

REPUBLIC OF KENYA



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REPORT

OF

THE AUDITOR-GENERAL

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WESTLANDS LEVEL 4 HOSPITAL

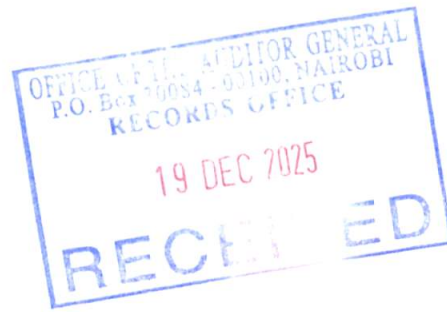
FOR THE YEAR ENDED  
30 JUNE, 2025

COUNTY GOVERNMENT  
OF NAIROBI CITY



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**WESTLANDS HOSPITAL  
(Nairobi City County Government)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30<sup>TH</sup> JUNE, 2025**

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*This document was prepared in accordance with the Accrual Basis of Accounting Method under the International Public Sector Accounting Standards (IPSAS)*

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## **1. Acronyms & Glossary of Terms**

*Provide a list of all acronyms and glossary of terms used in the preparation of this report e.g.*

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

**2. Key Entity Information and Management**

**(a) BACKGROUND INFORMATION**

Westlands Hospital is a level (4) hospital established under gazette notice number GK-008105 and is domiciled in Nairobi County under the Health Department. The hospital is governed by a Health Facility Management committee.

**(b) PRINCIPAL ACTIVITIES**

**Vision**

To be a leader in the provision of sustainable, acceptable, affordable and accessible healthcare to all the residents of Nairobi and its environs.

**Mission**

To provide quality, curative, preventive, promotive and rehabilitative healthcare to all the residents of Nairobi and its environs.

**Core objectives**

- 1.To reduce morbidity & mortality rates in Nairobi.
- 2.To provide accurate & appropriate health information.
- 3.To reduce spread of communicable and non-communicable diseases
4. Improve community awareness on healthcare.
- 5.Provide access to quality health services.


**(c) Key Management**


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

- County department of Health
- Health Facility Management Committee
- Accounting Officer/ Medical Superintendent
- Hospital Health Management Team

**(d) Fiduciary Management**

The key management personnel who held office during the financial year ended 30<sup>th</sup> June 2025 and who had direct fiduciary responsibility were:

No.	Designation	Name	PASSPORT PHOTO
	Medical Superintendent	Dr. Daisy Bor	

o.	Designation	Name	PASSPORT PHOTO
	Facility Administrator	Angelinah Nthenge	

Academic qualifications

1. Daisy Bor- Bachelor of Medicine and Surgery from Moi University Eldoret graduated in 2018  
-KCSE A Plain from Moi Girls Eldoret completed in 2010

2. Angelinah Nthenge- Diploma in Business Management from Nairobi Technical Training Institute

**(e) Fiduciary Oversight Arrangements**

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

**Key Entity Information and Management (continued)**

**(f) Nairobi County Government**  
City Hallway  
P.O. Box 30108, Nairobi KENYA

**(g) Westlands Hospital**  
Telephone: (+254) 0792685773  
E-mail: [westlandshospital@gmail.com](mailto:westlandshospital@gmail.com)  
P.O Box 300108 - 00100  
Nairobi



**(h) Entity Bankers**

- **Co-operative Bank of Kenya- Westlands Hospital**  
Account NO.01100430832001  
City Hall Branch

- (i) **Independent Auditors**  
Auditor General  
Office of Auditor General  
Anniversary Towers, Institute Way  
P.O. Box 30084  
GPO 00100  
Nairobi, Kenya
- (j) **Principal Legal Adviser**  
  
The Attorney General  
State Law Office  
Harambee Avenue  
P.O. Box 40112  
City Square 00200  
Nairobi, Kenya
- (k) **County Attorney**  
Nairobi City County  
City Hall Way  
P.O. Box 30108, Nairobi KENYA




**3. Key Management Team**

Ref	Management	Details	
1.	Dr. Daisy Bor	Medical superintendent	
2.	Angelinah Nthenge	Hospital Administrator	

**4. Chairman's Statement**

The facility is currently under management of Health Facility Management Committee.



## **5. Report of The Medical Superintendent**

Westlands Hospital is one of the major public health facilities serving the residents of Parklands/Highridge Ward and its neighbouring areas within Nairobi City County. Established in 1975 as a modest health centre, the facility initially focused on providing essential outpatient and preventive services to the surrounding community.

Over the years, it has undergone significant transformation, evolving to a Level 4 hospital in 2021. The upgrade to Level 4 marked a defining milestone symbolizing remarkable progress in infrastructure, service delivery and human resource capacity. This recognition by the Ministry of Health and the Nairobi County Government affirmed the hospital's ability to offer specialized and comprehensive care to a rapidly growing population.

The hospital's transformation came at a critical time when urbanization, population growth and an increase in both communicable and non-communicable diseases had intensified the demand for quality healthcare. Today, Westlands Hospital stands as a cornerstone of public health in the region providing accessible, affordable, and patient-centered services to the community it serves.

### **Catchment Population**

Westlands Hospital caters to an estimated catchment population of 62,038 individuals. The catchment population represents a mix of urban and peri-urban communities within Parklands/ Highridge ward and its environs. The population is socially and economically diverse, with a large proportion drawn from low- and middle-income households.

