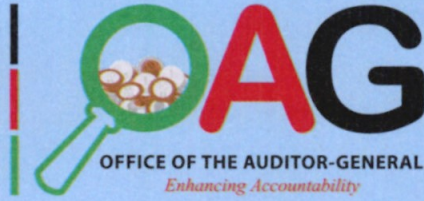
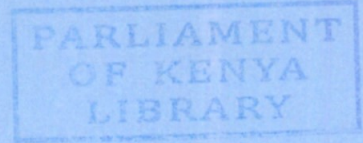


REPUBLIC OF KENYA



REPORT




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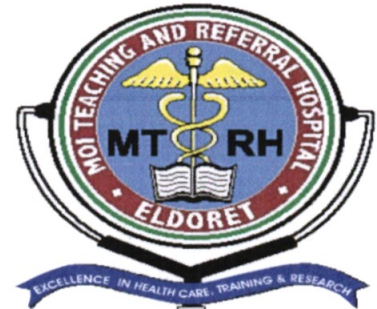
THE AUDITOR-GENERAL

ON

MOI TEACHING AND REFERRAL HOSPITAL

FOR THE YEAR ENDED
30 JUNE, 2025

 THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 11 FEB 2026	DAY: WEDNESDAY
TABLED BY:	LEADER OF MAJORITY PARTY (HON' KIMANI ICHUNGWAH)
CLERK-AT-THE-TABLE:	J. GEMERELLE



An ISO 9001:2015 Certified Hospital



MOI TEACHING AND REFERRAL HOSPITAL

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30TH JUNE 2025



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

A: Acronyms and Abbreviations

ADA	Alcohol and Drug Abuse
ADR	Alternative Dispute Resolution
AF	Administration and Finance
AGPO	Access to Government Procurement Opportunities
AMPATH	Academic Model Providing Access to Healthcare
AWP	Annual Work Plan
BPR	Business Process Re-Engineering
BSL	Biosafety Laboratory
CAJ	Commission on Administrative Justice
CAR-E	Centre for Assault Recovery - Eldoret
CBA	Collective Bargaining Agreement
CC	Corporate Communications
CCCDC	Chandaria Cancer and Chronic Disease Centre
CCU	Cardiac Care Unit
CEO	Chief Executive Officer
CIO	Chief Information Officer
COC	Clinical Officers Council
COE	Centre of Excellence
CPC	Corruption Prevention Committee
CS	Clinical Services
DNS	Director of Nursing Services
ECN	Enrolled Community Nursing
ENT	Ear Nose and Throat
GoK	Government of Kenya
HDU	High Dependency Unit
HLA	Human Leukocyte Antigens
HMIS	Health Management Information System
HoD	Head of Department
HRH	Human Resource for Health
HRIS	Health Records and Information Services
HRM & D	Human Resource Management and Development
ICT	Information Communication & Technology
ICU	Intensive Care Unit
IHMIS	Integrated Health Management Information System
iHRIS	Integrated Human Resource Information System
IPC	Infection Prevention and Control
IREC	Institutional Research and Ethics Committee
ISMS	Information Security Management System
ISO	International Organization for Standardization
KMTC	Kenya Medical Training College
KPI	Key Performance Indicators
MCH-FP	Maternal Child Health & Family Planning
MES	Managed Equipment Services
MHRS	Mental Health and Rehabilitative Services
MMR	Maternal Mortality Ratio
MoU	Memorandum of Understanding
MRI	Magnetic Resonance Imaging
MTRH	Moi Teaching & Referral Hospital

MU	Moi University
NEMA	National Environmental Management Authority
OPD	Outpatient Department
OSH	Occupational Safety & Health
OSHA	Occupational Safety and Health Authority
PH	Public Health
PHAO	Principal Health Administrative Officer
PI	Principal Investigator
PME	Planning, Monitoring and Evaluation
PPP	Public Private Partnership/Public-Public Partnership
PW	Private Wing
QA & S	Quality Assurance and Standards
QMR	Quality Management Representative
RACE	Rafiki Adolescent Centre of Excellence
RBTC	Regional Blood Transfusion Centre
RDI	Research, Development and Innovation
RM	Resource Mobilization
RSPO	Research and Sponsored Projects Office
SDG	Sustainable Development Goals
SHA	Social Health Authority
SHIF	Social Health Insurance Fund
SOP	Standard Operating Procedure
TNA	Training Needs Assessment

B: Glossary of Terms

1. **Core Value:** Guiding principles; what we believe in, principles and philosophy.
2. **Critical Success Factors:** Specific elements or action areas that MTRH must focus on and successfully implement to achieve the strategic objectives.
3. **Cross-Skilling:** This describes developing new skills that apply across different functions.
4. **Kenya Quality Model for Health:** The Kenya Quality Model for Health (KQMH) integrates evidence-based medicine through wide dissemination of public health and clinical standards and guidelines embedded with total quality management and patient partnership through the following principles: Leadership, Customer orientation, Involvement of people and stakeholders, Systems approach to management, Process orientation, Continuous quality improvement and evidence-based decision making.
5. **Low Cost Leadership:** Business Strategy where an Institution aims to become the most cost-efficient player; providing quality services at an affordable cost.
6. **Mission:** Describes what an MTRH does and for whom.
7. **Purpose:** This outlines why the MTRH exists.
8. **Reskilling:** The process of learning new skills to do a completely different job.

- 9. Service Delivery Innovation:** The generation and implementation of new ideas leading to the development of new products, processes or services that significantly improve service delivery.

- 10. Service Quality Gap Assessment:** SERVQUAL (Service Quality Gap Model) is a gap method in service quality measurement to identify the gaps between customer expectations and the actual services provided at different stages of service delivery (*Service Quality = P - E*) where *P* denoted *Customer Perception* & *E* denotes *Customer Expectations*. If the Gap is negative, then dissatisfaction occurs, otherwise, service quality is achieved.

- 11. Service Quality:** Service Quality is an assessment of how well a delivered service conforms to the client's expectations. MTRH regularly assesses the service quality provided to our clients to quickly identify problems and to better assess client satisfaction. The dimensions of service quality are **Tangibles** (*Appearance of physical facilities, equipment, personnel, and communication materials*); **Reliability** (*Ability to perform the promised service dependably and accurately*); **Responsiveness** (*Willingness to help customers and provide prompt service*); **Assurance** (*Knowledge and courtesy of employees and their ability to convey trust and confidence*) and **Empathy** (*Caring, individualized attention the firm provides its customers*).

- 12. Skilling:** This describes continuous learning by staff.

- 13. Strategic Pillars:** Main focus areas used to focus staff efforts on accomplishing the Vision.

- 14. Strategies:** Actions designed to achieve MTRH's Vision.

- 15. Targets:** Indicators of past and future performance, which show how successful we were or how successful we will be in future.

- 16. True North:** This guides as a compass to guide MTRH from where it is to where it should be. It reflects the purpose of MTRH and the foundation of the Strategy.

- 17. Upskilling:** The process of strengthening existing skills or learning complementary/new skills, often to close the institutional talent gap.

- 18. Vision:** What MTRH wants to accomplish in the future.

- 19. WIDGET Model of Healthcare Financing:** Financial Protection of Individuals and Families is at the core of Universal Health Coverage (UHC). To realize this, the Widget Model of Health Financing is proposed with the following financing options: Family Contributions, County Governments Contributions, Government through NHIF and Development Partner Support.

2. KEY INFORMATION AND MANAGEMENT

a) Background Information

Moi Teaching and Referral Hospital (MTRH) was established under Legal Notice No.78 of 12th June 1998 of the State Corporations Act (Cap 446). At cabinet level, MTRH reports to the Cabinet Secretary for Health who is responsible for the general policy and strategic direction for healthcare in Kenya.

Founded in 1916 as a cottage hospital to cater for the Africans health care needs, the Hospital has grown tremendously to a fully-fledged Multi-Specialty referral facility with several inpatient and outpatient health care services. It also incorporates the Academic Model Providing Access to Healthcare (AMPATH), Centre for Assault Recovery-Eldoret (CAR-E) and Partners with Moi University (College of Health Sciences), Kenya Medical Training College (KMTC) and Regional Blood Transfusion Services (RBTS).

Purpose

To be pro-Health and promote the Well-being of the People and the Planet where they live.

True North

Excellent Healthcare Delivery.

Vision

To be a Global Leader in the provision of Exceptional Multi-Specialty Healthcare, Training and Research.

Mission

Moi Teaching and Referral is dedicated to providing specialized healthcare services, training and research through efficient, excellent clinical and operational processes and contributing to National Planning.

Core Values

Customer Focus, Professionalism, Integrity, Teamwork, Employee Empowerment, Security and Safety, Innovation and Creativity, Reliability and Environmental Sustainability.

b) Principal activities

The Hospital's mandate is to:

- i) Receive patients on Referral from other Hospitals or Institutions within or outside Kenya for specialized health care;
- ii) Provide facilities for Medical education for the Moi University, and for research either directly or through other co-operating health institutions;
- iii) Provide facilities for education and training in Nursing and other health and allied professions;
- iv) Participate as a National Referral Hospital in National Health Planning.

c) Key Management

MTRH is managed under the following key organs:

1. Board of Directors
2. Chief Executive Officer (Accounting Officer)
3. Senior Director Administration and Finance
4. Senior Director Clinical Services
5. Heads of Directorate

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6. Manager Finance
7. Manager Supply Chain Department

d) **Fiduciary Management**

The key management personnel that held office during the period under review and had direct fiduciary responsibility were:

Designation	Name	Professional Membership Number	Certification Body
1. Chief Executive Officer	Dr. Philip Kirwa	A4215	KMPDC
2. Ag, Senior Director - Clinical Services & Director, Surgical Services	Dr. Owen Menach	A5636	KMPDC
3. Senior Director - Administration & Finance	Dr. Tarus B. Kipchumba (PhD)	2471	ICPSK
4. Director, Finance	Mr. Mathews Birgen	3915	ICPAK
5. Director, Human Resource Management & Development	Ms. Ann Chemworsio	01593	IHRM
6. Director, Pharmacy & Nutrition	Dr. Victor K. Maina	1662	PPB
7. Director, Nursing Services	Mr. Titus Tarus	BSN 194	NCK
8. Ag. Director, Laboratory Services	Ms. Florence C. Tum	A01985	KMLTTB
9. Director, Radiology and Imaging Services	Dr. Ezekiel Kimutai	A4510	KMPDC
10. Director, Health Administration	Ms. Christine Chuani	PHOTC/B896/ PHO	PHOTC
11. Director, Reproductive Health	Dr. Wycliffe Kosgei	A6493	KMPDC
12. Director, Child Health & Paediatrics	Dr. Polycarp Mandi	A3294	KMPDC
13. Director, Dental Services	Dr. George Mwai	B817	KMPDC
14. Director Mental Health & Rehabilitative Services	Dr. Florence Jaguga	A6537	KMPDC
15. Director, Internal Medicine	Dr. Wilson Sugut	A4484	KMPDC
16. Director, Hemato-Oncology	Dr. Jesse Opakas	A6066	KMPDC
17. Director, MTRH College of Health Sciences	Mr. Caleb Koech	BSN 426	NCK
18. Ag. Chief Information Officer	Bethwel Cheruiyot	ACPK/122	ACPK
19. Director, Audit & Risk Services	CPA Patrick K. Kurui	9904 & 1542419	ICPAK & IIA
20. Director, Commercial Services	CPA Kipchumba Kendagor Daniel	23795 & 2166806	ICPAK & IIA
21. Director Legal Services/ Corporation Secretary	Justus William Onchari Otiso	P105/4584/01/ LSK2024/07221 ICS-3786	LSK & ICPSK
22. Manager, Finance	Thomas Ngetich	7617	ICPAK
23. Manager, Supply Chain	Mr Simion Loth	K585/2027, 67444	KISM,

Fiduciary Oversight Arrangements

To achieve corporate governance, MTRH has the following key fiduciary oversight arrangements to check and guide Senior Management in executing its roles.

1. Audit and Risk Committee of the Board
 - The Hospital's operations are subjected to oversight by the Board Audit and Risk Committee, which meets quarterly to review the organizations risk preparedness, compliance to approved policies and business continuity plans.
 2. National Assembly Departmental Committee on Health
 - The Hospital is subject to oversight from National Assembly Departmental Committee on Health, on matters defined in the Hospital's Core mandate.
 3. National Assembly Public Investments Committee
 - The Hospital is subject to National Assembly Public Investments Committee
- e) **Principal Place of Business**
Moi Teaching & Referral Hospital
Chandaria Cancer and Chronic Disease Centre
Nandi Road
P. O. Box 3– 30100,
ELDORET
- f) **Contacts**
Tel: +254 722-201277, +254 722 209795, 053-2033471/2/3/4
Fax: 053-2061749
Email address: ceo@mtrh.go.ke
Web site: www.mtrh.go.ke
- g) **Bankers**
Kenya Commercial Bank Limited
Uganda Road Branch-Eldoret
P. O. Box 5197 – 30100,
ELDORET
- h) **Independent Auditors**
Auditor General
Office of the Auditor General
Anniversary Towers, University Way
P. O. Box 30084 - 00100
NAIROBI
- i) **Principal Legal Adviser**
The Attorney General
State law office
Sheria House, Harambee Avenue
P.O. Box 40112 – 00100
NAIROBI

3. BOARD OF DIRECTORS

 <p>Mr. Sitoyo Lopokoiyit, MBS BOARD CHAIRMAN</p>	<p>Mr. Sitoyo Lopokoiyit, MBS YoB 1976 holds MSc. Information Technology, Management, and Organizational Change - University of Lancaster, UK and Bachelor of Commerce, Marketing Option - University of Nairobi.</p> <p>He is currently the Managing Director, MPESA Africa, from 1st April 2021 to date; He has held various portfolios including; Chief Financial Services Officer– Safaricom Plc: (1st April 2018 – 31st March, 2021), Director M-Commerce & Vodacom Foundation Board Member (1st Oct 2015 - 31st March 2018), Head of Department Strategy & Business Development – Financial Services (M-PESA) (1st July 2011 - 30th September 2015), Head of Total Solar Business, Toyota Kenya (Jan 2011 - July 2011), Diversification Manager, Toyota Kenya (September 2009 - December 2010). Also served as Business Advisor, Consumer & Industrial, Retailing Relationship & Merchandise Manager, Field Trainer, East Africa - Chevron Kenya Ltd, (Jan 2008 - August 2009), Area Merchandising Executive Coordinator, East Africa & Egypt (2004 - Jan 2008), Category Manager, Non Food Groceries Division, Uchumi Supermarket Ltd – (Jan 2003 - Aug 2004).</p>
 <p>Ms. Judith Jerotich Non-Executive Director Independent Board Member Chair Audit, Risk & Compliance Committee</p>	<p>Judith Jerotich, YoB 1967 holds Bachelor of Education Intermediate Phase Swimrite, Swimming Course as franchisee and coach Swim South Africa, Diploma in Education, Physical, History and Geography Kagumo Teachers College,</p> <p>25 years teaching experience locally and abroad. Young Einsteins Academy Eldoret; Director Gladys Boss Foundation Programs, Director, Swimrite Gaborone 2016 – 2017 and Director & Swimming Instructor, Organized staff development courses in various sports and First Aid for teachers Al-Nur School, Gaborone, Botswana Physical Education Teacher Jan 2001 – Dec 2005, Chairperson Southern CHOPS Sports Association (SCSA), Swimming Chairperson, Treasurer Southern CHOPS Sports Association, Secretary Southern Schools Sports Committee, Chairperson Southern Schools Netball Committee,</p>
 <p>Dr. Nyakiba, Erneo Moruri Mageto Non-Executive Director Independent Board Member</p>	<p>DR. Nyakiba, Erneo Moruri Mageto YoB 1957 holds Masters of Medicine in Obstetrics and Gynecology (UoN), Internationally sponsored research on HIV infection on patients with Abortion admitted at (KNH), Research project at Nakuru Provision Hospital to determine whether the lowest cadre of health care workers, enrolled community nurses had the adequate competence to manage antennal care patients in our Hospitals. Bachelor of Medicines and bachelor of Surgery, Strategic leadership and Change Management workshop at Kenya Institute of Administration,</p> <p>Medical Officer at New Nyanza Provincial Hospital, Senior Medical Officer, Department of Defence and Kenya Navy, Head of Department of Obstetrics and Gynecology Forces Memorial Hospital</p> <p>Honorary lecturer department of Obstetrics and Gynecology UoN, Pyrethrum Board of Kenya - revival team board director, Private practice</p>



Dr. Michael Gichangi
Alternate to Principal
Secretary, Ministry of Health
Chair Hospital Operations &
Standards Committee

Dr. Michael Gichangi YoB 1965 is a Senior Deputy Director of Medical Services, Head of the Ophthalmic Services Unit, Ministry of Health (Kenya) with Leadership and clinical experience at the District, Provincial and National level. Proven Public health, Policy and Practice Expert in eye health with ability to identify problems and implement feasible solutions.

He holds a Master of Science Degree in Public Health for Eye Care, Post Graduate Diploma Public Health for eye care University of London/London School of Hygiene and Tropical Medicine (LSHTM) 2012; M. Med (Ophthalmology), University of Nairobi 1999; and MBChB University of Nairobi 1992.

Alternate to Principal Secretary, Ministry of Health



**Dr. BRENDA NOLARI
MOLONKO (PhD)**
Alternate to Principal Secretary,
The National Treasury.

Dr. Brenda Nolari Molonko (PhD), YoB 1986 is a Results-driven finance professional with over 15 years of progressive experience in public financial management, budgeting, and policy analysis within various Kenyan government ministries. Proven ability to lead cross-functional teams, streamline budget execution processes, and drive institutional financial governance and a robust track record in financial planning, reporting, and sectoral economic research.

Dr. Brenda Nolari Molonko holds Doctor of Philosophy (PhD) in Finance, MBA (Finance), Bachelor of Arts –BA&E all from Kenyatta University.

Currently Senior Principal Finance Officer The National Treasury

Alternate to Principal Secretary, The National Treasury.



Prof. Robert Kuremu Tenge
Ag. Principal, Moi University
College of Health Sciences.

Prof. Robert Tenge YoB 1958 is a specialist General Surgeon and Paediatric Surgeon with Kenya Medical Practitioners and Dentists Council recognition.

He has General Surgery training from the University of Nairobi (1996) and Paediatric Surgery from the University of Kwa-Zulu Natal in South Africa (2005). He is also a founding Fellow of the College of Surgeons of East, Central and Southern Africa (ECSA) 1999.

Ag. Principal Moi University College of Health Sciences.

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 <p>Dr. Carol Wangui Hunja Alternate to Principal Secretary, State Department for University Education & Research</p>	<p>Dr. Carol Wangui Hunja holds a PhD. Cell, Molecular and Population Genetics, University of Edinburgh, Institute of Immunology and Infectious Diseases, Scotland UK, MSc. Biotechnology, Kenyatta University, Department of Biochemistry and Biotechnology Nairobi, Kenya and BSc. Biological Sciences, University of Eastern African Baraton (UEAB), Department of Biological Sciences, Eldoret, Kenya. She has a wealth of experience in Education Management and Grants Writing. Dr. Hunja is currently serving as the Secretary Higher Education and Research, Ministry of Education.</p> <p><i>Alternate to Principal Secretary, State Department for University Education & Research,</i></p>
 <p>Ms Peris Birichi Gakii Alternate to Attorney General Chair People's Management Committee</p>	<p>Ms Peris Birichi YoB 1991 holds Post Graduate Diploma in legal Studies (Kenya School of Law), bachelors of Laws (Kenyatta University) and Advocate of the High Court of Kenya with vast knowledge in legal practice and research.</p> <p>Senior State Counsel, NLAS Regional Coordinator office of the Attorney General & Department of Justice, national Legal Aid Services, Assistant Associate (Azali Certified Public Secretaries) and legal Assistant (International Control Limited)</p> <p>Offers legal advice to the indigent in the society, disputes settlement (ADR), Draft court documents, Provide Corporate Governance advice, Advice on Company regulations, memorandum and Articles of Association, Shareholders Agreements and other constitutional documents.. Senior State Counsel, NLAS Regional Coordinator</p>
 <p>Dr. Philip Kirwa Chief Executive Officer</p>	<p>Dr. Philip Kirwa YoB 1968 holds a Master's degree in Obstetrics and Gynaecology (UON), MBChB (UON). A fellow of the East, Central and Southern Africa College of Obstetrics and Gynaecology (ECSACOG), Strategic Leadership Development Programme (KSG), Senior Management Course (KSG) and a Certified Mediator, (MTIP). Has work experience of over 20 years as a medical specialist in Senior Management positions.</p> <p><i>Chief Executive Officer</i></p>






Justus William Onchari Otiso
Corporation Secretary

Mr Justus Otiso YoB 1971 is an Advocate of the High Court of Kenya of 23 years standing. He was previously the Acting Dean, Kabarak University School of Law, Head of Department , Commercial Law Department and Director, Alternative Dispute Resolution Centre at the same University. He is a Member of the Law Society of Kenya, the Institute of Certified Secretaries Kenya and an Accredited Mediator (P105/4584/01/,LSK2024/07221 &ICS-3786

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4. MANAGEMENT TEAM

NAME	AREA OF RESPONSIBILITY
 Dr. Philip Kirwa M.Med in Obs-Gynae, MBChB,	Chief Executive Officer
 Dr. Owen Menach MBChB (UoN), M.Med ENT-Head & Neck Surgery (UoN) , Ambrogio Maestri Scholar & CICOPS Fellow-Laryngology (University of Pavia, Italy), MBChB, Head & Neck Surgery (Vanderbilt University, USA).	Ag. Senior Director- Clinical Services & Director, Surgical Services
 FCS Dr. Tarus B. Kipchumba (PhD) PhD in Strategic Mgt (MU), MSc. HRD (MU), MBA (JKUAT), BBM Accounting (MU), CPS(K), CPA(K) & CHRP(K).	Senior Director – Administration & Finance





