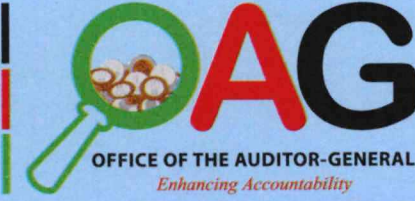


REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL
Enhancing Accountability



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REPORT

OF

THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 18 NOV 2025	DAY. TUESDAY
TABLED BY:	HON. KIMANI KICHUNGWA MOJARIJI LEADER
CLERK-AT THE-TABLE:	INZOFU MWALE HSC

THE AUDITOR-GENERAL

ON

**GLOBAL FUND – TO REDUCE MALARIA
INCIDENCE AND DEATHS BY AT LEAST 75
PERCENT OF THE 2016 LEVELS BY 2023
WORKING TOWARDS A MALARIA – FREE KENYA
KEN-M-TNT NO.2064**

**FOR THE YEAR ENDED
30 JUNE, 2025**

MINISTRY OF HEALTH



**TO REDUCE MALARIA INCIDENCE AND DEATHS BY AT LEAST 75 PERCENT
OF THE 2016 LEVELS BY 2023, WORKING TOWARDS A MALARIA-FREE KENYA**

**STATE DEPARTMENT FOR PUBLIC HEALTH AND PROFESSIONAL STANDARDS-
NATIONAL MALARIA CONTROL PROGRAMME**

PROJECT GRANT NUMBER: KEN-M-TNT-2064

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

JUNE 30, 2025

**Transitional IPSAS Financial Statements/Prepared in accordance with the Accrual Basis of Accounting
Method under the International Public Sector Accounting Standards (IPSAS)**

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1. Acronyms and Definition of Terms

CBK	Central Bank of Kenya
ICPAK	Institute of Certified Public Accountants of Kenya
IMF	International Monetary Fund
IPSAS	International Public Sector Accounting Standards
CT	County Treasury
NT	National Treasury
PFM	Public Finance Management.
PSASB	Public Sector Accounting Standards Board
WB	World Bank
Comparative FY	Financial year preceding the current financial year.
EPR	Epidemic Preparedness and Response
GOK	Government of Kenya
NMCP	National Malaria Control Programme
MOH	Ministry of Health
MPR	Malaria Programme Review
PSM	Procurement and Supply Chain Management
KEMSA	Kenya Medical Supplies Agency

2. Project Information and Overall Performance

2.1 Name and registered office

The project's official name is Global Fund Malaria Control Programme- Ministry of Health KEN-M-TNT-2064.

Objective

The key objective of the project is To reduce malaria incidence and deaths by at least 75% of the 2016 level by 2024.

Address

The project headquarters offices are in Nairobi City, Nairobi County, Kenya. The address of its registered office is

Ministry of Health
P.O. Box 30016 -00100
Afya House, Cathedral Road,
NAIROBI.

The project also has offices/branches as follows:

Malaria Control Programme
Ministry of Health
National Public Health Laboratories grounds
Next to Kenyatta National Hospital

Contacts: The following are the project contacts

P.O. Box: 19982
Telephone: (254) 0720-846127
Website: www.nmcp.or.ke

Project information and overall performance (continued)

2.2 Project Information

Project Start Date:	1 st July, 2021
Project End Date:	30 th June, 2024 (Extended to 31 st Dec, 2024)
Project Coordinator:	Dr Kibor Keitany
Project Development Partner:	Global Fund

2.3 Project Overview

Line Ministry or State departments/ County Department	The project is under the supervision of State Department for Public Health and Professional Standards Health
Project number	KEN-M-TNT-2064
Strategic goals of the project	To reduce malaria incidence and deaths by at least 75% of the 2016 level by 2024.
Summary of Project Strategies for achievement of strategic goals	<p>The project management aims to achieve the goals through the following means:</p> <ul style="list-style-type: none"> (i) Mass net distribution of LLINs to persons in high burden counties coupled to the creation of awareness among communities to utilise the LLINs; (ii) Provision of treatments and diagnostics for patients attending public health facilities and training of health workers to manage malaria appropriately. Health workers in the private sector are also targeted for training and supervision; (iii) Strengthen surveillance of malaria, improve reporting and quality of data; and Advocacy

	communication and social mobilisation to ensure that vulnerable communities take up malaria interventions to prevent and control malaria
Other important background information of the project	The project commenced on 1 st July 2021 for a period of three years up to 30 th June 2024 but extended for six (6) months to 31 st Dec, 2024. This is a performance-based grant and inability to meet targets can impact future funding. The government is required to enhance allocation of counterpart funding which should complement the grant and should be used to implement activities related to program objectives. The funds are received by treasury and are disbursed based on agreed budget and work plan. Oversight for the grant is through the ICCs and the National Oversight Committee.
Areas that the project was formed to intervene	The project was formed to intervene in the following problems/gaps: <ul style="list-style-type: none"> (i) Offer protection to vulnerable communities to prevent malaria; (ii) Procure ACTs and RDTs required to manage the disease, and train health workers on the case management guidelines written as per WHO recommendations; (iii) Increase uptake of malaria interventions; (iv) Improve data collection, accuracy, timeliness and use to influence policy; and (v) Improve project management capacity by hiring additional staff and holding regional planning and review meetings on a regular
Project duration	The project started on 1 st July 2021 to 30 th June 2024. (3 Years) but extended to 31 st Dec, 2024

Project Information and Overall Performance (Continued)

2.4 Bankers

The following are the bankers for the project:

- (i) Cooperative Bank of Kenya
Upper Hill Branch
P.O Box 48231-00100
NAIROBI
- (ii) Kenya commercial bank
NSSF Branch
P.O Box 48400-00100
NAIROBI

2.5 Independent Auditor

The project is audited by
The Auditor-General
Office of the Auditor General
P.O Box 30084- 00100
NAIROBI

2.6 Roles and Responsibilities

No	Names	Title designation	Key qualification	Responsibilities
1	Dr. Kibor Keitany	Head- Division of National Malaria Programme	Medical Officer; Occupational Health Specialist	Provide oversight for the grant; sign off correspondences from the program, correspondence with the global fund and the KCM on this grant.
2	Paul Rumosia	Global Fund Focal point (Focal Point, Partnerships and resource mobilisation)	ICT	Coordination of proposal development, budget reviews, filling up programmatic accounting documents, grant oversight, participation in global fund meetings at MOH and PR-The National Treasury.
3	Faustine Adungo	Finance Officer	Accountant	Financial Oversight, Budget preparation and Budgetary control, Donor and GOK Reporting and Periodic Budget reviews and preparation of financial reports.
4	Francis Oroni	Accountant	Accountant	Preparation of routine and adhoc financial reports.