The hospital plays a pivotal role in bridging healthcare access gaps for vulnerable populations who face challenges in accessing private or higher-level referral facilities. Residents rely heavily on Westlands Hospital for both primary and secondary healthcare, particularly in the areas of maternal and child health, preventive care and chronic disease management including both communicable and non-communicable diseases.

Beyond its clinical services, the hospital also contributes to community health through outreach programs, immunization drives, and health education campaigns aimed at promoting disease prevention and wellness.

## **Services Offered**

### **a) Outpatient Services**

The Outpatient Department (OPD) serves as the hospital's busiest and most accessible entry point for patients. It provides general medical consultations, minor emergency care, screening and diagnostic services, and referrals to specialized units when required.

The OPD operates daily and handles hundreds of clients weekly, including those with chronic illnesses such as hypertension, diabetes, asthma, tuberculosis and HIV/AIDS. It also supports preventive healthcare programs, such as immunization, family planning and nutrition counselling.

In addition, the outpatient unit plays a critical role in early disease detection and management, thereby reducing hospital admissions and improving long-term health outcomes within the catchment area. The department is staffed by qualified medical officers, nurses, and clinical officers who ensure high standards of patient care and timely interventions.

### **b) Laboratory Services**

The hospital's laboratory department forms the backbone of diagnostic excellence at Westlands Hospital. It provides essential investigative services including haematology, microbiology, and urinalysis. These tests support evidence-based clinical decision-making, enabling clinicians to diagnose and manage patients accurately and efficiently.

Over time, the laboratory has undergone significant modernization introducing automated equipment, quality control systems and enhanced data management processes. It is now recognized as a learning and training hub, supporting interns, and laboratory trainees from various institutions.

By ensuring timely and accurate results, the laboratory has strengthened the hospital's ability to offer comprehensive care and improve treatment outcomes across all departments.

### **c) Maternity Services**

The maternity unit is one of the hospital's flagship departments, offering a full spectrum of antenatal, intrapartum, and postnatal care. It provides safe delivery services, including normal deliveries. The unit is staffed by skilled doctors, nurses, and midwives who uphold high standards of maternal and neonatal care.

Through continuous capacity-building, the department has achieved notable improvements in maternal and neonatal survival rates within the sub-county. It also serves as a key referral point for surrounding health centers, handling both routine and high-risk pregnancies.

Complementary services such as family planning, immunization of newborns, and health education for mothers further enhance the department's impact on community health.

### **Financial Resources**

Westlands Hospital primarily relies on reimbursements and financing from national health insurance schemes to sustain its operations. Historically, the facility has been funded through the National Health Insurance Fund (NHIF), particularly under programs like Linda Mama, which supports free maternity care.

More recently, the hospital has transitioned into the Social Health Authority (SHA) and Social Health Insurance Fund (SHIF) systems, aligning with the government's health financing reforms. These reforms aim to expand universal health coverage, improve efficiency in reimbursement, and ensure sustainability of service delivery at public facilities.

This report presents a summary of financial inflows from these institutions, highlighting trends before and after the health insurance transition. Despite existing challenges such as delayed reimbursements and limited allocations, the hospital continues to optimize available resources to maintain quality service delivery and expand access t

## FINANCIAL SUMMARY

### Challenges

#### Major Operational Constraints Facing the Facility

##### •Delayed Funding Flows:

The hospital's dependence on external funding agencies such as SHA and SHIF often leads to irregular or late remittances. These delays interfere with financial planning, disrupt the supply chain, and may temporarily stall service provision.

##### •Overwhelming Service Demand:

Core departments—maternity, outpatient, inpatient, and laboratory—are under immense pressure due to the high patient turnout from an expanding catchment area. This has strained available infrastructure and human resources, resulting in long queues and increased provider workload.

##### •Inadequate Human Resources:

The elevation to Level 4 status requires additional specialists and support staff; however, recruitment efforts have not matched service expansion. This shortage limits efficiency affects quality of care, and contributes to staff fatigue and burnout.

**Dr. Daisy Bor**

**Medical Superintendant**



**6. Statement of Performance Against Predetermined Objectives**

*(Two-to-three pages)*

N/A has X strategic pillars/ themes/issues and objectives within the current Strategic Plan for the FY N/A- FY N/A. These strategic pillars/ themes/ issues are as follows:

Pillar /theme/issue 1:

Pillar/theme/issue 2:

N/A develops its annual work plans based on the above X pillars/Themes/Issues. Assessment of the Board’s performance against its annual work plan is done on a quarterly basis. The N/A achieved its performance targets set for the FY 2025/2025 period for its N/A strategic pillars, as indicated in the diagram below:

<b>Strategic Pillar/Theme/Issues</b>	<b>Objective</b>	<b>Key Performance Indicators</b>	<b>Activities</b>	<b>Achievements</b>
Pillar/ theme/ issue 1:				
Pillar/ theme/ issue 1:				

## **7. Corporate Governance Statement**

### **Two-to-three pages**

Provide the corporate governance statement as guided below:

- i. Appointment of Board members, Process of appointment and removal of directors, The size, diversity, and demographics of the Board, Existence of the board charter*
- ii. Roles and functions of the board*
- iii. Induction, training, and development*
- iv. Board and members' performance*
- v. Number of Board meetings held and the attendance to those meetings by members*
- vi. Succession plan*
- vii. Policy to manage conflict of interest.*
- viii. Board remuneration*
- ix. Ethics and Conduct*
- x. Governance audit*
- xi. Communication policy*
- xii. Terms of Reference of Committees*
- xiii. Policy on related party transactions*

The facility is currently under a Health Facility Management Committee.