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NAME	AREA OF RESPONSIBILITY
 <p>Mr. Mathews Birgen MBA-Finance (MU), BCOM (UON), CPA(K)</p>	<p style="text-align: center;">Director, Finance</p>
 <p>Ms. Ann Chemworsio MBA-Human Resource Management (MU), MBA-Health Management (USIU), B.ED (MU), PGD in HRM (KIM)</p>	<p style="text-align: center;">Director, Human Resource Management & Development</p>
 <p>Dr. Victor Maina MBA, Moi University, B. Pharm (UON)</p>	<p style="text-align: center;">Director, Pharmacy & Nutrition</p>
 <p>Mr. Titus Tarus MScN- Peadiatrics & Child Health, BScN</p>	<p style="text-align: center;">Director, Nursing Services.</p>

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NAME	AREA OF RESPONSIBILITY
 <p>Ms. Florence C. Tum BSC-Biochemistry, DMLT</p>	<p style="text-align: center;">Ag. Director Laboratory Services</p>
 <p>Dr. Ezekiel Kimutai M.MED.(UoN), MBChB (Moi Univesity)</p>	<p style="text-align: center;">Director, Radiology and Imaging Services</p>
 <p>Mrs. Christine Wanjiku Tonui, CS(K) MSC-Research Administration, MBA- Strategic Management, BSC. Public Health, CPS(K)</p>	<p style="text-align: center;">Director, Health Administration</p>
 <p>Dr. Wycliffe K. Kosgei M.MED (MU), MBChB, (MU)</p>	<p style="text-align: center;">Director, Reproductive Health</p>





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NAME	AREA OF RESPONSIBILITY
 <p>Dr. Polycarp Mandi MBChB, (Nairobi), MMed.- Peadiatrics (Nairobi), Pead Gastro (Cape Town, SA)</p>	<p>Director, Child Health & Paediatrics</p>
 <p>Dr. Mwai George B.D.S, M.D.S in Periodontology (KE), Dip - GBT (Switzerland)</p>	<p>Director, Dental Services</p>
 <p>Dr. Florence Jaguga MBChB (MU), M.Med Psychiatry (MU)</p>	<p>Ag. Director, Mental Health & Rehabilitative Services</p>
 <p>Dr. Wilson Sugut MBChB (UON) 1999, M.Med (Int.Med) 2009</p>	<p>Director, Internal Medicine</p>

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NAME	AREA OF RESPONSIBILITY
 <p>Dr. Jesse Opakas MBBS(Wuhan), FC(Rad Onc) (SA) Stellenbosch</p>	<p>Director, Hemato-Oncology</p>
 <p>Mr. Caleb Koech Msc-Advanced Nursing Practice, Bsc-Nursing</p>	<p>Director, MTRH College of Health Sciences</p>
 <p>CPA Kipchumba Kendagor Daniel MBA,-Finance, BCOM, CPA(K)</p>	<p>Director, Commercial Services</p>
 <p>Bethwel Cheruiyot HDIP,Advanced ICT, Israel MCSE/CCNP BSc Computer Science, MBA, (KU) MSC -HSM</p>	<p>Ag, Chief Information Officer</p>

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NAME	AREA OF RESPONSIBILITY
 <p>CPA Patrick K. Kurui MBA (Finance), B.A (Econs), CPA(K)</p>	<p>Director, Audit & Risk Services.</p>
 <p>Mr. Thomas Ngetich MBA-Finance (MU), MBA-Health Leadership and Management (USIU), BA-Economics (UON), CPA(K)</p>	<p>Manager, Finance</p>
 <p>Mr Simion Loth Kipsaiya MSc in procurement and logistics management, (JKUAT) BBM-Procurement Option, (MU), Dip in P&SM, (JKUAT), Cert in P&SM, (KSG), SMC, (KSG), MKISM, KISEB</p>	<p>Manager, Supply Chain</p>
 <p>Justus William Onchari Otiso LL.B(Hons) (Wolv), LL.M (Notts), Dip KSL, Certified Pubic Secretary, Accredited Mediator.</p>	<p>Director Legal Services/ Corporation Secretary</p>

5. BOARD CHAIRMAN'S STATEMENT



**MR. SITOYO LOPOKOIYIT, *MBS*
BOARD CHAIRMAN**

It is with great honour that I present the Annual Report and Financial Statements of Moi Teaching and Referral Hospital (MTRH) for the period ended 30th June 2025. The year under review was marked by both opportunities and challenges, and I am proud of how MTRH navigated these with resilience, foresight, and commitment to service excellence.

During the period, the Board oversaw the rollout of the 2023–2028 Strategic Plan, which is anchored in MTRH’s True North, Purpose, Vision, Mission, and Core Values. The Board upheld the highest standards of corporate governance through scheduled meetings where key decisions were made on strategy, financial oversight, and risk management. The Board remains committed to fostering a culture of transparency, accountability, and ethical leadership as espoused in the State Corporations’ Code of

Governance.

In line with our governance responsibilities, the Board ensured that strategic investments such as expansion of the Radiotherapy Centre, operationalization of the second Linear Accelerator, and construction, equipping and operationalization of the MRI and Cathlab Centre were aligned with long-term institutional goals. The Board also welcomed new members, Dr. Brenda Nolari Molonko and Dr. Carol Wangui Hunja, whose expertise will strengthen our oversight responsibilities, and expressed appreciation to retiring members, Mr. Meshack Koima and Mr. James Muchiri, for their invaluable contributions.

Looking forward, the Board reaffirms its commitment to supporting the Government’s Bottom-Up Economic Transformation Agenda (BETA) and Universal Health Coverage (UHC). MTRH will continue playing a key role in delivering specialized healthcare under Kenya Vision 2030’s Social Pillar, while accelerating the adoption of digital solutions and expanding services to meet growing demand.

On behalf of the Board, I extend our gratitude to H.E. the President of the Republic of Kenya, the Ministry of Health, the National Treasury, Parliament, and all our partners for their support. I also commend the hospital management team, employees, and stakeholders for their dedication and contribution to making MTRH the leading multi-specialty hospital for healthcare, training, and research in Africa.

A handwritten signature in black ink, appearing to read 'S. Lopokoiyit', written over a thin horizontal line.

**Mr. Sitoyo Lopokoiyit, *MBS*
BOARD CHAIRMAN**

6. THE REPORT OF THE CHIEF EXECUTIVE OFFICER



Introduction

The financial year ended 30th June 2025 was transformative for MTRH. Despite a volatile economic environment and national trade union disturbances, the hospital demonstrated resilience and sustained service delivery. Cumulative revenues stood at Kshs. 13 billion, comprising Kshs. 8.1 billion in GoK recurrent grants and Kshs. 4.9 billion from cost-sharing fees.

Healthcare Delivery

MTRH continued to deliver specialized services across all disciplines, attending to 382,978 outpatients, 42,113 inpatients, 10,138 maternal deliveries, 14,958 surgical operations, 1.29 million laboratory tests, 42,922 radiotherapy procedures, 15,182 chemotherapy sessions, and 10,486 renal dialysis sessions. To strengthen specialized care, the hospital operationalized Centres of Excellence including the Chandaria Cancer and Chronic Disease Centre, Riley Mother and Baby Hospital, Shoe4Africa Children's Hospital, Cardiac Care Unit, and the Transition Home for Mental Health Patients.

Investments and Infrastructure

Key capital projects progressed during the year, including the Paediatric Oncology Hospital, Burns Hospital, Private Wing II inpatient block, Neuro-Developmental Clinic, Spine Theatre, and Financial Services Centre of Excellence. The hospital also modernized Farewell Home facilities and expanded radiotherapy services.

Universal Health Coverage

In line with the Constitution of Kenya, 2010, MTRH continued to provide emergency and essential healthcare services regardless of patients' ability to pay. The hospital actively supported the transition from NHIF to the Social Health Insurance Fund (SHIF) through sensitization, enrolment drives, and seamless integration of services, ensuring wider citizen access.

Operating Environment

Despite the VUCA (Volatile, Uncertain, Complex, and Ambiguous) environment, MTRH leveraged its skilled workforce, resilient systems, and continuous infrastructure investments to mitigate risks and ensure uninterrupted service delivery.

Performance Management

MTRH achieved an Excellent Performance rating (134.93%) in the 21st cycle of Performance Contracting, reflecting a 10.32% improvement compared to FY 2022/23.

Human Resources

Human capital remained the hospital's greatest asset. During the year, management invested in staff capacity building through training, medical insurance, pension, and welfare programs. Four Collective Bargaining Agreements (CBAs) were successfully concluded with KMPDU, KNUN, KUDHEIHA, KUCO, and Public Health unions, ensuring industrial harmony.

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Strategy and Outlook

The 2023–2028 Strategic Plan positions MTRH as a regional leader in multi-specialty healthcare, with a focus on Centres of Excellence, adoption of ICT solutions, and alignment with Vision 2030 and BETA. The hospital anticipates improved financial sustainability through SHIF implementation and continued diversification of services.

Appreciation

I sincerely thank the Board of Directors for their strategic guidance, the Ministry of Health and other stakeholders for their support, and our dedicated staff for their unwavering commitment. Together, we remain focused on our mission to deliver high-quality, accessible, and sustainable healthcare services to the nation.



DR. PHILIP KIRWA
CHIEF EXECUTIVE OFFICER

7. STATEMENT OF PERFORMANCE AGAINST PREDETERMINED OBJECTIVES

Moi Teaching and Referral Hospital (MTRH)'s Purpose is to be pro-Health and promote the Well-being of the People and the Planet where they live, guided by our True North of Excellent Healthcare Delivery. Our Vision is to be a global leader in multi-specialty healthcare, training, and research. We remain committed to specialized healthcare, training, and innovation anchored on our Core Values of professionalism, integrity, teamwork, customer focus, employee empowerment, safety, innovation, reliability, and environmental sustainability. To achieve this, MTRH implemented five key strategies during FY 2024/2025:

- 1) To Provide Responsive High Quality, Low-Cost¹ Multi-Specialty Healthcare and Management Systems;
- 2) To Create Enabling Environment for Healthcare Training, Research and Innovation;
- 3) To Strengthen Strategic Partnerships and Collaborations;
- 4) To Provide Excellent Care and Exceptional Customer Experience; and
- 5) To Create a Sustainable Revenue Base.

The assessment of the Performance against the Annual Work Plan is done every quarter and tied to the MTRH Board Annual Performance Contract which is cascaded to the Directorates, Departments and Individual Staff. The Hospital achieved its performance targets set for the FY 2024/2025 period as summarized below:

Table xx1: Programme performance

Program	Strategic Objective	Outcome	Output	Output indicator	Achievement for the FY			Cumulative Achievement by end of FY			Remarks
					Target	Actual	Variance	Target	Actual	Variance	
National Referral Hospital Services	Provide Sub-Specialized Healthcare Services	Increased External Beam Radiotherapy Sessions	External Beam Radiotherapy Sessions provided	Number of External Beam Radiotherapy Sessions	12,265	21,482	9,217	12,265	21,482	9,217	Continued scheduling of patients and timely treatment planning.
		Increased Chemotherapy Services	Chemotherapy Services Increased	Number of Chemotherapy Services	15,004	20,175	8,922	15,004	20,175	8,922	
		Increased	Kidney (Renal)	Number of	15	29	14	15	29	14	Screening &

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Program	Strategic Objective	Outcome	Output	Output indicator	Achievement for the FY			Cumulative Achievement by end of FY			Remarks
					Target	Actual	Variance	Target	Actual	Variance	
		Kidney (Renal) Transplants	Transplants Undertaken	Kidney (Renal) Transplants							recruitment of patients from the Clinics and Wards.
		Enhanced Corneal Transplants	Corneal Transplants Undertaken	Number of Corneal Transplants	24	13	11	24	13	11	Under achievement due to logistical requirements of importing Cornea from United States.
		Increased Children Haemodialysis	Children Haemodialysis Increased	Number of Children Haemodialysis	1400	2,163	763	1400	2,163	763	Haemodialysis Access Creation and patient follow up done continuously.
		Increased Minimally Invasive Surgeries	Minimally Invasive Surgeries Increased	Number of Minimally Invasive Surgeries	2050	3,226	1,176	2050	3,226	1,176	Continued sensitization of patients in the Clinics and assignment of Theatre Days for Surgeries.
		Enhanced Open Heart Surgeries	Open Heart Surgeries Undertaken	Number of Open Heart Surgeries	36	96	60	36	96	60	Theatre Week assigned and adherence to Schedule.
		Increased Plastic Surgeries	Plastic Surgeries Increased	Number of Plastic Surgeries	230	357	127	230	357	127	Theatre Days assigned and adherence to Schedule.
		Enhanced Maxillofacial Surgeries	Maxillofacial Surgeries Undertaken	Number of Maxillofacial Surgeries	115	226	111	115	226	111	Theatre Days assigned and adherence to Schedule.

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Program	Strategic Objective	Outcome	Output	Output indicator	Achievement for the FY			Cumulative Achievement by end of FY			Remarks
					Target	Actual	Variance	Target	Actual	Variance	
		Increased Spine Surgeries	Spine Surgeries Conducted	Number of Spine Surgeries	127	277	150	127	277	150	Theatre Days assigned and adherence to Schedule.
		Cardiothoracic Surgeries Conducted	Cardiothoracic Surgeries Conducted	Number of Cardiothoracic Surgeries	250	628	378	250	628	378	Theatre Days assigned and adherence to Schedule.
	Build institutional and human capacity through targeted training and skills development initiatives	Increased Fellowship Postgraduate Training Programmes	Fellowship Postgraduate Training Programmes Provided	Number of Fellowship Postgraduate Training Programmes	18	58	40	18	58	40	Comprises COSECSA - Neurosurgery (7), Orthopaedic Surgery (6), General Surgery (6) & Paediatric Surgery (7); COECSA - Ophthalmology (5); CANESCA - Anaesthesiology (4); COPECSA- Anatomic Pathology (2); ECSACOP- Internal Medicine (7); Maternal Fetal Medicine (1); Paediatric Oncology & Haemato-Oncology (1)
		Increased Higher National	Higher National	Number of Higher	147	318	171	147	318	171	Constitutes HND Clinical

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Program	Strategic Objective	Outcome	Output	Output indicator	Achievement for the FY			Cumulative Achievement by end of FY			Remarks
					Target	Actual	Variance	Target	Actual	Variance	
		Diploma Training Offered	Diploma Training Offered	National Diploma Training							Medicine (65) and HND Nursing (137).
	Promote high-quality research to support policy development and operational excellence	Enhanced Research to support policy development	Research Conducted to support policy development	Number of Research Conducted	10	127	117	10	127	117	Research conducted by MTRH Staff funded through MTRH Intramural Grants.

8. CORPORATE GOVERNANCE

MTRH Board Charter

The MTRH Board of Management has a Board Charter that describes Board Members' responsibilities, the Board's functions & structures and ethical conduct. In addition to this, the Mwongozo Code of Governance for State Corporations governs Board operations.

Appointment of Board members, Process of Appointment and Removal of Directors, The Size, Diversity and Demographics of the Existence Board Charter

In the Financial Year 2024/25, the Board comprised 10 members, including a Non-Executive Board Chair, two Independent Members, and five representatives from key Government Ministries: Ministry of Health – State Department for Medical Services, the National Treasury, Ministry of Health, Ministry of Education – State Department for Higher Education, Research and Innovation, and the Office of the Attorney General. Additional members included the Principal of Moi University College of Health Sciences, the Chief Executive Officer (CEO), and the Inspector General of State Corporations, who attends Board meetings in an ex-officio capacity. The Corporation Secretary is the Secretary to the Board.

The appointing authorities take into considerations skills mix in selection of Board Members to ensure persons with key specializations such as Finance, Legal, Health, etc are included in the Board.

Induction of new Board Members

During the year, the terms of the alternates to the Principal Secretary (PS) for the State Department for Higher Education, Research & Innovation and the PS for the National Treasury expired in October 2024 and April 2025, respectively. New appointments were made, and induction sessions were held for the appointees on 6th February 2025 and 15th May 2025, respectively.

Throughout the year, Board members received various trainings: one Director attended a one-week Corporate Governance training facilitated by the Institute of Corporate Governance in Mombasa in November 2024, while four Directors participated in a one-week Finance for Non-Finance Managers training organized by the Kenya School of Government in March 2025 at Kabete Campus, Nairobi.

Board Performance Evaluation:

The Board has consistently participated in annual Board Evaluation exercise by the State Corporations Advisory Committee (SCAC) since FY 2013/14. In last financial year, the Board evaluation exercise was conducted on 9th August 2024 and results presented on 20th September 2024.

Number of Board Meetings Held and Attendance.

In the 2024/25 Financial Year, the Board held a total of 28 meetings, comprising 20 regular sessions and 8 special meetings (including both Full Board and Committee sittings). Additionally, a two-day retreat was conducted from 22nd to 23rd May 2025 at the Grand Royal Swiss Hotel in Kisumu. In compliance with the Circular on the Management of State Corporations, approval for the special meetings and the Board retreat was duly sought from the Cabinet Secretary, Ministry of Health.

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#	QUARTER 1	DATE
1	People Management Committee	24 th July, 2024
2	Audit Risk & Compliance	25 th July, 2024
3	Hospital Operations & Standards	25 th July, 2024
4	Finance & Strategy Committee	26 th July, 2024
5	83 rd Full Board	9 th August 2024
6	Special Meeting - Finance & Strategy Committee	6 th September 2024
7	Special Meeting - Audit Risk & Compliance	9 th September 2024
8	Special Meeting - Full Board	20 th September 2024
	QUARTER 2	
1	Peoples Management Committee	23 rd October 2024
2	Hospital Operation and standards Committee	24 th October 2024
3	Finance and strategy	25 th October 2024
4	Audit, Risk and Compliance	28 th October 2024
5	Special Meeting - People Management Committee	31 st October 2024
6	84 th Full Board	8 th November 2024
	QUARTER 3	
1	Finance & Strategy Committee	21 st January 2025
2	Hospital Operations & Standards	22 nd January 2025
3	Audit Risk & Compliance	22 nd January 2025
4	People Management Committee	23 rd January 2025
5	Special Meeting - Full Board	24 th January 2025
6	85 th Full Board	7 th February 2025
7	Special Meeting - People Management Committee	11 th -13 th February 2025
8	Special Meeting - Full Board	14 th March 2025
	QUARTER 4	
1	People Management Committee	23 rd April, 2025
2	Audit Risk & Compliance	24 th April, 2025
3	Hospital Operations & Standards	24 th April, 2025
4	Finance & Strategy Committee	25 th April, 2025
5	86 th Full Board	9 th May, 2025
6	Special Meeting - People Management Committee	16 th May 2025
7	Board Retreat	22 nd & 23 rd May, 2025

Board Committees

The Board had four standing committees during the period, which met as per the Board almanac under the terms of reference set out by the Board. In compliance with the Circular on the Management of State Corporations, committee membership is rotated annually, with the latest rotation taking effect in January 2025.

Committee Chairs

People Management Committee	-	Dr. Erneo Nyakiba
Audit, Risk & Compliance Committee	-	Judith Jerotich
Hospital Operations & Standards Committee	-	Ms. Peris Birichi
Finance & Strategy Committee	-	Dr. Michael Gichangi

a) Finance and Strategy Committee

The Finance and Strategy Committee supports the Board by providing oversight and guidance on financial management, strategic planning, and long-term sustainability. Its key responsibilities include reviewing budgets, financial reports, and investment proposals; advising on strategic initiatives; assessing financial risks; ensuring efficient resource allocation; developing and monitoring relevant policies; and tracking performance of major projects. The Committee also offers expert advice on economic trends and best practices to help align the organization's operations with its mandate and the public interest. The committee met quarterly as per the board almanac and the members were;

- 1) Dr. Michael Gichangi - Alt. PS, State Department for Medical Services- Chair
- 2) Dr. Brenda Molonko - Alt. Rep PS National Treasury
- 3) Dr. Erneo Nyakiba - Independent Director
- 4) Ms. Peris Birichi - Alt. Attorney General
- 5) Dr. Philip Kirwa - CEO

b) People Management Committee

The People Management Committee oversees all matters related to human resources and organizational development to ensure alignment with the corporation's strategic goals and public service values. Its key functions include reviewing and recommending policies on recruitment, retention, training, performance management, remuneration, succession planning, and employee welfare. The committee ensures compliance with relevant labour laws, government regulations, and ethical standards while fostering a productive, inclusive, and accountable workplace culture. The committee met quarterly as per the board almanac and the members were;

- 1) Dr. Erneo Nyakiba - Independent Director - Chair
- 2) Ms. Judith Jerotich - Independent Director
- 3) Dr. Carol Hunja - Alt. PS State Department for University Education & Research
- 4) Prof. Robert Tenge - Principal Moi University College of Health Sciences
- 5) Dr. Philip Kirwa - CEO

c) Audit, Risk and Compliance Committee

The Audit, Risk and Compliance Committee is responsible for providing independent oversight of the organization's financial reporting, internal controls, risk management, and compliance with applicable laws, regulations, and policies. It ensures the integrity of financial statements, evaluates the effectiveness of internal audit and external audit processes, monitors the institution's exposure to various risks, and promotes a strong ethical and compliance culture. The committee supports the Board in fulfilling its governance responsibilities and enhances accountability and transparency within the organization. The committee met quarterly as per the board almanac and the members were;

- 1) Ms. Judith Jerotich - Independent Director –Chairperson
- 2) Dr. Brenda Molonko - Alt. Rep PS National Treasury
- 3) Dr. Michael Gichangi - Alt. PS, State Department for Medical Services
- 4) CPA. Patrick Kurui - Secretary

d) Hospital Operations and Standards Committee.

