/FRW	Tender for provision Insurance of hospital vehicles and Motorcycles	19,000,000	25-Apr-24	17-May-24	24-May-24	7
4	000002/NC/NCB/2023/2024/RWINKWAVU HOSPITAL/FRW	Provision of cleaning and evacuation services	48,000,000	17-Sep-23	9-Oct-23	23-Oct-23	14
5	000007/G/NCB/2023/2024/RWINKWAVU HOSPITAL/FRW	Purchase other materials used in IRS operation	6,718,000	23-Apr-24	15-May-24	20-May-24	5
6	000005/NC/NCB/2023/2024/RWINKWAVU HOSPITAL/FRW	Maintenance and Rehabilitation of infrastructure hospital (	18,300,000	27-Oct-23	18-Nov-23	13-Dec-23	25
7	000009/G/NCB/2023/2024/RWINKWAVU HOSPITAL/FRW	Purchase staff uniforms for clinical and non-clinical staff and other related	8,500,000	17-Apr-24	9-May-24	12-Jun-24	34
8	000002/G/RFQ/2023/2024/RWINKWAVU HOSPITAL/FRW	Purchase different materials used in safe room under framework contract	3,713,790	30-Mar-24	21-Apr-24	7-May-24	16
	Total		136,773,790				

**RWANKWAVU DISTRICT HOSPITAL
COMPLIANCE AUDIT REPORT FOR THE YEAR ENDED 30 JUNE 2024**

Appendix 2: Vacant positions in Rwinkwavu District Hospital

S/N	VACANT POSITIONS FOR SUPPORTING STAFF	Index Value	Level	Required	Available	GAP
Nº	Position					
1	Accountant A0	300	5.II	2	1	1
2	HRO	300	4.II	1	0	1
3	Administrative Assistant	300	7.II	1	0	1
4	Documentation and Archive Officer	300	7.II	1	0	1
	Total					4
	VACANT POSITIONS FOR MEDICAL STAFF					
1	Junior Consultant	350	H/2.111	4	1	3
2	Chief Medical Officer/Chief Dental Surgeon	350	4.V	2	0	2
3	Senior Medical Officer/Senior Dental Surgeon	350	4.IV	2	0	2
4	Medical Officer/Dental Surgeon	350	4.III	3	1	2
5	Head of Anesthesia Technician	350	7.III	1	0	1
6	Anesthesia Technician A1/A0	350	7.II	5	3	2
7	Medical Imagery Technician A1/A0	350	7.II	4	3	1
8	Prosthetic and Orthotics Technician	350	7.II	1	0	1
9	Orthopedic Technician A1/A0	350	7.II	1	0	1
	Total					15
	Grand -Total					19

**RWINKWAVU DISTRICT HOSPITAL
COMPLIANCE AUDIT REPORT FOR THE YEAR ENDED 30 JUNE 2024**

Appendix 3: Staff turnover of staff in Rvinkwavu District Hospital

No	Names	Position	Reasons
Medical staff turnover 2024-2025			
1	GAHONGAYIRE Christine	Nurse AI	Resigned
2	UWIDUHAYE Henriette	Nurse AI	Resigned
3	DUSABIMANA Damascene	Nurse AI	Resigned
4	NKURUNZIZA Emmanuel	Nurse AI	Resigned
Support staff turnover 2023-2024			
1	HARANABAKIZE Anatole	Driver	Resigned
2	GASORE Geoffrey	ICT Officer	Resigned
3	ISINGIZWE Parfaite	Cashier	Resigned

Appendix 4: Significant delay in replacement of outgoing staff at Rvinkwavu District hospital

S/N	Position	Number of staff who left	Resignation date	Number of staff appointed	Appointment date	Delay in replacement of outgoing staff C=(B-A) In days
			A		B	
			2022-2023		2023-2024	
			Last date 2022-2023		First date in 2023-2024	
1	Midwife AI	1	Dec-22	6	1-Sep-23	274
2	Medical Doctor	3	Feb-22	3	1-Dec-23	668
3	Nurse AI	5	Aug-23	5	1-Jul-24	335
4	Clinical Psychologist	1	Aug-23	1	1-May-24	
5	Intern Doctor	1	Nov-23	10	1-Jul-24	274
			2023-2024		2024-2025	243
			Last date 2023-2024		First date in 2024-2025	

**RWANDA DISRICT HOSPITAL
COMPLIANCE AUDIT REPORT FOR THE YEAR ENDED 30 JUNE 2024**

S/N	Position	Number of staff who left	Resignation date	Number of staff appointed	Appointment date	Delay in replacement of outgoing staff C=(B-A)
			A		B	
1	Nurse A I	4	Jun-23	3	1-Aug-24	427
2	Midwife A I	3	Mar-24	2	1-Nov-24	245
4	Intern Doctor	5	Oct-24	6	2-Jul-25	274
5	Labo technician	1	Feb-24	3	3-Dec-24	306
6	Dental Therapist	1	Feb-24	0	4-Sep-25	581
7	Nutritionist	1	Feb-24	0	4-Sep-25	581
8	Clinical Director	1	May-24	1	Feb-25	276
	Total	27				

Appendix 5: Failure to pay mission allowances to staff before their departure for official missions

Date	Description	Reference	Amount (Frw)	Payment date	Departure date	Delay in days
23/04/2024	PAYMENT OF HOSPITAL STAFF MISSION FOR AMBULANCE	L4300003002/00717/24	1,161,600	24/04/2024	01/02/2024	83
14/12/2023	PAYMENT OF IRS STAFF MISSION	L4300003002/00369/24	5,469,600	14/12/2023	07/09/2023	98
19/10/2023	PAYMENT OF MISSION FEES FOR HOSPITAL STAFF (JULY, AUGUST AND SEPTEMBER 2023)	L4300003002/00173/24	1,492,800	13/10/2023	01/07/2023	104
29/06/2024	PAYMENT OF HOSPITAL STAFF MISSION FEES ON OWN REVENUE	L4300003002/00929/24	2,202,092	29/06/2024	02/08/2023	332
13/12/2023	PAYMENT OF STAFF MISSION FEES	L4300003002/00352/24	1,122,050	14/12/2023	10/08/2023	126
13/12/2023	PAYMENT OF STAFF MISSION FEES	L4300003002/00351/24	1,070,400	14/12/2023	25/09/2023	80
30/08/2023	PAYMENT OF STAFF MISSION FEES UP 30 AUGUST 2023	L4300003002/00102/24	1,299,300	30/08/2023	20/08/2023	10
	Total		13,817,842			

**RWINKWAVU DISTRICT HOSPITAL
COMPLIANCE AUDIT REPORT FOR THE YEAR ENDED 30 JUNE 2024**

Appendix 6: Status of implementation of previous audit recommendations

S/N	Details	Recommendation implemented	Recommendation partially implemented	Recommendation not implemented	Recommendation no longer applicable	Recommendations beyond management control
1	Failure to adjust physical assets disclosure The physical assets disclosure was not adjusted to correct the difference of Frw 1,258,468. Recommendation The management of Rwinkwavu District hospital should ensure that the above difference is investigated and appropriate and the results are incorporated in the disclosure note.				✓ Recommendation no longer applicable as the assets was migrated to PPE	
2	Lack of documented basis for value of reported oxygen plant Included in the asset register of Rwinkwavu DH is an oxygen plant worth Frw 111,529,248 donated to the hospital by Partners in Health. However, there was no basis for this value as per the asset register. Recommendation The hospital should work with Partner in Health (the donor of the plant) to get the basis of the disclosed value of the oxygen plant.	✓ (Recommendation was implemented as there has been valuation of assets.)				
3	Overstated internally generated revenue and purchased drugs	✓				

**RWANDA DIRECT INSURANCE
COMPLIANCE AUDIT REPORT FOR THE YEAR ENDED 30 JUNE 2024**

S/N	Details	Recommendation implemented	Recommendation partially implemented	Recommendation not implemented	Recommendation no longer applicable	Recommendations beyond management control
	Internally generated revenue and purchased drugs were overstated by Frw 16,277,190. Recommendation Ensure that there is an adequate review of the posting of the transactions in books of account.	(No similar issue noted)				
4	Concern over the rejected invoiced amounts by insurances providers The audit noted that out of invoices amounting to Frw 550,462,924 issued to RSSB and other insurance providers, only Frw 508,988,257 was paid leaving out rejections amounting to Frw 41,474,668 (representing 8 %) Recommendations • Ensure that mistakes and errors made by medical staff in billing are minimized to ensure the loss of revenue in such cases are minimized or eradicated. • Work with the concerned stakeholders (Ministry of health and Insurance providers) and discuss on how to charge based on the whole medical act instead on individual consumables and drugs spent on the patients. • Make follow with the other insurance other than RSSB for proving the reason for rejection. • Make follow up with their stakeholders to update the list of allowable drugs and medical consumable		√ The rejected is still there but the rate was decreased to 4.7%. Refer to section 3.3 of management letter for details.			

RWANDA DISICT HOSPITAL
COMPLIANCE AUDIT REPORT FOR THE YEAR ENDED 30 JUNE 2024

S/N	Details	Recommendation implemented	Recommendation partially implemented	Recommendation not implemented	Recommendation no longer applicable	Recommendations beyond management control
5	Weaknesses noted in use of Electronic Medical Record System (E-MRS) - Lack of integration between the accounting system (IFMIS) and E-RMS that causes manual entry of data <i>Need to improve the E-MRS features</i> The system is unable to update the amounts invoiced to various medical insurance companies with payments made to determine outstanding receivable amounts on need basis. - Inability to produce total revenue report of the whole hospital of a given period Recommendation Consult MINECOFIN and MoH on the possibility to integrate IFMIS with the EMRS to facilitate the process of recording cash receipts and revenue from medical services.					✓ This system is not managed by the Hospital instead by Ministry of health). Refer to section 3.4 under Management letter for details.
6	Long outstanding accounts receivable balance Included in the hospital's accounts receivable as at time of audit in June 2024 are receivables of Frw 1,394,264 that had not been collected for a period ranging between 5 and 9 years. The amount is owed from Old Mutual Insurance Company (currently UAP). Recommendation			✓ Similar issue persists. Refer to section 4.1 of management letter for details.		

**RWANDA DIRECT SUPPLY
COMPLIANCE AUDIT REPORT FOR THE YEAR ENDED 30 JUNE 2024**

S/N	Details	Recommendation implemented	Recommendation partially implemented	Recommendation not implemented	Recommendation no longer applicable	Recommendations beyond management control
7	Management should recommend to the health committee to approve the write off of the long outstanding receivable in case all possible recovery steps have failed Long outstanding payables Included in Rwinkwavu DH's financial statements for the year ended 30 June 2023 are payables amounting to Frw 21,980,000 that have been outstanding for a period ranging from 6 to 7 years. However, there was no evidence that outstanding payables had been paid subsequently up to the time of audit in June 2024. Recommendation Perform a reconciliation of the supplier accounts to ascertain whether these amounts are or not still payable and take appropriate action accordingly.	✓ Discentre and Rwanda oxygen were paid off while the remaining were written off for the decision of health committee held on 7th August 2024				
8	Failure to clear invoices in their coming order in the supplier ledger account The audit noted invoices totalling Frw 38,535,927 from Rwanda Medical Supply (RMS) not yet paid for a period ranging between 183 and 524 days from the expected date of payment to the audit time. Recommendation Clear the invoices in supplier ledger account in their coming order. In addition, regular reconciliation should be made with the suppliers.	✓ No similar issue noted				

**RWANKWAVU DISTRICT HOSPITAL
COMPLIANCE AUDIT REPORT FOR THE YEAR ENDED 30 JUNE 2024**

S/N	Details	Recommendation implemented	Recommendation partially implemented	Recommendation not implemented	Recommendation no longer applicable	Recommendations beyond management control
9	Irregularities noted in the management of medical supplies store Review of management of Rwinkwavu district hospital's medical supplies store revealed the following irregularities: • Lack of enough storage for medical supplies • Lack of receiving area • Lack of offices for medicaments store staff • Insufficient refrigerators within medicaments store Recommendations • In collaboration with concerned stakeholders ensure that the medicament storage areas are appropriately designed, constructed, maintained or adapted. • Avail another refrigerator for proper segregation of reagent and refrigerated medicaments.	✓ (These issues were implemented)				
10	Weakness noted in Electronic-Logistic Management Information System(E-LMIS) used in monitoring medical supplies in Rwinkwavu district Hospital • Failure to generate the reports of specific period • Failure to maintain maximum, minimum stock and re-order level Recommendation In collaboration with Ministry of Health and other concerned stakeholders ensure that Electronic-Logistic					✓ (The system is not managed by the hospital instead ministry of health.)