## 8. Management Discussion and Analysis

### Clinical/operational performance

#### 1. Bed capacity of the hospital.

Currently our bed capacity is 16 at our maternity ward.

#### 2. Overall patient attendance during the year for both inpatient and outpatient.

Westlands Hospital						
periodname	Inpatient A	OPD Atten	OPD Atten	OPD atten	OPD atten	MOH 717 F
July 2024		216	240	815	491	51
August 2024	41	215	220	929	550	42
September 2024	45	240	245	1,006	607	55
October 2024	48	281	238	567	984	60
November 2024	33	196	183	909	508	63
December 2024		166	163	816	500	38
January 2025	32	189	198	1,006	586	56
February 2025	36	244	296	897	553	38
March 2025	39	153	125	473	309	25
April 2025	33	192	205	795	485	53
May 2025	64	205	202	882	518	19
June 2025	80	143	163	755	427	52

#### 3. Specialised clinic attendance

**Specialized Clinic Attendance** refers to the number of patients who visit hospital outpatient clinics that provide **specialized care** (beyond general outpatient services).

- **Medical attendance** stands for clients attending NCD clinic with Diabetes and Hypertension.
- **Blue bar**-represents clients on follow up in TB clinic.
- **Green bar** represents clients on follow up in CCC Clinic.

## Average Length of Stay

The Average Length of Stay (ALOS) for inpatients is a common hospital performance indicator.

It is calculated using the formula:

$$\text{Average Length of Stay (ALOS)} = \frac{\text{Total Inpatient Days}}{\text{Total Discharges (including deaths)}}$$

- **Total Inpatient Days** = sum of days all admitted patients spent in the hospital.
- **Total Discharges** = number of patients who left the hospital (alive or dead) during that period.

$$\frac{2268}{1134} = 2$$

## 4. Bed Occupancy Rate

The **Bed Occupancy Rate (BOR)** is a hospital indicator that shows how effectively available beds are being used.

**Formula:**

$$\text{Bed Occupancy Rate (BOR)} = \frac{\text{Total Inpatient Days}}{\text{Available Beds} \times \text{Number of Days in the Period}} \times 100$$

**Where:**

- **Total Inpatient Days** = sum of the number of days each admitted patient stayed in the hospital during the period.
- **Available Beds** = the total number of functional (staffed) beds in the hospital.
- **Number of Days in the Period** = length of time considered (e.g., 30 days for a month, 365 days for a year).

$$\frac{23 \times 30}{690} \times 100$$

= 1%

#### 5. Mortality rate

The **Mortality Rate** in a hospital context measures the proportion of patients who die while admitted, compared to all patients discharged.

#### Formula (Hospital Mortality Rate):

$$\text{Mortality Rate (\%)} = \frac{\text{Total Deaths (inpatients)}}{\text{Total Discharges (including deaths)}} \times 100$$

#### 6. Surgical theatre utilisation (number of operations over a period of time)

**Surgical Theatre Utilization Rate** is an efficiency indicator showing how much of the available operating room (OR) time was actually used for surgeries.

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#### Formula

$$\text{Theatre Utilization (\%)} = \frac{\text{Actual Time Used for Surgeries}}{\text{Total Available Theatre Time}} \times 100$$

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#### Where:

- **Actual Time Used for Surgeries** = sum of all minutes/hours the operating room was occupied by patients (from patient in to patient out).
- **Total Available Theatre Time** = total scheduled time the theatre was available (e.g., 8 hours × number of theatre days).

Theatre utilisation is N/A for the for the year 2N/A24-2025.

#### **Sponsorships and partnerships:**

For the year in question, that is 2024-2025, we have had USAID supported partnerships at currently we have CIHEB.

### **Financial performance**

#### **1.Revenue Sources**

The hospital's primary income streams are derived from the Social Health Authority (SHA), which encompasses PHC(Primary Healthcare Fund) and Social Health Insurance Fund (SHIF). These sources form the backbone of the facility's operational financing.

## **2.Utilization of Funds**

Financial utilization follows a structured planning and budgeting framework carried out quarterly. Each quarter, the facility develops a Quarterly Implementation Plan (QIP), which is deliberated upon at multiple levels at the facility, sub-county, and county. Upon approval, the County issues an Authority to Incur Expenditure (AIE) that enables execution of activities as outlined in the QIPs under the supervision of departmental heads.

## **9.Environmental And Sustainability Reporting**

### **i) Sustainability Strategy and Profile**

The facility aligns its operations with the Sustainable Development Goals (SDGs), with a key focus on SDG 3 -Good Health and Well-being. Several initiatives have been implemented to promote holistic health outcomes:

#### **a. Reducing Non-Communicable Diseases (NCDs):**

Regular screenings, timely investigations, and effective management have been prioritized to curb premature deaths from NCDs. Health education sessions emphasizing preventive and promotive care are conducted both within the facility and in the community.