The Hospital Operations and Standards Committee of the Board in a state corporation is responsible for reviewing hospital operations and standards, and providing oversight on the implementation of strategic plans and quality standards within the hospital. The committee ensures that hospital services are delivered efficiently, effectively, and in compliance with regulatory and healthcare benchmarks. It monitors performance, patient care, staffing, infrastructure, and adherence to policies, while recommending necessary improvements to support high-quality service delivery and alignment with the corporation’s overall strategic goals. The committee met regularly as per the Board almanac and the members were;

- 1) Ms. Peris Birichi -Alt, Attorney General- Chair
- 2) Prof. Robert Tenge -Principal Moi University CHS
- 3) Dr. Carol Hunja - Alt. PS State Department for University Education & Research
- 4) Dr. Philip Kirwa - CEO

Board meetings attendance

a) People’s Management Committee

In the 2024/25 financial year, the Committee held a total of seven (7) meetings—comprising four regular meetings and three special meetings. The term of the Alternate representing the Principal Secretary, State Department for Higher Education & Research, concluded in October 2024. A new member was subsequently appointed and formally inducted on 5th February 2025. Member attendance for the meetings is outlined below;

No	Membership	24.7.2024 Regular	23.10.2024 Regular	31.10.2024 Special	23.1.2025 regular	11-13.2. 2025 Special	23.4.2025 Regular	16.5.2025 Special	Total attended
1	James Muchiri	✓	✓	✓	N/A	N/A	N/A	N/A	3/3
2	Judith Jerotich	✓	✓	✓	✓	✓	✓	✓	7/7
3	Peris Birichi	✓	✓	✓	N/A	N/A	N/A	N/A	3/3
4	Dr. Erneo Nyakiba	N/A	N/A	N/A	✓	✓	✓	✓	4/4
5	Prof. Robert Tenge	N/A	N/A	N/A	x	✓	✓	x	2/4
6	Dr. Carol Hunja	N/A	N/A	N/A	N/A	✓	✓	✓	3/3

b) Audit, Risk & Compliance Committee

The Committee convened a total of five meetings during the financial year—comprising four regular meetings and one special session. The Committee consisted of three members, including the Alternate Principal Secretary, National Treasury, whose term expired in MArch2025. A new Alternative member to PS National Treasury was appointed in April 2025 and officially inducted on 15th May 2025. Members' attendance for the financial year is presented in the table below.

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No.	Membership	25.7.2024 Regular	9.9.2024 Special	28.10.2024 Regular	22.1.2025 Regular	24.4.2025 Regular	Total attended
1	Judith Jerotich	✓	✓	✓	✓	✓	5/5
2	Meshack Koima	✓	✓	✓	x	x	3/5
3	Peris Birichi	✓	✓	✓	N/A	N/A	3/5
4	Dr. Gichangi Michael	N/A	N/A	N/A	✓	✓	2/5

c) Hospital Operations & Standards Committee

The Committee held four regular meetings and members' attendance during the FY is in the table below;

No.	Membership	25.7.2024	24.10.2024	22.1.2025	24.4.2025	Total attended
1	Dr. Gichangi M	✓	✓	N/A	N/A	2/2
2	Prof. Tenge Robert	✓	✓	✓	✓	4/4
3	Dr. Nyakiba Erneo	✓	✓	N/A	N/A	2/2
4	Dr. Kirwa Philip	✓	✓	✓	x	3/4
5	Peris Birichi	N/A	N/A	✓	✓	2/2
6	Dr. Carol Hunja	N/A	N/A	N/A	✓	1/1

d) Finance & Strategy Committee

The Committee held five (5) meetings; four (4) regular and one (1) special meeting. Attendance during the FY is as tabulated below;

No.	Membership	26.7.2024 Regular	6.9.2024 (special)	25.10.2024 Regular	21.1.2025 Regular	25.4.2025 Regular	Total attended
1	James Muchiri	✓	✓	✓	N/A	N/A	3/3
2	Meshack Koima	✓	x	x	x	x	1/5
3	Dr. Michael Gichangi	✓	✓	✓	✓	✓	5/5
4	Dr. Nyakiba Erneo	N/A	N/A	N/A	✓	✓	2/5
5	Dr. Philip Kirwa	✓	x	✓	✓	✓	4/5

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Full Board Meetings

The Board held eight (8) meetings; four (4) regular, two special sessions and a two day Board retreat. Members' attendance during the FY is in the table below;

No.	Membership	9.8.2024 83 FB	20.9. 2024 SFB	8.11.2024 84 FB	24.1.2025 SFB	7.2.2025 85 FB	14.3.2025 SFB	9.5. 2025 86 FB	22-23.5. 2025 BR	Total attended
1	Sitoyo Lopokoiyit	✓	✓	✓	✓	x	✓	✓	✓	7/8
2	James Muchiri	✓	✓	N/A	N/A	N/A	N/A	N/A	N/A	2/2
3	Peris Birichi	✓	✓	✓	✓	✓	✓	✓	✓	8/8
4	Dr. Michael Gichangi	✓	✓	✓	✓	✓	✓	X	✓	7/8
5	Meshack Koima	✓	x	x	x	x	x	X	x	1/7
6	Judith Jerotich	✓	✓	✓	✓	✓	✓	✓	✓	8/8
7	Dr. Erneo Nyakiba	✓	✓	✓	✓	✓	✓	✓	✓	8/8
8	Prof. Tenge R	✓	x	✓	✓	✓	✓	X	✓	6/8
9	Dr. Kirwa Philip	✓	✓	✓	✓	✓	✓	✓	✓	8/8
10	Dr. Muganda Beatrice	N/A	N/A	✓	N/A	N/A	N/A	N/A	N/A	1/1
11	Dr. Carol Hunja	N/A	N/A	N/A	N/A	✓	✓	✓	✓	4/4
12	Dr. Brenda Molonko	N/A	N/A	N/A	N/A	N/A	N/A	N/A	✓	1/1

Succession Planning.

There is in place a Succession policy within the Human Resources Procedures Manual for all staff. At the Board level, Board members are appointed and retire in phases to ensure that institutional memory is maintained.

Policy to Manage Conflict of Interest:

Declaration of Conflict of Interest is a standing agenda in all meetings of the Board and its Committees. A register is maintained by the Institution to record all declarations made by board members.

Board Remuneration:

Remuneration of Board Members is as prescribed by the State Corporations Advisory Committee. Additionally, Medical and Accident Insurance Cover is provided to Independent Board Members only. Benefits and allowances payable to Members of the Board are as outlined below;

Type of payment	Chairman	Member
Honoraria (per month)	Ksh. 80,000 (Gross)	-
Sitting allowance	Ksh. 20,000 (Gross)	Ksh. 20,000 (Gross)
Telephone allowance	Ksh. 7,000 (Gross)	-
Transport allowance/ mileage	AA rates	AA rates

Type of payment	Chairman	Member
Taxi Allowance (as necessary, per meeting)	Ksh. 5,000	Ksh. 5,000
Accommodation (as necessary, per meeting)	Ksh. 18,200	Ksh. 18,200

Ethics and conduct of the board

Board members have signed a code of conduct as part of their engagement with the institution. There is a conflict of interest register that is filled at all Board and Committee meetings and members are required to declare any interest in any of the agenda for discussion. The register is kept with the Corporation secretary. The meetings are conducted in accordance with the Board Charter and the *Mwongozo* Code of Conduct for State Corporations (*Mwongozo*). The Board also adheres to Government policy as contained in various circulars and guidelines as issued from time to time. During the year under review, the Board of Management reviewed its Board Charter in line with best practices and Government policy.

There is in place an Anti-Corruption and Whistle Blowing Policy. The institution's Committee on anti-corruption also makes regular reports to the Ethics and Anti-Corruption Commission as required.

Governance Audit

No Governance Audit was undertaken during the year under review.

Communication Policy

MTRH has a communication policy for both in-house operations and with external stakeholders. The main objective is to act as a uniform guide to staff and the Board of management on appropriate communication and marketing channels and methods to internal and external stakeholders as well as the general public. The Policy is aligned with the institution's strategy.

Terms of Reference of Committees

In accordance with its Charter and *Mwongozo*, the Board has appointed into Committees, members with requisite skills and competence to discharge allocated responsibilities. In the event that a Committee lacks specific skills within its membership, the Board may, with the approval of the oversight body, co-opt skilled non-Board members to serve on the committee, provided that the chair of a committee shall not be a co-opted member or the Chairperson of the Board. The Board rotates Board members between the committees upon their serving for twelve (12) months in the Committees.

The Board remains collectively responsible for the decisions and actions taken by any committee. A committee may only perform the tasks delegated to it by the Board and may not exceed the authority or powers of the Board.

The Chairperson of each committee, in consultation with the Board, will determine the frequency of committee meetings as is necessary to fulfil the Committee's functions. The Chairperson of each committee, in consultation with management, will develop the committee's agenda. The Board will however determine the procedure and process within which committees may take independent professional advice at the organization's expense.

The committees will promptly report to the Board any actions taken for ratification and any major developments that they become aware of. The Board shall, as set out in the terms of reference of the respective committees, receive a report of the committee's findings and actions.

Policy on Related Party Transactions

At the moment, the Hospital does not have a specific policy on related Party Transactions. The Board members sign a Conflict of Interest register at every meeting and signed a Code of Ethics at their appointment. In line with the recently enacted Conflict of Interest Act No. 11 of 2025, MTRH is in the process of developing a specific policy on Related Party Transactions.

9. MANAGEMENT DISCUSSIONS AND ANALYSIS

Operational Performance

Clinical management

Despite the challenges arising from reduced government funding experienced in the financial year 2024/25, the Hospital continued carrying out its mandate as outlined in the Legal Notice No.78 of 12th June 1998 of the State Corporations Act (Cap 446). During the period under review, the Hospital overall performance improved, with an increase in the number of clients seeking medical services.

Key achievements on service delivery include attendance to **382978** outpatients, **42113** inpatients, **98048** Radiological Examinations, **4647** MRI, **10138** maternal deliveries, **14958** Theatre Surgical Operation, **1298214** Laboratory Tests **42922** radiotherapy procedures, **15182** Chemotherapy and **10486** Renal dialysis sessions.

There was a slight decline in the numbers during FY 2024/25 compared to FY 2023/24 due to service interruptions when KMPDU, KNUN and KUCO participated in strikes. Management engaged the various trade unions and services resumed with minimal impact on revenues.

Table 1: Annual Clinical Performance Analysis

F/Y	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025
Admissions	40,925	42,400	42,696	43,975	42,113
OPD Attendances	413,843	428,831	463,241	396,696	382,978
Radiology Examinations	82,529	98,314	100,446	102,283	102,695
Laboratory Tests	1,119,596	1,246,091	1,435,168	1,413,815	1,298,214
Number of Deliveries	12,379	11,916	11,098	11,378	10,138
Number of Surgeries	14,420	16,474	16,255	15,845	14,958

FINANCIAL PERFORMANCE

The Hospital realized total revenue of Kshs. 13.0 billion in FY 2024/25 down from Kshs. 13.4 billion in the FY 2023/24 due to significant reduction in government grants. The consequence of this reduction was underfunding of payroll obligations.

Compliance with Statutory Requirements

The Hospital prepared and submitted all statutory reports as per the Laws of Kenya. During the period under review, Report and Financial Statements were prepared and submitted to the Ministry of Health and The National Treasury in conformance with the laid down format and adherence to the statutory timelines.

The entity's financial probity and serious governance issues

MTRH Board of Management recognizes the importance of corporate governance and as such, it carries out its mandate with Honesty, Integrity and Accountability.

The Board is responsible for overseeing the management of the Hospital and provides guidance and direction in order to attain corporate objectives. To achieve its objectives, the Board has constituted four committees, namely:

- i) Hospital Standards and Operations Committee;
- ii) Finance and Strategy Committee;
- iii) Audit, Risk and Compliance Committee
- iv) People Management Committee.

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Each of the above committees handles matters relating to their areas and report back to the main board on status and necessary actionable recommendations.

There is no financial improbity or governance issues in the Hospital reported by Internal Audit Department, Board Audit Committee, and Office of the Auditor General or any other National Government Agency providing oversight

Key projects and investment decisions the entity is planning/ implementing.

Moi Teaching and Referral Hospital (MTRH) is a key player in the health sector contributing to the achievements of Kenya Vision 2030 projects under the Social Pillar. The projects are aimed at increasing access to specialized health care services to realize Government Agenda on Universal Health Coverage through Bottom-Up Economic Transformation Agenda (BETA).

MTRH has rolled out the implementation of the 2023-28 Strategy through which the Vision 20230 Flagship projects have been anchored. The projects are financed through the Government Medium Term Expenditure Framework (MTEF), Internal funding and partnership support and their implementation are impeded in Government Medium Term Plans, Hospital's Annual Work Plans including 2024/25 FY Performance Contracts and Annual Procurement Plans. The capital projects are implemented to enhance the provision of specialized and quality healthcare services and improve the operating environment conducive for service delivery.

The Board of Management approved the capital projects for 2024/25 FY totaling Kshs 477 million from GOK but the amount as reduced to **Kshs 51 Million** after supplementary budget.

The Government financed projects of Construction and Equipping Private Wings Inpatient Block and Donor/partner funding of Construction and Equipping of Harry J Dyer pediatric Burns Centre, Construction and equipping of Shoe4Africa Idella Rome Consultants House and Julie Anne Perry Pediatric Cancer Hospital project.

The funding of the capital projects is financed from 3 major sources- Government through the Medium Term Expenditure Framework (MTEF), Appropriation in Aid and donor funding. The source and amount funded is as follows

ONGOING GOK PROJECTS

No.	Project Name	Project Details	Implementation Status
1	Establishment of an MRI/Cathlab Centre (Multi-Year)	Construction and commissioning of MRI Centre and Cathlab to accommodate 2 MRIs and 2 cathlbs.	Construction of MRI/Cathlab 100% completed. 1.5 Tesla MRI donated by JICA through Ministry of Health is Delivered, Installed, Commissioned and Operational
2	Spine Theatre (Extension of main Theatre)	Construction and equipping of Spine Theatre	Expected to be operationalized 2024//25 FY.

No.	Project Name	Project Details	Implementation Status
3	Seventh Day Adventist Church	Construction of SDA Church	Construction at 65%. Remaining works construction of 2nd and 3 rd floor before finishing works commences.
4	Construction and Equipping of Pediatric Neuro-Developmental Centre Clinic	Construction and Equipping of the Pediatric Neuro-Developmental Centre. The Centre is a 3-storey OPD facility at MTRH.	Awaiting approval and signing of Grants Agreement between the Government of Kenya and Indiana Institute for Global Health (IIGH).
5	Design, construction and equipping of Private Wing Inpatient Block	Design and tendering for the new private Wing Inpatient Block construction and	Contracting completed. Cash-flow is delaying handing over of the site to the contractor.

PARTNER SUPPORTED PROJECTS

No.	Project Name	Project Details	Implementation Status
1	MTRH Eldoret Child Eye Health Project	Procurement of medical equipment for the MTRH Eldoret Child Eye Health project	Sponsored by World Health Organization (WHO)
2	Construction and equipping of MTRH Harry J Dyer Burns Hospital (Multi-Year Project)	The MTRH Harry J Dyer Burns Hospital will be a 3-floor, 26 beds with 6 ICU beds facility and will provide comprehensive burns services for children.	Sponsored by Harry J Dyer
3	Construction and equipping of Shoe4Africa Julie Anne Parry Children's Cancer Hospital (Multi-Year Project)	The MTRH Shoe4Africa Julie Anne Parry Children's Cancer Hospital will be 4 floors, 155 beds fully dedicated to the treatment and management of pediatric oncology.	Sponsored by Julie Anne Parry
4	Construction and equipping of Shoe4Africa Idella Rome Consultants House	Construction of a two floor, 410 sq.m Consultants House at Shoe4 Africa to provide adequate space for pediatric consultation	Sponsored by the idella rome

MTRH continues to look for ways to improve efficiency and reduce overall costs and at the same time improve the overall patient experience given the constrained macro-economy. During the period under review, sustainability strategies were implemented to ensure programmes and activities are realized perpetually as part of our Core Mandate.

FUTURE DEVELOPMENT

The New 2,000-Bed Multi-Specialty MTRH Project,

The National Treasury and Economic Planning has approved the project to be undertaken using Specially Permitted Procurement Method as per Public Procurement and Asset Disposal Act (PPADA) 2015, section 114 a, and the Public Procurement and Asset Disposal Regulations, 2020, Section 107 (1) and (2) (C &D). The Hospital has engaged with the Chinese firm which bid for the

project in 2017 to review and update the project requirements. The firm is expected to submit the bidding documents. Discussion on financing mechanisms are ongoing.

Progress of the MTRH CHS Public-Private Partnership (PPP) Project

The National Treasury and Economic Planning awarded the tender for the Transaction Advisor (TA). The Award of TA was done after pre-feasibility study was done by PPP Directorate and advertisement and evaluation for the TA completed. The TA is undertook the full feasibility study of the Project, Presented to the full board and the feasibility study was approved and forwarded to the Ministry of Planning and treasury and was approved. Notice inviting Tenders for Expression of interest for development of an Ultra-Modern Medical Training Complex to be constructed at **15** Acres parcel on MTRH Kiplombe land was issued on 1st July 2025 and the project is expected to cost Kshs **3.2** Billion.

In-Vitro Fertilization and Genetic Centre

Establishment of In-Vitro Fertilization and Genetic Centre building and equipping of an IVF and Genetic Centre at approximate cost of Kshs 250 million. The Hospital have submitted a request to the Sports Funds Board through the Ministry of Health for funding from Sports Arts.

PARTNER SUPPORTED PROJECTS

No.	Project Name	Project Details	Implementation Status
1	MTRH Eldoret Child Eye Health Project	Procurement of medical equipment for the MTRH Eldoret Child Eye Health project	Sponsored by World Health Organization (WHO)
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3	Construction and equipping of Shoe4Africa Julie Anne Parry Children's Cancer Hospital (Multi-Year Project)	The MTRH Shoe4Africa Julie Anne Parry Children's Cancer Hospital will be 4 floors, 155 beds fully dedicated to the treatment and management of pediatric oncology.	Sponsored by Julie Anne Parry

MTRH continues to look for ways to improve efficiency and reduce overall costs and at the same time improve the overall patient experience given the constrained macro-economy. During the period under review, sustainability strategies were implemented to ensure programmes and activities are realized perpetually as part of our Core Mandate.

Major risks facing the MTRH.

The Board of Management is committed to mitigate risks. It has put in place the Board Audit and Risk Committee, which monitors the risk management process and systems of internal control of the MTRH and standing agenda in all full board meetings.

The main objective of risk management in MTRH is to establish an integrated and effective Risk Management Framework where important risks are identified, quantified and managed. Risk management is implemented across the Hospital and supports the risk management culture in all the directorates. The Hospital performs risk identification and puts in place key measures to mitigate these risks.

The Risk Management Unit undertook an enterprise-wide assessment of departmental risks for the fourth quarter of FY 2024/2025. A total of 250 risks were identified across 61 departments and directorates. These were categorized by risk type and evaluated in terms of severity to enable strategic decision-making. The analysis reveals that while most risks are at a manageable level, 11 high-risk areas require urgent attention and resources

Risk Classification Overview

Risk Categorization by Type

A. Operational Risks

Operational risks represent the bulk of issues identified. They affect core hospital operations, service delivery timelines, and the quality of patient care.

Strategic Risks

Strategic risks affect the Hospital's long-term goals, compliance with performance contracts, and achievement of revenue targets.

IT/IS Risks

These risks pertain to cybersecurity, data integrity, and digital system performance.

Health & Safety Risks

These risks affect both staff and patient health, safety, and overall wellbeing.

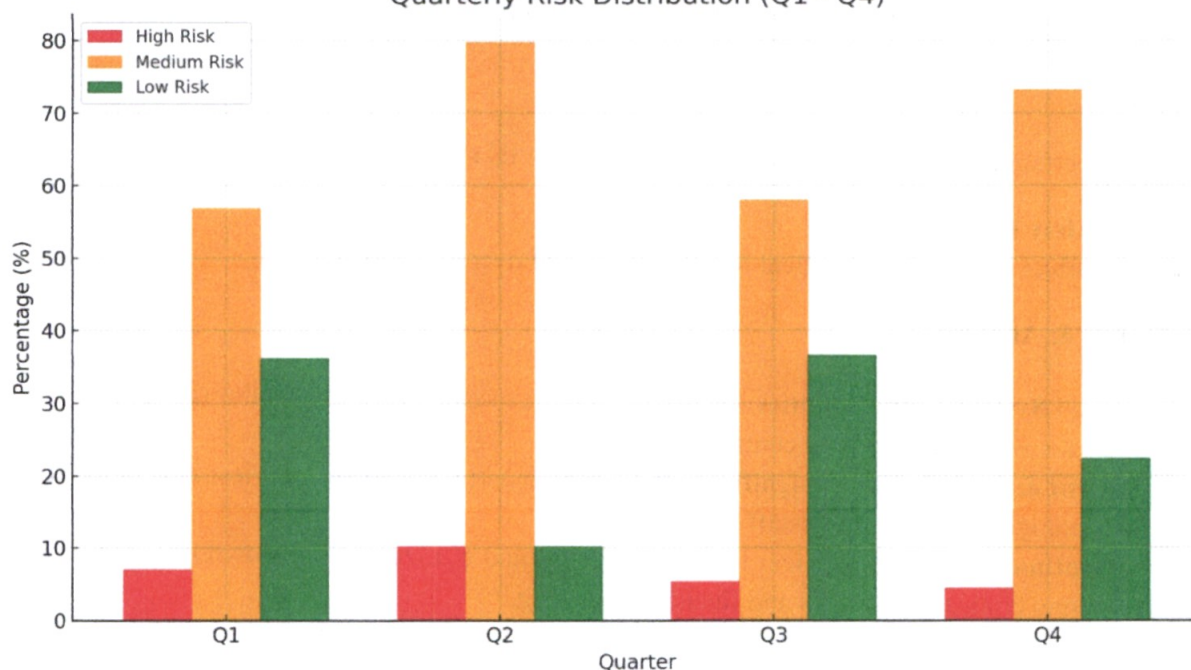
Key Trends & Analysis

- i. **Digital System Vulnerabilities:** Increasing reports of data loss and unauthorized access indicate weak cybersecurity controls.
- ii. **Patient & Staff Safety:** A significant number of departments report injuries, infections, and psychological strain among staff.
- iii. **Downtimes Affecting Service:** EMRS, M-PESA, and eCitizen system downtimes are affecting clinical workflows and financial reporting.
- iv. **Revenue Leakages:** Delays in claims follow-up and under-billing are reducing income, particularly in Private Wing and Liaison Office.
- v. **Staff Wellness & Capacity Gaps:** Burnout, inadequate training, and unlicensed practice are widespread, raising compliance and legal risks.