**RWANDA GOVERNMENT DISINTEGRATION HOSPITAL
COMPLIANCE AUDIT REPORT FOR THE YEAR ENDED 30 JUNE 2024**

S/N	Details	Recommendation implemented	Recommendation partially implemented	Recommendation not implemented	Recommendation no longer applicable	Recommendations beyond management control
	Management Information System is enhanced and above gaps are addressed					
11	Stock take report not approved by CBM No evidence of approval of the stock take report dated 31 July 2023 by the Chief Budget Manager was provided for audit purposes. In addition, the stock take report obtained was signed by the director of finance and logistics officer. Recommendation Ensure that the stock take report is dated, signed by the preparer and approved by Director General of the hospital.	✓ Currently report is signed by DG.				
12	Old maternity building not maintained Physical verification conducted by OAG team on 24 June 2024 observed old maternity house which is in poor condition and was not repaired. It is worth noting that the humidity is the cause of the damage. Recommendation Plan for how this old asset will be maintained to prevent further deterioration	✓ Maintenance was done, and this was confirmed during physical verification				
13	Weaknesses in management of fixed assets • Lack of dedicated maintenance area for medical equipment	✓ (These issues were fixed)				

**RWINKWAVU DISTRICT HOSPITAL
COMPLIANCE AUDIT REPORT FOR THE YEAR ENDED 30 JUNE 2024**

S/N	Details	Recommendation implemented	Recommendation partially implemented	Recommendation not implemented	Recommendation no longer applicable	Recommendations beyond management control
	Ideally a maintenance area is a general where maintenance activities are grouped to retain or restore material to a serviceable condition. Through Physical verification conducted on 20 June in Rwinkwavu DH premises, it was revealed that Rwinkwavu DH hospital does not have place where the maintenance activities for its medical equipment were taken place. • Lack of insurance cover for fixed assets • Failure to carry out physical independent verification of reported fixed assets • Failure to report value of hospital structural building and land in asset register • Duplication of assets in assets register Recommendations • Ensure that a well dedicated maintenance area for its equipment is established. • Prepare plan on how all assets will be insured and monitor its implementation. • Take appropriate action by carrying out independent physical verification of assets reported by logistics officer to confirm completeness, existence and the condition of assets. • In Collaboration with Kayonza District, Rwanda Housing Authority and MINECOFIN strengthen the valuation process of the structural building of Rwinkwavu District Hospital.					

RWANKWAVU DISTRICT HOSPITAL
COMPLIANCE AUDIT REPORT FOR THE YEAR ENDED 30 JUNE 2024

S/N	Details	Recommendation implemented	Recommendation partially implemented	Recommendation not implemented	Recommendation no longer applicable	Recommendations beyond management control
	• Ensure that the asset register is updated as required by financial regulation. Failure to prepare quarterly report on decommissioning biomedical equipment Observation The hospital failed to prepare quarterly report of decommissioned biomedical equipment to be submitted to Director of finance and management committee. Recommendation Ensure that quarterly report of decommissioned biomedical equipment be prepared and submitted to Director of Finance and management committee.	✓ Currently, these reports were prepared).				
14						
15	Lack of internal audit unit at the hospital Rwinkwavu DH failed to establish internal audit unit from May 2023 to the time of audit in June 2024. Recommendation In collaboration with Kayonza District and MIFOTRA, strengthen the process of recruiting the internal auditors at Rwinkwavu Hospital.	✓ The internal auditor is in place and working				
16	Lack of CCTV camera system in Rwinkwavu District Hospital			✓ (This issue persists). Refer to		

**RWINKWAVU DISTRICT HOSPITAL
COMPLIANCE AUDIT REPORT FOR THE YEAR ENDED 30 JUNE 2024**

S/N	Details	Recommendation implemented	Recommendation partially implemented	Recommendation not implemented	Recommendation no longer applicable	Recommendations beyond management control
	There was no CCTV camera system installed in Rwinkwavu DH buildings. Recommendation Ensure that the CCTV camera system and control room is installed. Hence, any incidence happening might be discovered.			section 7.1.1 under CAR for details.		
17	Gap noted in targeted ratio of doctor -to-patient <i>Insufficient number doctor-to-patient ratio</i> Rwinkwavu District Hospital has sixteen (16) doctors. Thus, approximately 15,438 (247,000/16) population per one (1) doctor; which is above the ratio recommended by MoH. Recommendation Liaise with Ministry of Health and other stakeholders to ensure that the doctor -to-patient ratio is improved and are within the range targeted by the MoH in 2023/2024.					√ This issue is beyond management control
18	Insufficient number of ambulances The audit noted that the hospital has only three (3) ambulances that serve the seven (7) Health Centers as only two (2) health centers of Cyarubare and Nyamirama have their own ambulances. Recommendation	√ Currently there are 8 ambulances within 9 health centers.				

RWINKWAVU DISTRICT HOSPITAL
COMPLIANCE AUDIT REPORT FOR THE YEAR ENDED 30 JUNE 2024

S/N	Details	Recommendation implemented	Recommendation partially implemented	Recommendation not implemented	Recommendation no longer applicable	Recommendations beyond management control
	In collaboration with Kayonza district and Ministry of Health set a clear plan on how to fill the gap of ambulance at health centers.					
19	Low number of in patients' beds in Maternity and Neonatology departments On sample basis of the month of June 2024, review of data report of bed occupancy rate at Neonatology and Maternity departments in Rwinkwavu District Hospital noted low number of patients' beds. The percentage for missing beds ranged from 9 % to 54.5% in the period. Recommendation In collaboration with stakeholders find the sustainable solution to get enough space for where to place the beds for in patients		√ (Neonatology experience the shortage of beds). Refer to section 6.2.2 under CAR for details.			
20	Old and in poor condition hospital toilets and bathrooms On 25 June 2024, the field visit conducted within Rwinkwavu District hospital compound noted the hospital has three (3) blocks of toilets with bathrooms which are old and in poor condition. Further discussion with staff revealed that these toilets are used by all the patients visiting the hospital and the hospital staff in the four (4) departments including laboratory, surgery, mental health and internal medicine department.	√ (These toilets were renovated)				

**RWINKWAVU DISTRICT HOSPITAL
COMPLIANCE AUDIT REPORT FOR THE YEAR ENDED 30 JUNE 2024**

S/N	Details	Recommendation implemented	Recommendation partially implemented	Recommendation not implemented	Recommendation no longer applicable	Recommendations beyond management control
	Recommendation There is an urgent need for Kayonza District and the hospital management to work together to construct new toilets and sufficient in number for hygiene and safety of patients visiting the hospital and hospital staff					
21	Unconstructed path heading to mortuary block On 25 June 2024, field visit conducted within Rwinkwavu District hospital compound noted unconstructed path (Unpaved) from laundry block to mortuary block. Recommendation In collaboration with its stakeholders find the required resources to pave the path.			(This issue was not implemented). Refer to section 7.1.2 under CAR for details.		
COMPLIANCE WITH LAWS AND REGULATIONS REGULATING PUBLIC SPENDING						
22	COMPLIANCE WITH PROCUREMENT PROCEDURES Signing contract outside E-procurement without requesting non-objection from RPPA On 20 September 2021, Rwinkwavu District Hospital signed contract for providing communication package outside e-procurement with MTN Rwanda Cell without following any procurement process. Furthermore, they did not request non-objection from RPPA. This tender was not reported to RPPA. Recommendation	✓ <i>There is no similar issue noted in current year of 2023/2024</i>				

RWINKWAVU DISTRICT HOSPITAL
COMPLIANCE AUDIT REPORT FOR THE YEAR ENDED 30 JUNE 2024

S/N	Details	Recommendation implemented	Recommendation partially implemented	Recommendation not implemented	Recommendation no longer applicable	Recommendations beyond management control
	Ensure that all tenders are awarded using E-procurement system and all procurement processes are followed.					
	REVIEW OF HUMAN RESOURCE MANAGEMENT					
23	Fail to declare employees liable for repayment of study loan The audit noted 11 employees who joined the Hospital and studied on government loan and were not declare to BRD by the hospital. Recommendation In collaboration with Kayonza District declare new staff and establish effective controls to ensure that the staff who studied on government sponsorship are repaying the loan timely.	✓ Declaration was done and deductions made.				
24	Delay to verify CBHI invoices submitted by Rwinkwavu District Hospital to RSSB The audit noted that RSSB delayed to verify invoices amounting to Frw 319,001,944 for a period ranging from 6 to 45 days. Delayed payment of invoice for CBHI and RAMA submitted to RSSB Audit noted that RSSB delayed to pay invoices on CBHI and RAMA amounting to Frw 109,941,005 and Frw 5,854,497 respectively for a period ranging from 4 to 39 days and from 9 to 53 respectively	✓ (There is no similar issue noted)				

**RWINKWAVU DISTRICT HOSPITAL
COMPLIANCE AUDIT REPORT FOR THE YEAR ENDED 30 JUNE 2024**

S/N	Details	Recommendation implemented	Recommendation partially implemented	Recommendation not implemented	Recommendation no longer applicable	Recommendations beyond management control
	Recommendation In collaboration with RSSB ensure that the verification and payment of invoice are done in agreed time.					
	REVIEW OF EXPENDITURE					
25	Failure to pay mission allowances to staff before their departure for official missions On sample basis the audit noted cases where the hospital paid mission allowances amounting to Frw 10,142,600 to staff members after completing their missions. The delays in payment of mission allowances ranged between 9 and 44 days counted from the start of the mission to the date of payments. Recommendation Ensure that staff mission allowances are paid to the intended beneficiaries prior to departure for fieldwork as required.			Similar issues noted. Refer to section 5.3.1 under CAR for details.		
26	REALIZATION OF VALUE FOR MONEY IN UTILIZATION OF PUBLIC FUNDS Defective face recognition attendance machine Observation Review of fixed assets revealed that the hospital acquired the face recognition machine at acquisition cost of Frw 490,000 as a tool for controlling and monitoring of staff attendance and time spent at work. All employees are therefore expected to check in and check out using this machine.	√ currently this machine is in use				

RWINKWAVU DISTRICT HOSPITAL
COMPLIANCE AUDIT REPORT FOR THE YEAR ENDED 30 JUNE 2024

S/N	Details	Recommendation implemented	Recommendation partially implemented	Recommendation not implemented	Recommendation no longer applicable	Recommendations beyond management control
	However, the audit noted that face recognition machine is not currently operating which makes it difficult to track the attendance records of staff. Review of report generated by this machine revealed that it was cease its operation in September 2023 and there is no repair plan provided by the hospital.					
	Recommendation					
	Ensure that face recognition is functioning properly and records of staff attendance are kept.					
	Total	16	2	4	1	3

Office of the Auditor General
of State Finances (OAG-Rwanda)



RWINKWAVU DISTRICT HOSPITAL

Audit Report and Audited Financial Statements

For the year ended 30 June 2024

OAG Core Values

Integrity

In public Interest

Innovation

Objectivity

Professionalism

WWW.OAG.RW

RWINKWAVU DISTRICT HOSPITAL
AUDIT REPORT ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE
2024

TABLE OF CONTENTS

1. BACKGROUND, MANDATE AND GOVERNANCE.....	1
2. STATEMENT OF MANAGEMENT RESPONSIBILITIES	5
3. REPORT OF THE AUDITOR GENERAL	6
4. FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024.....	9

RWINKWAVU DISTRICT HOSPITAL BACKGROUND, MANDATE AND GOVERNANCE

1. BACKGROUND, MANDATE AND GOVERNANCE

1.1 Background of Rwinkwavu District Hospital

Rwinkwavu District Hospital is one of the two hospitals of Kayonza District in the Eastern Province of Rwanda. It is located in Kinihira Village, Nkondo Cell, Rwinkwavu Sector at approximately 12 km from the main road Kayonza- Rusumo (through Kabarondo) on Akagera National Park Road.

Rwinkwavu Hospital started its activities in 1947. However, it was destroyed in 1994 during the Genocide against Tutsi in Rwanda. After, the hospital re-opened under Partners in Health which managed the crisis of health care. It was returned to Government management in 2010 with different managerial challenges based on its background.

Rwinkwavu District Hospital serves about 253,153 inhabitants from eight (8) sectors of Kayonza District namely:

1. Rwinkwavu Sector;
2. Kabare Sector;
3. Nyamirama Sector;
4. Ruramira Sector;
5. Murama Sector;
6. Ndego Sector;
7. Kabarondo Sector and.
8. Mwiri sector

Its catchment area also covers Rugendabari Cell of Mukarange Sector, Kayonza District.

Rwinkwavu District Hospital supervises nine (9) Health Centers within its catchment area to ensure that high quality health care services are provided to the population. These are:

1. Ruramira Health Centre;
2. Nyamirama Health Centre,
3. Ndego Health Centre;
4. Karama Health Centre;
5. Kabarondo Health Centre;
6. Cyarubare Health Centre;
7. Rutare Health Centre and
8. Rwinkwavu Health Centre.
9. Kageyo Health Centre

1.2 Mandate of Rwinkwavu District Hospital

The principal activities of Rwinkwavu District Hospital consist of providing equitable, affordable and quality health care services to the population. It also ensures technical supervision of Health Centers in its catchment area while promoting preventive and curative solutions; thereby contributing to the welfare of the population.

As a public hospital, Rwinkwavu District Hospital offers outpatient and inpatient services to all persons seeking medical care from the hospital.