2.7 Funding summary

The Project is for a duration of 3 years from June 2021 to 2024 with an approved budget of US\$ **34,407,860** equivalent to Kshs. **3,716,048,900** as highlighted in the table below:

Project information and overall performance (continued)

Below is the funding summary:

A. Source of Funds

Source of funds	Donor Commitment		Amount received to date – (30 th June 2025)		Undrawn balance to date	
	USD	Kshs	USD	Kshs	USD.	Kshs
	(A)	(A')			(B)	(B')
(i) Grant						
Global Fund KEN-M-TNT-2064	24,222,675	2,616,048,900	23,966,581	2,875,989,774	256,094	-259,940,874
Counter part funding (GOK)	10,185,185	1,100,000,000	3,247,004	420,000,000	6,938,181	680,000,000
Total	34,407,860	3,716,048,900	27,213,586	3,295,989,774	7,194,274	420,059,126

B. Application of Funds

Application of funds	Amount received to date – (30 th June 2025)		Cumulative amount paid to date – (30 th June 2025)		Unutilised balance to date	
	USD	Kshs	USD	Kshs	USD	Kshs
	(A)	(A')	(B)	(B')	(A)-(B)	(A')-(B')
(i) Grant						
Global Fund KEN-M-TNT- 2064	23,966,581	2,875,989,774	20,814,853	2,692,401,292	3,151,728	183,588,482
Counter part funding (GOK)	3,247,004	420,000,000	3,246,980	419,996,923	24	3,077
Total	27,213,586	3,295,989,774	24,061,834	3,112,398,215	3,151,752	183,591,559

Project information and overall performance (continued)

2.8 Summary of Overall Project Performance:

Budget performance against actual amounts for current year budget is Ksh.1,430,250,000 and actual is Kshs.503,084,795.

- i. Physical progress based on outputs, outcomes and impacts since project commencement

The project has contributed by offering protection to vulnerable communities to prevent malaria. It has procured ACTs and RDTs required to manage the disease, and trained health workers on the case management guidelines written as per WHO recommendations. It has also increased uptake of malaria interventions. It has improved data collection, accuracy, timeliness.

- ii. Value for Money - In terms of value for money, the interventions supported by Global Fund have been of high quality as shown by the assessments done by the Local Fund Agent of the Global Fund (LFA). All the interventions follow international set guidelines. The procurement of medicines and other equipment have met the required standards while trainings undertaken follow an accepted curriculum which has built the confidence of health care workers to deal with Malaria and emerging challenges. The program has also documented prudent use of resources where savings have been realized and put into good use by reallocating to other important activities. The project has also been rated well by the Global Fund.

- iii. The absorption rate for the year 2024-2025 is 42%

- iv. The challenges and recommendations are as listed below;

- Low uptake of interventions;
- Long procurement processes that delay the utilization of funds and therefore affects project funds absorption;
- With the devolved government structure, proper channels for funds flow to the devolved structures have not been established;

Way forward.

- Advocacy communication and social mobilization through mass media and community sensitization efforts are aimed at increasing the uptake of these interventions;
- Procurement planning is important to ensure that lead times do not interfere with grant performance;

- Sensitize the counties on GF and the expectation of the donor on grant management and reporting. This should also be a continuous process even at the ministry level so that all the players involved in the running of the grant understands the crucial expectation and especially on the timelines and implication on the grant performance; and
- There is need for government to allocate resources for malaria control as per GF requirements for counterpart funding.

2.9 Summary of Project Compliance:

- i) The project has been meeting its obligation to supplies and other third parties in the best way possible;
- ii) The project has been compliant by deducting the following statutory returns: PAYE, NSSF, NHIF and Housing Levy.
- iii) Procurements are carried out in compliance with the Public Procurement and Asset Disposal Act 2015.

3. Statement of Performance against Project's Predetermined Objectives

Introduction

Section 81(2)(f) /Section 164 (2)(f) of the Public Finance Management Act, 2012, requires that the Accounting Officer include a statement of the national government entity's performance against predetermined objectives at the end of each financial year.

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

- a) To protect 100 percent of people living in malaria risk areas through access to appropriate malaria preventive interventions by 2024
- b) To manage 100 percent of suspected malaria cases according to the Kenya malaria treatment guidelines by 2024
- c) To establish systems for malaria elimination in targeted counties by 2024
- d) To increase utilisation of appropriate malaria interventions in Kenya to at least 80 percent by 2024
- e) To strengthen malaria surveillance and use of information to improve decision making for programme performance
- f) To provide leadership and management for optimal implementation of malaria interventions at all levels, for the achievement of all objectives by 2024

Progress on the attainment of strategic development objectives

To implement and cascade the above development objectives to specific sectors, all the development objectives were made specific, measurable, achievable, realistic, and time-bound (SMART) and converted into development outcomes. Attendant indicators were identified to track progress and performance measurement.

To Reduce Malaria Incidence And Deaths By At Least 75 Percent Of The 2016 Levels By 2023, Working Towards A Malaria-Free Kenya

Project Grant/Credit Number: KEN-M-TNT-2064.

Annual Report and Financial Statements for the financial year ended June 30, 2025

Below, we provide the progress on attaining the stated objectives:

Project	Objective		Outcome	Indicator	Performance
Global Fund Malaria Grant KEN-M-TNT-2064	Mass LLIN campaign		To protect 100 percent of people living in malaria risk areas through access to appropriate malaria preventive interventions by 2024	Protect household members in malaria risk areas through appropriate malaria preventive interventions	Proportion of households with universal coverage of LLINs in malaria risk areas
Global Fund Malaria Grant KEN-M-TNT-2064	Quality of Care Survey		To manage 100 percent of suspected malaria cases according to the Kenya malaria treatment guidelines by 2024	Ensure adherence to malaria prevention, diagnosis and treatment guidelines	Proportion of suspected malaria cases presenting to public health facilities managed in accordance with the Kenya malaria treatment guidelines
Global Fund Malaria Grant KEN-M-TNT-2064	KMIS/PM LLIN Survey		To increase utilisation of appropriate malaria interventions in Kenya to at least 80 percent by 2024	Advocate for increased utilization of malaria interventions through various channels	Proportion of population that slept under an LLIN the previous night
Global Fund Malaria Grant KEN-M-TNT-2064	Commodity security meetings	To provide leadership and management for optimum implementation of malaria interventions at all levels, for the achievement of all objectives by 2024	Ensure adequate resources as well as coordinate implementation of malaria activities	Proportion of public health facilities having no stock out of key malaria commodities in the facility	66% had malaria medicines in stock. Implement malaria commodity review meetings with stakeholders and come up with mitigation measures to avert stock outs.