Risk Trend Analysis Report:

Quarter	High Risk (Count)	High Risk (%)	Medium Risk (Count)	Medium Risk (%)	Low Risk (Count)	Low Risk (%)	Total Risks (Count)	Total Risks (%)
Q1	16	7.05%	129	56.83%	82	36.12%	227	100%
Q2	30	10.2%	234	79.7%	30	10.2%	294	100%
Q3	22	5.37%	238	58.05%	150	36.59%	410	100%
Q4	11	4.4%	183	73.2%	56	22.4%	250	100%

Quarterly Risk Distribution (Q1 - Q4)



Material arrears in statutory

The Hospital has endeavored to be in good standing with Institutions that expect periodic payments for monies deducted from members of staff. These deductions include; PAYE, Pension, NHIF, HELB, NITA among others. However, due to inadequate grants and long outstanding June 2016 salary grant from MoH totaling **Kshs. 444 Million** being **Kshs. 350 Million** and **Kshs. 94 Million** for June 2018MTRH is in arrears of Kshs **1.7 billion** of statutory deduction.

Financial obligations

The Hospital financial liability as at the end of the year was kshs 1,514,806,247 for trade and other payable and Kshs 2,439,354,328 for employee related cost.

CURRENT TRENDS IN THE HEALTH SECTOR

The Health Sector is operating in a volatile and dynamic environment given the manner in which new diseases and infections are emerging. The Hospital Board and management have been able to mitigate this situation through optimal use of limited resources namely; technology, Human

Resource and Budgetary Support. The Hospital Board and Management has ensured implementation of various strategies aimed at cushioning the Institution against adverse effects

- **Automation**

- The Board and Management of the Hospital has over the years continued to improve the technological infrastructure to guarantee a robust system. The Hospital has a patient queuing system and Electronic Medical Records System (EMRS). Additionally, MTRH is at an advanced stage of rolling out Enterprise Resource Management computerized module that is web based and is expected to incorporate all services rendered in the Hospital hence reduction in turn-around time. Currently, the Supply Chain module has gone live while the finance module is live up to payment voucher processing stage and clinical modules is at development stage.

- **Specialized Units**

- The Hospital Board and Management has been keen on having Centres of Excellence within the facility with a view to improving service delivery to all patients. Such Hospitals include:

- A fully-fledged Radiography Unit
- Riley Mother and Baby Hospital
- Shoe for Africa Children Hospital
- Chandaria Chronic and Cancer Disease Center
- Bio-Safety Laboratory (**BSL II**) & Isolation Center.
- AMPATH Center for research
- Renal Unit
- Mental Health Centre
- MRI & Cath Lab Centre
- MTRH Financial Services
- Modernization of Farewell Home Refrigerators
- Construction and equipping of Spine Theatre

Other Upcoming Centers of Excellence

- Construction and equipping of MTRH Harry J Dyer Burns Hospital (Multi-Year Project)
- Construction and equipping of Shoe4Africa Julie Anne Parry Children's Cancer Hospital (Multi-Year Project)

- **Telemedicine**

- Telemedicine is the latest revolution in the health sector that has tremendously changed how patients are managed. During the period under review, multi-disciplinary teams from across the globe managed several patients courtesy of Telemedicine.

Despite the benefits that accrue from the above, there are challenges that come with technological advancement. Some of these challenges are as outlined below:

- **Cyber Security**

- Patient data stored in the system is prone to abuse through hacking and it is for this reason that the Hospital has continued to enhance the capacity (***through training and provision of the latest equipment in the market***) of the personnel charged with responsibility of ensuring integrity of patient data is intact.

- **Voluminous Data**

- The number of patients that seek medical care at MTRH is largely drawn from the North Rift and Western region with a population of approximately **9.1 Million** people (**KNBS, 2019**) excluding those from the neighboring countries. This therefore means that the system may be overwhelmed in terms of capacity to handle incoming data. To mitigate this, the Hospital Board and Management have ensured that there is a robust system through continual upgrade of the infrastructure.

CHALLENGES AND OPPORTUNITIES

a) Physical infrastructure and Equipment

The current bed capacity of the Hospital is overstretched while most of the medical equipment used in the Hospital are ageing and of obsolete technology. The Hospital, through its Internally Generated Funds, GoK Grants and Development Partners, has continued to improve the Physical Structures and replacement of obsolete equipment. During the period under review, several equipment have been earmarked for replacement/ upgrade.

b) Health Care Insurance Cover

The uptake of Medical Insurance in the region is very low hence the diminished capacity of the general population to access medical services. The immediate impact of this gap is that most patients end up seeking treatment whilst not having the capacity to cater for services rendered. This situation has resulted in crediting thus negatively affecting the Hospitals' ability to offer services to other patients.

MTRH through the AMPATH Program in partnership with SH has rolled out model that constitutes a holistic approach to healthcare and the need for multi-sectoral collaboration to address the social determinants of health.

The entity's financial probity and serious governance issues

MTRH Board of Management recognizes the importance of corporate governance and as such, it carries out its mandate with Honesty, Integrity and Accountability.

The Board is responsible for overseeing the management of the Hospital and provides guidance and direction in order to attain corporate objectives. To achieve its objectives, the Board has constituted four committees, namely:

- i) Hospital Standards and Operations Committee;
- ii) Finance and Strategy Committee;
- iii) Audit, Risk and Compliance Committee
- iv) People Management Committee.

Each of the above committees handles matters relating to their areas and report back to the main board on status and necessary actionable recommendations.

There is no financial improbity or governance issues in the Hospital reported by Internal Audit Department, Board Audit Committee, and Office of the Auditor General or any other National Government Agency providing oversight

10. ENVIRONMENTAL AND SUSTAINABILITY REPORTING

i) Sustainability strategy and profile

Global awareness of Environmental Sustainability issues has increased significantly. The healthcare sector and its activities, in particular, has a great impact on the environment. MTRH as an institution recognizes that its operations have a substantial impact on the environment, the well-being of our employees, the care and experience of our patients, and the welfare of our community.

Moi Teaching and Referral Hospital has therefore made great strides on matters sustainability in its healthcare operations through environmental stewardship.

MTRH has always been dedicated to create a healthcare institution that not only provides world-class medical services but also contributes to a healthier environment, a safer workplace for our staff, superior patient care, and an engaged and empowered community.

ii) Environmental performance

MTRH Policies that guide the efforts towards realisation of Sustainable Environment include: MTRH Occupational Health & Safety Policy (OSH 45001:2018) Standard and Environmental Sustainability Policy.

MTRH has made efforts to reduce its environmental footprints through Energy Efficiency; Implementation of LED lighting and HVAC upgrades, Water Conservation: Installation of water-saving fixtures and implementation of water management practices, Sustainable Procurement: Prioritisation of suppliers that adhere to ethical and sustainable practices and Use of clean energy: Solar heating energy system, LPG cooking energy

MTRH has made strides to manage biodiversity through; Tree growing initiatives by planting and grow over 15000 trees in the last financial year both within and outside our facility, Establishment of MTRH Tree Nursery, Routine improvement and maintenance of green spaces in the hospital, Conducting Environmental Impact Assessments for new projects and Environmental Audits for existing ones while preserving open spaces.

MTRH has made efforts on Waste Management through Waste reduction by going paperless for most of its services; Implementation of Waste Reuse programs-done to minimize the hospital's waste output e.g. food waste reuse (sold for animal use),

MTRH has made efforts to reduce the Environmental Impacts of the Organization's products through; Air Quality Control –Emission tests, Such test which give an in depth of the levels of emissions emitted into the atmosphere whether they meet the expected parameters or not with clear mitigation measures put in place to enhance

Safety across board Waste Water Management- provision of closed waste water drainage systems, Periodic Waste water quality controls through sampling and analysis, Environmental friendly waste treatment processes i.e. Incinerator Plant (150Kg/Hr) in-built with wet scrubber and use of Non-burning Technologies i.e Amb. Microwaving plant (250Kg/Hr), Proper storage and preservation of human bodies at Farewell home and Provision of storm water drainage systems to prevent soil erosion

Challenges experienced in ensuring Environmental Sustainability include financial constraints
Human resource capacity

Employee welfare

Give account of the policies guiding the hiring process and whether they take into account the gender ratio, whether they take in stakeholder engagements and how often they are improved. Explain efforts made in improving skills and managing careers, appraisal and reward systems. The

organisation should also disclose their policy on safety and compliance with Occupational Safety and Health Act of 2007, (OSHA.)

iii) Employee Welfare

MTRH is guided by Constitution of Kenya - Chapter Six, Article 10 and 232, Moi Teaching and Referral Hospital (MTRH) Strategic Plan 2023 – 2028, The Kenyan Labour Laws, The MTRH Human Resource Instruments, Human Resource Policy and Procedure Manuals August 2018, Career guidelines for corporate Jobs - February, 202, Career guidelines for Technical Jobs - August, 2018 and Organization Structure, Grading and Staff Establishment February, 2021

MTRH is guided by the 1/3 Principal on gender ratio rule during its recruitment process and all career Advertisement are posted in MTRH Website and My-Gov for wide circulation by the potential applicants.

Stakeholder's engagements in MTRH during the hiring process involves the following; Human Resource Department, Human Resource Advisory Committee(HRMAC), Directorates/ Departments at MTRH, Unions at MTRH, Public Service/State Corporation Advisory Committee (SCAC), Ministry of Health (MoH) and The National Treasury and Planning.

The following strategies have been employed at MTRH to improve skills and manage careers, appraisal and reward systems; Analysis of MTRH Skills gap, Training Needs Analysis (3 years), Scheduled Leadership Courses (Supervisory Skills Development Course, Senior Management Course (SMC) and Strategic Leadership Development Program (SLDP)), Training Evaluation Tool, Human Resource Policy and Procedures Manual August, 2018, Capacity Development Policy Guideline, Performance Management and Staff Recognition Policy Guideline, Promotion Policy Guideline, Succession Planning Policy Guideline, Mentorship and Coaching of Staff, Staff Recognition through commendation letters for exemplary performance, Annual Appraisals forms, Appraisal after Probationary Period (6 Months), Performance Improvement Plan (PIP), Planned Weekly Hospital Wide Virtual Sensitizations, Frequent face to face consultations with staff by Human Resource, Work Councils and Devolved Human Resource Meetings

Occupational Safety and Health Act of 2007 (OSHA)

MTRH has the Safety Policies and guidelines in place and awarded Occupational Safety and Health Act 2007 Certificate of Recognition of a Workplace. S/No. 0010754 - 03 - 24 – R, issued on 5th March, 2024 and will expire on 18th March, 2025 and WIBA enhanced Policy - Policy No. P - 2022 -100 - 3038 - 30 – 42789 running from 3rd May, 2024 to 2nd May, 2025.

MTRH have Comprehensive Medical Cover for Staff and Employee Assistance Program (EAP) for staff.

The following strategies ranging from Wide Virtual Sensitizations from Clinical Department on Non- Communicable Diseases (NCD's), Annual Medical Check-up, Mental Wellness and Support from Psychological Counselling Department Ego-Coaching sensitizations by Physiotherapy Department.

iv) Market place practices-

a) Responsible Competition Practice

MTRH is an open and offers equal opportunity to all. Supplier Contracts are awarded based on open tendering process as per article 227 (1) of the Constitution of Kenya, 2010 that requires public institutions to contract goods and services through a system that is fair, equitable, transparent, competitive and cost effective. Further, MTRH adheres to Section 157 (10) of the Public Procurement and Assets Disposal Act of 2015 on ensuring that at least thirty percent (30%) of the procurement budget is allocated to Youth, Women and Persons with Disabilities.

Towards Zero Tolerance to Corruption and Corrupt Practices, MTRH develops Corruption Risk Assessments (CRA) and implement Corruption Mitigation Plans (CMP) &

Standard Operating Procedure (SOP) for Prevention of Bribery and Corruption at MTRH under the chairmanship of the Chief Executive Officer. Reports are generated quarterly and submitted to the Ethics and Anti-Corruption Commission (EACC).

b) Responsible Supply Chain and Supplier Relations

MTRH Suppliers are paid as per Accounts Payable Aging Analysis and within 90 days of completion of supply and invoicing. Annually, MTRH conducts supplier's forum as a way of supplier engagements towards ensuring cordial contractual relations.

c) Responsible Marketing and Advertisement

MTRH provides information to the public on access to specialized and quality healthcare services available. This is done proactively on both print and digital media: Hospital website, social media platforms, Local Radio & TV Stations and through Medical Outreaches/Camps.

d) Product Stewardship

MTRH maintains Patient Charters, Corporate Charter and Departmental Citizen Service Delivery Charters to inform the patients of their rights and responsibilities. The charters are displayed conspicuously across all the service delivery points. Further, consumer rights and responsibilities are documented in MTRH 2023-2028 Strategy as part of the Stakeholder Analysis. Service Delivery Charters are displayed prominently at service delivery points and customized to meet the unique needs and convenient access by the clients through braille providing mechanisms for sign language, providing audio recordings and uploading the charter on the Hospital online platforms.

v) Corporate Social Responsibility / Community Engagements

MTRH endeavours towards elimination of diseases and injuries while taking account factors that influence human health, environmental resilience and social and economic equity by embracing Population Health through conducting Clinical Outreaches and Medical Camps as a strategy towards increasing awareness in local communities about various diseases (both communicable and non-communicable). Such interventions have all along been financed by the Hospital using internally generated funds and where possible leverage on similar activities initiated by partners with interests in the surrounding local communities.

The outreach programmes were done through physical visits to the communities or Radio Shows, covering a wide range of topics that have a wide customer base to ensure wide reach. Through these activities, the Hospital was able to encourage seeking of early diagnosis of ailments hence timely intervention and a guarantee of healthy populace with a consequent increase in productivity. These activities resulted in improvement of the overall quality of life in the community through reduction of illness or disability by reducing disease risk, prevention of new cases of illness and ensuring access to appropriate services for those with existing conditions

MTRH also supports needy patients through the Corporate Social Responsibility (CSR) Kitty, paying up NHIF remittances, Hospital bills and providing emergency services during disasters like landslides, Road Traffic Accidents, major outbreaks etc.

During the period under review, the Hospital engaged itself in the following;

a) Clinical Outreaches/Camps

#	OUTREACH ACTIVITIES	DATE	DEPARTMENT/SPECIALIZATION	NO
1	Medical Camp at Ndhiwa Primary School in Ndhiwa Town, Homa Bay County	23 rd & 24 th August 2024	Nutrition, Nursing, Dental, Obs/Gyn, Psychological Counselling, General Medicine, Pediatric, ENT, Public Health/OHS/IPC, Pharmacy, Surgical and Biomedical	12
2	Outreach support visits to Iten	26 th	Reproductive Health and Paediatrics	2

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#	OUTREACH ACTIVITIES	DATE	DEPARTMENT/SPECIALIZATION	NO
	County Referral Hospital	September 2024		
3	Public Sensitization on Social Health Authority(SHA) at Aldai Constituency Nandi County	9 th & 10 th December 2024	Medical Social Work, Corporate Communication and Health Records & Information	3
4	Outreach support visits to Baringo County Referral and Teaching Hospital	18 th December 2024.	Reproductive Health and Paediatrics	2
5	Kapkugo Cultural Festival-Medical Camp	5 th -7 th December 2024	Nutrition, Social Work, Health Records & Information and Clinical	4
6	SHA Registration and Medical Camp in Lukuyani Sub County-kakamega County	22 nd to 27 th December 2024	Clinical Services-Medical Officer, Clinical medicine, Ophthalmology, Nurisng-Paediatrics, Nursing –Diabetes Management, Nursing –Emergency Department, Health Records, harmacy, Medical Social Work, Corporate Communication	10
7	Preventive & Promotive Healthcare Awareness and Social Health Authority (SHA) enrollement in Uasin- Gishu County (Langas & Huruma)	9 th to 13 th December 2024.	Medical Social Work	2
8	SHA Registrations and Free Medical Services during the Presidential Event In Mumias, Sports Complex, Kakamega County.	1 st January, 2025	Medical Social Work	1
9	Emergency Services (SHA) Registration during Tinderet Bargentuny Mountain Run Constituency, Nandi County	18 th January, 2025	Clinical officer, Nursing, Physiotherapy, Medical Social Work and Health Records	5
10	Report On Emergency Care, Medical Camp And SHA Registration Held at Khwisero, Kakamega County	22 nd January, 2025	Clinical Service, Pharmacy, Corporate Communication, Health Records, Medical Social Work, Nursing Reproductive Health, Nursing –Diabetes management	8
11	MTRH Oncology Team/NCI Visit to Turkana County	3 rd -5 th Feb 2025	Clinical Services Nursing, Pharmacy and Corporate Communication	4
12	Wamalwa Kijana Teaching and Referral Hospital, Kitale, Trans-Nzoia County	12th Feb 2025	Reproductive Health	1
13	Busia County Referral Hospital, Busia County.	10th Feb 2025	Reproductive Health	1
14	Turbo Medical Outreach Camp	30 th March, 2025	Medical Social Work, Clinical Services-Heamato oncology and Health Records	3
15	Medical and Dental Camp at Mosoriot KMTC Campus	17 th - 20 th March 2025	Dental services & Ophthalmology	2

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#	OUTREACH ACTIVITIES	DATE	DEPARTMENT/SPECIALIZATION	NO
16	Medical Camp Held On at Kabobo Hospital, Ziwa Ward, Soy Sub-County-Uasin Gishu County	12 th April 2025	Medical Officer, Ophthalmology, Clinical Medicine and Nursing Department, Nutrition, Pharmacy, Laboratory, Health Records , Medical Social Work, Corporate Communication, Nursing –Diabetes Management	11
17	Medical camp at Central Primary School	14 th June 2025	Clinical Services, Nursing, Clinical Medicine, Pharmacy and Corporate Communication	5
			TOTAL	76

CSR PATIENT

The Hospital supported Gift Kipkosgei-Hospital No. 062589 8-year-old supported for occupational therapy sessions services amounting to kshs 8,250.00 and paid Kshs 3,600 for Social Health Authority Annual Subscription for Benta Ekai, Hospital No. 2267301 admitted at Upendo Ward, shoe4Africa Children's Hospital

11. REPORT OF THE DIRECTORS

The Directors submit their report together with the audited financial statements for the year ended June 30, 2025, which show the state of Moi Teaching and Referral Hospital.

i) Principal activities

The principal activities of the Entity are The Hospital's mandate is to; Receive patients on Referral from other Hospitals or Institutions within or outside Kenya for specialized health care, Provide facilities for Medical education for the Moi University, and for research either directly or through other co-operating health institutions, Provide facilities for education and training in Nursing and other health and allied professions, Participate as a National Referral Hospital in National Health Planning.

ii) Results

The results of the Entity for the year ended June 30, 2025, are set out on page 1 to 9

iii) Directors

The members of the Board of Directors who served during the year are shown on page IX to XII. During the year, the terms of the alternates to the Principal Secretary (PS) for the State Department for Higher Education, Research & Innovation and the PS for the National Treasury expired in October 2024 and April 2025, respectively and new appointments were made.

iv) Surplus remission

In accordance with Regulation 219 (2) of the Public Financial Management (National Government) Regulations, regulatory entities shall remit into Consolidated Fund, ninety per centum of its surplus funds reported in the audited financial statements after the end of each financial year.

MTRH does not remit percentage of income since its operation is supported by consolidated Fund.

v) Auditors

The Auditor-General is responsible for the statutory audit of the MTRH in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015 carry out the audit of the MTRH for the year/period ended June 30, 2025, in accordance to section 23 of the Public Audit Act, 2015 which empowers the Auditor General to appoint an auditor to audit on his behalf.

By Order of the Board



DR. PHILIP KIRWA
CHIEF EXECUTIVE OFFICER

12. STATEMENT OF DIRECTORS' RESPONSIBILITIES

Section 81 of the Public Finance Management Act, 2012 and Section 14 of the State Corporations Act, require the Directors to prepare financial statements in respect of Moi Teaching and Referral Hospital (MTRH), which give a true and fair view of the state of affairs of the Hospital at the end of the financial year/period and the operating results of the Hospital for that year/period. The Directors are also required to ensure that the Hospital keeps proper accounting records, which disclose with reasonable accuracy the financial position of the Hospital. The Directors are also responsible for safeguarding the assets of MTRH.

The Directors are responsible for the preparation and presentation of MTRH's financial statements, which give a true and fair view of the state of affairs of MTRH for year, ended June 30 2025. This responsibility includes:

- (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period;
- (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of MTRH;
- (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud;
- (iv) safeguarding the assets of MTRH;
- (v) selecting and applying appropriate accounting policies; and
- (vi) making accounting estimates that are reasonable in the circumstances.

The Directors accept responsibility for MTRH's financial statements, which have been prepared using appropriate accounting policies, supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and the State Corporations Act. The Directors are of the opinion that the Hospital's financial statements give a true and fair view of the state of MTRH's transactions during the period ended June 30th 2025, and of MTRH's financial position as at that date. The Directors further confirm the completeness of the accounting records maintained for MTRH, which have been relied upon in the preparation of MTRH's financial statements as well as the adequacy of the systems of internal financial control.

Nothing has come to the attention of the Directors to indicate that MTRH will not remain a going concern for at least the next twelve months from the date of this statement.

Approval of the financial statements

MTRH's Annual Report and Financial Statement were approved by the Board on 27th August 2025 and signed on its behalf by;

.....
MR. SITOYO LOPOKOIYIT, *MBS*
BOARD CHAIRMAN

DATE..... 27/11/2025

.....
Philip Kirwa
DR. PHILIP KIRWA
CHIEF EXECUTIVE OFFICER

DATE..... 24/11/25

REPUBLIC OF KENYA

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HEADQUARTERS
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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON MOI TEACHING AND REFERRAL HOSPITAL FOR THE YEAR ENDED 30 JUNE, 2025

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 accompanying financial statements of Moi Teaching and Referral Hospital (MTRH) set out on pages 1 to 46, which comprise of the statement of financial position as at 30 June, 2025 and the statement of financial performance, statement of

Report of the Auditor-General on Moi Teaching and Referral Hospital for the year ended 30 June, 2025

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

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Moi Teaching and Referral Hospital 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 Public Finance Management Act, 2012, State Corporations Act, Cap 446 of 1998 and the Health Act, 2017.