RWINKWAVU DISTRICT HOSPITAL BACKGROUND, MANDATE AND GOVERNANCE

1.2.1 Services offered by the Hospital

The health care services offered by the Hospital are categorized into Clinical and Support services, as follows:

The **Clinical services** comprises of:

- Outpatient (OPD) services;
- Inpatient services (internal medicine, gynecology and obstetrics, maternity, paediatrics, surgery, neonatology);
- Emergency care services;
- Ambulance services;
- Pharmacy services;
- Radiology services;
- Laboratory, including biochemistry, hematology, microbiology, serology and molecular biology;
- Non-Communicable Diseases (NCD) services
- Pediatrics Development Clinic (PDC) services
- Antiretroviral (ARVs) services for people living with HIV/AIDS;
- One Stop Centre services for Gender-Based Violence (GBV) cases;
- Paramedical services (Dentistry, Ophthalmology, Medical imaging, Mental health, Physiotherapy);
- Family planning services;
- Social and nutrition services. and
- Mortuary services.

The **Support services** include:

- Finance and Administration;
- Procurement;
- Logistics and stock management;
- Recovery;
- Cashiers;
- Information and Technology Management;
- Reception, Public relations and customer care;
- Quality Improvement;
- Planning, Monitoring and Evaluation;
- Laundry;
- Secretariat;
- Maintenance.
- Library, documentation and archives.

1.3 Vision of Rwinkwavu District Hospital

To become a center of Excellency in providing safe, effective and efficient healthcare services in East Africa by competent staffs respecting standards of ethical behavior

RWINKWAVU DISTRICT HOSPITAL BACKGROUND, MANDATE AND GOVERNANCE

1.4 Mission of Rwinkwavu District Hospital

- To provide high quality standard medical and surgical healthcare based on updated and evidence-based practices to clients from different health centers of Kayonza District and abroad
- Supervision of health centers in the catchment area & Education and research.

1.5 Governance of Rwinkwavu District Hospital

Rwinkwavu District Hospital is a Non-Budget Agency (NBA)/Subsidiary entity under Kayonza District. Its functions are governed by two (2) Organs; namely the Health Committee and the Management Committee.

1.5.1 The Health Committee

The Health Committee is the authority responsible for the overall direction of Rwinkwavu District Hospital. It is the body in charge of oversight and it is entrusted to make strategic decisions for the hospital.

The members of the Health Committee who served during the year ended 30 June 2024 and up to the date of this report were as follows:

N°	Name	Position
1	ZIGIRA Alphonse	Chairperson
2	KAYIGIRE Anselme	Vice Chairperson, Representative of the District Executive Committee
3	SINDAYIGAYA Sicaire	Member, Representative of the Non-Profit Organizations
4	ASIIMWE Charles	Member, Representative of the Private Sector
5	UMUGWANEZA Walda	Member, Representative of Community Health workers
6	MUSHIMIYIMANA Jean de DIEU	Member, Representative of Heads of Health Centers
7	MUKAMUNANA Alphonsine	Member, Representative of Ministry of Health
8	Dr. MWISENEZA Phoebe	Secretary of Health Committee and Hospital Director General

1.5.2 The Management Committee

The management is responsible for running the day-to-day operations of the hospital and is headed by a Hospital Director General. The hospital has three (3) Units (headed by Directors), namely:

- Medical and Allied Health Sciences Services Unit;
- Nursing and Midwifery Unit (including Nursing Department and Midwifery Department); and
- Administration and Finances Unit.

RWINKWAVU DISTRICT HOSPITAL

BACKGROUND, MANDATE AND GOVERNANCE

The Members of the Management team who served during the year ended 30 June 2024 and up to the date of this report were as follows:

N°	Name	Position
1	Dr. MWISENEZA Phoebe	Director General
2	GATARIKI Jacques	Director of Administration and Finance
3	Dr. UMUGWANEZA Olive	Clinical Director
4	NYIRATUZA Adeline	Director of Nursing and Midwifery
5	NIYONSABA Jane Peter	Member
6	DUSABINEMA Firmin	Member

RWINKWAVU DISTRICT HOSPITAL
STATEMENT OF MANAGEMENT RESPONSIBILITIES FOR THE YEAR ENDED
30 JUNE 2024

2. STATEMENT OF MANAGEMENT RESPONSIBILITIES

Article 78 of the Organic Law N° 002/2022 OL of 12/12/2022 on Public Finance Management requires each public sector entity to submit its annual financial statements to the Minister of Finance and Economic Planning with a copy thereof to the Auditor General of State Finances within forty-five (45) days following the end of the fiscal year.

Article 20 of the Organic Law N° 002/2022 further stipulates that the Chief Budget Manager is responsible for maintaining accounts and records of the budget agency, preparing and implementing cashflow plans, managing the public funds effectively, efficiently and in a transparent manner, establishing and maintaining effective, efficient and transparent systems of internal controls and risk management.

As Chief Budget Manager, I accept responsibility for the annual financial statements, which have been prepared using appropriate accounting standards applicable to Public Entities as defined by the Organic Law N° 002/2022 OL of 12/12/2022 on Public Finance Management and year-end accounting and financial reporting procedures circular, issued by MINECOFIN in June 2024.

These financial statements have been extracted from the accounting records of **Rwinkwavu District Hospital** and the information provided is accurate and complete in all material respects. The financial statements also form part of the consolidated financial statements of the Government of Rwanda.

In my opinion, the financial statements have been prepared in compliance with the Organic Law N° 002/2022 OL of 12/12/2022 on Public Finance Management and related regulations. I further confirm that **Rwinkwavu District Hospital** maintained proper accounting records that can be relied upon in the preparation of financial statements. I also confirm that adequate systems of internal control were maintained and operated effectively during the year to safeguard the assets of the budget agency.

Nothing has come to the attention of management to indicate that **Rwinkwavu District Hospital** will not continue operating as a going concern for the foreseeable future.

Signature: _____

Dr. MWISENEZA Phoebe
Hospital Director General



Date: 01/07/2025

**RWINKWAVU DISTRICT HOSPITAL
AUDIT REPORT ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE
2024**

3. REPORT OF THE AUDITOR GENERAL

REPORT ON THE FINANCIAL STATEMENTS

Dr. MWISENEZA Phoebe
Director General

3.1. Opinion

As required by Article 166 of the Constitution of the Republic of Rwanda , and Articles 6 and 14 of Law N° 79/2013 of 11/09/2013 determining the mission, organization and functioning of the Office of the Auditor General of State Finances (OAG), I have audited the financial statements **Rwinkavu District Hospital** for the year ended 30 June 2024. These financial statements comprise the statement of financial position as at 30 June 2024, and the statement of financial performance, the statement of cash flows, the statement of changes in net assets and the statement of budget execution for the year then ended, and a summary of significant accounting policies and other explanatory notes. These financial statements are set out on pages 9 to 30.

In my opinion, **Rwinkavu District Hospital** financial statements which comprises of its financial performance and its cash flows for the year then ended were prepared in compliance with the Organic Law N° 002/2022 OL of 12/12/2022 relating to Public Finance Management and year-end accounting and financial reporting procedures circular, issued by MINECOFIN in June 2024.

3.2. Basis for opinion

I conducted the audit in accordance with the International Standards of Supreme Audit Institutions (ISSAIs). My responsibilities under ISSAIs are described in section 3.4 of this report.

I am independent of **Rwinkwavu District Hospital** and have fulfilled my ethical responsibilities in accordance with the ethical requirements that are relevant to my audit of financial statements of public entities as determined by the *Code of ethics* for International Organization of Supreme Audit Institutions (INTOSAI).

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

RWINKWAVU DISTRICT HOSPITAL
AUDIT REPORT ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE
2024

3.4 Responsibilities of management and those charged with governance for financial statements

According to Organic Law N° 002/2022 OL of 12/12/2022 on Public Finance Management, management of **Rwinkwavu District Hospital** is responsible for keeping accounting records and books of account, and preparation of financial statements in accordance with the Year-end accounting and financial reporting procedures circular, issued by MINECOFIN in June 2024. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is responsible for assessing the **Rwinkwavu District Hospital's** ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Government either intends to discontinue operations of the **Rwinkwavu District Hospital**.

Those charged with Governance of this Hospital is the health committee. It is responsible for overseeing **Rwinkwavu District Hospital's** financial reporting process.

3.5 Auditor General's Responsibilities for the audit of the financial statements

My objective when conducting an audit is 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. Misstatements can arise from fraud or error and are considered material if individually or in aggregate, they could reasonably be expected to influence economic decisions of users taken on the basis of these financial statements.

An audit conducted in accordance with ISSAIs requires an auditor to exercise professional judgment and maintain professional skepticism throughout the audit and involves:

- The identification and assessment of the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform procedures responsive to those risks and to obtain sufficient and appropriate audit evidence to provide a basis for the auditor's opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of internal control.
- Evaluating the appropriateness of accounting policies used, the reasonableness of accounting estimates made by management.
- Concluding on the appropriateness of management's use of the going concern 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 **Rwinkwavu District Hospital's** ability to continue as a going concern as well as evaluating the presentation of the financial statements.

RWINKWAVU DISTRICT HOSPITAL
AUDIT REPORT ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE
2024

- Evaluation of the overall presentation, structure and content of the financial statements, including disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieved fair presentation.
- Communicating with those charged with governance the matters regarding the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during the audit.

KAMUHIRE Alexis
AUDITOR GENERAL

KIGALI, ...2025



RWINKWAVU DISTRICT HOSPITAL
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

4. FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

4.1. STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2024

Description	Notes	12 months to 30 June 2024	12 months to 30 June 2023
		Frw	Frw
Revenue			
Voluntary Transfers other than grants	1	133,873,739	165,135,372
Transfers from reporting entities	2	489,716,729	554,224,817
Revenue from exchange transactions	3	705,255,146	608,954,482
Total revenue (A)		1,328,845,614	1,328,314,671
Expenses			
Wages, Salaries and Employee Benefits	4	5,414,362	-
Use of goods and services	5	1,194,325,403	1,225,719,889
Capital expenditure	6	-	5,584,448
Depreciation and amortisation expense	7	25,993,852	-
Transfer to reporting entities	8	20,908,000	52,477,631
Social assistance	9	1,762,412	443,000
Other expenses	10	12,966,102	16,366,092
Total expenses (B)		1,261,370,131	1,300,591,060
Surplus for the period (C=A-B)		67,475,483	27,723,611

The explanatory notes on pages 15 to 30 form an integral part of these financial statements.

**RWINKWAVU DISTRICT HOSPITAL
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024**

4.2. STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2024

Description	Notes	Balance as at 30 June 2024 Frw	Balance as at 30 June 2023 Frw
Current Assets			
Cash and cash equivalent	11	219,496,200	100,825,319
Receivables from exchange transactions	12	229,028,258	191,864,328
Prepayment	13	-	11,886,102
Total current assets		448,524,458	304,575,749
Non-current assets			
Property, Plant and Equipment (PPE)	14	4,209,404,791	-
Total Non-current assets		4,209,404,791	-
Total Assets		4,657,929,249	304,575,749
Liabilities			
Accounts payable	15	210,821,011	172,387,016
Tax liabilities	16	6,233,812	4,936,503
Total liabilities		217,054,823	177,323,519
Represented by:			
Accumulated opening balance	17	4,356,407,189	125,737,509
Adjustments during the period	18	16,991,754	(26,208,890)
Net surplus for the current year		67,475,483	27,723,611
Equity		4,440,874,426	127,252,230
Total equity and liabilities		4,657,929,249	304,575,749

The explanatory notes on pages 15 to 30 form an integral part of these financial statements.

The financial statements were approved by the management of **Rwinkwavu District Hospital** and signed on its behalf by:

Prepared by: MWIZERWA Donatien
Accountant

Signature

Date

Checked by: GATARIKI Jacques
Director of Finance and
Administration

Signature

Date

Approved by: Dr. MWISENEZA Phoebe
Director General

Signature

Date



RWINKWAVU DISTRICT HOSPITAL
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

4. FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

4.1. STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2024

Description	Notes	12 months to 30 June 2024	12 months to 30 June 2023
		Frw	Frw
Revenue			
Voluntary Transfers other than grants	1	133,873,739	165,135,372
Transfers from reporting entities	2	489,716,729	554,224,817
Revenue from exchange transactions	3	705,255,146	608,954,482
Total revenue (A)		1,328,845,614	1,328,314,671
Expenses			
Wages, Salaries and Employee Benefits	4	5,414,362	-
Use of goods and services	5	1,194,325,403	1,225,719,889
Capital expenditure	6	-	5,584,448
Depreciation and amortisation expense	7	25,993,852	-
Transfer to reporting entities	8	20,908,000	52,477,631
Social assistance	9	1,762,412	443,000
Other expenses	10	12,966,102	16,366,092
Total expenses (B)		1,261,370,131	1,300,591,060
Surplus for the period (C=A-B)		67,475,483	27,723,611

The explanatory notes on pages 15 to 30 form an integral part of these financial statements.

RWINKWAVU DISTRICT HOSPITAL
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

4.2. STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2024

Description	Notes	Balance as at 30 June 2024	Balance as at 30 June 2023
		Frw	Frw
Current Assets			
Cash and cash equivalent	11	219,496,200	100,825,319
Receivables from exchange transactions	12	229,028,258	191,864,328
Prepayment	13	-	11,886,102
Total current assets		448,524,458	304,575,749
Non- current assets			
Property, Plant and Equipment (PPE)	14	4,209,404,791	-
Total Non- current assets		4,209,404,791	-
Total Assets		4,657,929,249	304,575,749
Liabilities			
Accounts payable	15	210,821,011	172,387,016
Tax liabilities	16	6,233,812	4,936,503
Total liabilities		217,054,823	177,323,519
Represented by:			
Accumulated opening balance	17	4,356,407,189	125,737,509
Adjustments during the period	18	16,991,754	(26,208,890)
Net surplus for the current year		67,475,483	27,723,611
Equity		4,440,874,426	127,252,230
Total equity and liabilities		4,657,929,249	304,575,749

The explanatory notes on pages 15 to 30 form an integral part of these financial statements.