4. Environmental and Sustainability Reporting

Malaria Program exists to transform lives. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy. Below is a brief highlight of our activities that drive towards sustainability

1. Sustainability strategy and profile

The Program makes Continuous efforts towards the improvement of efficiency in the utilization of existing resources and advocates for increased sustainable investment in Malaria interventions at National and County Governments. In particular advocacy for increased public funding for Malaria interventions with a view to enhance sustainability is a key concern for the Malaria Program. The programme developed Kenya Malaria strategy 2024 which identifies gaps which are fully costed as a guide for resource mobilization. This enables counties and stakeholders to mobilize resources at that level. UHC is a key pillar in achieving accessible quality health services. The program through, GOK and partners is also investing in health systems to ensure sustainability. The government continues to avail domestic resources to support Malaria commodity procurement including first line medicine and laboratory equipment such as Microscopes. However, most of the program activities are still donor dependant including provision of Long-Lasting Insecticide treated Nets to the community, Malaria Testing Kits (Rapid Diagnostic Test kits) and Indoor Residual Spraying.

2. Environmental performance

The main goal of environmental policy is to regulate resource use or reduce pollution to promote human welfare and protect natural resources. Environmental factors such as bushes and stagnant water around homes, low altitudes and high temperatures favour the breeding of Malaria. The Malaria Program through assistance from various stakeholders has offered indoor Residue Spraying and also distribute Long Lasting Insecticide treated Nets in an effort to prevent Malaria. In taking care of the environment, the program ensures that the chemicals used for Indoor Residue Spraying and those used to treat the nets are user friendly and do not have adverse effects on the users.

3. Employee welfare

The program implements the Public Service commission policies procedures and guideline as provide. During hiring the program applies the *i) Human Resource Policies and Procedures Manual for the Public Service – May 2016* and *ii) Diversity Policy for Public Service - May 2016* to foster, cultivate and preserve a culture of respect for diversity by embracing and encouraging an inclusive workforce in terms of age, colour, minority and marginalized, disability, ethnicity, family or marital status, gender, language, physical and mental ability, race, religion, socio-economic status, and other characteristics that make its human resource unique.

The Program is currently implementing the *i) Human Resource Policies and Procedures Manual for the Public Service – May 2016* *ii) Human Recourse Development Policy for the Public Service where – June 2015*; clear guidelines for efficient, effective and purpose driven management of human resource development in the public service for socio-economic development. Further, it provides for systematic identification and mitigation of performance gaps; and creation of an environment that promotes Private Public Partnerships in training and development, innovativeness and creativity in service delivery. In addition, it provides direction in planning and implementation of capacity building programmes and mechanisms for performance improvement, while ensuring continuous and lifelong learning for public servants. The Policy presents a mechanism for structured training, competency development and assessment; knowledge and talent management; entrenchment of Values and Principles of Public Service, human resource development audit and development of a monitoring, evaluation and reporting framework for human resource development programmes.

Division of National Malaria Control is implementing the *Occupational safety and health policy guidelines for the health sector in Kenya* as developed by the Ministry of Health. The program staff are also provided with a comprehensive medical cover to ensure improved health for higher productivity

4. Marketplace practices-

a) Responsible Supply chain and supplier relations-

National Malaria Control Programme as a government entity is governed by the *Public Procurement and Disposal Act 2015* and *PFM Act 2012*. This act clearly stipulates policies and procedures to follow to ensure fair and competitive selection of suppliers when procuring goods and services to be used in the implementation of the project. Being a performance-based grant, the Malaria program settles all invoices within thirty days to enhance grant absorption.

b) Responsible ethical practices

Management of Malaria Health commodities follows the pharmacy and poisons Act CAP 244 (revised Edition 2015 and other relevant legislation. Procurement of Malaria Health Commodities under special programmes like Global Fund Follows Government rules and

regulations and procurement by other donor Agencies follows the rules and regulations of the relevant organisations

c) Regulatory impact assessment

Interventions and evidence-based, globally recommended and effective towards the reduction of malaria in the country. In addition, the malaria programme goal and objectives are aligned to the health sector, and the constitution of Kenya, 2010, through which the programme aims to ensure reduction of malaria disease burden as part of attaining the highest standard of health. All malaria commodities are regulated by appropriate national bodies, Pest control and products board, pharmacy and poisons Board, Kenya Bureau of Standards.

In conducting malaria control and elimination activities the programme engages stakeholder at national and county-level for ownership, priority setting and partnership in activity implementations.

5. Community Engagements

Every three years the Ministry of Health through the Division of National Malaria Program distributes Long Lasting Insecticide Treated Nets to vulnerable communities with an aim of preventing and controlling Malaria. These nets are provided to the community free of charge. During the distribution process, the involvement of the community including the Village Elders, Community Health Volunteers, Health Workers, Religious institutions and also Chiefs is clearly visible as they get involved in the registration of households to receive the nets and also in the actual distribution of the nets. Also, once every year on the 25th of April the Program Facilitates World Malaria Day during which period the community is highly involved. The role of communities and community-based organizations in Malaria work is however mainly limited to a few tasks in service delivery. Lessons learnt from other public health responses, highlight the importance of community engagement and participation in all aspects of communication, advocacy, planning, implementation and monitoring of programs.

The Principal Secretary for the state department of public Health and Professional Standards and the **Head of Programme** for National Malaria Control Programme are responsible for the preparation and presentation of the Project's financial statements, which give a true and fair view of the state of affairs of the Project for the financial year ended on 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 the project, (iii) Designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statement, and ensuring that they are free from material misstatements, whether due to error or fraud, (iv) safeguarding the assets of the project, (v) Selecting and applying appropriate accounting policies and (v) Making accounting estimates that are reasonable in the circumstances.

The Principal Secretary for the state department of public Health and Professional Standards and the Project Coordinator accept responsibility for the Project's financial statements, which have been prepared on the accrual basis method of financial reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards.

The Principal Secretary for the state department of public Health and Professional Standards and the Project Coordinator are of the opinion that the Project's financial statements give a true and fair view of the state of the Project's transactions during the financial year ended June 30, 2025, and of the Project's financial position as at that date. The Principal Secretary for the state department of public Health and Professional Standards and the Project Coordinator further confirm the completeness of the accounting records maintained for the Project, which have been relied upon in the preparation of the Project financial statements and the adequacy of the systems of internal financial control.

The Principal Secretary/for the state department of public Health and Professional Standards and the Head of Programme confirm that the Project has complied fully with applicable Government Regulations and the terms of external financing covenants and that Project funds received during the financial year under audit were used for the eligible purposes for which they were intended and were properly accounted for.

5. Statement of Project Management Responsibilities

The **Principal Secretary** for the state department of public Health and Professional Standards and the **Head of Programme** for National Malaria Control Programme are responsible for the preparation and presentation of the Project's financial statements, which give a true and fair view of the state of affairs of the Project for the financial year ended on 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 the project, (iii) Designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statement, and ensuring that they are free from material misstatements, whether due to error or fraud, (iv) safeguarding the assets of the project, (v) Selecting and applying appropriate accounting policies and (v) Making accounting estimates that are reasonable in the circumstances.