Basis for Qualified Opinion

Inaccuracies in Property, Plant and Equipment

The statement of financial position reflects property, plant and equipment of Kshs.10,829,414,000 as disclosed in Note 24 to the financial statements. Included in this balance are land and buildings of Kshs.8,865,418,150 whose four (4) parcels of and buildings were revalued by State Department of Lands and Physical Planning as follows;

S/No.	Item	Amount (Kshs)
1	Eldoret Municipality Block 10/2035	1,100,000,000
2	Eldoret Municipality Block 7/308	6,195,500,000
3	Eldoret Municipality Block 7/125 &126	1,193,000,000
4	Buildings	2,553,234,000

The revaluation balances for parcels of land were correctly reflected in property, plant and equipment. However, the revaluated balance of buildings of Kshs.2,553,234,000 was carried to the property, plant and equipment at Kshs.2,528,634,000 resulting to unexplained variance of Kshs.24,600,000.

In the circumstances, the accuracy and completeness of property, plant and equipment balance of Kshs.10,829,414,000, could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Moi Teaching and Referral 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 effects of the matter described in the Basis for Qualified Opinion section, I have determined that there are no other key audit matters to communicate in my report.

Other Matter

Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised under report on Financial Statements, Report on Lawfulness and Effectiveness in the use of Public Resources and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, they remain unresolved. See **Appendix I**

Other Information

The Directors are responsible for the Other Information set out on page v to xlvii which comprise Key Entity Information and Management, The Board of Directors, Management Team, Board Chairman's Statement, Report of the Chief Executive Officer, Statement of Performance against Predetermined Objectives, Corporate Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting, Report of the Directors and Statement of Directors Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the Hospital 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. Irregular Employment of Casuals

The statement of financial performance reflects employee cost of Kshs.9,347,964,850 as disclosed in Note 11 to the financial statements. However, review of documents revealed that the Hospital engaged 153 casual employees who were paid Kshs.5,511,915 during the year. However, review of the recruitment process established the following weaknesses;

- i. Departmental need assessment, requisitions and board approval for the purpose were not provided for audit.
- ii. Casual employees' attendance registers and/or master rolls were not provided for audit.
- iii. Recruitment process and criteria were not provided for audit.

This was contrary to Section 1.2.(j) of code of governance for state corporation of role and functions of the board stipulates that it's the responsibility of the board to ensure availability of adequate resources for the achievement of the organization objective.

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

2. Failure to Conduct Board Competency Needs Assessment

Review of records revealed that the Hospital's board did not conduct a competency needs assessment program including a comprehensive annual development exercise with a minimum of two (2) days per board member during the financial year. In addition, Management did not provide evidence to confirm that the Board had been certified by an accredited body within the first six (6) months of their appointment. This was contrary to governance principles provided in Section 1.10 of the Mwongozo (Code of Governance for State Corporations), 2015.

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

3. Non-Compliance with Kenya Quality Model for Health Policy Guidelines

Verification of services offered, equipment used and number of specialists at the Hospital revealed that the Hospital did not meet the requirements of Kenya Quality Model for Health Policy Guidelines due to staff deficits as analysed in the table below:

Personnel	Required (Staff Establishment)	Actual Numbers	Deficit
General Surgeons	11	5	6
Oncology	14	6	8
Paediatrics & Child Health	18	15	3
Radiologist	14	9	5
Medical Officers	83	73	10
Registered Nurse Specialists	1400	1007	393

These deficiencies contravene the First Schedule of Health Act, 2017 and which implies that accessing highest attainable standard of health, which 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. Further this contravened the Kenya Quality Model for Health Policy Guidelines for referral hospitals and may have hindered the realization of the Government program on Universal Health Coverage (UHC).

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

4. High Wage Bill

The statement of financial performance and Note 11 to the financial statements reflects employees costs of Kshs.9,347,964,850 which are in excess of the budgeted cost of employee costs of Kshs.9,258,668,970 by Kshs.89,295,880 or 1%. In addition, the employee cost of Kshs.9,347,964,850 are 72% of the total hospital expenditure cost of Kshs.12,991,980,928. Further, the hospital employee costs translate to 71% of the total revenue income of Kshs13,061,880,359. This is contrary to Regulation 25 (1)(b) of the Public Finance National Government Regulations 2015 caps personnel emoluments (salaries and benefits) for both national and county governments cannot exceed 35% of their total revenue.

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

5. Long Outstanding and Surrendered Imprest

The statement of financial position reflects current receivable from exchange transactions of Kshs.5,010,881,116 as disclosed in Note 22(a). However, review of records established that imprest amounting to Kshs.2,314,605 has been long outstanding contrary to Section 93(5) of the Public Finance Management Regulations, 2015 which states that a holder of a temporary imprest shall account or surrender the imprest within 7 working days after returning to duty station

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

6. Un-Collected Rent Income

The statement of financial position reflects receivable from exchange transaction of Kshs.5,010,881,116 as disclosed in Note 22(a). Included in this balance is outstanding rent of Kshs.13,090,964 which also included receivables from two (2) staff of Kshs.2,252,240 or 17% of the total rent receivables. The audit established that pending accounts receivables included outstanding rent receivables of Kshs.13,090,964 that has not been collected. In addition, two (2) debtors who are members of the staff who owe the Hospital Kshs.2,252,240 accounting for 17.2 % of total rent receivables.

It was not clear why the Hospital has not initiated rent recovery from the payroll contrary to Regulation 83(2)(g) of the Public Finance Management (National Government) Regulations, 2015 which authorises pursuing of debtors with appropriate sensitivity and

rigour to ensure that amounts receivable by the government are collected and banked promptly;

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

7. Irregular Acting Allowance Beyond 6 Months

The statement of financial performance reflects employee costs of Kshs.93,347,964,850 as disclosed in Note 11 to the financial statements. Included in this amount is acting allowance of Kshs.4,476,479 which also included Kshs.2,507,619 paid to seven (7) employees beyond six (6) months contrary to Section C.14(1) of the public service commission – Human Resource Policies and Procedure Manual (2016) which states that when an officer is eligible for appointment to a higher post and is called upon to act in that post pending advertisement of the post, he is eligible for payment of acting allowance at the rate of twenty percent (20%) of his substantive basic salary. Acting allowance will not be payable to an officer for more than six (6) months.

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

8. Non-Alignment of Hospital Payrolls to Approved MTRH Organization Structure

Review of documents of staff establishment indicated that the Hospital planned to establish 106 functional departments however, only 64 were established. Reasons for not establishing the rest was not provided. In addition, misalignment of staff establishment created confusion in the management of payroll on areas as designations, cadres and staffing levels contrary to Regulation 23(1) of the Public Finance Management Regulations, 2015 which states that it is the responsibility of the accounting officers to maintain effective systems of internal control and the measures taken to ensure that they are effective.

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

9. Delayed Execution of Paid Contracts

Review of records revealed that the Hospital engaged several contractors at a contract sum of Kshs.27,906,021 to computerization the hospital, plant installation and building which were paid for. However, the contracts are yet to be completed as detailed below;

Payment Date	PV No	Payee	Contract Agreement Date	Duration	Amount (Kshs)
11/03/2025	165344	Led Power Technologies	12/01/2024	4 weeks	1,734,271
30/08/2024	163382	Hyfad Co.	23/01/2024	16 weeks	2,028,320
06/09/2024	163735	Aether Group Ltd	18/01/2024	16 weeks	1,438,920
2/10/2024	164017	F & A Trading Co. Limited	03/01/2024	10 weeks	13,016,654
20/03/2025	165028	Avatech Holdings Ltd	07/06/2024	8 weeks	9,687,856
		Total			27,906,021

The contract duration has long lapsed and no evidence has been provided to show that the contract duration has been extended. Section 88(1) of The Public Procurement and Asset Disposal Act, 2015 states that before the expiry of the period during which tenders shall remain valid the accounting officer of a procuring entity may extend that period. (2) The accounting officer of a procuring entity shall give in writing notice of an extension under subsection (1) to each person who submitted a tender. (3) An extension under subsection (1) shall be restricted to not more than thirty days and may only be done once. (4) For greater certainty, tender security shall be forfeited if a tender is withdrawn after a bidder has accepted the extension of bidding period under subsection (1).

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

10. Un-Remitted Pension Contributions

The statement of financial position reflects employee benefit obligation balance of Kshs.2,447,736,307 as disclosed in Note 27 to the financial statements. Included in this balance, are employee benefit obligations of Kshs.1,478,258,212 relating to unpaid pension as disclosed in Note 28 to the financial statements. In addition, pension contributions amounting to Kshs.592,501,292 dating back to 2022 were not remitted to the Moi Teaching and Referral Hospital Pension Scheme contrary to Section 53(A)(1) of Retirement Benefit Act states that where an employer, having with the agreement of an employee who is a member of a scheme, made a deduction from the employee's emoluments for remittance to the scheme, fails to remit the deduction within fifteen days of the deduction, the scheme may, after giving such employer not less than seven days' notice, institute proceedings for the recovery of the deduction.

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

11. Irregularities in Procurement of Gas

During the year under review, it was observed that the Hospital procured for supply and delivery of liquid gas and related accessories from a local Company at a total sum of Kshs.12,516,200. However, during tender evaluation, the committee requested to do due diligence on both the lowest bidder and the second lowest bidder simultaneously contrary to Section 83(1) of Public Procurement and Asset Disposal Act, 2015 on post-qualification states that an evaluation committee may, after tender evaluation, but prior to the award of the tender, conduct due diligence and present the report in writing to confirm and verify the qualifications of the tenderer who submitted the lowest evaluated responsive tender to be awarded the contract in accordance with this Act.

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

12. Non-Disclosure of Bond Debtor

The statement of financial position reflects current receivables from exchange transactions of Kshs.5,010,881,116 as disclosed in Note 22(a) to the financial statements. Included in this balance is students fees of Kshs.14,528,710. However, review of records on staff study leave revealed that the Hospital had bonded 30 employees who proceeded

for study leave in accordance with Section 9.20.1 of the Human Resource Policy and Procedures Manual. The course duration varied from 6 months to 5 years which determined the bond period. However, as previously reported 13 staffs exited the services without clearing the bonded amount stipulated in signed agreement with incidences of default dating back to the year 2008. Further previous audit reports revealed that Kshs.82,547,127 was defaulted and was not disclosed in the financial statements as outstanding balance. However, at the time of audit, Management did not confirm whether the outstanding balances has been cleared or not, and whether management has started the process of recovering the amount from the 13 staffs who defaulted their bonded obligation.

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

13. Outstanding Social Health Authority Scheme (SHA) Claims and Losses

The statement of financial position reflects current receivables from exchange transactions of Kshs.5,010,881,116 as disclosed in Note 22 (a) to the financial statements. However, review of correspondences between the Hospital and the Social Health Authority revealed that the Hospital claimed Kshs.2,368,325,061 through ERP invoices from SHA and were issued ERP Rebate of Kshs.2,117,151,757 resulting to Social Health Authority Scheme losses to the Hospital of Kshs.251,173,304. This is contrary to Social Health Insurance Regulations, 2024 under Legal Notice No. 49 of 2024, which operationalizes the Social Health Insurance Act No. 16 of 2023 that governs SHA rebates for hospitals in Kenya. These regulations define how hospitals are reimbursed for services provided under the SHA scheme. In addition, there was an outstanding amount of Kshs.889,596,898 that had not been settled.

In the circumstances, the law on rebates hinders hospitals from receiving the whole claims thereby exerting financial pressure on their operations.

14. Board Expenses

The statement of financial performance reflects board expenses of Kshs.9,061,886 as disclosed in Note 12 to the financial statements. However, review of documentation in support of board composition and operations revealed that the Board established four (4) Ad-Hoc Committees namely; Finance and Strategy Committee, People Management Committee, Audit Risk and compliance Committee and Hospital Operations and standard Committee. However, none of the four (4) Ad Hoc committees provided any document showing their terms of reference and the purpose for which they were formed. Further, the board did not notify SCAC on the established committees contrary to Section 9 of state corporations Act empowers Board to establish committees to deal with such matters as the Board may, however, a notice on the establishment of any such committee to be served on the State Corporation Advisory Committee (SCAC).

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

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 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 an Approved Inventory Management Policy

The statement of financial position reflects inventory of Kshs.345,423,499 as disclosed at Note 23 to the financial statements. However, it was noted that the Hospital uses asset management policy in managing inventory. In addition, the asset management policy though provides some aspects of managing inventory, it was insufficient in wholeness management of inventories in areas such as lost inventory, lead time management, issuing inventory, inventory valuation method, stock levels and reorder points or expired inventory which affects the stock balances.

Further, the supply chain policy manual is not approved by the board and therefore, cannot address integration of goods supplied, and logistical structure to minimize accumulation or waste of finished goods as well as duties and responsibilities of both procurement and financial departments of the organization.

In the circumstances, control over inventory management could not be confirmed.

2. Non-Performance of Governance Audit

Paragraph 1.13 of the Mwongozo code of governance for State Corporations requires that the Board, in consultation with the oversight office, should ensure that it subjects the entity to an annual Governance Audit by a member regulated by Institute of Certified Public Secretaries of Kenya (ICPSK). However, there was no evidence of Governance Audit for the year 2025 was performed and no explanation was provided why it was not done.

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

3. Reconciliation for Impairment Allowance on Receivables from Exchange Transactions

The statement of financial performance reflects reconciliation for impairment allowance on receivables from exchange transactions of Kshs.192,313,792 and as disclosed at Note 17. However, the Hospital did not have a policy on provision for bad and doubtful debts and therefore, it was not clear it is not clear which policy was used in the provision for bad and doubtful debts.

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

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 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 the 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 of Directors are responsible for overseeing the Hospital 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, CBS
AUDITOR-GENERAL

Nairobi

03 December, 2025

Appendix I: Unresolved Prior Year Audit Matters

No	Issue
	Report on the Financial Statements
1.	Presentation, Accuracy and Completeness of the Financial Statement
2.	Payment for contracted Professional Services
3.	Understated Cost Sharing Income
4.	Undisclosed Retainer on Fees Revenue from Directors
5.	Undisclosed Retainer on Fees from Doctors' Fees
6.	Unsurrendered Imprest
7.	Doubtful Recovery of Individual and Corporate Clients' Current Receivables
8.	Variance in receivable from Exchange Transactions
9.	Loss of Pharmaceuticals and Non-Pharmaceuticals Inventories
10.	Variance in Trade and Other Payables
11.	National Hospital Insurance Fund (NHIF) Loan
12.	Current Receivables from Exchange Transactions
13.	Undisclosed Bond Debtors
	Report on Lawfulness and Effectiveness in the Use of Public Resources
14.	Irregular Procurement of Oxygen
15.	Payment in Lieu of Leave
16.	Failre to Observe Ethnic Balance in Staff Comosition
17.	Payment of unreconciled Salary Arrears
18.	Unremitted Pension Contributions
19.	Non-Compliance with Approved Staff Establishment
20.	Non-Compliance with MTRH Organization Structure
21.	Irregular Payment of Task Force Allowance
22.	Irregular Payment of Locum Allowance
23.	Stagnated Corporate Staff
24.	Unapproved Board ALMANAC
25.	Unapproved Special Board Sitings
26.	Irregular Expenditure on Board Retreat
	Report on Effectiveness in the Use of Public Resource of Internal Controls
27.	Patient Refund/Deposit
28.	Failure to Disclose Contingent Liability
29.	Lack of Inventory Management Policy
30.	Lack of Policy on Provision for Doubtful Debts


**14. STATEMENT OF FINANCIAL PERFORMANCE
FOR THE PERIOD ENDED 30TH JUNE 2025**

	Notes	2024/2025 KSHS.	2023/2024 KSHS.
Revenue from Non-Exchange Transactions			
Government grant	6(a)	8,162,141,500	9,189,000,000
		8,162,141,500	9,189,000,000
Revenue from Exchange Transactions			
Sale of Goods and Services	7	4,836,527,513	4,211,771,289
Rental Revenue from Facilities and Equipment	8	14,095,088	15,848,952
Other Income	9	49,116,258	49,032,280
		4,899,738,859	4,276,652,521
Total Revenue		13,061,880,359	13,465,652,521
EXPENDITURE			
Use of Goods and Services	10	2,954,169,238	2,929,205,537
Employee Cost	11	9,347,964,850	8,937,740,206
Board Expenses	12	9,061,886	14,778,726
Depreciation and Amortization Expense	13	358,457,327	356,154,850
Repairs and Maintenance	14	104,991,783	76,569,660
Contracted Services	15	21,700,614	22,642,148
Grants and Subsidies	16	2,161,438	3,558,616
Reconciliation for Impairment Allowance on Receivables from Exchange transaction	17	192,313,792	805,532,527
Provision for Audit fee	18	1,160,000	1,160,000
Total Costs		12,991,980,928	13,147,342,269
Gain /Loss on Sale of Assets	19	-	799,974
Surplus/(Deficit) before tax		69,899,432	319,110,226
Taxation	20	-	41,880,239
Net Surplus for the year after Taxes		69,899,432	277,229,987
Revenue reserves b/f		(117,070,475)	(394,300,462)
Revaluation Surplus/Accumulated Depreciation		567,979,757	
Revenue reserves c/f		520,808,714	(117,070,475)

The notes set out on pages 13 to 50 form an integral part of the Financial Statements.

The Financial Statements set out on pages 1 to 12 were signed on behalf of the Board of Directors behalf by:


.....
DR. PHILIP KIRWA
CHIEF EXECUTIVE OFFICER


.....
MATHEWS BIRGEN
ICPAK NO, 3915
DIRECTOR, FINANCE


.....
MR. SITOYO LOPOKOIYIT, **MBS**
BOARD CHAIRMAN

DATE: 26/11/25

DATE 24/11/2025 DATE 27/11/2025

*Moi Teaching and Referral Hospital
Annual Report and Financial Statements
For the Period ended June 30th 2025*

**15. STATEMENT OF FINANCIAL POSITION
AS AT 30TH JUNE 2025**

	Notes	2024/2025 KSHS.	2023/2024 KSHS.
CURRENT ASSETS			
Cash and Cash Equivalents	21	117,373,668	180,675,276
Current Receivables from Exchange Transactions	22(a)	5,010,881,116	3,469,750,548
Current Receivables from Non- Exchange Transactions	22(b)	647,845,125	746,583,335
Inventories	23	345,423,499	383,838,097
		6,121,523,408	4,780,847,255
Non-Current Assets			
Property, Plant and Equipment	24	10,829,414,000	3,788,490,740
		10,829,414,000	3,788,490,740
TOTAL ASSETS		16,950,937,409	8,569,337,995
CURRENT LIABILITIES			
Trade and Other Payables	25	1,514,806,247	1,504,412,232
Refundable Deposits and Prepayments from Customers	26	4,107,708	7,100,427
Prepayments from customers			
Employee Benefit Obligations	27	2,447,736,307	1,451,972,912
Long Term Loans	28	120,843,506	129,900,997
TOTAL		4,087,493,768	3,093,386,567
NET ASSETS		12,863,443,640	5,475,951,428
FINANCED BY			
Revenue R7serves		520,808,714	(117,070,475)
Capital Reserves		5,644,021,906	5,593,021,906
Revaluation Reserve		6,698,613,021	-
TOTAL		12,863,443,641	5,475,951,431

The notes set out on pages 13 to 50 form an integral part of the Financial Statements.
The Financial Statement set out on pages 1 to 12 we signed on behalf of the Board of Directors by:


.....
DR PHILIP KIRWA
CHIEF EXECUTIVE OFFICER


.....
MATHEWS BIRGEN
ICPAK NO, 3915
DIRECTOR, FINANCE


.....
MR. SITOYO LOPOKOIYIT, **MBS**
BOARD CHAIRMAN

DATE: 24/11/25

DATE: 24/11/2025

DATE: 27/11/2025

**16. STATEMENT OF CHANGES IN NET ASSETS
FOR THE PERIOD ENDED 30TH JUNE 2025**

	CAPITAL RESERVES	REVENUE RESERVES	REVALUATION RESERVE	TOTAL
Balance as at 1st July 2023	5,062,521,906	(394,300,465)	-	4,668,221,441
Capital grants for the period	530,500,000	-	-	530,500,000
Revaluation Surplus	-	-	-	-
Donations	-	-	-	-
Surplus (Deficit) for the Period	-	277,229,987	-	277,229,987
BALANCE AS AT 30TH JUNE 2024	5,593,021,906	(117,070,478)	-	5,475,951,428
Balance as at 1st JULY 2024	5,593,021,906	(117,070,478)	-	5,475,951,428
Capital grants for the period	51,000,000	-	-	51,000,000
Revaluation Surplus	-	-	6,698,613,021	6,698,613,021
Donations	-	-	-	-
Surplus (Deficit) for the Period	-	637,879,189	-	637,879,189
BALANCE AS AT 30TH JUNE 2025	5,644,021,906	520,808,711	6,698,613,021	12,863,443,638


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**17. STATEMENT OF CASHFLOWS
FOR THE PERIOD ENDED 30TH JUNE 2025**

	Notes	2024/2025	2023/2024
		Kshs	
Cash flows from operating activities			
Receipts			
Transfers from other governments entities		8,314,379,710	9,110,583,330
Rendering of services		60,879,359	71,090,764
Sale of goods		2,779,123,964	2,470,495,418
Rental revenue from facilities and equipment		10,063,880	1,643,755
Finance income		-	-
Other income		3,197,026	49,015,273
Total receipts		11,167,643,939	11,702,828,540
Payments			
Use of goods and services		2,462,811,315	2,535,610,734
Employee costs		8,516,207,801	9,047,506,809
Board Expenses		7,705,656	12,504,659
Repairs and maintenance		86,357,892	184,289,435
Contracted services		22,909,167	14,464,676
Bank Charges		2,165,906	4,671,232
Grants and subsidies		-	-
Total payments		11,098,157,738	11,799,047,545
Net cash flows from/(used in) operating activities		69,486,202	(96,219,005)
Cash flows from investing activities			
Acquisition of Property, Plant and Equipment's		(132,787,810)	(473,114,419)
Net cash flows from/(used in) investing activities		(132,787,810)	(473,114,419)
Cash flows from financing activities			
GoK Capital Grant		-	530,500,000
Net cash flows from financing Activities		-	530,500,000
Net increase/(decrease) in cash & Cash equivalents		(63,301,608)	(38,833,424)
Cash and cash equivalents at 1 July		180,675,276	219,508,699
Cash and cash equivalents at 30 June		117,373,668	180,675,275

The Financial Statement set out on pages 1 to 11 we signed on behalf of the Board of Directors behalf by:


.....
DR PHILIP KIRWA
CHIEF EXECUTIVE OFFICER


.....
MATHEWS BIRGEN
ICPAK NO, 3915
DIRECTOR, FINANCE


.....
MR. SITOYO LOPOKOIYIT, MBS
BOARD CHAIRMAN

DATE: 24/11/25.....