The financial statements were approved by the management of **Rwinkwavu District Hospital** and signed on its behalf by:

Prepared by:	<u>MWIZERWA Donatien</u>	_____	_____
	Accountant	Signature	Date
Checked by:	<u>GATARIKI Jacques</u>	_____	_____
	Director of Finance and Administration	Signature	Date
Approved by:	<u>Dr. MWISENEZA Phoebe</u>	_____	_____
	Director General	Signature	Date

RWINKWAVU DISTRICT HOSPITAL
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

4.3. STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2024

Description	12 months to 30 June 2024	12 months to 30 June 2023
	Frw	Frw
Cash flows from operating activities		
Voluntary Transfers other than grants	133,873,739	165,135,372
Transfers from reporting entities	489,716,729	554,224,817
Revenue from exchange transactions	705,255,146	608,954,482
Payments for operating expenses		
Wages, Salaries and Employee Benefits	(5,414,362)	-
Use of goods and services	(1,194,325,403)	(1,225,719,889)
Transfer to reporting entities	(20,908,000)	(52,477,631)
Social assistance	(1,762,412)	(443,000)
Other expenses	(12,966,102)	(16,366,092)
Adjustments for		
Changes in accounts receivable	(25,277,828)	(102,603,339)
Changes in accounts payable	39,731,304	17,573,417
Adjustments during the year	16,991,754	(26,208,890)
Net cash flows from operating activities	124,914,565	(77,930,753)
Cash flows from investing activities	(6,243,684)	(5,584,448)
Purchase of capital items	(6,243,684)	(5,584,448)
Net change in cash and cash equivalents	118,670,881	(83,515,201)
Cash and cash equivalents at the beginning of the year	100,825,319	184,340,520
Cash and cash equivalents at the end of the year	219,496,200	100,825,319

RWINKWAVU DISTRICT HOSPITAL
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

4.4. STATEMENT OF CHANGES IN NET ASSETS FOR YEAR ENDED 30 JUNE 2024

Description	Accumulated surplus deficit 2021/2022	Movement s during the year 2022/2023	Total 2022/2023
Changes In Net Assets Items			
Initial Opening Balance	251,987,535	-	251,987,535
Accumulated surplus from previous years	(158,959,685)	27,723,611	(131,236,074)
Adjustments on cash and cash equivalents	(38,181,165)	-	(38,181,165)
Adjustments on Receivables	123,053,333	(16,437,462)	106,615,871
Adjustments on current liabilities	(52,162,509)	(9,771,428)	(61,933,937)
Total Changes in net assets	125,737,509	1,514,721	127,252,230
Description	Accumulated Surplus / Deficit 2022/2023	Movement During the Year 2023/2024	Total 2023/2024
Changes In Net Assets Items			
Initial Opening Balances	251,987,535	4,235,398,643	4,487,386,178
Payment of Capital Items	-	(6,243,684)	(6,243,684)
Accumulated surplus/(deficit)	(131,236,074)	67,475,483	(63,760,591)
Adjustments on cash and cash equivalents	(38,181,165)	-	(38,181,165)
Adjustments on Receivables	106,615,871	16,496,704	123,112,575
Adjustments on current liabilities	(61,933,937)	495,050	(61,438,887)
Total Changes in net assets	127,252,230	4,313,622,196	4,440,874,426

RWINKWAVU DISTRICT HOSPITAL
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

**4.5. STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS
FOR YEAR ENDED 30 JUNE 2024**

Particulars	Revised Budget	Actual Budget	Variance	Performance
	A	B	C=(A-B)	D=(B/A*100)
Resources				
Voluntary Transfers other than grants	139,094,701	133,873,739	5,220,962	96%
Transfers from reporting entities	528,482,916	489,716,729	38,766,187	93%
Revenue from exchange transactions	814,057,293	705,255,146	108,802,147	87%
Total revenue	1,481,634,910	1,328,845,614	152,789,296	89.7%
Payments				
Wages and Salaries	5,983,830	5,414,362	569,468	91%
Goods and services	1,380,485,507	1,194,325,403	186,160,104	87%
Transfers to reporting entities	32,065,573	20,908,000	11,157,573	65%
Social assistance	6,300,000	1,762,412	4,537,588	28%
Other expenses	41,800,000	12,966,102	28,833,898	31%
Total Payments	1,466,634,910	1,235,376,279	231,258,631	84%
Acquisition of Non- Current Assets				
Payment of Capital Items	15,000,000	6,243,684	8,756,316	42%
Total Non- Current Assets	15,000,000	6,243,684	8,756,316	42%

Explanations on major variances

• **Revenue from exchange transactions:**

Management implemented sales of goods and administrative services at a rate of 87%. The reason we were unable to reach 100% was because the number of patients the hospital received for treatment decreased, not because of poor service, but because the number of patients who came was lower than we had planned.

• **Goods and services**

Management has implemented a Goods and Services payment rate of 87%, which is dependent on the hospital's ability to pay for goods and services. If the funds are not collected in full as planned, this will have an impact on the payment of miscellaneous items, meaning that if revenue from exchange transactions increases, it will also increase.

• **Transfers to reporting entities**

Management sent 65% of the funds to health centers due to budget constraints as Rwanda Biomedical Center sent a small amount on what they had agreed to send.

RWINKWAVU DISTRICT HOSPITAL
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

- **Social assistance**

Management implemented only 28% of the planned activities due to lack of funds to do so. In short, it is a budget issue compared to what the hospital has collected as revenue.

- **Other expenses**

Management implemented activities related to other expenses at a lower level due to the fact that the hospital had planned to provide insurance for buildings and equipment and at the end of the year, this contract was not available because it was only available in FY 2024-2025.

- **Payment of Capital Items**

The hospital has implemented 42% of the project due to the fact that there was a proposal to purchase office furniture for Five million but the contractor won at 2,950,000Rwf. This is the reason. Another reason is that ICT equipment was to be purchased but a partner was found who provided laptops and other equipment.

RWINKWAVU DISTRICT HOSPITAL
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

4.6. NOTES TO THE FINANCIAL STATEMENTS

4.6.1 Statement of compliance

Public entities maintain their books of account on a modified accrual basis of accounting as prescribed in basis for preparation.

The financial statements have been prepared in accordance with the Organic Law N° 002/2022 of 12/12/2022 on State Finances and Property and related legal framework. These financial statements have been authorized for issue by the Chief Budget Manager on 30 August 2024.

The financial statements have been prepared on a going concern basis and the accounting policies have been applied consistently throughout the period. The presentation and classification of items in the financial statements are consistent from one period to the next and takes into consideration progressive improvements as contained in the Government of Rwanda roadmap to migrate to accrual IPSAS.

Reporting entity

The financial statements have been prepared by Rwinkwavu District Hospital Pursuant Article 20 and 78 of the Organic Law N° 002/2022 that empowers the Chief Budget Manager to prepare the financial statements.

4.6.2 Basis of preparation

The financial statements have been prepared on the basis of historical costs unless otherwise stated. The cash flow statement is prepared using the direct method. The specific accounting basis for major items in the financial statements are provided below. Rwinkwavu District Hospital maintains its books of account on a modified accrual basis of accounting.

In this context modified accrual basis of accounting means that financial transactions and events shall generally be recognized in the books of account when they occur and not only when cash or its equivalent is received or paid, except in the following circumstances when transactions will be treated on a cash basis;

- (i) Inventories in the form of materials to be consumed in rendering of services. In the form of materials to be consumed in the rendering of services. Inventories include assets such as consumable stores, maintenance materials, land and other properties held for sale. These will be treated on cash basis and recorded as expenditure during the year of acquisition and treated as revenue in the year of disposal.
- (ii) Non-exchange transactions: - These arise where an entity receives value from another entity without giving approximately equal value in exchange. These include taxes, fines and penalties, transfers, gifts and donations and shall be recognised when cash is received.
- (iii) Non-current assets (tangible and intangible assets): such as vehicles, furniture and equipment will be treated on cash basis and recorded as capital expenditure during the year of acquisition and revenue in the year of disposal.

RWINKWAVU DISTRICT HOSPITAL
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

Reporting periods

The Government of Rwanda fiscal year runs from 1 July to 30 June. These financial statements cover the period from 01 July 2023 to 30 June 2024. The comparative figures reflect the 12 months ended 30 June 2023.

Key assumptions and judgements

These financial statements, as a component of the Government consolidated financial statements, reflect the Government's financial position as at 30 June 2024, and the financial results of operations and cash flows for the year ended on that date. Included in these financial statements are a number of judgements, estimations and assumptions.

The assumptions are based on information available at the time of the preparation of the financial statements. It should therefore be noted that actual results may differ from the assumptions stated and thus have a material impact on the financial statements. The key assumptions are discussed below:

a) Presentation currency

The functional currency of the Government of Rwanda is the Rwandan Franc. For reporting purposes, the financial statements are translated into Rwandan Francs.

The rates used to translate foreign currency balances is the average rate applicable by National Bank of Rwanda as at 30 June 2024.

b) Areas of significant estimation

These financial statements do not have significant estimates so far. For the non-current asset and inventory balances disclosures, the acquisition cost before depreciation has been used.

c) Adoption of new and revised standards

The government is in the process of transitioning to IPSAS through a phased approach that involves a six-year implementation plan. The current year is year 5 of the transition process. By the end of the six-year implementation period, the government plans to have fully transitioned to IPSAS and adopted all relevant standards.

RWINKWAVU DISTRICT HOSPITAL
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

4.6.3 Significant accounting policies

I. Revenue

1) Revenue from non-exchange transactions

• Grants

Grants are transfers received by government units, from other resident or non-resident government units or international organizations that do not meet the definition of a tax, subsidy, or social contribution. This includes current and capital transfers received from foreign Governments, international organizations and from other general government units. Transfers from other general Government units includes Transfers from National Treasury, Inter-entity and intra-entity transfers. Inter-entity transfers refer to transfers between costs or revenue centers belong to different public entities while intra-entity refers to transfers between cost or revue centers within the same public entity.

A transfer is a transaction in which one institutional unit provides a good, service, or asset to another unit without receiving from the latter any good, service, or asset in return as a direct counterpart. Grants are normally receivable in cash, but may also take the form of the receipt of goods or services (in kind). Grants receivable are classified first by the type of unit providing the grant and then by whether the grant is current or capital.

A grant may be a sum of money or services given by a government body for specific purposes. Usually, the money given can only be used for the intended purposes stated in the grant writing or application.

These transfers could be classified according to the sector of the counterparty and whether they are current or capital transfers.

The grants and transfers shall be sub-categorized as follows:

- a) Grants received from Foreign Governments;
- b) Grants received from International Organizations; and
- c) Grants received from other general Government units which includes Treasury Transfers, Inter-entity and intra-entity transfers.

Grants and similar financing for capital items, to the extent that they have not been eliminated on consolidation, are recognized immediately in the Statement of financial assets and liabilities unless it is likely that the grant will need to be repaid, in which case the grant is deferred in the Statement of financial assets and liabilities

The following applies to grants and transfers:

- Grants are recognized in the books of accounts when cash is received and in case of grant in kind, such grants are recorded upon receipt of the grant item and upon determination of the value.
- Transfer from Treasury are recognized in the books of accounts when cash is received.

RWINKWAVU DISTRICT HOSPITAL
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

- Transfers received from Government entity for onward payment to a third party are not treated as an inter-entity (revenue) rather, such transfers shall be recorded as transit fund (liability) in the books of the receiving entity.
- Transfers from Treasury that are not related to current fiscal year budget are not treated as cash transfers. Instead, such transfers shall be treated as inter-entity transfers.
- Transfers from entities to Treasury which does not relate to the current fiscal year budget are treated by Treasury as inter-entity transfers.
- Funds returned to Treasury at the end of the fiscal year as a result of zero balance accounts sweeping are not recognized as inter-entity transfers. Instead, those funds will reduce the cash transfer account balance for the same year. Where such transfers are received by Treasury in the subsequent fiscal year (such as embassies and foreign missions) such transfers is recognized as inter-entity transfers.

2) Revenue from exchange transactions

- **Other revenue**

These are other revenue not classified in other classes of revenue. This include indemnity of losses caused to government and currency exchange gain. Revenue from exchange transactions shall be recognized on accrual basis.

II. Expenditure

All expenditure is recognized on accrual basis. However, the point of recognition may be different according to their categories.

- **Goods and services**

Goods and services consist of the value of goods and services used in implementation of Rwinkwavu District Hospital's activities. The value of goods or services is recorded when the goods or services are actually used rather than when they were acquired or paid for. In practice, these events often coincide for inputs of services but not for goods, which may be acquired some time in advance of their use. The value of goods purchased and held for resale is recorded as goods and services when they are sold.