#### **b. Eliminating Maternal Mortality:**

The facility recorded zero maternal deaths during the reporting period. This success is attributed to consistent antenatal follow-up for all pregnant mothers through eight focused ANC visits, coupled with skilled care in the maternity unit, which is staffed by trained midwives and medical officers proficient in Emergency Obstetric and Newborn Care (EmONC).

#### **c. Preventing Newborn and Under-Five Deaths:**

Through Baby-Friendly Initiatives, comprehensive follow-up, and strong linkages between maternity, immunization, and nutrition clinics, the facility promotes healthy child growth while combating infections and malnutrition.

#### **d. Combating HIV/AIDS, Tuberculosis, Malaria, and Tropical Diseases:**

Screening programs are regularly conducted through both in-reaches and outreaches, ensuring early detection and prompt treatment initiation for positive cases.

### **ii) Environmental Performance**

The facility upholds high environmental standards by implementing proper waste segregation, collection, and disposal as guided by the Public Health Act. Infection Prevention and Control (IPC) measures are observed at all service points to ensure a clean, safe environment for both staff and the surrounding community.

### **iii) Welfare of employees**

Staff development is supported through continuous training and capacity-building initiatives facilitated by the County Training Department. Regular performance appraisals are conducted to identify skill gaps and encourage professional growth. During the year, several staff members were sponsored to attend professional conferences and workshops at different levels.

**iv) Marketplace Practices**

**a. Responsible Engagement and Public Education:**

The hospital promotes transparency and ethical engagement with the public through health sensitization campaigns led by public health officers and community advocates. This ensures accurate dissemination of health information and combats misinformation.

**b. Fair Business and Procurement Practices:**

The facility upholds ethical standards, anti-corruption measures, and responsible competition. All services are clearly communicated, and suppliers are treated fairly, with timely payments and respect for contractual agreements.

**c. Product Stewardship and Consumer Protection:**

The facility ensures that all health products and services meet regulatory standards and that patients' rights are safeguarded. Any disputes or complaints are handled promptly in line with the Human Resource Code of Ethics.

**v) Corporate Social Responsibility and Community Engagement**

During the 2024–2025 financial year, the hospital did not receive or participate in any external Corporate Social Responsibility (CSR) initiatives. However, the facility continues to engage the local community through health awareness drives, outreach programs, and collaborative health promotion activities.

# REPUBLIC OF KENYA

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NAIROBI

## **REPORT OF THE AUDITOR-GENERAL ON WESTLANDS LEVEL 4 HOSPITAL FOR THE YEAR ENDED 30 JUNE, 2025 - COUNTY GOVERNMENT OF NAIROBI CITY**

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### **PREAMBLE**

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

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

A Qualified Opinion is issued when the Auditor-General concludes that, except for material misstatements noted, the financial statements are fairly presented in accordance with the applicable financial reporting framework. The Report on Financial Statements should be read together with the Report on Lawfulness and Effectiveness in the Use of Public Resources, and the Report on Effectiveness of Internal Controls, Risk Management and Governance.

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

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

#### **Qualified Opinion**

I have audited the financial statements of Westlands Level 4 Hospital - County Government of Nairobi set out on pages 1 to 20, which comprise of the statement of financial position as at 30 June, 2025, and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison

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*Report of the Auditor-General on Westlands Level 4 Hospital for the year ended 30 June, 2025 - County Government of Nairobi City*

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

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Westlands Level 4 Hospital - County Government of Nairobi as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Health Act, 2017 and the Public Finance Management Act, 2012.

### **Basis for Qualified Opinion**

#### **1. Non-Disclosure of In-Kind Contributions - Salaries**

The statement of financial performance reflects In-Kind contributions of Kshs.698,843 from County Government as disclosed in Note 6 to the financial statements. However, during the year under review the County Government paid salaries, of unknown amount on behalf of the Hospital which was not disclosed in the financial statements.

In the circumstances, the accuracy and completeness of the revenue from non-exchange transactions – In-Kind contributions of Kshs.698,843 could not be confirmed.

#### **2. Unsupported Inventories**

The statement of financial position and as disclosed in Note 17 to the financial statements reflect inventories balance of Kshs.1,912,415. However, the balance was not supported by stock take report, store's ledgers and appointment letters of the stock-take Committee.

In the circumstances, the accuracy and completeness of inventories balance of Kshs.1,912,415 could not be confirmed.

#### **3. Non-Disclosure and Ownership of Property, Plant and Equipment**

The statement of financial position reflects property, plant and equipment balance of Kshs.218,750 as disclosed in Note 18 to the financial statements. Physical verification carried out during the month of November, 2023 revealed that the Hospital had other assets of unknown value such as land, buildings, furniture, equipment and computers which were not disclosed in the financial statements.

Further, the assets register provided was incomplete and did not include details such as; the date of asset acquisition, cost/value of assets, location, condition of the asset, asset tag number, description of the asset, equipment mode and serial number (where applicable). In addition, the Hospital is built on land whose ownership documents, size and value were not provided for audit review.

In the circumstances, the accuracy, completeness and ownership of property, plant and equipment balance of Kshs.218,750 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Westlands Level 4 Hospital Management in accordance with ISSAI 130 on the Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

### **Key Audit Matters**

Key audit matters are those matters that, in my professional judgement, are of most significance in the audit of the financial statements. Except for the effect of the matters described in the Basis for Qualified Opinion section, I have determined that there were no key audit matters to report in the year under review.