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The Principal Secretary/for the state department of public Health and Professional Standards and the Project Coordinator confirm that the Project has complied fully with applicable Government Regulations and the terms of external financing covenants and that Project funds received during the financial year under audit were used for the eligible purposes for which they were intended and were properly accounted for.

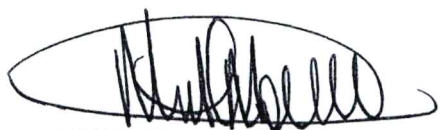
To Reduce Malaria Incidence and Deaths By At Least 75 Percent Of The 2016 Levels By 2023, Working Towards A Malaria-Free Kenya

Project Grant/Credit Number: KEN-M-TNT-2064.

Annual Report and Financial Statements for the financial year ended June 30, 2025

Approval of the Project Financial Statements

The Project financial statements were approved by the Principal Secretary for the State Department of Public Health and Professional Standards and the Head of Programme on 30th August 2025 and signed by:



.....
Mary M. Muriuki, CBS
Principal Secretary



.....
Dr. Kibor Keitany, OGW
Head of Programme

REPUBLIC OF KENYA



Telephone: +254-(20) 3214000
Email: info@oagkenya.go.ke
Website: www.oagkenya.go.ke

HEADQUARTERS
Anniversary Towers
Monrovia Street
P.O Box 30084-00100
NAIROBI

REPORT OF THE AUDITOR-GENERAL ON GLOBAL FUND - TO REDUCE MALARIA INCIDENCE AND DEATHS BY AT LEAST 75 PERCENT OF THE 2016 LEVELS BY 2023 WORKING TOWARDS A MALARIA - FREE KENYA - KEN-M-TNT NO.2064 FOR THE YEAR ENDED 30 JUNE, 2025 - MINISTRY OF HEALTH

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 Global Fund -To Reduce Malaria Incidence and Deaths By at least 75 Percent of the 2016 Levels By 2023, Working

Towards a Malaria Free Kenya-KEN-M-TNT No.2064 set out on pages 1 to 31, which comprise of the statement of financial position as at 30 June, 2025 and the statement of financial performance, statement of net assets, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Global Fund -To Reduce Malaria Incidence and Deaths By at least 75 Percent of the 2016 Levels By 2023, Working Towards a Malaria Free Kenya-KEN-M-TNT No.2064 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 Grant Agreement No. KEN-M-TNT No.2064 dated 14 June, 2021 between the Global Fund and the Republic of Kenya, and the Public Finance Management Act, 2012.

In addition, the special account statement present fairly, transactions for the year, and the closing balance has been reconciled with the books of account.

Basis for Qualified Opinion

1. Variances in Cash and Cash Equivalents

The statement of financial position and as disclosed in Note 17 to the financial statements reflects cash and cash equivalents balance as at 1 July, 2024 of Kshs.156,279,858 while Note 17 to the financial statements reflects a balance of Kshs.180,922,244 resulting to an unexplained variance of Kshs.24,642,386. Further, the statement of financial position in the 2023/2024 audited financial statements reflects bank balance of Kshs.180,922,244 resulting to an unexplained variance of Kshs.24,642,386.

In the circumstances, the accuracy and completeness of cash and cash equivalents balance as at 1 July, 2024 of Kshs.156,279,858 could not be confirmed.

2. Unbalanced Statement of Financial Position

The statement of financial position reflects net assets of Kshs.218,932,614 on the debit side while the total net assets on the credit side was Kshs.156,279,858 resulting to an unexplained variance of Kshs.62,652,756.

In the circumstances, the accuracy and completeness of the statement of financial position could not be confirmed.

3. Omitted Accounts Payables

Note 13 to the 2023/2024 audited financial statements reflects pending bills of Kshs.215,514,030. However, this was omitted in the opening balance of accounts payables as at 1 July, 2024 leading to an unexplained difference of Kshs.215,514,030.

In the circumstances, the accuracy and completeness of Nil accounts payables as at 1 July, 2024 could not be confirmed.

4. Unsupported Accumulated Surplus

The statement of changes in net assets reflects accumulated surplus at 1 July, 2024 of Kshs.156,279,858 after liabilities recognition adjustment of Kshs.87,295,147 which was not supported with a schedule and source documents.

In the circumstances, the accuracy of accumulated surplus as at 1 July, 2024 of Kshs.156,279,858 could not be confirmed.

5. Unsupported Opening Budget Balance Brought Forward

The statement of comparison of budget and actual amounts reflects opening budget balance brought forward of Kshs.156,279,858 which was not supported. Further, the statement of comparison of budget and actual amounts in the 2023/2024 financial year reflected actual receipts of Kshs.1,518,703,608 and actual expenditure of Kshs.1,322,897,418 resulting to unutilized balance of Kshs.195,806,190 which differs with opening balance brought forward of Kshs.156,279,858 resulting to a variance of Kshs.39,526,332.

In the circumstances, the accuracy of opening budget balance brought forward of Kshs.156,279,858 could not be confirmed.

6. Unsupported Transfers to Other Government Entities and Co-Mingling of Funds Between Projects

The statement of financial performance reflects transfers to other government entities of Kshs.61,296,753 which is disclosed under Note 11 to the financial statements as a transfer to Grant Cycle 7 (GC7). However, the schedules provided reflects payments for MPESA domestic subsistence allowance, hospitality and fuel prepayments of Kshs.54,638,177, Kshs.1,260,684 and Kshs.5,397,892 respectively. Further, one bank account was used for two projects resulting to co-mingling of funds between Project Grant number KEN-M-TNT-2064 and Project Grant number KEN-M-TNT-4149 contrary to Regulation 3.4 (d) of the Global Fund Regulations, 2014 which states that the Grant Funds shall not be co-mingled with other funds unless agreed to in writing by the Global Fund.

In the circumstances, the accuracy and completeness of transfers to other government entities of Kshs.61,296,763 could not be confirmed and Management was in breach of law.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Global Fund -To Reduce Malaria Incidence and Deaths By at least 75 Percent of the 2016 Levels By 2023, Working Towards a Malaria Free Kenya-KEN-M-TNT No.2064 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.

Emphasis of Matters

1. Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final and actual receipts budget on a comparable basis of Kshs.1,586,529,858 and Kshs.659,364,653 respectively resulting in an under funding of Kshs.927,165,205 or 58 % of the budget.

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

2. Undrawn and Unutilized Balances

Table A on source of funds under funding summary reflects donor commitment of Kshs.3,716,048,900 and amount received to date as at 30 June, 2025 of Kshs.3,295,989,774 resulting to undrawn balance of Kshs.420,059,126. Further, Table B on application of funds under funding summary reflects cumulative amount paid to date as at 30 June, 2025 of Kshs.3,112,398,215 out of the total amount received to date of Kshs.3,295,989,774 resulting to unutilized balance of Kshs.183,591,559.