- **Transfers to public entities**

Transfers to public entities are made in the form of direct/indirect cash transfers and direct payments to public reporting entities. Payments from the Central Treasury account are originated and approved by the respective public entities before they are forwarded to the Treasury for payment. Direct/indirect cash transfers are transferred together with associated activities to be performed. The expenditure/receipt is recognized when actual cash is transferred.

For direct payments expenditure is recognized when goods/services are received and when commitment is approved for all other expenditures.

RWINKWAVU DISTRICT HOSPITAL
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

- **Acquisition of fixed assets**

The expenditure on acquisition of property plant and equipment items is not capitalized. The cost of acquisition and proceeds from disposal of these items are treated as expenditure and income items respectively. where an asset is acquired in a non-exchange transaction for nil or nominal consideration and the fair value of the asset can be reliably established, a contra transaction is recorded as revenue and as Acquisition of Fixed Assets otherwise it not recorded rather a fixed asset register which contains details of assets is maintained by each public entity.

- **Other expenses**

Any other expenses not part of the ones above will fall into this category and shall be for on accrual basis of accounting. It will be recognized in books of account when cash and cash equivalent is paid.

III. Assets and liabilities

- **Cash and cash equivalents**

Cash comprises cash on hand, demand deposits and cash equivalents. Demand deposits and cash equivalents comprise balances with banks and investments in short-term money market instruments 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 National Bank of Rwanda, foreign bank for the case of embassies and high commissions and at various commercial banks at the end of the reporting period.

- **Receivables from exchange transactions**

These receivables include the receivables from the exchange transactions, prepayments and other receivables recoverable in period not exceeding 12 months.

- **Payables**

These mainly relate to invoices for goods and services which were outstanding on the date of the closure of the fiscal year. These are recognized as liabilities for that specific fiscal year. All goods received notes are recognized as liabilities if not yet paid as at the end of the year.

4.6.4 Other relevant information

- **Changes in accounting policies and estimates**

When presentation or classification of items in the financial statements is amended or accounting policies are changed voluntarily, comparative figures are restated to ensure consistency with the current period unless it is impracticable to do so.

- **Foreign currency transactions**

Transactions denominated in foreign currencies are initially translated to the Rwandan Franc at the foreign exchange rate at the date of transaction.

RWINKWAVU DISTRICT HOSPITAL
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

The National Bank of Rwanda provides exchange rates for major foreign currencies on a daily basis. These are presented for selling rate (rate the bank will sell foreign currency to its clients), buying rate (rate the bank will buy foreign currency from its clients) and average rate (average between the selling and buying rate).

During the year, revenue items are translated using the selling rate (this equals the Buying rate presented at BNR website) of the transaction day whereas the Expense items should be translated using the buying rate (this equals the Selling rate presented at BNR website) of the transaction day.

The associated exchange losses are recorded as other expenditure while exchange gains should be recorded as other revenue. At the end of the year, book balances, Assets (such as bank and cash and accounts receivables) and liability (such as accounts payables), denominated in foreign currencies are converted into the Rwanda Franc at the average rate of exchange ruling on that closing date, as issued by the National Bank of Rwanda. The associated exchange losses/gains are recorded as expenditure/income in the books.

- **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 30 June 2024.

- **Notes to the statement of comparison of budget and actual amounts**

- (i) The original budget for 2022/2023 was approved by the Parliament on 30 June 2022. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the Government upon receiving the respective approvals in order to conclude the final budget. Accordingly, the Government recorded additional appropriations of budget in accordance with specific instructions of the Cabinet/Parliament.
- (ii) Government's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the Statement of revenues and expenditures, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts.

In addition to the basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget.

- (iii) Timing differences occur when the budget period differs from the reporting period reflected in the financial statements. There are no timing differences for Government.
- (iv) Project differences occur when the budget omits program/activity or a project that is part of the project for which the financial statements are prepared.

RWINKWAVU DISTRICT HOSPITAL
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

4.6.5 Explanatory notes to financial statements

1. Voluntary transfers other than grants

During the year ended 30 June 2024, Rwinkwavu District Hospital received voluntary transfer other than grant as detailed in the table below:

ID account	Description	12 months to 30 June 2024	12 months to 30 June 2023
		Frw	Frw
144104	International organisations (Partners in Health)	133,873,739	165,135,372
	Total	133,873,739	165,135,372

2. Transfers from government reporting entities

During the year ended 30 June 2024, Rwinkwavu District Hospital received direct cash transfers from other budget agencies as detailed below:

ID account	Description	12 months to 30 June 2024	12 months to 30 June 2023
		Frw	Frw
139104	Transfers from central government entities (MINISANTE, RBC, RBC-SPIU, MIGEPROF)	41,744,908	54,790,772
139110	Transfers from Kayonza District	12,453,192	16,948,686
139206	Transfers from Government Development Projects-Capital	435,518,629	482,485,359
	Total	489,716,729	554,224,817

3. Revenue from exchange transactions

During the year ended 30 June 2024, Rwinkwavu District Hospital collected revenue from exchange transactions as detailed in the table below:

ID account	Description	12 months to 30 June 2024	12 months to 30 June 2023
		Frw	Frw
142337	Consultations	15,187,805	12,089,039
142338	Hospitalization	49,148,769	6,365,750
142339	Stomatology	10,463,994	153,300
142340	Delivery fees	8,074,946	2,547,387
142342	Sale of drugs	175,960,669	103,813,777
142343	Laboratory	63,669,142	45,938,958
142344	Surgery	111,733,688	43,253,771
142345	Kinesitherapy	5,997,879	2,713,364
142346	Imaging and scanning	9,945,336	2,850,306
142348	Sale of Patient Records or Forms	4,120,228	11,295
142349	Ambulance fees	18,559,607	4,752,397
142350	Medical procedures fees	8,447,133	248,591,481

RWINKWAVU DISTRICT HOSPITAL
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

ID account	Description	12 months to 30 June 2024	12 months to 30 June 2023
		Frw	Frw
142351	Ophthalmology	6,688,498	947,165
142352	Mortuary	10,791,641	3,311,470
142353	Preventive Care	2,687,928	2,583,691
142354	Medical Consumables	73,227,758	2,514,687
142359	Other health related revenues	5,742,218	747,918
142375	Health Commodities	124,807,907	125,768,726
		705,255,146	608,954,482

4. Wages, Salaries and Employee Benefits

During the year ended 30 June 2024, Rwinkwavu District Hospital paid the bonus for the contractual staff as detailed in the table below:

ID account	Description	12 months to 30 June 2024	12 months to 30 June 2023
		Frw	Frw
211506	Health Staff Performance Bonus in Cash	5,414,362	0
	Total	5,414,362	0

5. Goods and services

During the year ended 30 June 2024, Rwinkwavu District Hospital consumed goods and services as detailed in the table below:

ID account	Description	12 months to 30 June 2024	12 months to 30 June 2023
		Frw	Frw
221101	Stationery and Printing Consumables	19,119,291	19,235,417
221102	Beverage	826,920	205,000
221103	Cleaning and Maintenance of Premises consumables	38,460,364	64,234,775
221109	Food stuff	-	26,487,138
221201	Water and Electricity Bills	57,489,651	52,167,348
221399	Other rentals costs	8,496,000	6,420,000
221402	Fax and Telephone	18,923,068	25,144,830
221403	Internet Costs	120,000	-
221601	Bank charges	775,222	1,209,208
221703	Adverts and Announcements	818,500	534,780
221707	Official Receptions	-	1,159,800
221709	Public Holidays Ceremonies	2,518,915	446,200
221714	Flags, Banners and decoration costs	30,000	70,000
222108	Technical Assistance remuneration	206,532,614	182,401,860
222109	Contractual Personnel	107,078,369	142,664,172
222110	Employee recruitment fees	-	1,502,425

RWINKWAVU DISTRICT HOSPITAL
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

ID account	Description	12 months to 30 June 2024	12 months to 30 June 2023
		Frw	Frw
222112	Cleaning services	40,315,073	37,901,124
222118	Performance Based Financing (PBF)	265,381,125	242,019,352
222199	Other Professional Services Fees	1,033,650	258,420
223101	Transportation Cost for Domestic Business Travel	65,388,600	65,215,204
223104	Domestic Per Diems	26,407,336	31,222,905
223108	Fuel and Lubricants for Motor Vehicles	34,339,329	34,236,110
223111	Mileage allowances	102,354	324,368
223199	Other transportation costs	15,477,976	15,508,700
224103	Maintenance and/or Repairs of Hospital Buildings	167,950	196,984
224110	Maintenance and Repairs of Vehicles and Motorbikes	25,194,900	6,789,524
224111	Maintenance and/or Repairs of Office Equipment	2,699,041	4,750,210
224116	Maintenance and/or Repairs of Other Equipment	-	4,086,683
224202	Equipment Spare Parts	-	3,007,000
224204	Construction Consumables Materials	3,716,967	4,800,000
226103	Training Related Travel Costs	-	4,050,600
226104	Training Related Per Diems	500,000	-
226105	Training Hotel facilities	4,827,010	7,868,880
227101	Medical reagents and drugs	217,297,538	223,930,588
227106	Medical Bills	16,775,798	-
227107	Incineration costs	-	528,500
227202	Other Official Wear	7,677,942	3,210,230
227510	Construction's materials	5,833,900	11,931,554
	Total	1,194,325,403	1,225,719,889

6. Capital expenditure

During the year ended 30 June 2024, Rwinkwavu District Hospital incurred capital expenditure as shown in the table below:

ID Account	Description	12 months to 30 June 2024	12 months to 30 June 2023
		Frw	Frw
343199	Office equipment, furniture and fittings-other office equipment, furniture and Fittings"	-	1,391,478
343299	Another ICT equipment	-	4,179,470
343305	Laboratory and medical equipment	-	13,500
	Total	-	5,584,448

RWINKWAVU DISTRICT HOSPITAL
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

7. Depreciation and amortisation expense

This is the depreciation expense charged on **PPE** for the year ended 30 June 2024, as detailed as follows:

ID Account	Description	12 months to 30 June 2024	12 months to 30 June 2023
		Frw	Frw
239536	Depreciation - Medical Equipment	22,595,807	0
239541	Depreciation - Furniture and furnishings	1,586,942	0
239544	Depreciation - Laboratory equipment	77,950	0
239546	Depreciation – Computers	1,733,153	0
	Total	25,993,852	0

8. Transfers to reporting entities

During the year ended 30 June 2024, Rwinkwavu District Hospital transferred funds to reporting budget agencies as shown in the table below:

ID Account	Description	12 months to 30 June 2024	12 months to 30 June 2023
		Frw	Frw
2671	Intra transfers to public health centers:		
	Cyarubare	2,790,600	6,281,400
	Kabarondo	2,777,600	6,294,960
	Karama	2,586,400	6,152,760
	Ndego	1,989,600	5,449,600
	Nyamirama	2,555,000	5,980,800
	Ruramira	2,100,200	5,703,611
	Rutare	1,763,800	5,248,400
	Rwinkwavu	2,615,000	6,349,300
	Kageyo	1,729,800	5,016,800
	Total	20,908,000	52,477,631

9. Social assistance

During the year ended 30 June 2024, Rwinkwavu District Hospital incurred social assistance expenses as shown in the table below:

ID Account	Description	12 months to 30 June 2024	12 months to 30 June 2023
		Frw	Frw
272101	Pooling risk for health insurance	43,400	
272103	Assistance to vulnerable groups	40,000	300,000
272106	Other unclassified social assistance	1,679,012	143,000
	Total	1,762,412	443,000

RWINKWAVU DISTRICT HOSPITAL
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

10. Other expenses

During the year ended 30 June 2024, Rwinkwavu District Hospital incurred miscellaneous expenses as shown in the table below:

ID Account	Description	12 months to 30 June 2024	12 months to 30 June 2023
		Frw	Frw
289102	Automobile and aircrafts insurance	11,886,102	1,080,555
285101	Miscellaneous expenses		14,739,537
285109	Sitting allowances	1,080,000	546,000
	Total	12,966,102	16,366,092

**RWINKWAVU DISTRICT HOSPITAL
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024**

11. Cash and cash equivalents

The bank amounts shown in the table below have been reconciled to the bank statements as at 30 June 2024:

Bank name	Account number	Bank	Balance as at 30 June 2024 Frw	Balance as at 30 June 2023 Frw
311101		PETTY CASH ACCOUNT		
311301	213107402151010	Hopital Rwinkwavu [FRW - Guaranty Trust Bank (Rwanda) Ltd]	5,500	218,910
311302	00066 - 0357950-89	Hopital Rwinkwavu Fonctionnement [Frw - Bank of Kigali]	42,849,842	38,754,064
311303	00066 - 00357951-90	Pharmacy [Frw - Bank of Kigali]	51,872,382	3,234,526
311304	00066-00485301-18	Ambulance [Frw - Bank of Kigali]	4,235,249	1,153,193
311305	224107402151010	Hopital Rwinkwavu [Frw - Guaranty Trust Bank (Rwanda) Ltd]	1,357,172	2,659,116
311307	00066-0036952-23 -	SSF/GF/Malaria [Frw - Bank of Kigali]	918,222	550,288
311308	00066-00321935-61	SSF/GF/HIV [Frw - Bank of Kigali]	51,341,361	36,904,841
311310	00066-00319690-47 -	PIH [Frw - Bank of Kigali]	10,933,810	1,669,602
311311	0224/186236/001/5101/000		4,509,430	92,120
	-	TB NSF [Frw - Guaranty Trust Bank (Rwanda) Ltd]	584,174	37,238
311312	01390155878-30	SGBV Project/Rwinkwavu Hospital [Frw - Equity Bank Rwanda Limited]	6,561,926	11,980,471
311313	80139024008137	Hopital Rwinkwavu Onesight Account [FRW - Equity Bank Rwanda Limited]	3,304,834	3,570,950
311314	80139035551642	Hopital Rwinkwavu Fonctionnement [Frw - Equity Bank Rwanda Limited]	41,022,298	-
		Total	219,496,200	100,825,319