### **Other Information**

The Management is responsible for the Other Information set out on pages iii to xx which comprises of Key Entity Information and Management, Board of Directors, Key Management Team, Chairman's Statement, Report of The Medical Superintendent, Statement of Performance Against Predetermined Objectives, Corporate Governance Statement, Management Discussion and Analysis and Environmental and Sustainability Reporting. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the Hospital's financial statements, my responsibility is to read the Other Information and in doing so, consider whether the Other Information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work I have performed, I conclude that there is a material misstatement of this Other Information, I am required to report that fact. I have nothing to report in this regard.

My opinion on the financial statements does not cover the Other Information and accordingly, I do not express an audit opinion or any form of assurance conclusion thereon.

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

### **Conclusion**

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

## Basis for Conclusion

### 1. Presentation of the Financial Statements

The financial statement did not include the following information as required by International Public Sector Accounting Standards (IPSAS) annual financial reporting template issued on 30 June, 2025 for Level 4 and 5 Hospitals.

- (i) Key Management Information does not include passport-size photo and key profession/academic qualifications.
- (ii) Statement of Performance against Predetermined Objectives did not include the strategic pillar, objective, key performance indicators, activities and achievements.
- (iii) Corporate Governance Statement did not include induction, training, and development, Board and members' performance, number of Board meetings held and the attendance to those meetings by members, succession plan, policy to manage conflict of interest, Board remuneration, governance audit, communication policy, terms of reference of committees, policy on related party transactions.
- (iv) The financial statements were not signed by head of finance.
- (v) Progress on follow-up of Auditor-General's recommendation is not included in the financial statements.

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

### 2. Failure to Open Facility Improvement Account (FIF)

Documents provided for audit review revealed that Management did not open a Facility Improvement Fund Bank Account contrary to Section 5(2) of the Facility Improvement Act of 2023 of the Facilities Improvement Financing Act, 2023 which provides that there shall be opened a Facility Improvement Financing Account for each public health facility into which shall be paid all monies received by or on behalf of the respective public health facility.

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

### 3. Deficiency in Implementation of Universal Health Coverage (UHC)

Review of the Hospital records and interviews on verification of services offered, equipment used and medical specialists in the Hospital as at the time of audit revealed that the Hospital did not meet the requirements of Kenya Quality Model for Health Policy Guidelines due to staff deficits of seventy-four (74) or seventy-three percent (73%) of staff requirements compared to the authorized establishment as shown:

Staff Requirements	Level 4 Standard	Number in Hospital	Variance	Percentage Variance (%)
Medical Officers	16	5	11	31
Anesthesiologists	2	0	2	0
General Surgeons	2	0	2	0

<b>Staff Requirements</b>	<b>Level 4 Standard</b>	<b>Number in Hospital</b>	<b>Variance</b>	<b>Percentage Variance (%)</b>
Pediatrician	2	0	2	0
Radiologists	2	0	2	0
Kenya Registered Community	75	22	53	29
Gynecologists	2	0	2	0
<b>Total</b>	<b>101</b>	<b>27</b>	<b>74</b>	<b>73</b>

In addition, the Hospital lacked the necessary equipment and machines outlined in the Health Policy Guidelines as detailed below;

<b>Service</b>	<b>Level 4 Hospital Standard</b>	<b>Actuals in the Hospital</b>	<b>Variance</b>	<b>Percentage (%)</b>
Bed Capacity	150	19	131	13
Newborn Incubators	5	1	4	20
New Born Unit Cots	5	0	5	0
Resuscitative in Theatre	1	0	1	0
Resuscitative in Labor Ward	2	2	2	100
Functional Intensive Care Unit Beds	6	0	6	0
Renal Unit with at least 5 Dialysis	5	0	5	0
Functional Operating Theaters	2	0	2	0

The deficit contravenes the first schedule of the Health Act, 2017 which requires that accessing the highest attainable standard of health, includes the right to health care services, including Reproductive Health Care as required by Article 43(1) of the Constitution of Kenya, 2010 may not be achieved.

In the circumstances, the Hospital Management will not be able to deliver on its mandate and Universal Health Care Services may not be effectively delivered at the Hospital.

The audit was conducted in accordance with ISSAI 3000 and ISSAI 4000. The standards require that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements comply in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

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

### Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the effect of the matters described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

## **Basis for Conclusion**

### **1. Lack of Board of Management**

During the period under review, the Hospital did not have the Board of Management contrary to Paragraph 1 of Nairobi City County Health Services Operational Manual which provides that Hospital Management Board shall act as a link between the Hospital and the community it serves.

In the circumstances, it was not possible to determine the effectiveness of governance of the Hospital.

### **2. Lack of Risk Management Policy and Disaster Recovery Plan**

The Hospital Management has not put in place a Risk Management Policy, strategies and risk register to mitigate against risk. It was therefore not clear how risk exposure was managed. This was contrary to Regulation 158(1)(a) and (b) of the Public Finance Management (County Governments) Regulations, 2015 which requires the Accounting Officer to ensure that the County Government entity develops risk management strategies, which include fraud prevention mechanism; and the County Government entity develops a system of risk management and internal controls that builds robust business operations. Further, the Hospital did not have a Disaster Recovery and Business Continuity Plans required for identifying, preventing and mitigating against disasters and ensuring that its operations are not interrupted. This is contrary to provisions of Regulations 158(b)(1) of the Public Finance Management (County Governments) Regulations, 2015.