In the circumstances, the undrawn and utilized balances could lead to underperformance and the Project may not have achieved its planned objectives.

My opinion is not modified in respect of these matters.

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 matters 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 prior years' audit report, several issues were raised under Effectiveness of Internal Controls, Risk Management and Governance. Review of the status during audit of the Project in 2024/2025 revealed that the following matters remained unresolved:

Financial Year	Audit Issue
2023/2024	1. Unsupported compensation of employees
	2. Misclassification of training expenses

Other Information

The Management is responsible for the Other Information set out on page iii to xviii which comprise of Project Information and Overall Performance, Statement of Performance Against Project's Predetermined Objectives, Environmental and Sustainability Reporting and Statement of Project Management Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

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

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, I confirm that nothing has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

The audit was conducted in accordance with ISSAI 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. Failure to Conduct Internal Audit

During the year under review, there was no evidence of internal audit conducted in respect to the activities and operations of the Project contrary to Section 73(1) of Public

Finance Management Act, 2012 which states that every national government entity shall ensure that it complies with this Act and has appropriate arrangements in place for conducting internal audit according to the guidelines of the Accounting Standards Board.

In the circumstances, the effectiveness of governance processes on Project activities could not be confirmed.

2. Failure to Carry Out Risk Assessment

During the year under review, the Project Management did not carry out risk assessment on Project activities contrary to Regulation 165(1) of the Public Finance Management (National Government) Regulations, 2015 which states that the accounting officer shall ensure that the national government entity develops risk management strategies, which include fraud prevention mechanism and the national government entity develops a system of risk management and internal control that builds robust business operations.

In the circumstances, the effectiveness of risk management of the Project could not be confirmed.

3. Failure to Prepare Quarterly Procurement Implementation Reports

Audit verifications carried out revealed that the Management did not prepare quarterly reports on the implementation of the annual procurement plan and submit it to the relevant authority contrary to Regulation 40(6) of the Public Procurement and Asset Disposal Regulations, 2020 which states that an accounting officer of a procuring entity shall prepare a quarterly report on the implementation of the annual procurement plan and submit it to the Cabinet Secretary or County Executive Committee member for finance or responsible for the procuring entity or the governing body, as the case may be.

In the circumstances, the effectiveness of internal control on procurement could not be confirmed.

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Conclusion

As required by the Global Fund, I report, based on my audit, that:

- i. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit;
- ii. Adequate accounting records have been kept by the Project, so far as appears from the examination of those records; and,

- iii. The Project's financial statements are in agreement with the accounting records and returns.

Basis for Conclusion

The Global Fund requires that I report on the legal or regulatory requirements, or on performance information disclosed. These matters require expressing a separate opinion as to the Project's compliance with laws and regulations. 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 those Charged with Governance

Management is responsible for the preparation and fair presentation of these Financial Statements in accordance with International Public Sector Accounting Standards (Accrual Basis) and for maintaining effective internal 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 Project'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.

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

Auditor-General's Responsibilities for the Audit

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

29 October, 2025

To Reduce Malaria Incidence And Deaths By At Least 75 Percent Of The 2016 Levels By 2023, Working Towards A Malaria-Free Kenya

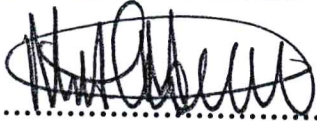
Project Grant/Credit Number: KEN-M-TNT-2064.

Annual Report and Financial Statements for the financial year ended June 30, 2025

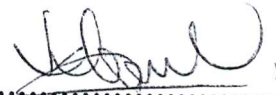
7. Statement of Financial Performance for the Year Ended 30th June 2025.

	Notes	2024-2025
		Kshs
Revenue		
Revenue Transfers	6	502,773,374
Miscellaneous Revenue	7	311,420
Total revenue		503,084,795
Expenses		
Employee costs	8	
Use of goods and services	9	598,067,900
Depreciation and amortization expense	10	
Transfer to other Government Entities	11	61,296,753
Other Transfers/Subsidies/Grants	12	
Certified Works	13	
Total expenses		659,364,653
Other gains/(losses)		
Gain/Loss on sale of assets	14	
Gain/Loss on foreign exchange transactions	15	
Impairment loss	16	
Surplus/ (deficit)		-156,279,858

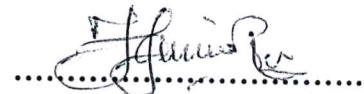
The accounting policies and explanatory notes to these financial statements are an integral part of the financial statements.



Mary M. Muriuki, CBS
Principal Secretary



Dr. Kibor Keitany, OGW
Head Of Programme



CPA Francis Oroni
Programme Accountant
ICPAK Member No:15995

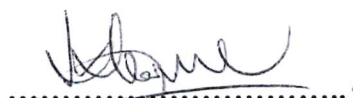
8. Statement of Financial Position as at 30th June 2025

	Note	2024-2025	1 st July 2024
		Kshs	Kshs
Assets			
Current Assets			
Cash and Cash equivalents	17	-	156,279,858
Receivables	18	-	
Inventories	19	-	
Prepayment(Fuel)	20	-	62,652,756
Total Current Assets		-	218,932,614
Total Assets (a)		-	218,932,614
Liabilities			
Payables			
		-	
Total Liabilities (b)		-	-
Net Assets (a-b)		-	218,932,614
Represented By:			
Accumulated Surplus		-	156,279,858
Total Net Assets		-	156,279,858

The financial statements were approved on 30th August 2025 and signed by:



Mary M. Muriuki, CBS
Principal Secretary



Dr. Kibor Keitany, OGW
Head Of Programme



CPA Francis Oroni
Programme Accountant
ICPAK Member No:15995

9. Statement of Changes in Net Assets

Description	Accumulated Surplus
	Kshs
As at 30 th June 2024 (Cash Basis)	243,575,000
Adjustments:	
Asset Recognition	
Liabilities recognition	87,295,147
As at 1 st July 2024	156,279,858
Surplus/(Deficit) for the year	(156,279,858)
As at 30 th June 2025	-

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

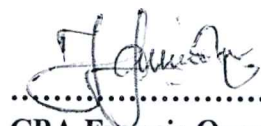
The financial statements were approved on 30th August 2025 and signed by:



.....
Mary M. Muriuki, CBS
Principal Secretary



.....
Dr. Kibor Keitany, OGW
Head Of Programme



.....
CPA Francis Oroni
Programme Accountant
ICPAK Member No:15995

10. Statement of Cashflow for the year ended 30th June 2025.

Description	Note	2024-2025
		Kshs
Cashflow from operating activities		
Receipts		
Revenue Transfers	6	502,773,374
Miscellaneous Revenue	7	311,420
Transfer from GC7 grant		
Total receipts		503,084,795
Payments		
Employee costs		-
Use of goods and services		598,067,900
Transfer to other Government Entities		-
Transfer to GC7 Grant		61,296,753
Total payments		659,364,653
Net cash flow from operating activities	26	-156,279,858
Net cash flow from financing activities		-
Net increase/Decrease in cash and cash equivalents		-156,279,858
Cash and cash equivalent at 1st July 2024	17	156,279,858
Cash and cash equivalent at end June 2025	17	-