RWINKWAVU DISTRICT HOSPITAL
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

12. Receivables from exchange transactions

The following were the accounts receivable as at 30 June 2024:

ID Account	Debtor's name	Balance as at 30 June 2024	Balance as at 30 June 2023
		Frw	Frw
312101	Accounts receivables - Customers	228,846,252	191,660,100
312103	Accounts Receivables-Health Insurers	182,006	204,228
	Total	229,028,258	191,864,328

13. Prepayments and other current assets

The following were prepayments as at 30 June 2024:

ID Account	Description	Balance as at 30 June 2024	Balance as at 30 June 2023
		Frw	Frw
312802	Prepayments on goods and service contracts	-	11,886,102
	Total	-	11,886,102

14. Property, Plant and Equipment (PPE)

These are assets acquired by the hospital from the previous and current year as at 30 June 2024. See details in the table below:

ID Account	Description	Costs	Accumulated depreciation	NBV
		Frw	Frw	Frw
362103	Public buildings and structures	48,183,360	0	48,183,360
362105	Education and research buildings and structures	468,001,800	0	468,001,800
362106	Health facility buildings and structures	2,102,606,777	0	2,102,606,777
362107	Residential buildings and structures	426,029,363	0	426,029,363
362108	Sport and entertainment buildings and structures	88,128,000	0	88,128,000
372101	Agriculture and livestock machinery and equipment	5,500,000	0	5,500,000
372102	Water machinery and equipment	1,250,000	0	1,250,000

RWINKWAVU DISTRICT HOSPITAL
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

ID Account	Description	Costs	Accumulated depreciation	NBV
		Frw	Frw	Frw
372103	Energy machinery and equipment	105,000,000	0	105,000,000
372108	Service Industry machinery and equipment	12,930,000	0	12,930,000
372109	Cleaning equipment	116,500,000	0	116,500,000
372110	Medical Equipment	773,246,234	43,222,873	730,023,361
372113	Furniture and furnishings	36,191,028	3,882,105	32,308,923
372115	Domestic appliances	5,580,000	0	5,580,000
372116	Laboratory equipment	47,427,848	77,950	47,349,898
373102	Computers	18,393,684	0	18,393,684
373105	Computer printers	1,740,000	2,120,375	-380,375
373110	Printing and Photographic and Audio and Visual Equipment	2,000,000	0	2,000,000
	Total	4,258,708,094	49,303,303	4,209,404,791

15. Current accounts payable

The following were the accounts payable as at 30 June 2024:

ID Account	Particulars	Balance as at 30 June 2024	Balance as at 30 June 2023
		Frw	Frw
412101	Outstanding Payment to Suppliers	176,510,738	152,960,880
412105	Returned payments	467,472	629,231
412108	Other Accounts Payable	33,842,801	18,796,905
	Total	210,821,011	172,387,016

16. Tax liabilities

ID Account	Particulars	Balance as at 30 June 2024	Balance as at 30 June 2023
		Frw	Frw
412401	VAT Payable - Input VAT	5,132,885	4,211,039
412402	WHT Payable	1,100,927	725,464
	Total	6,233,812	4,936,503

RWINKWAVU DISTRICT HOSPITAL
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

17. Accumulated opening balance

Description	Amount
	Frw
Adjusted assets from previous years	4,235,398,643
Accumulated opening balance	127,252,230
Adjustments of assets purchased during the year	(6,243,684)
Accumulated opening balance	4,356,407,189

18. Adjustments during the period

The following are adjustments made to the opening balances:

ID account	Description	12 months to 30 June 2024
		Frw
512102	Prior year errors Adjustment-Accounts Receivable	16,496,704
512103	Payables Adjustment	495,050
	Total	16,991,754

**RWINKWAVU DISTRICT HOSPITAL
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024**

19. IMPORTANT DISCLOSURES

17.1 Breakdown of the inventory of supplies and consumables

Code	Description	Current Value as at 2023- 06- 30		Value (Adjustments)		Value (Additions)		Value (Consumed)		Balance Value as at 2024- 06- 30	
		Frw	A	Frw	B	Frw	C	Frw	D	Frw	E=A+B+C-D
3391	Electrical materials		-		-	20,341,900		20,341,900			-
333	Medical Supplies	35,211,473			-	217,411,809		219,953,752		32,669,530	
3392	Construction materials	4,069,696		(130,427)		12,000		1,950,576		2,000,693	
332	Maintenance materials	6,973,649			-	-		6,973,649		-	
331	Consumable stores	10,384,724		286,677,756		62,403,524		339,504,692		19,961,312	
	Total	56,639,542		286,547,329		300,169,233		588,724,569		54,631,535	

Office of the Auditor General
of State Finances (OAG-Rwanda)



RWINKWAVU DISTRICT HOSPITAL

Management Letter

For the year ended 30 June 2024

OAG Core Values

Integrity

Objectivity

In public Interest

Innovation

Professionalism

www.oag.gov.rw

**RWINKWAVU DISTRICT HOSPITAL
MANAGEMENT LETTER FOR THE YEAR ENDED 30 JUNE 2024**

Dr. MWISENEZA Phoebe
Director General
Rwinkwavu District Hospital

Dear Director General,

MANAGEMENT LETTER FOR THE YEAR ENDED 30 JUNE 2024

The financial statements of **Rwinkwavu District Hospital** are subject to audit by the Auditor General. The audit is conducted in accordance with the Article 166 of the Constitution of the Republic of Rwanda, and Articles 6 and 14 of Law N° 79/2013 of 11/09/2013 determining the mission, organization and functioning of the Office of the Auditor General of State Finances (OAG).

The Chief Budget Manager of **Rwinkwavu District Hospital** is responsible for establishing and maintaining an effective, efficient and transparent system of internal controls. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control policies and procedures. The objectives of an internal control system are to provide reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition. Those transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements as required by Organic Law N° 002/2022 OL of 12/12/2022 on Public Finance Management and in accordance with appropriate accounting standards applicable to Public Entities as defined by Year-end accounting and financial reporting procedures circular, issued by MINECOFIN in June 2024. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected

I have completed the audit of **Rwinkwavu District Hospital** for the year ended 30 June 2024 and my audit conclusions have been considered in forming an audit opinion on the financial statements for the year ended 30 June 2024. All audit findings from audit form part of the management letter.

I believe that as management of **Rwinkwavu District Hospital**, you are required to undertake appropriate action to address issues identified during this audit and implement proposed recommendations. I accordingly, submit to you this management letter for your action and follow up.

I take this opportunity to express my gratitude to you and your staff for the cooperation and assistance, which I received during the course of the audit.

Yours Sincerely,

KAMUHIRE Alexis
Auditor General

KIGALI *8th October* **2025**



**RWINKWAVU DISTRICT HOSPITAL
MANAGEMENT LETTER FOR THE YEAR ENDED 30 JUNE 2024**

TABLE OF CONTENTS

1.BACKGROUND, MANDATE & GOVERNANCE.....	1
2. REVIEW OF PROPERTY, PLANT AND EQUIPMENT.....	6
3. REVIEW OF REVENUE	6
4. REVIEW OF ACCOUNTS RECEIVABLE	12
5. REVIEW OF INTERNAL CONTROLS.....	15
6. REVIEW OF COMPLIANCE WITH CORPORATE GOVERNANCE PRACTICES	17
APPENDICES	18

RWINKWAVU DISTRICT HOSPITAL BACKGROUND, MANDATE&GOVERNANCE

1.BACKGROUND, MANDATE & GOVERNANCE

1.1 Background Information

1.1 Background of Rwinkwavu District Hospital

Rwinkwavu District Hospital is one of the two hospitals of Kayonza District in the Eastern Province of Rwanda. It is located in Kinihira Village, Nkondo Cell, Rwinkwavu Sector at approximately 12 km from the main road Kayonza- Rusumo (through Kabarondo) on Akagera National Park Road.

Rwinkwavu Hospital started its activities in 1947. However, it was destroyed in 1994 during the Genocide against Tutsi in Rwanda. After, the hospital re-opened under Partners in Health which managed the crisis of health care. It was returned to Government management in 2010 with different managerial challenges based on its background.

Rwinkwavu District Hospital serves about 253,153 inhabitants from eight (8) Sectors of Kayonza District namely:

1. Rwinkwavu Sector;
2. Kabare Sector;
3. Nyamirama Sector;
4. Ruramira Sector;
5. Murama Sector;
6. Ndego Sector; and
7. Kabarondo Sector.
8. Mwiri sector

Its catchment area also covers Rugendabari Cell of Mukarange Sector, Kayonza District.

Rwinkwavu District Hospital supervises nine (9) Health Centers within its catchment area to ensure that high quality health care services are provided to the population. These are:

1. Ruramira Health Centre;
2. Nyamirama Health Centre,
3. Ndego Health Centre;
4. Karama Health Centre;
5. Kabarondo Health Centre;
6. Cyarubare Health Centre;
7. Rutare Health Centre and
8. Rwinkwavu Health Centre.
9. Kageyo Health Centre

1.2 Mandate of Rwinkwavu District Hospital

The principal activities of Rwinkavu District Hospital consist of providing equitable, affordable and quality health care services to the population. It also ensures technical supervision of Health Centers in its catchment area while promoting preventive and curative solutions; thereby contributing to the welfare of the population.

RWINKWAVU DISTRICT HOSPITAL

BACKGROUND, MANDATE&GOVERNANCE

As a public hospital, Rwinkwavu District Hospital offers outpatient and inpatient services to all persons seeking medical care from the hospital.

1.2.1 Services offered by the Hospital

The health care services offered by the Hospital are categorized into Clinical and Support services, as follows:

The **Clinical services** comprises of:

- Outpatient (OPD) services;
- Inpatient services (internal medicine, gynecology and obstetrics, maternity, pediatrics, surgery, neonatology);
- Emergency care services;
- Ambulance services;
- Pharmacy services;
- Radiology services;
- Laboratory, including biochemistry, hematology, microbiology, serology and molecular biology;
- Non-Communicable Diseases (NCD) services
- Pediatrics Development Clinic (PDC) services
- Antiretroviral (ARVs) services for people living with HIV/AIDS;
- One Stop Centre services for Gender-Based Violence (GBV) cases;
- Paramedical services (Dentistry, Ophthalmology, Medical imaging, Mental health, Physiotherapy);
- Family planning services;
- Social and nutrition services. and
- Mortuary services.

The Support services include:

- Finance and Administration;
- Procurement;
- Logistics and stock management;
- Recovery;
- Cashiers;
- Information and Technology Management;
- Reception, Public relations and customer care;
- Quality Improvement;
- Planning, Monitoring and Evaluation;
- Laundry;
- Secretariat;
- Maintenance.

Library, documentation and archives.

1.3 Governance of Rwinkwavu District Hospital

To become a center of Excellency in providing safe, effective and efficient healthcare services

RWINKWAVU DISTRICT HOSPITAL BACKGROUND, MANDATE&GOVERNANCE

in East Africa by competent staffs respecting standards of ethical behavior.

1.4 Mission of Rwinkwavu District Hospital

- To provide high quality standard medical and surgical healthcare based on updated and evidence-based practices to clients from different health centers of Kayonza District and abroad.
- Supervision of health centers in the catchment area & Education and research.

1.5 Governance of Rwinkwavu District Hospital

Rwinkwavu District Hospital is a Non-Budget Agency (NBA)/Subsidiary entity under Kayonza District. Its functions are governed by two (2) Organs; namely the Health Committee and the Management Committee.

1.5.1 The Health Committee

The Health Committee is the authority responsible for the overall direction of Rwinkwavu District Hospital. It is the body in charge of oversight and it is entrusted to make strategic decisions for the hospital.

The members of the Health Committee who served during the year ended 30 June 2024 and up to the date of this report were as follows:

Nº	Name	Position
1	ZIGIRA Alphonse	Chairperson
2	KAYIGIRE Anselme	Vice Chairperson, Representative of the District Executive Committee
3	SINDAYIGAYA Sicaire	Member, Representative of the Non-Profit Organizations
4	ASIIMWE Charles	Member, Representative of the Private Sector
5	UMUGWANEZA Walda	Member, Representative of Community Health workers
6	MUSHIMIYIMANA Jean de DIEU	Member, Representative of Heads of Health Centers
7	MUKAMUNANA Alphonsine	Member, Representative of Ministry of Health
8	Dr. MWISENEZA Phoebe	Secretary of Health Committee and Hospital Director General

1.5.2 The Management Committee

The management is responsible for running the day-to-day operations of the hospital and is headed by a Hospital Director General. The hospital has three (3) Units (headed by Directors), namely:

- (i) Medical and Allied Health Sciences Services Unit;
- (ii) Nursing and Midwifery Unit (including Nursing Department and Midwifery Department); and
- (iii) Administration and Finances Unit.