In the circumstances, the existence of an effective risk management could not be confirmed.

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

### **Responsibilities of the Management and Board of Directors**

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

In preparing the financial statements, Management is responsible for assessing 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 Management is aware of the intention to cease operations.

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

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

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

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

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards of Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way. In addition, I consider the entity's control environment in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015.

Further, I am required to submit the audit report in accordance with Article 229(7) of the Constitution.

Detailed description of my responsibilities for the audit is located at the Office of the Auditor-General's website at: <https://www.oagkenya.go.ke/auditor-generals-responsibilities-for-audit/>. This description forms part of my auditor's report.

  
FCPA Nancy Gathungu, SBS  
AUDITOR-GENERAL

Nairobi

22 December, 2025

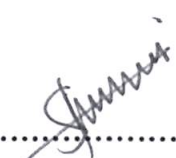
*Westlands Level IV Hospital (Nairobi City County Government)*  
*Annual Report and Financial Statements for The Year Ended 30<sup>th</sup> June 2025*

**11. Statement of Financial Performance for The Year Ended 30 June 2025**

Description	Note	2024-2025
		Kshs
<b>Revenue from non-exchange transactions</b>		
In-kind contributions from the County Government	6	698,843
Transfers from other Government entities	7	230,000
<b>Revenue from exchange transactions</b>		
Rendering of services- Medical Service Income	8	16,265,470
<b>Revenue from exchange transactions</b>		
<b>Total revenue</b>		<b>17,194,313</b>
<b>Expenses</b>		
Medical/Clinical costs	9	1,109,000
Employee costs	10	1,196,700
Board of Management Expenses(HFMC)	11	64,000
Depreciation and amortization expense	12	31,250
Repairs and maintenance	13	115,082
General expenses	14	389,643
<b>Total expenses</b>		<b>2,905,675</b>
<b>Net Surplus for the year</b>		<b>14,288,638</b>

.....  
**Chairman**  
**Board of Management**

.....  
**Head of Finance**  
**ICPAK No:**

  
.....  
**Medical Superintendent**

**12. Statement of Financial Position as at 30<sup>th</sup> June 2025**

Description	Note	2024-2025
		Kshs
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	15	3,342,136
Receivables from exchange transactions	16	11,467,580
Inventories	17	1,912,415
<b>Total Current Assets</b>		<b>16,722,131</b>
<b>Non-current assets</b>		
Property, plant, and equipment	18	218,750
<b>Total Non-current Assets</b>		<b>218,750</b>
<b>Total assets (A)</b>		<b>16,940,881</b>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Trade and other payables	19	924,000
<b>Total Current Liabilities</b>		<b>924,000</b>
<b>Total Liabilities (B)</b>		<b>924,000</b>
<b>Net assets (A-B)</b>		<b>16,016,881</b>
<b>Represented by:</b>		
Revaluation reserve		-
Accumulated surplus/Deficit		<b>14,288,638</b>
Capital Fund		1,728,243
<b>Net Assets</b>		<b>16,016,881</b>

.....  
**Chairman  
Board of Management**

.....  
**Head of Finance  
ICPAK No:**

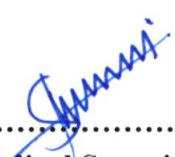
  
.....  
**Medical Superintendent**

**13. Statement of Changes in Net Assets for The Year Ended 30 June 2025**

<b>Description</b>	<b>Revaluation reserve</b>	<b>Accumulated surplus</b>	<b>Capital Fund</b>	<b>Total</b>
<b>As at July 1, 2024</b>	-	-	-	-
Surplus for the year	-	<b>14,288,638</b>	1,728,243	<b>16,016,881</b>
Capital/Development grants	-	-	-	-
<b>As at June 30, 2025</b>		<b>14,288,638</b>	1,728,243	<b>16,016,881</b>

.....  
**Chairman**  
**Board of Management**

.....  
**Head of Finance**  
**ICPAK No:**

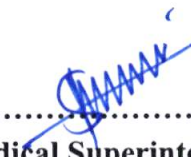
  
 .....  
**Medical Superintendent**

**14. Statement of Cash Flows for The Year Ended 30 June 2025**

Description	Note	2024-2025
		Kshs
<b>Cash flows from operating activities</b>		
<b>Receipts</b>		
Transfers from other Government entities		230,000
Rendering of services- Medical Service Income		4,797,890
<b>Total Receipts</b>		<b>5,027,890</b>
<b>Payments</b>		
Medical/Clinical costs		1,109,000
Employee costs		272,700
Board of Management Expenses		64,000
Repairs and maintenance		115,082
General expenses		389,643
<b>Total Payments</b>		<b>1,950,425</b>
<b>Cash flows from financing activities</b>		3,077,465
Cash and cash equivalents as at 1 July 2024		264,671
<b>Cash and cash equivalents as at 30 June 2025</b>	15	<b>3,342,136</b>

.....  
**Chairman**  
**Board of Management**

.....  
**Head of Finance**  
**ICPAK No:**

.....  
  