DATE 24/11/2025.....

DATE 27/11/2025.....

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**18. STATEMENT OF COMPARISON OF BUDGET AND ACTUAL
FOR THE YEAR ENDING 30TH JUNE 2025**

Code	Revenue/ Expenditure	Approved Budget 2023/24	Original Budget 2024/25	Adjustment	Revised Budget For FY 2024/2025	Actual on Comparable Basis	Performance Difference	% achieved
			(a)	(b)	c = (a+b)	(d)	fe= (d-c)	(d/c)
	GOK GRANTS							
1	Recurrent Grant	8,989,000,000	7,162,141,500	1,000,000,000	8,162,141,500	8,162,141,500	-	100%
	TOTAL	8,989,000,000	7,162,141,500	1,000,000,000	8,162,141,500	8,162,141,500	-	100%
2	Development							
	Capital Grant	530,500,000	477,000,000	(426,000,000)	51,000,000	51,000,000	-	100%
	TOTAL	530,500,000	477,000,000	(426,000,000)	51,000,000	51,000,000	-	100%
	TOTAL GOK GRANTS	9,519,500,000	7,639,141,500	574,000,000	8,213,141,500	8,213,141,500	-	100%
3	Appropriation-In- Aid(AIA)							
	Cost Sharing	3,761,849,443	4,250,849,443	-	4,250,849,443	4,836,527,513	585,678,070	114%
	Other Income	23,150,557	23,150,557	-	23,150,557	63,211,346	40,060,789	273%
	TOTAL AIA	3,785,000,000	4,274,000,000	-	4,274,000,000	4,899,738,859	625,738,859	115%
	GRAND TOTAL INCOME	13,304,500,000	11,913,141,500	574,000,000	12,487,141,500	13,112,880,359	625,738,859	105%
	RECURRENT EXPENDITURE							
10	Personnel Emoluments	8,959,000,000	9,258,668,970	-	9,258,668,970	9,330,077,313	(71,408,343)	101%
20	Purchase of Drugs	922,087,233	875,982,871	(25,000,000)	850,982,871	810,222,090	40,760,781	95%

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Code	Revenue/ Expenditure	Approved Budget 2023/24	Original Budget 2024/25	Adjustment	Revised Budget For FY 2024/2025	Actual on Comparable Basis	Performance Difference	% achieved
			(a)	(b)	c = (a+b)	(d)	fe= (d-c)	(d/c)
21	Purchase of Nutraceuticals	20,909,480	18,818,532	2,000,000	20,818,532	19,897,898	920,634	96%
22	Surgical Implants	63,603,617	60,423,436	-	60,423,436	58,947,069	1,476,367	98%
25	Renal Consumables	61,166,272	58,107,958	(32,000,000)	26,107,958	21,476,720	4,631,238	82%
35	Disaster/ Emergency Response	30,000,000	30,000,000	(30,000,000)	-	-	-	0%
40	Dressings/theatre supplies	376,997,227	339,297,504	-	339,297,504	338,020,672	1,276,832	100%
45	Dental Supplies	15,523,897	13,159,736	(5,000,000)	8,159,736	8,090,495	69,241	99%
50	Food & Ration	242,294,973	193,835,978	12,000,000	205,835,978	205,371,691	464,287	100%
60	Doctors' Fees	265,637,791	185,946,454	61,000,000	246,946,454	246,184,550	761,904	100%
70	Lab reagents/chemicals	187,052,970	168,347,673	(6,600,000)	161,747,673	161,322,812	424,861	100%
90	Cleansing materials	70,918,799	49,643,159	11,000,000	60,643,159	60,620,387	22,772	100%
95	Admission Packs	13,372,234	9,360,564	1,000,000	10,360,564	9,900,000	460,564	96%
100	Hospital Linen	7,144,375	5,001,063	-	5,001,063	4,851,100	149,963	97%
110	X-ray/ Radiology supplies	68,002,299	61,202,069	-	61,202,069	60,789,044	413,025	99%
120	Oxygen	21,701,275	15,190,893	45,725,725	60,916,618	60,782,472	134,146	100%
140	Fuel & Gas	22,172,774	19,955,497	-	19,955,497	18,893,700	1,061,797	95%
150	Uniforms for patients	11,437,123	8,005,986	(3,000,000)	5,005,986	4,952,150	53,836	99%
160	Materials for Specialized units	31,947,125	22,362,988	(3,000,000)	19,362,988	19,059,130	303,858	98%
170	Mortuary supplies	3,330,958	2,331,671	(1,000,000)	1,331,671	939,447	392,224	71%
180	Course Administration and subscription fees	13,367,632	9,357,342	-	9,357,342	8,086,880	1,270,462	86%

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Code	Revenue/ Expenditure	Approved Budget 2023/24	Original Budget 2024/25	Adjustment	Revised Budget For FY 2024/2025	Actual on Comparable Basis	Performance Difference	% achieved
			(a)	(b)	c = (a+b)	(d)	fe= (d-c)	(d/c)
190	Cafeteria supplies	8,437,031	5,905,922	-	5,905,922	4,159,867	1,746,055	70%
200	Library services	6,609,912	4,626,938	(2,000,000)	2,626,938	1,790,490	836,448	68%
210	Maintenance of Plants and Buildings	63,212,429	31,606,215	(17,000,000)	14,606,215	14,545,353	60,862	100%
220	Maintenance of Biomedical Equipment	80,480,189	72,432,170	(9,000,000)	63,432,170	63,203,667	228,503	100%
230	Electricity Expenses	113,230,210	113,230,210	17,000,000	130,230,210	129,691,799	538,411	100%
240	Stationery	19,700,896	13,790,627	5,000,000	18,790,627	17,880,967	909,660	95%
250	Water & Conservancy	49,915,819	49,915,819	14,000,000	63,915,819	63,496,383	419,436	99%
260	Transport Operating Expenses	15,730,149	15,730,149	15,000,000	30,730,149	29,866,685	863,464	97%
270	Printing of Accountable documents, Medical Records and HRIS and stationery	8,913,265	4,456,633	(3,000,000)	1,456,633	790,019	666,614	54%
280	Telephone expenses	16,198,036	11,338,625	5,000,000	16,338,625	16,315,201	23,424	100%
290	Plant and Equipment Insurance policy	7,707,480	-	-	-	-	-	0%
300	Rents & Rates	2,811,800	1,968,260	-	1,968,260	1,881,130	87,130	96%
310	Bank charges	16,320,101	8,160,051	(6,000,000)	2,160,051	2,158,146	1,905	100%
320	Postal Charges	1,316,608	1,316,608	-	1,316,608	885,377	431,231	67%
330	Motor Vehicle Insurance	4,048,355	4,048,355	(1,000,000)	3,048,355	2,315,210	733,145	76%
340	Patient Traveling Expenses	1,121,304	784,913	-	784,913	65,400	719,513	8%

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Code	Revenue/ Expenditure	Approved Budget 2023/24	Original Budget 2024/25	Adjustment	Revised Budget For FY 2024/2025	Actual on Comparable Basis	Performance Difference	% achieved
			(a)	(b)	c = (a+b)	(d)	fe= (d-c)	(d/c)
345	Issue Based Committees	3,321,109	2,324,776	(1,000,000)	1,324,776	661,100	663,676	50%
350	Staff uniforms & protective gear	9,999,484	6,999,640	(2,000,000)	4,999,640	4,826,028	173,612	97%
355	Occupational Health Safety	8,246,150	5,772,305	(1,000,000)	4,772,305	4,057,450	714,855	85%
360	Traveling and Accommodation	47,167,066	33,016,946	16,000,000	49,016,946	48,394,806	622,140	99%
365	Universal Health Coverage (UHC) Outreach	10,454,740	-	-	-	-	-	0%
370	Board of Management Expenses	18,926,216	12,302,040	-	12,302,040	10,322,513	1,979,527	84%
380	Computerization - Maintenance	10,871,883	7,610,318	6,000,000	13,610,318	13,279,714	330,604	98%
390	Comprehensive Group Personal accident cover	13,503,027	13,503,027	-	13,503,027	-	13,503,027	0%
392	Doctor's Indemnity Insurance Cover	5,839,000	4,087,300	-	4,087,300	-	4,087,300	0%
395	Group Life Insurance Cover	32,404,943	32,404,943	26,993,465	59,398,408	59,398,408	-	100%
400	Staff development & training	54,315,633	38,020,943	(25,000,000)	13,020,943	12,587,834	433,109	97%
401	Medical Officers Post-Graduate Training	15,682,110	10,977,477	2,000,000	12,977,477	12,076,917	900,560	93%
405	Health Research, Development & Innovation	5,227,370	2,613,685	(2,000,000)	613,685	-	613,685	0%

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Code	Revenue/ Expenditure	Approved Budget 2023/24	Original Budget 2024/25	Adjustment	Revised Budget For FY 2024/2025	Actual on Comparable Basis	Performance Difference	% achieved
			(a)	(b)	c = (a+b)	(d)	fe= (d-c)	(d/c)
410	Advertising & Publicity	10,733,460	5,366,730	2,000,000	7,366,730	7,366,444	286	100%
415	Hospital Security services	1,405,102	702,551	-	702,551	85,000	617,551	12%
420	Contracted Professional Services	19,163,743	13,414,620	9,894,531	23,309,151	22,641,060	668,091	97%
430	ISO	12,649,796	6,324,898	3,600,000	9,924,898	9,655,163	269,735	97%
460	External Traveling & Allowance	7,849,030	3,924,515	(1,000,000)	2,924,515	1,994,523	929,992	68%
470	Internet Expenses	7,930,438	7,930,438	2,681,247	10,611,685	10,203,968	407,717	96%
480	Staff Medical Scheme	311,364,874	311,364,874	43,806,532	355,171,406	355,170,706	700	100%
490	Corporate Social Responsibility	3,773,911	1,886,955	40,000	1,926,955	1,926,296	659	100%
500	IREC	1,000,000	500,000	-	500,000	5,000	495,000	1%
520	Continuous Professional Development	1,013,252	506,626	-	506,626	-	506,626	0%
550	C. A.R.E.	1,322,710	925,897	-	925,897	110,000	815,897	12%
	TOTAL RECURRENT EXPENDITURE	12,437,586,685	12,266,793,343	126,141,500	12,392,934,843	12,372,294,244	20,640,599	100%
	DEVELOPMENT EXPENDITURE							
	AIA FUNDED							
380	Computerization	100,000,000	10,000,000	-	10,000,000	-	10,000,000	0%
440	Office Equipment and Furniture	16,413,315	8,206,657	-	8,206,657	1,072,140	7,134,517	13%
530	Hospital Equipment	200,000,000	10,000,000	8,000,000	18,000,000	16,915,373	1,084,627	94%

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Code	Revenue/ Expenditure	Approved Budget 2023/24	Original Budget 2024/25	Adjustment	Revised Budget For FY 2024/2025	Actual on Comparable Basis	Performance Difference	% achieved
			(a)	(b)	c = (a+b)	(d)	fe= (d-c)	(d/c)
545	Purchase of Medical Appliances	20,000,000	5,000,000	-	5,000,000	6,639,225	(1,639,225)	133%
565	Preliminary costs- New MTRH Multispeciality Hospital	-	10,000,000	(8,000,000)	2,000,000	-	2,000,000	0%
	SUB-TOTAL	336,413,315	43,206,657	-	43,206,657	24,626,738	18,579,919	57%
	GOK FUNDED							
560	Capital Expenditure							
1	1082101100-Cancer & Chronic Disease Management Centre-MTRH	51,000,000	102,000,000	(51,000,000)	51,000,000	51,000,000	-	100%
2	1082101300- Construction and Equipping Childrens Hospital- MTRH	69,500,000	100,000,000	(100,000,000)	-	-	-	0%
3	1082101300- Equipping Martenity Unit(Mother &Baby Hospital)-MTRH	125,000,000	75,000,000	(75,000,000)	-	-	-	0%
4	1082105300 Procurement of Specialized Equipment -MTRH	100,000,000	75,000,000	(75,000,000)	-	-	-	0%
5	1082105200- Construxction of Private Inpatient Complex_MTRH	150,000,000	50,000,000	(50,000,000)	-	-	-	0%

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Code	Revenue/ Expenditure	Approved Budget 2023/24	Original Budget 2024/25	Adjustment	Revised Budget For FY 2024/2025	Actual on Comparable Basis	Performance Difference	% achieved
			(a)	(b)	c = (a+b)	(d)	fe= (d-c)	(d/c)
6	1082101400- Expansion and Equipping of ICU- MTRH	35,000,000	75,000,000	(75,000,000)	-	-	-	0%
	SUB-TOTAL	530,500,000	477,000,000	(426,000,000)	51,000,000	51,000,000	-	100%
	TOTAL DEVELOPMENT EXPENDITURE	866,913,315	520,206,657	(426,000,000)	94,206,657	75,626,738	18,579,919	80%
	GRAND TOTAL	13,304,500,000	12,787,000,000	(299,858,500)	12,487,141,500	12,447,920,982	39,220,518	100%

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19. NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Moi Teaching and Referral Hospital was established under Legal Notice No.78 of 12th June 1998 of the State Corporations Act (Cap 446). MTRH is wholly owned by the Government of Kenya and is domiciled in Kenya.

Principal activities

The Hospital mandate is to:

- Receive patients on Referral from other Hospitals or Institutions within or outside Kenya for specialized health care;
- Provide facilities for Medical education for the Moi University, and for research either directly or through other co-operating health institutions;
- Provide facilities for education and training in Nursing and other health and allied professions;
- Participate as a National Referral Hospital in National Health Planning.

2. Statement of Compliance and Basis of Preparation

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

The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the Moi Teaching and Referral Hospital.

The financial statements have been prepared in accordance with the PFM Act 2012, the State Corporations 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.
- ii. New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2025.

Standard	Effective date and Impact
IPSAS 43	<p><i>Applicable 1st 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> <p><i>The standard would Impact reporting on Finance lease</i></p>
IPSAS 44: Non-Current Assets Held for Sale	<p><i>Applicable 1st January 2025</i></p> <p>The Standard requires,</p> <p>Assets that meet the criteria to be classified as held for sale to be measured at the</p>

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Standard	Effective date and Impact
and Discontinued Operations	<p>lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and:</p> <p>Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.</p> <p><i>MTRH does not have current assets held for sale hence no impact</i></p>
IPSAS 45- Property Plant and Equipment	<p>Applicable 1st January 2025</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 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><i>MTRH does not own infrastructure assets hence no impact</i></p>
IPSAS 46 Measurement	<p>Applicable 1st January 2025</p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ol style="list-style-type: none"> i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS; iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p> <p><i>MTRH would not be affected by this IPSAS 46 since will still report under IPSAS 17 hence no impact</i></p>
IPSAS 47- Revenue	<p>Applicable 1st January 2026</p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p> <p><i>This standard will have effect on recognition of revenue from and Exchange transaction and revenue from exchanged transaction since MTRH have been reporting the same under IPSAS 9 and IPSAS 23.</i></p>
IPSAS 48- Transfer Expenses	<p>Applicable 1st January 2026</p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p> <p><i>MTRH does not transfer assets hence the IPSAS 48 would not have any impact its reporting</i></p>
IPSAS 49- Retirement	<p>Applicable 1st January 2026</p> <p>The objective is to prescribe the accounting and reporting requirements for the public</p>

Standard	Effective date and Impact
Benefit Plans	sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan. <i>MTRH operate defined benefit plans for the staff and transfer the amount on monthly basis hence IPSAS 49 does not apply in financial reporting.</i>
IPSAS 50: Exploration for & Evaluation of Mineral Resources	Applicable 1st January 2027 The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires: Limited improvements to existing accounting practices for exploration and evaluation expenditures. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26. Disclosures that identify and explain the amounts in the entity's financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized. MTRH services does not involve in the exploration for and evaluation of mineral resources

iii. **Early adoption of standards**

The MTRH did not early – adopt any new or amended standards in the financial year ending 30th June 2025.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Revenue recognition

i) Revenue from non-exchange transactions

Fees, taxes and fines

Moi Teaching and Referral Hospital recognizes revenues from fees, taxes and fines when the event occurs and the asset recognition criteria are met. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, deferred income is recognized instead of revenue. Other non-exchange revenues are recognized when it is probable that the future economic benefits or service potential associated with the asset will flow to the entity and the fair value of the asset can be measured reliably.

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 MTRH 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 performance over useful life of the assets that has been acquired using such

ii) Revenue from Exchange Transactions

Rendering of services

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

Sale of goods

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the buyer, usually on delivery of the goods and when the amount of revenue can be measured reliably and it is probable that the economic benefits or service potential associated with the transaction will flow to the MTRH.

Interest income

Interest income is accrued using the effective yield method. The effective yield discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount. The method applies this yield to the principal outstanding to determine interest income each period.

Dividends

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

Rental income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and included in revenue.

b) Budget information Budget information

The original budget for the Current FY 2024/25 was approved by the Hospital board of management on 30th January 2024. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the Public Financial Management Act. The additional appropriations are added to the original budget by the Hospital Board of Management upon receiving the respective approvals in order to conclude the final budget. Accordingly, the MTRH recorded additional

appropriations of **Kshs. 1,000,000,000** for Recurrent Grants on the 30th June 2025 budget following the governing body's approval. On the other hand, Development Grants for the financial year 2024/25 were reduced by **Kshs. 426,000,000**.

The MTRH budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented under comparison of budget and actual amount of these financial statements.

c) Taxes

Current income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the area where the MTRH operates and generates taxable income. Current income tax relating to items recognized directly in net assets is recognized in net assets and not in the statement of financial performance. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognized for all taxable temporary differences, except in respect of taxable temporary differences associated with investments in controlled entities, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future. Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except in respect of deductible temporary differences associated with investments in controlled entities, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognized outside surplus or deficit is recognized outside surplus or deficit. Deferred tax items are recognized in correlation to the underlying transaction in net assets. Deferred tax assets and deferred tax

liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable Entity and the same taxation authority.

Sales tax

Expenses and assets are recognized net of the amount of sales tax, except when the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the sales tax is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable.

When receivables and payables are stated with the amount of sales tax included. The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

d) Investment property

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property. Investment property acquired through a non-exchange transaction is measured at its fair value at the date of acquisition.

MTRH did not own any investment property in the period

e) Property, plant and equipment

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, MTRH 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.

f) Leases

Finance leases are leases that transfer substantially all of the risks and benefits incidental to ownership of the leased item to the Entity. Assets held under a finance lease are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the future minimum lease payments. The Entity also recognizes the associated lease liability at the inception of the lease. The liability recognized is measured as the present value of the future minimum lease payments at initial recognition. Subsequent to initial recognition, lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in surplus or deficit. An asset held under a finance lease is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Entity will obtain ownership of the asset by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating leases are leases that do not transfer substantially all the risks and benefits incidental to ownership of the leased item to the Entity. Operating lease payments are recognized as an operating expense in surplus or deficit on a straight-line basis over the lease term.

MTRH did not have any lease assets in the year under review

g) Intangible assets

Intangible assets acquired separately are initially recognized at cost. The cost of intangible assets acquired in a non-exchange transaction is their fair value at the date of the exchange. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in surplus or deficit in the period in which the expenditure is incurred. The useful life of the intangible assets is assessed as either finite or indefinite. Intangible assets with an indefinite useful life are assessed for impairment at each reporting date.

h) Biological Assets

The entity recognizes biological assets when it controls the assets due to past events, it is probable that future economic benefits associated with the asset will flow to the entity, and when the fair value or cost of the asset can be measured reliably. Biological assets are initially and subsequently measured at fair value less costs to sell, except where fair value cannot be reliably determined. In such cases, the asset is measured at its cost less accumulated depreciation and any accumulated impairment losses. Changes in fair value less costs to sell are recognized in surplus/deficit in the period in which they occur.

i) Research and development costs

The Entity expenses research costs as incurred. Development costs on an individual project are recognized as intangible assets when the Entity can demonstrate: The technical feasibility of completing the asset so that the asset will be available for use or sale, Its intention to complete and its ability to use or sell the asset,

How the asset will generate future economic benefits or service potential, The availability of resources to complete the asset, The ability to measure reliably the expenditure during development.

Following initial recognition of an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete, and the asset is available for use. It is amortized over the period of expected future benefit. During the period of development, the asset is tested for impairment annually with any impairment losses recognized immediately in surplus or deficit.

j) Financial instruments

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. MTRH does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the Company's financial statements. A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. At initial recognition, the entity measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

a) Financial assets

Classification of financial assets

The entity classifies its financial assets as subsequently measured at amortised cost, fair value through net assets/ equity or fair value through surplus and deficit on the basis of both the entity's management model for financial assets and the contractual cash flow characteristics of the financial asset. A financial asset is measured at amortized cost when the financial asset is held within a management model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding. A financial asset is measured at fair value through net assets/ equity if it is held within the management model whose objective is achieved by both collecting contractual

cashflows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. A financial asset shall be measured at fair value through surplus or deficit unless it is measured at amortized cost or fair value through net assets/ equity unless an entity has made irrevocable election at initial recognition for particular investments in equity instruments.

Subsequent measurement

Based on the business model and the cash flow characteristics, the entity classifies its financial assets into amortized cost or fair value categories for financial instruments. Movements in fair value are presented in either surplus or deficit or through net assets/ equity subject to certain criteria being met

Amortized cost

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest, and that are not designated at fair value through surplus or deficit, are measured at amortized cost. A gain or loss on an instrument that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in profit or loss when the asset is de-recognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair value through net assets/ equity

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through net assets/ equity. Movements in the carrying amount are taken through net assets, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in surplus/deficit. Interest income from these financial assets is included in finance income using the effective interest rate method.