11. Statement of Comparison of Budget and Actual Amounts for the Year ended 30th June 2025.

Receipts/Payments Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs	
Receipts						
Opening Balances(Budget B/F)	156,279,858.00		156,279,858.00	156,279,858.00		
Proceeds from domestic grants(GOK Counterpart Funding)	1,100,000,000	(369,750,000)	730,250,000		730,250,000	0%
Proceeds from foreign grants	1,500,000,000	(800,000,000)	700,000,000	503,084,795	196,915,205	72%
Total Receipts	2,756,279,858	-1,169,750,000	1,586,529,858	659,364,653	927,165,205	42%
Payments						
Compensation to employees	22,537,864	(22,537,864)	-		-	-
Purchase of goods and services	2,733,741,994	(1,147,212,136)	1,586,529,858	598,067,900	988,461,958	38%
Transfer to GC 7				61,296,753	-61,296,753	-
Total Payments	2,756,279,858	-	1,586,529,858	659,364,653	927,165,205	42%
Surplus or Deficit	-	-	-	-	-	

Budget notes

1. The amount allocated to domestic grants remained unutilized because it was erroneously budgeted under the NFM 3 grant (Grant no.2064) instead of the NFM 4 grant (Grant no. 4149).The amount has been reported under the NFM4 grant.

2. An amount of KES 800 million was reallocated from the NFM 3 grant to a new budget line created for NFM 4 grant. This budget line was not part of the original budget since the new grant had not been signed at the time of the approval of the original budget.
3. Compensation to employees was reallocated to the NFM 4 grant and was subsequently utilized and reported under the same grant.

Budget Reconciliation

	Description of Particulars	Amount in Kshs
	Actual Surplus Amounts as per the statement of Budget	A
1	Reason for differences	-
2	Reason for differences	-
3	Reason for differences	-
4	Reason for differences	-
	Closing Cash and Cash Equivalent as per the statement of Cash flows	-

12. Notes to the Financial Statements

1. General Information

National Malaria Control Programme is a programme established under the State Department of Public Health and Professional Standards. The Programme is wholly owned by the Government of Kenya and is domiciled in Kenya. The Programme's principle activity is to coordinate, implement, and monitor national strategies and interventions aimed at the prevention, control, and eventual elimination of malaria in Kenya.

2. Statement of Compliance and Basis of Preparation

The entity has taken advantage of the transitional provisions under IPSAS 33, and therefore these 1st/ 2nd/ 3rd/year financial statements are transitional financial statements and the following elements of the financial statements have not been recognized as the entity has taken advantage of the transition provisions outlined in IPSAS 33;

- i. Recognition of non-financial assets.
- ii. Recognition and Measurement of Non-Exchange Revenue
- iii. Related Party Disclosures

3. Adoption of New and Revised Standards

- i) *New and amended standards and interpretations in issue 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>
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<p><i>Applicable 1st January 2025</i></p> <p>The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and:</p>

To Reduce Malaria Incidence And Deaths By At Least 75 Percent Of The 2016 Levels By 2023, Working Towards A Malaria-Free Kenya

Project Grant/Credit Number: KEN-M-TNT-2064.

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Standard	Effective date and impact:
	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.
IPSAS 45- Property Plant and Equipment	<i>Applicable 1st January 2025</i> 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.
IPSAS 46 Measurement	<i>Applicable 1st January 2025</i> The objective of this standard was to improve measurement guidance across IPSAS by: <ul 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>

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 47- Revenue	<i>Applicable 1st January 2026</i> 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

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Standard	Effective date and impact:
	useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.
IPSAS 48- Transfer Expenses	<i>Applicable 1st January 2026</i> 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.
IPSAS 49- Retirement Benefit Plans	<i>Applicable 1st January 2026</i> The objective is to prescribe the accounting and reporting requirements for the public 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.
IPSAS 50: Exploration For & Evaluation of Mineral Resources	<i>Applicable 1st January 2027</i> The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires: <ul style="list-style-type: none"> i. Limited improvements to existing accounting practices for exploration and evaluation expenditures. ii. 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. iii. 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.

iii) Early adoption of standards

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

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

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

ii) Revenue from exchange transactions

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.

b) Budget information

The original budget for FY 2024/2025 was approved by the National Assembly of Kenya. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the Programme upon receiving the respective approvals to conclude the final budget. The entity's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on 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.

c) Property, plant and equipment

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition or construction of the item of property appropriately according to the acronyms you use in your financial statements plant and equipment. When significant parts of property, plant and equipment are required to be replaced at intervals, the Programme 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.

Notes to the financial statements

d) Leases

Finance leases are leases that transfer substantially the entire risks and benefits incidental to ownership of the leased item to the Programme. 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 Programme 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 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 Programme 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.

e) 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.

f) Research and development costs

The Programme expenses research costs as incurred. Development costs on an individual project are recognized as intangible assets when the Programme 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.

Notes to the financial statements

g) 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. The Programme 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.

Financial assets

Classification

National Malaria Control Programme 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 Programme'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 an irrevocable election at initial recognition for particular investments in equity instruments.

Subsequent measurement

Based on the business model and the cash flow characteristics, the Programme 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.

Notes to the financial statements

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.

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.

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.

Impairment

National Malaria Control Programme 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 Programme recognizes a loss allowance for such losses at each reporting date.

Financial liabilities

Classification

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

h) Inventories

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

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

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

After initial recognition, inventory is measured at the lower 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.

Notes to the financial statements

Inventories (Continued)

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 Programme.

i) Provisions

Provisions are recognized when the Programme 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 Programme 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.

Contingent liabilities

The Programme 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.

Contingent assets

National Malaria Control Programme does not recognize a contingent asset but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Programme in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

j) Nature and purpose of reserves

The Programme creates and maintains reserves in terms of specific requirements.

k) Changes in accounting policies and estimates

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

Notes to the financial statements

l) Employee benefits

Retirement benefit plans

The Programme provides retirement benefits for its employees and directors. Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity (a fund) 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.

m) Foreign currency transactions

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction. At each reporting date, foreign currency monetary items are translated using the closing rate. Non-monetary items measured in historical cost are translated using the exchange rate at the date of the transaction, and those measured at fair value are translated using the exchange rates at the date when the fair value was determined. Exchange differences arising from the settlement of monetary items or translation of monetary/non-monetary items at rates different from those at which they were initially reported are recognized in surplus or deficit in the period.

n) 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.

o) Related parties

National Malaria Control Programme 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 Programme, or vice versa. Members of key management are regarded as related parties and comprise the directors, the Principal and senior managers.