**Medical Superintendent**

*Westlands Level IV Hospital (Nairobi City County Government)*  
*Annual Report and Financial Statements for The Year Ended 30<sup>th</sup> June 2025*

**15. Statement of Comparison of Budget and Actual Amounts for Year Ended 30 Jun 2025**

Description	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% of utilisation
	<b>A</b>	<b>B</b>	<b>c=(a+b)</b>	<b>D</b>	<b>e=(c-d)</b>	<b>f=d/c%</b>
	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	
Budget carryovers from the previous year	-	-	-	-	-	%
<b>Receipts</b>						
Transfers from other Government entities	400,000	-	400,000	230,000	170,000	56%
Rendering of services- Medical Service Income	6,000,000	-	6,000,000	4,797,890	1,202,110	80%
<b>Total receipts</b>	<b>6,400,000</b>	<b>-</b>	<b>6,400,000</b>	<b>5,027,890</b>	<b>1,372,110</b>	<b>79%</b>
<b>Payments</b>						
Medical/Clinical costs	2,000,000	-	2,000,000	1,109,000	891,000	55%
Employee costs	500,000	-	500,000	272,700	227,300	54%
Remuneration of directors/ HFMC	100,000	-	100,000	64,000	36,000	64%
Repairs and maintenance	200,000	-	200,000	115,082	84,918	58%
General expenses	500,000	-	500,000	389,643	110,357	78%
<b>Total Operational Expenditure paid</b>	<b>3,300,000</b>	<b>-</b>	<b>3,300,000</b>	<b>1,950,425</b>	<b>1,145,005</b>	
<b>Surplus</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,077,465</b>	<b>-</b>	<b>%</b>

**Budget Reconciliation**

	Description of Particulars	Amount in Kshs
	Actual Surplus Amounts as per the statement of Budget	<b>3,077,465</b>
1	Opening cash and cash equivalents as at 1 <sup>st</sup> July 2024	264,671
	Closing Cash and Cash Equivalent as per the statement of Cash flows	3,342,136

## **16. Notes to the Financial Statements**

### **1. General Information**

Westlands Hospital is established by and derives its authority and accountability from PFM-Act. The hospital is wholly owned by the Nairobi City County Government and is domiciled in Nairobi County in Kenya. The hospital's principal activity is offering comprehensive health care services.

### **2. Statement of Compliance and Basis of Preparation**

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

**3. Adoption of New and Revised Standards**

*i. New and amended standards and interpretations in issue effective in the year ended 30 June 2025*

There were no new and amended standards issued in the financial year.

*ii) New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2025.*

<b>Standard</b>	<b>Effective date and impact:</b>
IPSAS 43	<p><i>Applicable 1<sup>st</sup> January 2025</i></p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p>
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<p><i>Applicable 1<sup>st</sup> January 2025</i></p> <p>The Standard requires,</p> <p>Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and:</p> <p>Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.</p>
IPSAS 45- Property Plant and Equipment	<p><i>Applicable 1<sup>st</sup> January 2025</i></p> <p>The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously</p>

Standard	Effective date and impact:
	<p>excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.</p>
<p>IPSAS 46 Measurement</p>	<p><b><i>Applicable 1<sup>st</sup> January 2025</i></b></p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ul style="list-style-type: none"> <li>i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used.</li> <li>ii. Clarifying transaction costs guidance to enhance consistency across IPSAS;</li> <li>iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures.</li> </ul> <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p>

***iii) Early adoption of standards***

The Hospital did not early – adopt any new or amended standards in the financial year.

**4. Summary of Significant Accounting Policies**

**a. Revenue recognition**

**i) Revenue from non-exchange transactions**

**Transfers from other Government entities**

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

**ii) Revenue from exchange transactions**

**Rendering of services**

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

**b. Budget information**

The original budget was approved by CHMT. 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 Hospital upon receiving the respective approvals in order to conclude the final budget. The *hospital's* budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget.

A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also

made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget.

A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts, and the actuals as per the statement of cash flows.

**c. Taxes**

**Sales tax/ Value Added Tax**

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

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

**d. Property, plant and equipment**

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

**e. Trade and other receivables**

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

**f. Inventories**

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

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

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

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

**g. Changes in accounting policies and estimates**

The hospital recognizes the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy are applied prospectively if retrospective application is impractical.

**h. Related parties**

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

**i. Cash and cash equivalents**

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

**j. Subsequent events**

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended June 30, 2025.

**5. Significant Judgments and Sources of Estimation Uncertainty**

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

**Estimates and assumptions.**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Entity based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. However, existing circumstances and assumptions about future

developments may change due to market changes or circumstances arising beyond the control of the Entity. Such changes are reflected in the assumptions when they occur. ( IPSAS 1.14N/A)

**Useful lives and residual values**

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

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

**6. In Kind Contributions from The County Government**

Description	2024/2025
	KShs
Salaries and wages	-
Medical supplies-Drawings Rights (KEMSA)	698,843
Pharmaceuticals and Non-Pharmaceutical Supplies (other suppliers)	-
<b>Total grants in kind</b>	<b>698,843</b>

**7. Transfers From Other Government Entities**

Description	2024/2025
	KShs
Transfer from National Government (Ministry of Health)	-
Transfer from- Dagoretti School	230,000
<b>Total Transfers</b>	<b>230,000</b>