The Members of the Management team who served during the year ended 30 June 2024 and

**RWINKWAVU DISTRICT HOSPITAL
BACKGROUND, MANDATE&GOVERNANCE**

up to the date of this report were as follows:

N°	Name	Position
1	Dr. MWISENEZA Phoebe	Director General
2	GATARIKI Jacques	Director of Administration and Finance
3	Dr. UMUGWANEZA Olive	Clinical Director
4	NYIRATUZA Adeline	Director of Nursing and Midwifery
5	NIYONSABA Jane Peter	Member
6	DUSABINEMA Firmin	Member

DETAILED AUDIT FINDINGS

**RWINKWAVU DISTRICT HOSPITAL
MANAGEMENT LETTER FOR THE YEAR ENDED 30 JUNE 2024**

2. REVIEW OF PROPERTY, PLANT AND EQUIPMENT

2.1 Failure to report transport equipment owned by RDH in the financial statements

Observation

Section 5.2.1 of the Year accounting and financial reporting procedures circular issued on 27 June 2024, states that as the GoR transitions to accrual IPSAS, the financial year ending 2023/24 shall mark the first time that the government recognizes its non-current assets, inventories and liabilities.

However, during the review of RDH's Property, Plant, and Equipment balances reported, we noted that there was 8 transport equipment (including 7 motor vehicles and 1 motor bike), with a total value of **Frw 195,499,000**, omitted from the PPE reported in the financial statements. *See the details, in appendix 1.*

Risk

The failure to recognize the value of buildings within Property, Plant and Equipment led to an understatement of RDH's reported assets.

Recommendation

RDH Management should investigate the identified failure and implement appropriate corrective actions.

Management comment

Hospital Management Comment on the finding is that, this transport equipment was reported by Kayonza District. Moving forward, Hospital Management will take the necessary steps to ensure that all such equipment is accurately recognized and reported in the hospital's financial statements for the upcoming financial year.

3. REVIEW OF REVENUE

3.1 Failure to recognize donations received as revenue from non-exchange transactions

Observation

According to Manual of Public Financial Management (PFM) Policies and Procedures on section 7.3 related to classes of Revenue on its part (b) Grants and donations: A grant may be a sum of money or services given by a government body for specific purposes. Usually, the money given can only be used for the intended purposes stated in the grant writing or application. Grants are actually similar to an allowance. Donations are forms of gifts. They are voluntarily given without any requirements or strings attached, and it doesn't require anything in return. It's up to the receiver to use what is given or may dispose of it when he or she does not need it. An entity may access grants from donors and budget transfers from Treasury. These grants and transfers shall be sub-categorized as follows:

- 1) Grants received from Foreign Governments;

RWINKWAVU DISTRICT HOSPITAL
MANAGEMENT LETTER FOR THE YEAR ENDED 30 JUNE 2024

- 2) Grants received from International Organizations; and
- 3) Grants received from other general Government units which includes Treasury Transfers, Inter-entity and intra-entity transfers.
- 4) Donations

Contrary to above, on 22 May 2024, Partners in Health donated medical equipment to Rwinkwavu District Hospital with a value of **Frw 219,644,738**. The total value of assets received as donation should have been recognized as revenue for the year ended 30 June 2024 as from non-exchange revenue under current voluntary transfers other than grants. *For more details of donated equipment, refer to the table below;*

S/N	Items	Model	Serial Number	Quantity	Total Cost (Frw)
1	Sterilizing Unit (Autoclave) and its accessories	MAST-V	202302302	1	60,000,000
2	Incinerator	18-M70 OIL	INCINER 8(M)2599	1	67,200,000
3	Ultrasound Machine	MylabX75	200584	1	49,200,000
4	Maintenance kits for PSA Plant	-	-	1	8,797,368
5	Ceiling Surgical Lamp	VEGA-606	6741/68202	1	5,346,120
6	Hematology Analyzer	BK-6310	115A00000486	1	13,200,000
7	Infant Warmer	Lullaby warmer	SF824951011	2	15,901,250
	Total			8	219,644,738

Risk

Without recognizing donations received for the year being audited, revenues were understated by the same figure.

Recommendation

Going forward Management should recognize donations as part of revenue for the year donations are received.

Management comment

Going forward, we shall recognize the donations as part of revenue

3.2 Irregularities noted in management of cash collected through Mobile Money

Observation

On 29 January 2021, MINECOFIN issued guidelines on the usage of mobile money codes by government entities. During the year under review, all cash payments were collected by Rwinkwavu District Hospital through Mobile Money.

**RWINKWAVU DISTRICT HOSPITAL
MANAGEMENT LETTER FOR THE YEAR ENDED 30 JUNE 2024**

However, audit noted the following irregularities:

- ✓ *Lack of weekly and monthly mobile money code statements for customer deposits into several cashier codes*

Article 4 of the guidelines stipulates that the Telecommunication Company (MTN) shall avail the Mobile Money code statement weekly, monthly, annually and on demand.

However, the audit noted that there were no weekly, monthly and annual mobile money statements for cash deposited by various patients to cashiers kept by Rwinkwavu District Hospital. Mobile money statement was requested from MTN during audit time but up to 25/06/2025 there were some statements not received for review as required.

- ✓ *Failure to prepare the reconciliation of mobile money codes*

Article 9 states that the Mobile Money code register shall be reconciled with weekly statement of mobile money code (credit side) requested from the Telecommunication Company (MTN). Any discrepancy shall be followed up with the telecommunication company within five (5) days' maximum. Further, credit side of bank statement shall also be reconciled weekly with the debit side of mobile money code statement issued by Telecommunication Company. Any discrepancy shall be followed up with the telecommunication company within 5 days' maximum.

However, the audit was not provided with any proof that the above reconciliations were done by Rwinkwavu District hospital during the year under review.

Risks

- In absence of weekly, monthly and annual Mobile Money code statements, controls over management of cash collected are weak and management cannot notice any irregularity at appropriate time. Further, accuracy and completeness of revenue recorded could not be confirmed.
- Failure to reconcile weekly, monthly and annual Open MRS cash collected, Mobile Money cash collected and cash deposited to bank account from mobile money code may create room for theft of cash collected.

Recommendations

- The hospital management should enforce the submission of weekly, monthly and annual mobile money code statements from MTN.
- The hospital management should ensure that reconciliations of mobile money statements with open MRS and bank account are carried out and any difference noted should be investigated and appropriate actions taken accordingly.

Management comment

Hospital Management noted the recommendation and will ensure all reports are done on weekly, monthly and annual basis for better reconciliation.

RWINKWAVU DISTRICT HOSPITAL
MANAGEMENT LETTER FOR THE YEAR ENDED 30 JUNE 2024

3.3 Concerns over the rejected invoiced amounts by health insurers

Observations

Usually, the invoices for drugs and medical services rendered to patient having insurance cover is shared between the patient and insurance provider (RSSB). Each and every patient treated having Community Based Health Insurance (CBHI) and Health Medical Insurance (RAMA) pays his portion of 10% and 15% respectively and the remaining portion should be paid by RSSB on monthly basis after reconciliations between invoices and their related supporting documents. While other insurance they pay their portion according to the contract signed with the insurance providers.

In this regard, the audit noted that out of invoices amounting to **Frw 632,610,647** issued to RSSB and other insurance providers, the total of **Frw 602,481,283** were approved for payment by health insurers and other partners leaving out rejections amounting to **Frw 30,129,364 (Representing 4.7%)**. It is worth noting that these balances reduced as the previous year reported the total of **Frw 41,474,668 (Representing 8%)**

Further analysis of rejected invoices revealed that the rejections may be classified in the following main categories:

- Rejections due to extra drugs and consumables to the set quantity and which implicate the loss of revenue to the Hospital

S/N	Description	Amount
		Frw
1	Extra drugs and consumables to the quantity set (the standard)	53,284
	Total	53,284

- Rejections due to hospital' staff errors and which implicate the loss of revenue to the Hospital

S/N	Description	Amount
		Frw
1	Failure to file, sign documents by staff, patient and no stamp on invoices	436,874
	Total	436,874

- Reason for rejection resulting from errors and not implicating loss of revenue to the Hospital

S/N	Description	Amount
		Frw
1	Double billed	10,760,366
2	Over billed (charging a price higher than that on tariff and stock value)	12,969,963
3	Services billed but not done	2,845,189
4	Typing and calculation error	1,378,068
5	Other reasons	1,685,619
	Total	29,639,205

**RWINKWAVU DISTRICT HOSPITAL
MANAGEMENT LETTER FOR THE YEAR ENDED 30 JUNE 2024**

Risks

- Rejected revenue that constitute loss of revenue of Rwinkwavu District Hospital may negatively affect the implementation of its daily activities as well as health service rendered to patients.
- Submitting the invoices that include errors delays their verification. Hence, impacting on the time for their settlement which may negatively impact the hospital cash inflow.

Recommendations

- The Hospital management should ensure that mistakes and errors made by medical staff in billing are minimized to ensure the loss of revenue in such cases are minimized or eradicated.
- The hospital management should work with the concerned stakeholders (Ministry of health and Insurance providers) and discuss on how to charge based on the whole medical act instead on individual consumables and drugs spent on the patients.
- Hospital management should make follow up with their stakeholders to update the list of allowable drugs and medical consumable

Management comments

- *The Hospital management noted the recommendation and this was due to staff who are not familiar with Open-MRS, connection error which resulting in overbilling,*
- *The hospital will continue to train medical staff to minimize errors and mistakes made while billing.*
- *The hospital management noted the recommendation and will inform the issue to the Ministry of health to provide guidelines which should be used when RSSB is doing verification and the hospital will make follow up on update the list of allowed drugs and medical consumables.*

3.4 Weaknesses noted in use of Electronic Medical Record System (E-MRS)

Observations

The E-MR system should provide the features that help users to use different services such as laboratory, pharmacy, accounting, reception and different specific programs.

Open MRS (EMR) shall have different report options of the billing module such as find bills, Cashier report, Deposits, Service report, Refund report, Insurance report, and third-party report. The reporting Module was designed to provide a feature-rich and user-friendly web interface for managing reports within Open-MRS.

Rwinkwavu Hospital uses Electronic Medical Record System (E-MRS) to bill patients and health insurance companies and record cash collections from individual patients. However as highlighted in previous year audit report, the following gaps still persist in the E-MRS:

- *Lack of integration between the accounting system (IFMIS) and E-RMS that causes manual entry of data*

The system was not integrated to the financial system in use (i.e., IFMIS) since both cash

**RWINKWAVU DISTRICT HOSPITAL
MANAGEMENT LETTER FOR THE YEAR ENDED 30 JUNE 2024**

receipts and amounts due from various insurance companies have to be captured manually in the IFMIS. Further, the reporting lines of the revenues as per E-RMIS do not match with the reporting lines as per IFMIS.

- ***Need to improve the E-MRS features***

The system is unable to update the amounts invoiced to various medical insurance companies with payments made to determine outstanding receivable amounts on need basis.

The system also doesn't provide room for correction of errors realised later which leads to consistent rejections.

- ***Inability to produce total revenue report for the whole hospital of a given period***

The system is unable to retrieve a report of total combined revenue of the hospital in a given period of time.

Risks

- Manual recording of generated revenue in IFMIS constitutes additional time wastage and may lead to errors and omission in recording of these revenues.
- Misstatements of medical invoices can go undetected due to the fact that the financial system was not configured to help the hospital record and monitor amounts from various medical insurance companies.

Recommendation

Management should consult MINECOFIN and MoH on the possibility to integrate IFMIS with the EMRS to facilitate the process of recording cash receipts and revenue from medical services

Management comment

Hospital management noted the recommendation and we will inform different stakeholders (District, MOH, and MINECOFIN). This finding is beyond the hospital Management and needs the involvement of all policy makers.

3.5 Delay to submit medical bills to health insurers

Observation

Article 3 of collaboration convention Ref: RSSB/1609/16 signed between RSSB and Rwinkwavu District Hospital on 1 July 2015 states that medical bills should be submitted to health insurer before end of next month.

However, Rwinkwavu District Hospital submitted medical invoices to RSSB amounting to **Frw 128,713,745** with delays ranging from 6 to 17 days. ***For details, refer to the table below:***

S/N	Invoice Month	Invoice Date	Month End Dates	Deadline For Invoice Submission	Final invoice amount	Delay In Days
		A	B	C=(B+30DAYS)		D=(A-C)

**RWINKWAVU DISTRICT HOSPITAL
MANAGEMENT LETTER FOR THE YEAR ENDED 30 JUNE 2024**

1	June 2024	14/08/2024	30/06/2024	30/07/2024	45,365,782	15
2	May 2024	17/07/2024	31/05/2024	30/06/2024	48,689,648	17
3	December 2024	05/02/2024	31/12/2023	30/01/2024	34,658,315	6

Risk

Delay to submit medical bills to health insurers slows down payment process which results into delay to pay supplier invoice especially purchase of drugs.

Recommendation

Management should ensure that invoicing is done without any delays in order to attain early payment from health insurers.