Notes to the financial statements

p) Service concession arrangements

National Malaria Control Programme analyses all aspects of service concession arrangements that it enters into in determining the appropriate accounting treatment and disclosure requirements. In particular, where a private party contributes an asset to the arrangement, the Programme 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, the Programme also recognizes a corresponding liability, adjusted by a cash consideration paid or received.

q) 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.

r) 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.

Notes to the financial statements

5. Significant Judgments and Sources of Estimation Uncertainty

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

Estimates and assumptions.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Programme based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Entity. Such changes are reflected in the assumptions when they occur. IPSAS 1.140

Useful lives and residual values

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

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

Provisions

The Programme did not make any provisions during the financial year under review.

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.

Notes to the financial statements

6. Revenue Transfers

Description	2024-2025
	KShs
Unconditional Transfers	
GoK Counter Part funding	-
Transfers from Development partners	502,773,374
Total Unconditional Transfers (a)	502,773,374
Conditional Transfers	
Total Conditional Transfers (b)	-
Total Transfers for the Year (a + b)	502,773,374

The funding was used for completion of mass net activities and clearance of pending bills.

a) Details to Revenue Transfers

Name of The Entity Transferring	Amount recognized to Statement of Financial performance	Amount deferred under deferred income.	Amount moved to Capital fund	Total transfers (FY 2024-2025)
	Kshs	Kshs	Kshs	Kshs
GOK Funding	-	-	-	-
Global Fund	502,773,374	-	-	502,773,374
Subtotal	502,773,374	-	-	502,773,374
Deferred Income realized	-	-	-	-
Transfers in Kind	-	-	-	-
Total	502,773,374	-	-	502,773,374

Notes to the financial statements

7. Miscellaneous revenue

Description	FY 2024/25
	Kshs
Interest Income	311,420
<i>Others (specify)</i>	
Total	311,420

8. Employees Costs

All employee related costs were financed under the NFM4 grant, as both grants were being implemented concurrently by the same employees, and the associated costs had been budgeted under NFM4 grant. The NFM3 grant was granted an extension exclusively for the completion of the mass net distribution activity and to clear pending bills that were outstanding. No additional expenditures were to be charged to the NFM3 grant beyond the expenditures for the specified items.

9. Use of Goods and Services

De scription	FY 2024/25
	Kshs
Utilities, supplies and services	59,323,282
Bank charges	1,001,607
Domestic travel and subsistence	468,831,975
Fuel and lubricants	68,911,035
Total	598,067,900

Notes to the financial statements

10. Depreciation and Amortization expense

Description	FY 2024/25
	Kshs
Property, Plant and Equipment	-
Intangible Assets	-
Total	-

11. Transfer to Other Government Entities

Description	FY 2024/25
	Kshs
Transfer to GC 7 grant	61,296,763
Total	61,296,763

12. Other Transfers/Subsidies/Grants

During the financial year under review, the Programme did not make any transfers to Subsidies/Grants.

13. Certified Works

In the period under review the Programme did not have work in progress.

Notes to the financial statements

14. Gain/Loss on Sale of Assets

During the period under review, the Programme did not undertake any sale of assets.

15. Gain/Loss on foreign exchange transactions

Description	FY 2024/25
	Kshs
Gain on foreign exchange transactions	-
Loss on foreign exchange transactions	-
Total Gain/Loss	-

16. Impairment Loss

Description	FY 2024/25
	Kshs
Property, Plant and Equipment	-
Intangible Assets	-
<i>Others specify</i>	-
Total Impairment Loss	-

17. Cash and Cash Equivalents

Description	2024-2025	1 st July 2024
	Kshs	Kshs
Cash in Bank		180,922,244
Cash on hand		-
<i>Others (Specify)</i>		
Total Cash and Cash Equivalents	-	180,922,244

As of 30 June 2025, the grant had no balance in cash and cash equivalents.

Notes to the financial statements

Project Bank Accounts

Details	2024-2025	1 st July 2024
	Kshs	Kshs
Foreign Currency Accounts		
Local Currency Accounts		
Kenya Commercial Bank-CPF [A/c No. 1325711128]	-	3,077
Co-operative Bank of Kenya [A/c No. 01141163733200]	-	180,919,168
Total bank account balances	-	180,922,244

Notes to the Financial Statements (Continued)

18. Receivables

Description	2024-2025	1 st July 2024
	Kshs	Kshs
Counter Part Funding	-	-
Contractor's Advance payments	-	-
<i>Other Receivables (specify)</i>	-	-
Total Receivables	-	-

Ageing analysis for Receivables

Description	2024-2025		1 st July 2024	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	-	-	-	-
Between 1- 2 years	-	-	-	-
Between 2-3 years	-	-	-	-
Over 3 years	-	-	-	-
Total (a+b)	-	-	-	-

19. Inventories

Description	2024-2025	1 st July 2024
	Kshs	Kshs
Consumable stores	-	-
Construction stores	-	-
<i>Others consumables (specify)</i>	-	-
Less: allowance for impairment	-	-
Total inventories	-	-

20. Prepayments

Description	2024-2025	1 st July 2024
	Kshs	Kshs
Insurance	-	-
Rent	-	-
Fuel Prepayment	-	62,652,756
Total inventories	-	-

The prepayment relates to short-term deposits reported in the financial statement for FY 2023/24.

Notes to the financial statements

21. Property, Plant and Equipment

Cost	Motor vehicles	Furniture and fittings	ICT Equipment	Other Assets (specify)	Capital Work in progress	Total
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Depreciation rate	X%	X%	X%	X%		
As At 1 July 2024 (opening balances)	-	-	-	-	-	-
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Transfers/Adjustments	-	-	-	-	-	-
As at 30th June 2025	-	-	-	-	-	-
	-	-	-	-	-	-
Depreciation And Impairment	-	-	-	-	-	-
As at 1 July 2025	-	-	-	-	-	-
Depreciation charge for the year	-	-	-	-	-	-
Impairment loss	-	-	-	-	-	-
Transfers/ Adjustments	-	-	-	-	-	-
As At 30th June 2025	-	-	-	-	-	-
	-	-	-	-	-	-
Net Book Values	-	-	-	-	-	-
As at 1st July 2024	-	-	-	-	-	-
As at 30th June 2025	-	-	-	-	-	-

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Notes to the financial statements

22. Intangible Assets

Description	1 st July 2024
	Kshs
Cost	
As at 1 st July 2024	-
Additions	-
As At 30 th June 2025	-
Amortization and impairment	
As at 1 st July 2024	-
Amortization	-
Impairment loss	-
As At 30 th June 2025	-
NBV as at 1 st July 2024	-
NBV as at 30 th June 2025	-