**8. Rendering of Services-Medical Service Income**

Description	2024/2025
	Kshs
Reproductive health (Maternity services)	4,797,890
Other medical services income ( <i>specify</i> )	
<b>Total revenue from the rendering of services</b>	<b>4,797,890</b>
<b>Add receivables (Accrual)</b>	<b>11,467,580</b>
<b>Total</b>	<b>16,265,470</b>

**9. Medical/ Clinical Costs**

Description	2024/2025
	Kshs
Laboratory chemicals and reagents	150,000
Food and Ration	422,500
Dressing and non-pharmaceuticals	80,000
Pharmaceutical supplies	140,000
Sanitary and cleansing Materials	34,000
Purchase of Medical gases	8,000
Other medical related clinical costs ( <i>specify</i> ) ( <i>Purchase of medical &amp; dental equipment, purchase of furniture &amp; fittings, purchase of medical equipment, purchase of boilers, refrigeration, &amp; general equipment</i> )	274,500
<b>Total medical/ clinical costs</b>	<b>1,109,000</b>

**10. Employee Costs**

Description	2024/2025
	Kshs
Salaries, wages, and allowances	246,700
Other employee costs ( <i>Daily subsistence allowance</i> )	26,000
<b>Employee costs</b>	<b>272,700</b>
<b>Add payable(accrual)</b>	<b>924,000</b>
<b>Total</b>	<b>1,196,700</b>

**11. Board of Management Expenses**

Description	2024/2025
	Kshs
Sitting allowance	29,000
Mileage	27,000
Airtime allowances	8,000
<b>Total</b>	<b>64,000</b>

**12. Depreciation(12.5% reducing balance)**

Description	2024/2025
	Kshs
Property, plant and equipment	31,250
<b>Total depreciation and amortization</b>	<b>31,250</b>

**13. Repairs And Maintenance**

Description	2024/2025
	Kshs
Property- Buildings	115,082
<b>Total repairs and maintenance</b>	<b>115,082</b>

**14. General Expenses**

Description	2024/2025
	Kshs
Advertising and publicity expenses	64,920
Catering expenses	82,265
Bank charges	40,580
Electricity expenses	49,980
Fuel and Lubricants	53,183
Travel and accommodation allowance	23,650
Printing and stationery	39,000
Water and sewerage costs	21,565
Telephone and mobile phone services	14,500
<b>Total General Expenses</b>	<b>389,643</b>

**15. Cash And Cash Equivalents**

Description	2024/2025
	KShs
Current accounts	3,342,136
Others( <i>specify</i> )- Mobile money	-
<b>Total cash and cash equivalents</b>	<b>3,342,136</b>

**15 (a). Detailed Analysis of Cash and Cash Equivalents**

Description		2024/2025
Financial institution	Account number	KShs
a) Current account		
Cooperative Bank	01100430832001	3,342,136
Equity Bank, etc		-
Sub- total		-
Grand total		3,342,136

**16. Receivables From Exchange Transactions**

Description	2024/2025
	KShs
Medical services receivables	11,467,580
Rent receivables	-
Total receivables	11,467,580

**Analysis of Receivables From Exchange Transactions**

Description	2024/2025	
	Kshs	
	2024/2025	% of the total
Less than 1 year	11,467,580	100%
Total	11,467,580	%

**17. Inventories**

Description	2024/2025
	KShs
Pharmaceutical supplies	1,912,415
Total	1,912,415

**18. Property, Plant and Equipment**

Description	Land	Buildings and Civil works	Motor vehicles	Furniture, fittings, and office equipment	ICT Equipment	Plant and medical Equipment	Other Assets (specify)	Capital Work in progress	Total
	Ksh	Ksh	Ksh	Ksh	Ksh	Ksh		Ksh	Ksh
<b>Cost</b>									
At 1 July 2024 (	-	-	-	-	-	-	-	-	-
Additions	-	-	-	-	-	250,000	-	-	250,000
<b>At 30<sup>th</sup> Jun 2025</b>	-	-	-	-	-	250,000	-	-	250,000
<b>Depreciation</b>									
Depreciation for the year	-	-	-	-	-	31,250	-	-	31,250
<b>At 30 June 2025</b>	-	-	-	-	-	31,250	-	-	31,250
<b>Net book values</b>									
At 30 <sup>th</sup> Jun 2025	-	-	-	-	-	218,750	-	-	218,750

**19. Trade and other Payables**

Description	2024/2025	
	KShs	
Employee dues	924,000	
Total trade and other payables	-	
Ageing analysis:	2024/2025	% of the Total
Under one year	924,000	100%
Total	924,000	%

**20. Related Party Balances**

**Nature of related party relationships**

Nairobi City County Government is the principal shareholder of the hospital. The National Government of Kenya has provided full guarantees to all long-term lenders of the hospital, both domestic and external. The related parties include:

- i) The National Government;
- ii) The County Government;

**21. Events after the Reporting Period**

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

**22. Ultimate and Holding Entity**

The hospital is a County hospital under the Department of health. Its ultimate parent is the County Government of Nairobi.

**23. Currency**

The financial statements are presented in Kenya Shillings (Kshs) and all values are rounded off to the nearest shilling.

*Westlands Level IV Hospital (Nairobi City County Government)  
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