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.

Fair value through surplus or deficit

Financial assets that do not meet the criteria for amortized cost or fair value through net assets/ equity are measured at fair value through surplus or deficit. A business model where the entity manages financial assets with the objective of realizing cash flows through solely the sale of the assets would result in a fair value through surplus or deficit model.

Impairment

The entity assesses, on a forward-looking basis, the expected credit loss ('ECL') associated with its financial assets carried at amortized cost and fair value through net assets/equity. The entity recognizes a loss allowance for such losses at each reporting date. Critical estimates and significant judgments made by management in determining the expected credit loss (ECL) and there was no financial assets impairment in the period.

b) Financial liabilities

Classification

The entity classifies its liabilities as subsequently measured at amortized cost except for financial liabilities measured through profit or loss.

k) 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:

- i. Raw materials: purchase cost using the weighted average cost method.
- ii. 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 of 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 of cost and 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.

l) Provisions

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

m) Social Benefits

Social benefits are cash transfers provided to

- i) specific individuals and / or households that meet the eligibility criteria,
- ii) mitigate the effects of social risks and
- iii) Address the need of society as a whole.

MTRH recognises a social benefit as an expense for the social benefit scheme at the same time that it recognises a liability. The liability for the social benefit scheme is measured at the best estimate of the cost (the social benefit payments) that the entity will incur in fulfilling the present obligations represented by the liability.

n) Contingent liabilities

MTRH does not recognize a contingent liability but discloses details of any contingencies in the notes to the financial statements, unless the possibility of an outflow of resources embodying economic benefits or service potential is remote.

MTRH have pending legal cases in court which their outcome is not known and this might result to cash outflow depending on the ruling by the court.

o) Contingent assets

Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

Disclosure is hereby made for Contingent Assets of the Kshs. 76,703,654 being Outstanding Staff Training Service Bond as at the end of the period.

Kshs 2,900,000 realised during the period under review has been acknowledged and reported in the statement of financial performance.

p) Nature and purpose of reserves

MTRH creates and maintains reserves in terms of specific requirements. MTRH does not have any reserves as at the end of the period.

q) Changes in accounting policies and estimates

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

r) Employee benefits

Retirement benefit plans

MTRH provides retirement benefits for its employees and directors. Defined contribution plans are post-employment benefit plans under which an MTRH pays fixed contributions into MTRH Pension Scheme and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The contributions to fund obligations for the payment of retirement benefits are charged against income in the year in which they become payable. Defined benefit plans are post-employment benefit plans other than defined-contribution plans. The defined benefit funds are actuarially valued tri-annually on the projected unit credit method basis. Deficits identified are recovered through lump sum payments or increased future contributions on proportional basis to all participating employers. The contributions and lump sum payments reduce the post-employment benefit obligation.

s) Foreign currency transactions

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction. Trade creditors or debtors denominated in foreign currency are reported at the statement of financial position reporting date by applying the exchange rate on that date. Exchange differences arising from the settlement of creditors, or from the reporting of creditors at rates different from those at which they were initially recorded during the period, are recognized as income or expenses in the period in which they arise.

t) Borrowing costs

Borrowing costs are capitalized against qualifying assets as part of property, plant and equipment. Such borrowing costs are capitalized over the period during which the asset is being acquired or constructed and borrowings have been incurred. Capitalization ceases when construction of the asset is complete. Further borrowing costs are charged to the statement of financial performance.

u) Related parties

MTRH regards a related party as a person or an Entity with the ability to exert control individually or jointly, or to exercise significant influence over the Entity, or vice versa. Members of key management are regarded as related parties and comprise the Board of directors, the CEO, Heads of Directorates and senior managers.

v) Service concession arrangements

MTRH analyses all aspects of service concession arrangements that it enters in determining the appropriate accounting treatment and disclosure requirements. In particular, where a private party contributes an asset to the arrangement, the MTRH recognizes that asset when, and only when, it controls or regulates the services the operator must provide together with the asset, to whom it must provide them, and at what price. In the case of assets other than 'whole-of-life' assets, it controls, through ownership, beneficial entitlement or otherwise – any significant residual interest in the asset at the end of the arrangement. Any assets so recognized are measured at their fair value. To the extent that an asset

has been recognized, MTRH also recognizes a corresponding liability, adjusted by a cash consideration paid or received.

w) 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.

x) Comparative figures

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

y) 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 MTRH 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. State all judgements, estimates and assumptions made:

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 MTRH 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 MTRH. Such changes are reflected in the assumptions when they occur. IPSAS 1.140

Useful lives and residual value

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

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

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions is included in Note 26. Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the reporting date and are discounted to present value where the effect is material.

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6. Revenue

a) Transfers from Other Government Entities

Description	2024-2025	2023-2024
	Kshs	Kshs
Unconditional Grants		
Operational Grant	8,162,141,500	9,189,000,000
Other Grants	-	-
Total Unconditional Grants	8,162,141,500	9,189,000,000

b. Transfers from Ministries, Departments and Agencies (MDAs)

Name of the Entity sending the grant	Amount recognized to Statement of Financial performance	Amount deferred under deferred income	Amount recognised in capital fund.	Total Grant Income during the year	Total transfers 2024/2025	Prior year 2023/2024
	KShs	KShs	KShs	KShs	KShs	KShs
Ministry of Health	8,162,141,500	-	51,000,000	8,162,141,500	8,213,141,500	9,719,500,000
Ministry of Health (Donation)	-	-	-	-	-	-
Total	8,162,141,500	-	51,000,000	8,162,141,500	8,213,141,500	9,719,500,000

All the recurrent grants for the year ending 30 June 2025 was received except grants for the month of June received in July 2024

7. Sale of Goods and Services

Description	2024-2025	2023-2024
	Kshs	Kshs
Sale of goods		
Cost Sharing Income	4,774,834,828	4,146,809,794
College Students Fees	61,692,685	64,961,495
Mortuary Fees	-	-
Total revenue from the sale of goods	4,836,527,513	4,211,771,289

Note the Mortuary fees in the period ending 30th June 2024 was reported under cost sharing income.

8. Rental Revenue from Facilities and Equipment

Description	2024-2025	2023-2024
	Kshs	Kshs
Staff houses	14,095,088	15,848,952
Total rentals	14,095,088	15,848,952

9. Other Income

Description	2024-2025	2023-2024
	Kshs	Kshs
Group Insurance Refunds Received	18,727,797	34,517,873

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Description	2024-2025	2023-2024
	Kshs	Kshs
Surcharge	182,200	696,933
Salary Recovery	4,151,343	4,832,373
Administrative fees	6,771,278	6,485,101
Service Bond	2,900,000	2,500,000
Attachment Fees	1,245,084	-
Service Charge	15,138,556	-
Total other income	49,116,258	49,032,280

10. Use of Goods and Services

Description	2024-2025	2023-2024
	Kshs	Kshs
Consumables Goods	1,682,349,661	1,765,337,918
Transport Operating Expenses	4,090,364	5,312,782
Patient Travelling Expenses	103,200	1,294,982
Advertising and Publicity	4,008,927	7,014,272
Staff Development	18,243,843	48,904,509
Continuous Professional Development	-	90,600
Travelling and Accommodation	55,617,189	64,317,388
External Travelling	4,138,289	5,851,021
Centre for Assault Recovery of Eldoret	195,150	556,350
Comprehensive Group Personal accident cover	13,151,756	13,151,756
Comprehensive Group Life Insurance Cover	16,627,484	26,496,017
Comprehensive Staff Medical Scheme	252,124,562	312,876,732
Scheme Loss on NHIF/SHA Standard Rebate	256,319,910	-
ISO Secretariat	8,666,863	1,640,802
Issue Based Committees	531,200	1,823,372
Occupational Health and Safety	4,367,995	5,379,743
Medical Officers Post Graduate Training	16,771,989	29,692,175
Cleansing Materials	58,616,031	74,429,557
Stationery	17,868,614	23,599,649
Telephone Expenses	13,687,089	13,994,753
Universal Health Coverage(UHC)Outreach	147,500	9,969,800
Electricity	140,353,233	139,087,548
Medical Records and Accountable Documents	-	2,540,513
Water and Conservancy	68,016,373	44,018,123
Computerization	7,049,389	9,584,252
Internet Expenses	6,699,251	1,013,376
Postal and Telegram	899,757	651,919
Library Services	3,472,187	2,959,318
Doctors Fees	243,558,025	237,124,312
Patient Refunds/ Deposit Refunds	6,580,474	10,289,673
Group Insurance Refunds Payments	27,327,923	34,130,985

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Description	2024-2025	2023-2024
	Kshs	Kshs
Course Admin & Subscription Fee	9,112,418	12,854,683
Rent and Rates	1,024,802	632,080
Staff Uniforms and protective gear	3,379,550	6,056,340
Hospital Linen	-	623,980
Patients Uniforms	4,690,000	2,262,300
Health Research and Innovation	353,200	4,363,984
Motor Vehicle Insurance Expenses	1,836,871	2,403,842
Bank Charges	2,188,170	4,671,233
Total	2,954,169,238	2,927,002,637

11. Employee Costs

Description	2024-2025	2023-2024
	Kshs	Kshs
Basic Pay	4,677,714,483	4,490,778,864
House Allowance	825,747,800	797,167,651
Call Allowance	203,596,533	202,814,400
Risk Allowance	174,321,333	171,980,601
Private Wing Executive Committee	11,071,317	11,125,223
Private Wing Administrative Committee	959,996	965,715
Training Centre Allowance	18,723,227	19,098,674
RCO Call Allowance	17,834,333	18,120,000
Health Workers Service Allowance	314,288,833	317,685,084
Non Practice Allowance	125,589,267	124,784,867
Extraneous Allowance	951,622,499	930,360,367
Mortuary Allowance	26,944,981	17,723,535
Locum Allowance	20,200,700	20,666,252
Uniform Allowance	23,623,750	22,088,669
Meal Allowance	3,756,330	12,265,500
Responsibility Allowance	46,510,667	50,424,667
Registrars Stipend Covid-19	2,571,429	3,071,429
Doctors Equipment Allowance	2,535,000	-
Entertainment Allowance	4,245,433	4,669,297
Acting Allowance	4,476,479	4,047,276
Telephone Allowance	111,000	144,000
Special Duty Allowance	9,557,714	16,573,500
Medical Board Allowance	-	380,000
Remunerative Allowance	480,000	402,000
Commuter Allowance	303,635,232	295,888,401
Amenity Allowance	28,817,504	28,263,009
Memorial Allowance	78,826,753	65,807,005
Salary Arrears	81,529,216	6,824,525
Housing Levy	132,239,094	115,767,187
Nursing Service Allowances	342,650,000	320,383,000
Annual Leave Allowance	227,451,712	219,851,681
NSSF company	19,081,980	16,438,680
Pension Company	628,936,829	603,870,847

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Description	2024-2025	2023-2024
	Kshs	Kshs
NITA	2,199,100	2,202,900
Gratuity	29,547,583	17,553,483
Casual wages	6,566,744	9,754,819
Total	9,347,964,850	8,939,943,106

12. Board Expenses

Description	2024-2025	2023-2024
	Kshs	Kshs
Chairman Honoraria	960,000	960,000
Telephone Allowances	84,000	84,000
Sitting allowances	3,440,000	5,060,000
Travel and Accommodation and Taxi/Mileage/Air Ticket	4,577,886	7,964,926
Airtime		709,800
Total	9,061,886	14,778,726

13. Depreciation and Amortization Expense

Description	2024-2025	2023-2024
	Kshs	Kshs
Property, plant and equipment	358,457,327	356,154,850
Total depreciation and amortization	358,457,327	356,154,850

14. Repairs and Maintenance

Description	2024-2025	2023-2024
	Kshs	Kshs
Maintenance of Plant and Buildings	44,583,196	45,052,525
Maintenance of Biomedical Equipment	60,408,587	31,517,135
Total repairs and maintenance	104,991,783	76,569,660

15. Contracted Services

Description	2024-2025	2023-2024
	Kshs	Kshs
Contracted Professional Services and Legal Fees	21,700,614	22,642,148
Total contracted services	21,700,614	22,642,148

16. Grants and Subsidies

Description	2024-2025	2023-2024
	Kshs	Kshs
Social development	2,161,438	3,558,616
Total grants and subsidies	2,161,438	3,558,616

17. (a) Reconciliation for Impairment Allowance on Receivables from Exchange Transactions

Impairment Allowance/ Provision	2024-2025	2023-2024
	KShs	KShs
At the beginning of the year	1,851,617,772	1,046,085,245
Additional provisions during the year	192,313,792	805,532,527
At the end of the year	2,043,931,564	1,851,617,772

(b) Reconciliation for Impairment Allowance on Receivables from Non-Exchange Transactions

Impairment Allowance/ Provision	2024-2025	2023-2024
	KShs	KShs
At the beginning of the year	444,609,989	444,609,989
Additional provisions during the year	-	-
At the end of the year	444,609,989	444,609,989

18. Provision for Audit Fees

Description	2024-2025	2023-2024
	Kshs	Kshs
Trade and Other Payables	1,160,000	1,160,000
Total	1,160,000	1,160,000

19. Gain on Sale of Assets

Description	2024-2025	2023-2024
	Kshs	Kshs
Gain on Sale of Assets	-	799,974
Total grants and subsidies	-	799,974

20. Taxation

Description	2024-2025	2023-2024
	Kshs	Kshs
Tax charged on rental income	-	10,381,013
Tax charged on interest income	-	31,499,226
Total	-	41,880,239

21. (a) Cash and Cash Equivalents

Description	2024-2025	2023-2024
	Kshs	Kshs
Current account	115,785,141	179,994,017
Cash in Hand	224,240	249,064
Mpesa Utility Accounts	1,364,287	432,195
Total cash and cash equivalents	117,373,668	180,675,276

(b). Detailed Analysis of the Cash and Cash Equivalents

Description	Account number	2024-2025	2023-2024
		Kshs	Kshs
Current account			
MTRH Mortuary Services	1103031457	8,497,471	3,583,921
Moi Teaching and Referral Hospital (Private Wing Account)	1103464396	55,391,021	2,324,046
Moi Teaching and Referral Hospital (Main Account)	1103464329	19,930,106	16,727,517
MTRH Training Centre	1151682268	31,966,543	157,358,533
Sub- total		115,785,141	179,994,017
Cash in hand			
MTRH Mortuary Services		-	-
Moi Teaching and Referral Hospital (Private Wing Account)		-	-
Moi Teaching and Referral Hospital (Main Account)		-	-
MTRH Training Centre		-	-
Petty cash		224,240	249,064
Sub- total		224,240	249,064
Mobile money accounts			
Mpesa Collection Account	175599	-	-
M-pesa Utility/ Bulk Payment Account	951253	1,364,287	432,195
Sub- total		1,364,287	432,195
Grand total		117,373,668	180,675,276

22. (a) Current Receivables from Exchange Transactions

Description	2024-2025	2023-2024
	Kshs	Kshs
Institutions		
NHIF	2,713,697,874	2,673,987,767
SHIF/SHA	1,197,745,454	-
E-CITIZEN	5,245,826	16,844,700
Corporate Clients	415,254,963	255,400,028
AMPATH	80,754,691	80,371,100
Sub Totals	4,412,698,808	3,026,603,595
Individuals		
Individual Clients	1,761,849,620	1,599,403,838
Student Fees (MTRH College of Health Sciences)	14,528,710	12,014,146
Staff Guarantors	2,088,298	1,401,838
Salary advance	2,836,530	3,630,506
Imprests	6,072,490	24,250,837
TAX Arrears - PAYE on Doctors Fees	72,626,973	78,593,352
Farewell Home	7,065,804	5,306,104
Rent	13,090,964	10,357,200
Prepayments	238,404,940	36,257,363

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Description	2024-2025	2023-2024
	Kshs	Kshs
Legal Deposit	1,503,380	1,503,380
Proposed for write-off	522,046,162	522,046,162
Sub Total	2,642,113,873	2,294,764,725
Grand Total	7,054,812,681	5,321,368,320
Less; Accumulated provision	2,043,931,564	1,851,617,772
Net Debtors	5,010,881,116	3,469,750,548

(b) Receivables from Non-Exchange Transactions

Description	2024-2025	2023-2024
	KShs	KShs
MOH Grant	1,092,455,114	1,191,193,324
Total current receivables	-	-
Less; Accumulated provision	444,609,989	444,609,989
Net Debtors	647,845,125	746,583,335

23. Inventories

Description	2024-2025	2023-2024
	Kshs	Kshs
Drugs	170,255,175	130,371,651
Dressings and Theatre Supplies	140,775,980	225,861,690
Lab Reagents	9,599,656	4,307,480
X-Ray Supplies	546,630	2,245,720
Food and Ration	1,288,352	4,594,308
Hospital Linen /Cleansing Materials	7,585,986	4,143,012
Maintenance Materials	7,213,248	3,024,431
Operational and Maintenance Stores	-	6,956,849
Stationery	1,092,597	2,332,956
Inventory	7,065,877	-
Total inventories at the lower of cost and net realizable value	345,423,499	- 383,838,097

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**24. PROPERTY PLANT & EQUIPMENT MOVEMENT SCHEDULE
FOR THE PERIOD ENDING 30TH JUNE 2025**

Assets	Land	Buildings	Plant, Equipment's, Furniture & Fittings	Computers, Telephones & TV's	Motor Vehicles	Heavy Earth Moving Machine	Project Cost	TOTAL
Depreciation Rate	0.00%	2.50%	12.50%	30.00%	25.00%	37.50%		
Cost/Valuation	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
As at 1st July 2023	101,577,820	2,128,443,159	3,483,237,543	270,396,973	115,783,145	1,850,000	23,307,434	6,124,596,075
Additions:	-	-	235,119,191	33,058,393	-	-	31,191,058	299,368,642
Disposal					(7,103,700)			(7,103,700)
Donations								-
Revaluation Gain/(Loss)								-
Project Cost Capitalized								-
As at 30th June 2024	101,577,820	2,128,443,159	3,718,356,734	303,455,367	108,679,445	1,850,000	54,498,492	6,416,861,017
Additions:	-	-	79,178,847	46,056,548	-	-	7,552,415	132,787,810
Disposal								-
Donations								-
Revaluation Gain/(Loss)	6,298,422,180	400,190,841						6,698,613,021
Project Cost Capitalized								-
As at 30TH June 2025	6,400,000,000	2,528,634,000	3,797,535,581	349,511,915	108,679,445	1,850,000	62,050,907	13,248,261,848
Depreciation:								
As at 1 st July 2023	-	527,967,875	1,439,884,432	225,590,942	84,008,141	1,567,712	-	2,279,019,102
Revaluation Gain/(Loss)								-
Charge for the period	-	40,011,882	284,809,038	23,359,327	7,868,745	105,858	-	356,154,850
Disposal					(6,803,674)			(6,803,674)
As at 30th June 2024	-	567,979,757	1,724,693,469	248,950,270	85,073,211	1,673,570	-	2,628,370,277
As at 1 st July 2024	-	567,979,757	1,724,693,469	248,950,270	85,073,211	1,673,570	-	2,628,370,277
Revaluation Gain/(Loss)		(567,979,757)						(567,979,757)
Charge for the period	-	63,215,850	259,105,264	30,168,494	5,901,558	66,161	-	358,457,327
Disposal								-
As at 30TH June 2025	-	63,215,850	1,983,798,733	279,118,763	90,974,770	1,739,731	-	2,418,847,848
								-
NBV As at 30TH June 2025	6,400,000,000	2,465,418,150	1,813,736,847	70,393,152	17,704,675	110,269	62,050,907	10,829,414,000
NBV As at 30th June 2024	101,577,820	1,560,463,402	1,993,663,264	54,505,097	23,606,234	176,430	54,498,492	3,788,490,740

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Valuation

Land and buildings were valued by Ministry of Lands Public Works, Housing and Urban Development, State Department of Lands and Physical Planning who are professional valuers from the government in line with the National Assets and Liabilities Management Policy and Guidelines (issued 30th June 2020). The assets were re-valued by Ministry of Lands Public Works, Housing and Urban Development, State Department of Lands and Physical Planning who are professional valuers on this date of 22nd January 2025. These amounts were adopted by the Board on 6,695,863,021 with concurrence from the National Treasury.

Description	Cost	Revaluation Surplus	Total	Accumulated Depreciation	NBV
	Kshs	Kshs	Kshs	Kshs	Kshs
Land	101,577,820	6,298,422,180	6,400,000,000	-	6,400,000,000
Buildings	2,128,443,159	400,190,841	2,528,634,000	63,215,850	2,465,418,150
Total	2,230,020,979	6,698,613,021	8,928,634,000	63,215,850	8,865,418,150

(b) Property, Plant and Equipment at Cost

If the freehold land, buildings and other assets were stated on the historical cost basis the amounts would be as follows:

Description	Cost	Accumulated Depreciation	NBV
	Kshs	Kshs	Kshs
Land	6,400,000,000	-	6,400,000,000
Buildings	2,528,634,000	63,215,850	2,465,418,150
Plant, Equipment and office Equipment	3,797,535,581	1,983,798,733	1,813,736,847
Motor Vehicles, Including Motorcycles	108,679,445	90,974,770	17,704,675
Computers And Related Equipment	349,511,915	279,118,763	70,393,152
Heavy Earth Moving Machines	1,850,000	1,739,731	110,269
Total	13,186,210,941	2,418,847,848	10,767,363,093

MTRH did not have any assets which are fully depreciated since it apply reducing balance method / model in depreciating its Property plant and Equipment.