23. Trade and Other Payables

Description	2024-2025		1 st July 2024	
	Kshs		Kshs	
Trade payables	-		-	
Employee payables	-		-	
Other payables (specify)	-		-	
Total trade and other payables	-		-	
	Current FY	% of the Total	Comparative FY	% of the Total
Ageing analysis: (Trade and other payables)				
Under one year	-	%	-	%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total (tie to above total)	-		-	

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24. Third-Party Deposits

Description	2024-2025		1 st July 2024	
	Kshs		Kshs	
Contractor's Retention	-		-	
Gratuity	-		-	
Other deposits (specify)	-		-	
Total deposits	-		-	
Ageing analysis: (Refundable deposits)	2024-2025	% of the Total	2023-2024	% of the Total
Under one year	-	-	-	-
1-2 years	-	-	-	-
2-3 years	-	-	-	-
Over 3 years	-	-	-	-
Total	-	-	-	-

(Provide brief explanation)

25. Deferred Income

Description	2024-2025		1 st July 2024	
	Kshs		Kshs	
Development partner 1	-		-	
Development partner 2	-		-	
Others specify	-		-	
Total Deferred Income	-		-	

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Notes to the financial statements

26. Cash Generated from Operations

Description	2024-2025
	Kshs
Surplus/Deficit for the year	(156,279,858)
Adjusted for:	
Depreciation	-
Non-cash grants received	-
Impairment	-
Gains and losses on disposal of assets	-
Working capital adjustments	
Increase in inventory	-
Increase in receivables	-
Increase in deferred income	-
Increase in payables	-
Increase in payments received in advance	-
Net cash flow from operating activities	(156,279,858)

27. Special Deposit Accounts

The balances in the Project's Special Deposit Account(s) as of 30th June 2025 are not included in the Statement of Financial Assets since the line items are yet to be drawn into the Exchequer Account as a voted provision.

Below is the Special Deposit Account (SDA) movement schedule, which shows the flow of funds voted in the year. These funds have been reported as loans/grants received in the year under the Statement of Receipts and Payments.

Notes to the financial statements

Special Deposit Accounts Movement Schedule

Description	2024-2025	1st July 2024
	Kshs	Kshs
(i) A/C Name [A/c No.....]		
Opening balance	-	-
Total amount deposited in the account	-	-
Total amount withdrawn	-	-
Closing balance (as per SDA bank account reconciliation attached)	-	-
(ii) A/c Name [A/c No.....]		
Opening balance (as per the SDA reconciliation)	-	-
Total amount deposited in the account	-	-
Total amount withdrawn	-	-
Closing balance (as per SDA bank account reconciliation attached)	-	-

28.Related Party Disclosures

Nature of related party relationships

Entities and other parties related to the Programme 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 the Programme, holding 100% of the Programme's equity interest. The Government of Kenya has provided full guarantees to all long-term lenders of the Entity, both domestic and external.

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Notes to the financial statements

Other related parties include:

- i) Ministry of Health.
- ii) All the 47 County Governments
- iii) KEMSA

Description	2024-2025 Kshs
Transactions with related parties	
a) Sales to related parties	
Sales of electricity to govt agencies	-
Rent income from govt. Agencies	-
Others (specify) e.g. interest and bank charges	-
Total	-
B) purchases from related parties	
Purchases of electricity from KPLC	-
Purchase of water from govt service providers	-
Rent expenses paid to govt agencies	-
Others (specify)	-
Total	-
b) Grants /transfers from the government	
Grants from national govt	-
Grants from county government	-
Donations in kind	-
Total	-
c) Expenses incurred on behalf of related party	
Payments of salaries and wages for Programme employees	-
Payments for goods and services for Programme	-
Total	-
d) Key management compensation	
Directors' emoluments	-
Compensation to key management	-
Total	-

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Notes to the financial statements

29.Events after the Reporting Period

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

30.Ultimate And Holding Entity

National Malaria Control Programme is domiciled under the Ministry of Health, State Department of Public Health and Professional Standards. Its ultimate parent is the Government of Kenya.

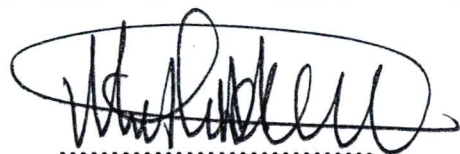
31.Currency

The financial statements are presented in Kenya Shillings (Kshs) rounded to the nearest Kshs.

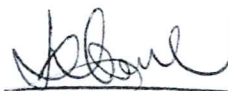
13. Annexes

Annex 1: Prior Year Auditor-General's Recommendations

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: <i>(Resolved / Not Resolved)</i>	Timeframe: <i>(Put a date when you expect the issue to be resolved)</i>
1	Unsupported compensation of employees	At the time of audit there was a delay in the signing of contracts but salary payments were based on the legal advise from the legal team from the Ministry of Health. Currently all contractual employees working with the Programme have signed contracts.	Resolved	
2	Misclassified training expenses	The sensitization meetings for healthcare workers were being conducted for two days only, hence did not meet the threshold to be classified as a training. The lunches provided to the healthcare workers were correctly classified under Domestic Travel and subsistence.	Resolved	



Mary M. Muriuki, CBS
Principal Secretary



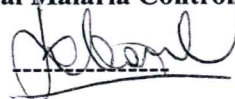
Dr. Kibor Keitany, OGW
Head of Programme

Annex 2: Reconciliation of inter-entity transfers


Kenya State Department of Public Health			
a. Government Counterpart funding			
	Bank Statement Date	Amount (Kshs)	
			-
			-
	Total		-
B. Direct payments			-
	Bank Statement Date	Amount (Kshs)	
	Total		-
C. Global Fund Grant transfers			
	Bank Statement Date	Amount (Kshs)	
	29.10.2024	284,230,100	
	17.12.2024	218,543,274	
	Total	502,773,374	
	Total (A+B+C)	502,773,374	

The above amounts have been communicated to and reconciled with the Parent Ministry/ State Department

**Head of Programme
 National Malaria Control Programme**

Sign 

**Head of Accounting Unit
 State Department of Public Health**

Sign 

Annex 3: Fixed Asset Register

Assets	2024	2023	2022	2021	2020
Land	-	-	-	-	-
Buildings and structures	-	-	-	-	-
Transport equipment	-	-	-	-	-
Office equipment, furniture and fittings	-	-	-	-	-
ICT Equipment	-	-	-	-	-
Machinery and Equipment	-	-	-	-	-
Biological assets	-	-	-	-	-
Infrastructure Assets- Roads, Rails	-	-	-	-	-
Heritage and cultural assets	-	-	-	-	-
Intangible assets	-	-	-	-	-
Work in Progress	-	-	-	-	-
Total	-	-	-	-	-

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Annex 4: Other Support Documents

i. Bank Reconciliations statement as at 30th June 2025

ii. Board of Survey Report