Management comment

Hospital Management noted the finding, which was caused by an insufficient number of staff who work in the billing unit compared to the workload which cannot allow him/her to submit the invoice timely.

Way forward: The hospital will ensure that invoicing is done in a timely manner to attain early payment from health insurers.

4. REVIEW OF ACCOUNTS RECEIVABLE

4.1 Long outstanding accounts receivable balance

Observation

According to the Year-end accounting and financial reporting procedures circular issued on 27 June 2024. paragraph 6.6-point b). **ii.** The Chief Budget Managers are reminded that debtors and creditors are on short term and should not last more than two years in books of account.

Contrary to the above provision, included in the hospital's accounts receivable as at time of audit in June 2024 are receivables of **Frw 1,372,042** that had not been collected for a period ranging between **7 and 10 years**. The amount is owed from Old Mutual Insurance Company and the same issue was noted by previous audit (formally UAP). **For details, refer to appendix 2.**

Risk

Recoverability of the above receivable balance is highly doubtful and may lead to loss of fund and the reported receivable may be overstated.

Recommendation

Management should recommend to the health committee to approve the write off of the long outstanding receivable in case all possible recovery steps have failed.

**RWINKWAVU DISTRICT HOSPITAL
MANAGEMENT LETTER FOR THE YEAR ENDED 30 JUNE 2024**

Management comment

Hospital management noted the recommendation which was caused by disagreement between Hospital and OLDMUTUAL because they said that, while migrating the payables from UAP insurance to OLDMUTUAL, they did not see or recorded Rwinkwavu hospital invoices. Way forward: the hospital will continue to work with UAP/OLDMUTUAL insurance Company for outstanding payments.

5.1 REVIEW OF INVENTORY MANAGEMENT

5.1.1 Weaknesses Noted in the Electronic Logistic Management Information System (E-LMIS) Used in Monitoring Medical Supplies at Rwinkwavu District Hospital

Observations

Article 6 of the Ministerial instructions N° 4241 of 18/08/2022 guiding the procurement and the distribution of health products states that e-LMIS is the only reporting and requisition tool accepted by the MoH that will be used for the report and requisition.

However, review of the Electronic Logistic Management Information System (E-LMIS) used at Rwinkwavu District Hospital revealed the following weaknesses:

- **Failure to generate reports for a specific period**

The system is unable to generate detailed reports for additions, consumption, and closing balances for a user-defined period.

- **Failure to indicate unit price and total price for drugs**

The system does not provide a function to record unit prices and total costs for drugs, resulting in incomplete financial and inventory information.

- **Lack of integration between open-MRS and E-LMIS**

There is no integration between the E-LMIS (used for logistics) and Open-MRS (used by medical staff for patient care), forcing manual entry of drug updates in Open-MRS by pharmacy staff.

- **Failure to maintain stock thresholds**

The system does not maintain or trigger alerts for maximum stock levels, minimum stock levels, or re-order points for medical drugs.

Risk

The current weaknesses in the E-LMIS at Rwinkwavu District Hospital expose the facility to significant operational and financial risks.

RWINKWAVU DISTRICT HOSPITAL
MANAGEMENT LETTER FOR THE YEAR ENDED 30 JUNE 2024

Recommendation

The hospital management in collaboration with Ministry of Health should ensure that E-LMIS system is enhanced to generate detailed reports for specific periods, enabling better inventory oversight so that the above gaps are addressed.

Management comment

Management is committed to improving system functionality in collaboration with the Ministry of Health, Rwanda Biomedical Centre, and system developers. We understand that effective logistics systems are essential for ensuring medicine availability, minimizing wastage, reporting and supporting patient care.

We welcome further engagement and support to ensure that the E-LMIS evolves to meet both operational and clinical needs.

5.1.2 Stock-out of essential drugs at the main store and dispensing pharmacy

Observation

During the field visit conducted on 19 June 2025, the audit noted that 22 essential drugs were not available at both the main store and the dispensing pharmacy due to stock-outs. Management explained that the drugs had already been ordered; however, the audit team was unable to confirm the exact dates when the stock-outs began. In addition, no documentation was provided to support the timeline of stock replenishment. The full list of the stock-out drugs is attached on *appendix 3*.

Furthermore, the audit observed that some essential drugs were not being procured by the hospital, despite being needed by patients. The reason given was that these drugs were not covered by certain insurance providers, particularly Community-Based Health Insurance (CBHI). As a result, the hospital has opted not to purchase them, which limits access to necessary treatment. *A sample of such drugs is provided below:*

S/N	Description
1	Fucidine 2% cream
2	Facidine2% Pommade
3	Ondansetron ce 8mg/4ml inj.
4	Paidoterin syrup
5	Silver Sulfadiazine cream 1%
6	Vaseline Pommade 500g

Risks

- There is the possibility of compromised patient care due to unavailability of essential medicines.
- Further, there may be loss of public confidence in services provided by Rwinkavu District hospital.

**RWINKWAVU DISTRICT HOSPITAL
MANAGEMENT LETTER FOR THE YEAR ENDED 30 JUNE 2024**

Recommendations

- Management should implement a robust inventory management system, including stock level monitoring and reorder tracking, to reduce the risk of stock-outs.
- The hospital should consider engaging with insurance providers, particularly RSSB, to review the list of non-covered but essential drugs and explore options for coverage or alternative procurement mechanisms.

Management comment

- *The management acknowledge the audit findings even before since those items were ordered to RMS ltd via e-LMIS -Regarding the stock-out of 22 essential drugs and the lack of documentation on stock replenishment timelines. Management is currently strengthening documentation practices to ensure that future stock-out durations and reorder dates are properly recorded and verifiable.*
To address the issue, we are reviewing and enhancing our inventory management practices, including the use of manual and electronic monitoring tools-Open MRS, to improve timely reordering and avoid recurrence of stock-outs.
- *Regarding the unavailability of certain essential drugs not covered under the Community-Based Health Insurance (CBHI) scheme, we recognize the negative impact on patient care. The hospital has initiated dialogue with relevant stakeholders, including the Ministry of Health and insurance providers, to advocate for coverage expansion or to identify alternative procurement strategies for these critical medications.*
We remain committed to ensuring continuous access to essential drugs and improving service delivery to maintain public confidence in the hospital's operations.

6. REVIEW OF INTERNAL CONTROLS

6.1 Irregularities noted in Hospital vehicles management

Observation

Normally for proper management of vehicles movement, the logbooks should be signed by both driver and person in charge of the mission, driver must write kilometers at departure and kilometers at arrival and for next trip, kilometers at departure should be the one of previous trip arrival for monitoring the vehicles movements and kilometers run.

However, review of Rwinkwavu District hospital vehicles management audit noted the following irregularities;

- **Failure to sign logbooks by the staff on duty**

Review of logbooks management at Rwinkwavu District Hospital for the year ended 30 June 2024, revealed significant deficiencies. Specifically, none of the logbooks used to record vehicle movements were signed by the hospital staff responsible for the missions.

- **Significant discrepancies between kilometers recorded in a vehicle logbook at arrival and departure of next trip**

The audit noted variances in kilometers filled in logbooks where the kilometers at arrival

**RWINKWAVU DISTRICT HOSPITAL
MANAGEMENT LETTER FOR THE YEAR ENDED 30 JUNE 2024**

are differ from the one for next departure. *For example, see details in the table below:*

Plate N°	Date	Km at arrival	Date	Km at departure	Difference
		A		B	C=A-B
IT726RE	01-Jan-24	361,894	03-Jan-24	361,929	35
	04-Jan-24	362,203	05-Jan-24	362,216	13
	05-Jan-24	362,627	07-Jan-24	362,691	64
	07-Jan-24	362,900	08-Jan-24	362,965	65
GP171B	10-Sep-23	251,276	15-Sep-23	251,310	34
	17-Sep-23	251,469	18-Sep-23	251,500	31
	21-Sep-23	251,735	24-Sep-23	251,777	42

Risks

- Failure to sign the logbooks by an employee in charge of the mission, the audit cannot confirm whether the vehicles have been used and arrived at the intended purposes. Further, there is risk that hospital fuel may be used for personal use and or may be misappropriated
- Mismatch in kilometers at arrival and departure of next trip indicates that vehicles might have been used unofficially (personal use), loss of fuel and which makes difficulty in reconciling fuel consumption. The above irregularities indicate weakness in controls over hospital vehicles.

Recommendations

- Management should ensure that every logbook is signed by the staff in charge of the mission when the mission is accomplished.
- Hospital management should enforce strict vehicle use policies including written trip and provide training to drivers on how accurate logbooks should be completed.

Management comments

Management admits that the employees do not sign on the Logbook because it was signed by the driver only but after we were advised that another employee should sign as mission leader.

Management conducted an inspection of the vehicle that you indicated above that there was a discrepancy, management after it was not visible in the logbook also they have used the control book that is located at the security because before the driver drives the vehicle, he must write in the book where he is going, we found that the vehicles were released but there was a mistake in not writing in the logbook, management is committed to the drivers to remind them the importance of writing in the logbook.

**RWINKWAVU DISTRICT HOSPITAL
MANAGEMENT LETTER FOR THE YEAR ENDED 30 JUNE 2024**

7. REVIEW OF COMPLIANCE WITH CORPORATE GOVERNANCE PRACTICES

7.1 Absence of updated strategic plan

Observation

During the audit of Rwinkwavu District Hospital, it was noted that the hospital does not currently have an updated and approved strategic plan in place. The previous strategic plan covered the period up to 2024 and has since expired. As of the audit date, no new strategic plan for the subsequent period (2025 onward) had been developed or approved.

Risks

- Lack of strategic direction may lead to poor coordination of services and inefficient allocation of resources.
- It becomes difficult to measure performance, monitor progress, and align departmental objectives.
- There is a risk of not aligning hospital goals with national health sector priorities.

Recommendations

Management of Rwinkwavu District Hospital should prioritize the development and approval of a new strategic plan covering the upcoming planning cycle (e.g., 2025–2029). This should be done in consultation with key stakeholders and aligned with the Ministry of Health's strategic framework.

Management comment

The Hospital Management noted the recommendation but a draft of updated Strategic plan for FY 2025-2029 is available and we will ensure that it is finally approved for being used.

APPENDICES

**RWINKWAVU DISTRICT HOSPITAL
MANAGEMENT LETTER FOR THE YEAR ENDED 30 JUNE 2024**

Appendix 1: Failure to report transport equipment owned by RDH in the financial statements

N°	Plate N°	Chassis N°	Mark	Engine No	Acquisition Date	Acquisition (cost) value
1	IT 241RE	MROFR22G8D0755846	Toyota Hilux/Double Cabin	MBJHJKNKNKL	2013	Frw 20,000,000
2	IT 726 RE	JTERB71J100079000	TOYOTA-L/CRUISER	1HZ0496745	2015	40,000,000
3	GR 692 D	JTEB719407016107	TOYOTA-L/CRUISER	1HZ-704402	2017	17,000,000
4	GP 171 B	JTGRB71J2G7022720	TOYOTA-L/CRUISER	1HZ0838152	2017	36,999,000
5	GP 091 B	AHTFR22G606093368	Toyota/Hilux-Double cabin	2KDA580563	2014	27,000,000
6	GR198E	JTERB71J80F008213	Land Cruiser H-TOP		2020	52,000,000
7	GPM 874 B	170184	SUZUKI-TF	170520	2014	2,500,000
		Total				195,499,000

Appendix 2: Long outstanding accounts receivable balance

Period	Time of audit	Years outstanding	Amount
Augt-2018	22/06/2025	7	Frw 187,035
December-2017	22/06/2025	8	103,472
September-2017	22/06/2025	8	78,534
December-2016	22/06/2025	9	53,824
November-2016	22/06/2025	9	90,715
October-2016	22/06/2025	9	216,900
September-2016	22/06/2025	9	141,068
August-2016	22/06/2025	9	95,821
July-2016	22/06/2025	9	126,737
June-2016	22/06/2025	9	82,878
April-2016	22/06/2025	9	129,686
October-2015	22/06/2025	10	65,372
Total amounts			1,372,042

**RWINKWAVU DISTRICT HOSPITAL
MANAGEMENT LETTER FOR THE YEAR ENDED 30 JUNE 2024**

Appendix 3: Stock-out of essential drugs at the main store and dispensing pharmacy

S/N	Description
1	Vitamine B Complexe Inj
2	Acyclovir 200mg Cé
3	Toxoplasma Rapid Test
4	Albendazole 400 mg Tablets
5	Amoxicilline+ Acide clavulanic sirop
6	Bethamethazone crème de 15g 0.1%
7	Biperidene (Akineton) ce 2mg
8	Bisacodyl Cé 5 mg
9	Clomipramine cp à 25 mgr(Anafranil)
10	Cotrimoxazole 960 mg / Cé
11	Eau oxygen3%
12	Fluconazole200 mg
13	Ketoconazole 2%, crème tube de 30g
14	Losartan Potassium
15	Multivitamine ce
16	Nystatine sirop 100000 ui/ml
17	Paracetamol supp 125mg
18	Paracetamol supp 250mg
19	Phenoxyethylpenicilline Cé 250 mg (Peni V)
20	Sérum antitenique 1500 UI(SAT)
21	Thiamine Cé 50 mg (Vitamin B1)
22	Tramadol caps 50mg