25. Trade and Other Payables

Trade and Other Payables	2024-2025	2023-2024
Description	Kshs	Kshs
Trade payables	1,493,646,247	1,483,252,232
Audit Fees	1,160,000	1,160,000
Medical Deposits	20,000,000	20,000,000
Total trade and other payables	1,514,806,247	1,504,412,232

26. Refundable Deposits and Prepayments from Customers

Description	2024-2025		2023-2024
	Kshs		Kshs
Prepayments	4,107,708		7,100,427
Total deposits	4,107,708	-	7,100,427

27. Employee Benefit Obligations

Description	Defined benefit plan	Post-employment medical benefits	Other Benefits	2024-2025	2023-2024
	KShs	KShs	KShs	KShs	KShs
Current benefit obligation	1,478,258,212	-	969,478,096	2,447,736,307	1,451,972,912
Non-current benefit obligation	-	-	-	-	-
Total employee benefits obligation	1,478,258,212	-	969,478,096	2,447,736,307	1,451,972,912

28. Long Term Loans

Description	2024-2025		2023-2024
	KShs		KShs
NHIF Loan	120,843,506		129,900,997
Total	120,843,506		129,900,997

Ageing analysis: (Trade and other payables)

Time	2024-2025	% of the Total	2023-2024	% of the Total
			FY	
Under one year	1,498,913,954	38%	1,483,252,232	50%
1-2 years	20,000,000	1%		0%
2-3 years	1,478,258,212	37%		0%
Over 3 years	1,090,321,602	28%		0%
Total (tie to above total)	4,087,493,768		1,483,252,232	

Retirement benefit Asset/ Liability

Moi Teaching and Referral Hospital does not operate a defined benefit scheme for all full-time employees but contributes to the statutory National Social Security Fund (NSSF). This is a defined contribution scheme registered under the National Social Security Act. The Entity's obligation under the scheme is limited to specific contributions legislated from time to time and is currently at Kshs. 840 per employee per month. Other than NSSF the Entity also has a defined contribution scheme operated by MTRH Pension Scheme. Employees contribute 7% while employers contribute 14% of basic salary. Employer contributions are recognised as expenses in the statement of financial performance within the period they are incurred.

29. Cash Generated from Operations

Description	2024-2025		2023-2024
	Kshs		Kshs
Surplus for the year before tax	69,824,432		277,229,987

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Adjusted for:		
Depreciation	358,457,327	356,154,850
Non-cash grants received		
Contributed assets		
Impairment		
Gains and losses on disposal of assets		(799,974)
Contribution to provisions		
Contribution to impairment allowance		
Finance income		
Finance cost		
Working Capital adjustments	358,457,327	355,354,875
Increase in inventory	38,489,597	66,383,410
Change in Current Receivables from Exchange Transactions	(1,541,130,568)	(706,020,632)
Change in Current Receivables from Non- Exchange Transactions	98,738,210	(78,416,669)
NHIF Loan Prepayments (Assets)	-	-
NHIF Loan (Liability)	(9,057,491)	(36,229,963)
Increase in payables	10,394,015	(156,956,977)
Employee Benefit Obligations	995,763,396	3,546,510
Increase in payments received in advance	(2,992,719)	4,044,680
KCB Finance Lease	-	0
Sub Totals	(409,795,560)	(903,649,641)
Net cash flow from operating activities	18,486,199	(271,064,778)

30. Financial Risk Management

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

i) Credit risk

MTRH has exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Credit risk arises from cash and cash equivalents, and deposits with banks, as well as trade and other receivables and available-for-sale financial investments. Management assesses the credit quality of each customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external assessment in accordance with limits set by the directors. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by the MTRH management based on prior experience and their assessment of the current economic environment.

Financial Risk management

The carrying amount of financial assets recorded in the financial statements representing the MTRH maximum exposure to credit risk without taking account of the value of any collateral obtained is made up as follows:

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	Total amount	Fully performing	Past due	Impaired
	Kshs	Kshs	Kshs	Kshs
As at 30th June 2025				
Receivables from exchange transactions	5,321,368,320	3,469,750,548	3,469,750,548	1,851,617,772
Receivables from non exchange transactions	-	746,583,335	-	444,609,989
Bank balances	179,994,017	179,994,017	-	-
Total	5,501,362,337	4,396,327,899	3,469,750,548	2,296,227,761
As at 30th June 2024				
Receivables from exchange transactions	7,054,812,681	5,010,881,116	5,010,881,116	2,043,931,564
Receivables from non exchange transactions	1,092,455,114	-	-	444,609,989
Bank balances	115,785,141	115,785,141	-	-
Total	8,263,052,935	5,126,666,257	5,010,881,116	2,488,541,553

ii) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the MTRH directors, who have built an appropriate liquidity risk management framework for the management of the MTRH short, medium and long-term funding and liquidity management requirements. The MTRH manages liquidity risk through continuous monitoring of forecasts and actual cash flows. The table below represents cash flows payable by the MTRH under non-derivative financial liabilities by their remaining contractual maturities at the reporting date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
As at 30th June 2025				
Trade payables	-	1,514,806,247	-	1,514,806,247
Prepaid Fees	-	4,107,708	-	4,107,708
NHIF Loan	-	120,843,506	-	120,843,506
Employee benefit obligation	-	2,447,736,307	-	2,447,736,307
Total	-	4,087,493,768	-	4,087,493,768
As at 30th June 2024				
Trade payables	-	1,504,412,232	-	1,504,412,232
Prepaid Fees	-	7,100,427	-	7,100,427
NHIF Loan	-	129,900,997	-	129,900,997
Employee benefit obligation	-	1,451,972,912	-	1,451,972,912
Total	-	3,093,386,567	-	3,093,386,567

iii) Market risk

MTRH has put in place an internal audit function to assist it in assessing the risk faced by the MTRH on an ongoing basis, evaluate and test the design and effectiveness of its internal accounting and operational controls. Market risk is the risk arising from changes in market prices, such as interest rate, equity prices and foreign exchange rates which will affect the MTRH income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Overall responsibility for managing market risk rests with the Audit and Risk Management Committee. The MTRH Finance Department is responsible for the development of detailed risk management policies (subject to review and approval by Audit and Risk Management Committee) and for the day-to-day implementation of those policies. There has been no change to the MTRH exposure to market risks or the way it manages and measures the risk.

a) Foreign currency risk

MTRH has no transactional currency exposures. Such exposure arises through purchases of goods and services that are done in currencies other than the local currency. Invoices denominated in foreign currencies are paid after 30 days from the date of the invoice and conversion at the time of payment is done using the prevailing exchange rate. The MTRH manages foreign exchange risk from future commercial transactions and recognised assets and liabilities by projecting for expected sales proceeds and matching the same with expected payments.

iv) Capital Risk Management

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

Description	2024-2025	2023-2024
	Kshs	Kshs
Retained earnings	(23,041,778)	(117,070,475)
Capital reserve	5,644,021,906	5,593,021,906
Total funds	5,620,980,128	5,475,951,431
Total borrowings	-	-
Less: cash and bank balances	117,373,668	180,675,276
Net debt/(excess cash and cash equivalents)	5,503,606,460	5,295,276,155
Gearing	98%	97%

31. Related Party Disclosures

Nature of related party relationships

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

Government of Kenya

The Government of Kenya is the principal shareholder of MTRH, holding 100% of MTRH equity interest. The Government of Kenya has provided full guarantees to all long-term lenders of the MTRH, both domestic and external.

Other related parties include:

Ministry of Health, National Health Insurance Fund, County Governments, Moi University, AMPATH, Indiana University, Key management, Board of directors;

Transactions with related parties	2024-2025	2023-2024
b) Grants /Transfers from the Government	Kshs	Kshs
Grants from National Government	8,162,141,500	9,189,000,000
Donations in kind	-	-
Capital Grant	51,000,000	530,500,000
Total	8,213,141,500	9,719,500,000

32. Contingent Assets and Contingent Liabilities

Contingent Assets

MTRH support staff to attend training and the staff commit to offered service to MTRH for a number of years failure to which they will pay amount to MTRH.

Contingent Liabilities

MTRH received deposit from insurance companies during signing of Service Level Agreement for the provision of medical services to clients under the cover. This deposit is used to edge against default of payment for the services offered and is refundable upon expiry of Service Level Agreement.

33. Capital Commitments

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

34. Events after the Reporting Period

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

35. Ultimate And Holding Entity

MTRH is a State Corporation under the Ministry of Health. Its ultimate parent is the Government of Kenya.

36. Currency

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

APPENDICES

APPENDIX 1: PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

Basis for Qualified Opinion

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe
1	Variance in Transfers from the Ministry of Health	Management acknowledge the audit finding on transfer and the amount reported in the Financial statement is based on actual request and actual amount received in the Hospital.	resolved	30 th June 2026
2	Variance in Mortuary Fees	Management acknowledge the audit finding and wish to clarify that the variance of Kshs. 24,397,871 between the ledgers maintained at Mortuary Services Unit and the supporting schedules is as a result of classification of revenue within the new ERP system. It is important to note that all the revenue at variance was collected, although reported under Cost Sharing Income category. Management wish to further clarify that this happened during the initial stages of roll out of the ERP system. The reported amounts are accurate and no money was lost.	resolved	30 th June 2026
3	Unsupported Property, Plant and Equipment Balance	Previous efforts in the year 2018 to have the Hospital land revalue by a Professional Valuer was not successful due to high cost of valuation fees amidst budgetary constraints and Management pursue this through Government Valuers at the Ministry of Lands. land held by Moi Teaching and Referral Hospital including Location, size of land and terms under which each land is held. Eldoret Municipality Block 7/308, Eldoret Municipality Block 7/125 and Municipality Block 7/126 Measuring 29.67, 3.675 and 1.325 all leasedhold and Located in Eldoret Uasin Gishu County, Nandi Road	resolved	30 th June 2026

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe
		Land earmarked for the construction of the proposed new Multi-Specialty Moi Teaching and Referral Hospital (MTRH) is disclosed in Part 4 (e) of The Notes to The Financial Statements; MTRH maintains a comprehensive asset register, and currently working towards improving it through automation of its management in the new ERP system.		
4	Unconfirmed National Hospital Fund Loan Balance	Management acknowledge the finding on NHIF loan and wish to clarify that MTRH and NHIF signed the contract in the month of December 2023 and the current loan balance in the books of the two institutions are in agreement.	resolved	30 th June 2026
5	Non-Recoverability Receivables from Exchange Transactions - Individual Clients' Receivables	Management has put in place stringent measures through the Credit Control and Evaluation Committee to evaluate credit requests and recommend appropriately. However, some patients are too poor and have no security to leave. Those who leave securities including Motor Vehicle Logbooks and Title Deeds do it in good faith as a promissory note that they will return and pay the debt. As a public entity providing healthcare which is a right to every Kenya as provided for in the Bill of Rights of the Constitution of Kenya 2010, MTRH does not have the mandate to sell patient property to recover the debt.	resolved	30 th June 2026
6	Unsupported Impairment Allowances on Receivables- Policy on the provision for doubtful debts	MTRH uses the guidelines as per IFRS 16 which allows the management to assess the collectability of accounts receivables and provide for doubtful debts.	resolved	30 th June 2026
7	Variations in Acting Allowances Expenditure	Eleven (11) Management Positions have been substantially filled following competitive recruitment process which were	resolved	30 th June 2026

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe
		<p>initially non responsive and the other positions were the process took over a month to conclude due to the requirement of authentication before reporting on appointment and the requirement of chapter six.</p> <p>The last 32 cases were short acting of 30 days for holding brief in the Directorates or Departments were the incumbent Directors or Heads of Departments were on annual leave</p>		

Emphasis of Matter

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe
1	Financial Performance of the Hospital	Financial performance of the Hospital resulted from under funding by Government of the Recurrent Grant used to meet staff salaries and emoluments. Management submitted request for additional funds through Supplementary Estimates II of FY 2022/2023 and although it was allocated Kshs. 400 million to bridge the funding gap. It is anticipated however that the performance in FY 2023/2024 will reflect improved revenue reserves as the Grant allocation for Personnel Emoluments is adequate to cover the personnel costs.	resolved	30 th June 2026
2	Budgetary Control and Performance	Management adhered to the approved budget with vote reallocation/ virement approved by the Board as indicated in the resolution of the 79th Full Board meeting. All vote lines for operational expenses were within the approved budget and non exceeded by 10%. Employee Costs had over-	resolved	30 th June 2026

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe
		expenditure due to underfunding of Personnel Emoluments. Although MTRH was allocated additional through Supplementary Estimates II of FY 2022/2023, the same was not disbursed by the Exchequer.		

Others matters

Unresolved Prior Year Matters

Report on Lawfulness and Effective use of Public Resources

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe
1	Irregular Purchase of Oxygen	MTRH Management advertised a framework tender for the Supply and Delivery of Medical Gases and Related Accessories for the financial year 2020-2022 on 14th July 2020. The resulting contracts were to subsist for two years. Guided by the provision of section 136 of the Public Procurement and Asset Disposal Act 2015, M/s Noble Gasses International Ltd who was the first alternative tenderer was awarded the contract on a need basis. MTRH had indeed acquired an oxygen-generating plant, and services of M/s Noble Gases International Limited were sought when MTRH's plant was undergoing maintenance.	resolved	Waiting for OAG concurrence
2	Irregular Use of Low Value Procurement Method	MTRH entered into several framework contracts with suppliers for the supply and delivery of assorted Lab Reagents, Food, Fuel & Gas, and Cafeteria Supplies. Further, for purposes of complying with Government directives, MTRH Management is required to source	resolved	Waiting for OAG concurrence

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe
		<p>pharmaceuticals from the Kenya Medical Supplies Authority (KEMSA) and there are categories of foodstuff that must be procured from either the National Cereals & Produce Board or Kenya National Trading Corporation for purposes of promoting Buy - Kenya – Build Kenya.</p> <p>MTRH Management occasionally encounters situations where contracted suppliers are not able to honor their contractual obligations. Taking into consideration that the above-listed product portfolios are geared towards enhancing MTRH service provision towards patient care, the Management is compelled to use low-value procurement to bridge the gap.</p> <p>Section 93(1) of the Public Procurement and Asset Disposal Regulations (2020) provides that “where the accounting officer finds it necessary to use low-value procurement method, that accounting officer may only delegate that function to the head of the procurement function to procure the goods, works or services from a reputable outlet or provider through direct shopping or using credit cards or direct funds transfer to that outlet”. The threshold under low-value procurement for goods is Kshs. 50,000/- per item per financial year.</p>		
3	Irregular Payment for Services in Advance	<p>That acquisition of accommodation for MTRH Board members was competitively done using the request for quotation procurement method. Four hotels were invited to participate in this procurement proceeding and only three responded</p> <p>The hotel communicated at the eleventh hour that they were</p>	resolved	Waiting for OAG concurrence

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe
		not able to accommodate the entire team and committed to accommodating 5 members at different the second hotel demanded payment before members checked in and this informed imprest.		
4	Irregular Payment of Subsistence Allowances	Management acknowledge finding on payment of subsistence allowances and wish to clarify that the allowances was paid in accordance with the provisions of the MTRH Human Resource Policy and Procedures Manual, 2018.	resolved	Waiting for OAG concurrence
5	Unremitted Payroll Deductions	MTRH acknowledges finding on pension and wish to clarify Pension Dues is a payroll liability of Unremitted Salary Obligations. The reason for delay in remittance is due to Unremitted Grants 400,000,000 allocated through Supplementary Estimates II of FY 2022/2023. Management is following up with the National treasury & Economic Planning and Ministry of Health for additional allocation to offset this pending payroll liability.	resolved	Waiting for OAG concurrence
6	Irregular Payment of House Allowances	House allowances was approved by SRC through Letter of No Objection to MTRH	resolved	Waiting for OAG concurrence
7	Non-Compliance with Human Resource Policy on Recruitment of Staff	The recruitment of staff was done as per Human Resource Management Advisory Committee recommendations.	resolved	Waiting for OAG concurrence
8	Non-Compliance with the Law on Ethnic Diversity	MTRH is addressing compliance to One-Third Rule in Staff Establishment as required under Section 7 (1) & (2) of the National Cohesion and Integration Act, 2008 through any new recruitment.	resolved	Waiting for OAG concurrence
9	Unapproved Expenditure f Board of Directors Retreats	Approval by the Ministry of Health to hold Board retreat outside the principal/registered place of business was granted.	resolved	Waiting for OAG concurrence

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe
10	Supply, Delivery, Installation and Commissioning of Medical Equipment	<p>MTRH Management contracted a company under Local Purchase Order number PUR-EX-ORD-2022-00265 to supply 200 pieces of ordinary beds with mattresses and 30 pieces of infusion pumps.</p> <p>Both goods were physically received on 7th October 2022, beds with mattresses being non-complicated goods were inspected and put to use on the same day. The infusion pumps were delivered to the service area to be tested on 9th October 2022 and upon them being confirmed to be good for the purpose on 19th October 2022 they were formally accepted and put on charge.</p> <p>Guided by the provision of section 48(3) (a) of the Public Procurement and Asset Disposal Act 2015, the Inspection and Acceptance Committee is mandated to immediately after delivery of goods to inspect and test the goods received. Beds with mattresses are not complex goods, hence their inspection and commissioning may not require more time than for other complex medical equipment.</p>	resolved	Waiting for OAG concurrence
11	Long Outstanding Salary Advance Receivables	MTRH acknowledge the finding on salary Advance receivables and wish to clarify that the outstanding advances relate to Intern Doctors who exited a long time ago without full clearance. MTRH has followed up through written demands to the concerned officers and their current employers where it is known and is progressing with recovery efforts.	resolved	Waiting for OAG concurrence

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Report on Effectiveness of Internal Controls, Risk Management and Governance

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe:
1	Lack of an Approved Staff Establishment	MTRH has an approved Establishment of 4803 approved by Ministry of Health (MOH) and State Corporation Advisory Committee (SCAC). This is found in the HR Instrument -The Organization Structure, Grading and Staff Establishment for MTRH August, 2018	resolved	Waiting for OAG concurrence
2	Weak Information and Communications Technology (ICT) Controls 2.1 Lack of physical Controls, Contracts and Service Level Agreement	<p>The Hospital has implemented effective physical controls against unauthorized access to the data centre and the CCTV control room. These devices had a fault after the power UPS failed and had to be switched off until the UPS was replaced. The UPS has since been replaced and the biometric access to the data centre has also been setup. The Hospital is in the process of effecting the same access control to the CCTV control room but currently it is manned 24/7 by security personnel who are in charge of the control room. All access to and from all these areas are also manned by CCTV cameras.</p> <p>The contract for provision for internet services which also form part of terms of engagement is available.</p> <p>The implementation of the ERP in the Hospital is a unique innovation in the public sector as the Hospital is perhaps the first public institution to implement an ERP at zero acquisition cost with huge implications on saving costs and improving efficiency. The project was undertaken and is monitored through performance contracts signed between the MOH and the MTRH</p>	resolved	Waiting for OAG concurrence

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		Board/CEO, the CEO and Director Informatics/CIO as well as CIO and Manager ICT and Manager HRIS. All other performance contracts in the Hospital also have the ERP implementation tracking, approved implementation plan for the ERP, there is an ERP project implementation team appointed by the CEO		
	2.2 Lack of Secondary Back Up Site	MTRH has secondary backup at APATH centre	resolved	Waiting for OAG concurrence

DR. PHILIP KIRWA -

CHIEF EXECUTIVE OFFICER

APPENDIX II: PROJECTS IMPLEMENTED BY MTRH

Projects implemented by MTRH Funded by development partners and/ or the Government.

Status of Projects completion

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

APPENDIX III: INTER-ENTITY TRANSFERS

MTRH does not have branches or joint ventures

APPENDIX IV- INTER-ENTITY CONFIRMATION LETTER

Break down of Transfers from the State Department for Medical Services to Moi Teaching and Referral Hospital FY 2024/2025

a. Recurrent Grants

FY 2024/2025			
Bank Statement Date	Receipt number	Amount (KShs)	Financial Year
14/08/2024	REC-24-08161505766525	594,345,125.00	2024-2025
14/08/2024	REC-24-08161504486822	2,500,000.00	2024-2025
16/09/2024	REC-24-09201155424175	594,345,125.00	2024-2025
16/09/2024	REC-24-08161504486822	2,500,000.00	2024-2025
26/09/2024	REC-24-09301535171755	594,345,125.00	2024-2025
26/09/2024	REC-24-09301500262093	2,500,000.00	2024-2025
12/11/2024	REC-24-11131039623005	594,345,125.00	2024-2025
12/11/2024	REC-24-11131044200246	2,500,000.00	2024-2025
13/12/2024	REC-24-12161425232099	594,345,125.00	2024-2025
13/12/2024	REC-24-12161427987148	2,500,000.00	2024-2025
08/01/2025	REC-25-01101316805853	594,345,125.00	2024-2025
08/01/2025	REC-25-01101312272908	2,500,000.00	2024-2025
12/02/2025	REC-25-02121027490258	594,345,125.00	2024-2025
12/02/2025	REC-25-02121031619395	2,500,000.00	2024-2025
17/03/2025	REC-25-03171635024523	594,345,125.00	2024-2025
17/03/2025	REC-25-03171642678190	2,500,000.00	2024-2025
18/03/2025	REC-25-03181133515910	594,345,125.00	2024-2025
18/03/2025	REC-25-03181133515910	2,500,000.00	2024-2025
15/04/2025	REC-25-04151543845022	997,500,000.00	2024-2025
15/04/2025	REC-25-04151546422978	2,500,000.00	2024-2025
12/05/2025	REC-25-05120920026906	594,345,125.00	2024-2025
12/05/2025	REC-25-05120923239465	2,500,000.00	2024-2025
17/06/2025	REC-25-06171155610937	2,500,000.00	2024-2025
17/06/2025	REC-25-06171157359501	594,345,125.00	2024-2025
01/07/2025	REC-25-07021141940767	2,500,000.00	2024-2025
01/07/2025	REC-25-07021144881328	594,345,125.00	2024-2025
Total		8,162,141,500.00	

Bank Statement Date	Receipt number	Amount (KShs)	Financial Year
14/07/2025	REC-25-07141010622210	51,000,000.00	2024-2025
Total		51,000,000	

No cash grant donation was received from any donor.

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Prior Year Receipts			
Bank Statement Date		Amount (KShs)	Financial Year
04/07/2024	REC-24-07041616665944	746,583,333	2023-2024
04/07/2024	REC-24-07041634848106	2,500,000	2023-2024
Total		749,083,333.30	

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

Head of Accounts Department – Ministry of Medical Services:

Name *Nazaren spya* Sign *Nspya* Date *24/11/2025*

Head of Accounts Department – Moi teaching and Referral Hospital:

Name *Matthews K. Borja* Sign *MB* Date