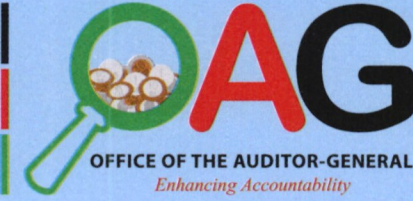


REPUBLIC OF KENYA



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REPORT TABLE	Ms. Nabalayo

OF

THE AUDITOR-GENERAL

ON

DOLDOL LEVEL 4 HOSPITAL

FOR THE YEAR ENDED
30 JUNE, 2025

COUNTY GOVERNMENT OF LAIKIPIA



DOLDOL LEVEL 4 HOSPITAL

Laikipia County Government

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2025

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

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1. ACRONYMS & GLOSSARY OF TERMS

CSR	Corporate Social Responsibility
OSHA	Occupational Health & Safety Act
PFMA	Public Financial Management Act
IPSAS	International Public Sector Accounting Standards Board
MED SUP	Medical Superintendent
CPA	Certified Public Accountant
FY	Financial year
LHS	Laikipia Health Service
NHIF	National Hospital Insurance Fund
FIF	Facility Improvement Fund
CHMT	County Health Management Team
SHA	Social Health Authority
SHIF	Social Health Insurance Fund
ANC	Antenatal Care
OPD	Outpatient Department
FP	Family Planning
CSR	Corporate Social Responsibility
EMR	Electronic Medical Records
Minet	Minet Kenya Insurance Brokers Limited
Fiduciary Management	Key management personnel who have financial responsibility in the hospital.

2. KEY ENTITY INFORMATION AND MANAGEMENT

(a) Background information

Doldol Level 4 Hospital is a health facility established vide Gazette Notice No. 786 dated 4th February 2020 and is domiciled in Laikipia County under the Laikipia Health Service (LHS). Doldol Level 4 Hospital was registered as a Level 4 by the Kenya Medical Practitioners and Dentists Council via Licence No. GK-013080.

The hospital is governed by a Board of Management

(b) Principal Activities

The principal activities of the hospital is to:

1. To provide quality, accessible, and affordable health care services
2. To facilitate preventive, promotive, and rehabilitative services to the community
3. To conduct research in diverse public health fields

Vision



A healthy County with the best Quality of Life

Mission



To Ensure accessibility of Affordable & quality health services to every household in Laikipia County

(c) Key Management

The Doldol Level 4 Hospital management is under the following key organs:

1. County Department of Health
2. Board of Management
3. Accounting Officer/ Medical Superintendent
4. Health Management Team

Key Doldol Level 4 Hospital Information and Management (continued)

(d) Fiduciary Management

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

No.	Designation	Name
1.	Ag. Chief Officer/Accounting Officer-Health Department	Dr. Timothy Panga
2.	Medical Superintendent	Dr. David Mwangi
3.	Head of Nursing Services	Mr. Isaac Gachagua
4.	Health Department Accountant	CPA Charles Ntonjira
5.	Hospital Accountant	CPA King'ori Maureen
6.	Supply Chain Management Officer	Caroline Njoki

(e) Fiduciary Oversight Arrangements

1. *County Treasury*

The County treasury ensures that funds allocated to the county are properly planned, allocated, and utilized in line with the principles of public finance management.

2. *Internal Audit Directorate*

To provides independent assurance that the financial management systems, controls, and processes are working effectively and that public resources are being used efficiently and in compliance with the law.

3. *County Assembly*

Through its committees, the Assembly scrutinizes budget proposals and ensures that resources are allocated fairly, transparently, and according to the needs of the population.

4. *Senate Parliamentary Committees*

Senate Committee on County Special Funds and Investments receives and considers reports from the Auditor General relating to among others, Counties' level 4 & 5 Hospitals. Other Senate Committees reviews the effectiveness of public healthcare delivery and its funding, with a focus on ensuring that county governments comply with national financial management laws.

5. *Development Partners and Donors*

Donors may collaborate with the County Treasury and other government bodies to ensure that their funding is integrated with national and county health priorities and managed according to Kenyan laws, including the **PFM Act, 2012** and **FIF Act, 2023**.

Key Doldol Level 4 Hospital Information and Management (continued)

(f) Doldol Level 4 Hospital Headquarters

P.O. Box 31-10401
Doldol Level 4 Hospital Building
Hospital Road
Doldol, Kenya

(g) Doldol Level 4 Hospital Contacts

Doldol Level 4 Hospital,
P.O. Box 31-10401, Doldol
Telephone: (+254) 701150838
E-mail: medsupdoldol@gmail.com
Website: <https://laikipia.go.ke/department-of-health/>

(h) Doldol Level 4 Hospital Bankers

Kenya Commercial Bank
P.O.Box 323-10400
Nanyuki, Kenya

Family Bank of Kenya
P.O. Box 74145 -00200
Nairobi, Kenya

Central Bank of Kenya
Haile Selassie Avenue
P.O.Box 60000-00200, City Square
Nairobi, Kenya

(i) Independent Auditors

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

Key Doldol Level 4 Hospital Information and Management (continued)



(j) Principal Legal Adviser

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

(k) County Attorney

P.O. Box. 1271-10400
Nanyuki, Kenya


3. THE BOARD OF MANAGEMENT

Ref	Directors	Details
1.	 <p>Patrick Karmushu Holds a bachelor’s degree in development studies, a diploma in Wildlife Management</p>	<p>Chairman</p> <p>Mr. Patrick is a passionate professional with over 13 years of experience in socio-economic development, conservation, and community development. He has extensive expertise in organizational management, sustainable community development, monitoring, and evaluation, as well as basic and applied research. Currently, he serves as the Coordinator of Conservation and Rangeland Management at IMPACT Kenya and previously held various leadership roles at IL Ngwesi Conservancy.</p> <p>Patrick has conducted numerous training sessions for CBOs, NGOs, and other organizations in Laikipia County on project management and related areas.</p>
2.	 <p>Dr. Hellen Gathogo Holds a bachelor’s in development studies from the Management University of Africa.</p>	<p>NGO representative</p> <p>Dr. Hellen is a dedicated and innovative professional, philanthropist, and advocate for women’s and children’s rights, focused on improving the well-being of individuals and communities. As the Executive Director and Co-Founder of One More Day for Children Foundation, she operates Laikipia North’s first safe house for survivors of Gender Based Violence, Female Genital Mutilation, and child marriage. She has rescued over 2,500 girls from harmful practices, supporting their education and entrepreneurship.</p> <p>Dr. Hellen played a key role in establishing Laikipia County’s first Adolescent and Youth Friendly Centre. She was awarded a Doctorate in Humanity by Dominion Mission University in 2022 for her humanitarian work, and holds numerous accolades, including the USAWA 2021 County Champion award.</p>

<p>3.</p>	 <p>Dr. Alfred Saigero Holds a MBChB from the University of Nairobi and a master’s degree in Family Medicine from Cuba</p>	<p>CHMT Representative</p> <p>Dr. Alfred Saigero is a dedicated family physician who serves as the Medical Superintendent of Kimanjo Subcounty Hospital, where he plays a pivotal role in overseeing healthcare delivery and managing hospital operations. In addition to his leadership responsibilities at the hospital, he coordinates the Laikipia Afya Mashinani Program, a community-focused initiative aimed at improving healthcare access and outcomes in rural areas.</p>
<p>4.</p>	 <p>Mr. Peter Kuraru He holds a bachelor’s degree in Christian counselling, along with diplomas in Guidance and Psychological Counselling, and Theology and currently pursuing a Master’s Degree in Christian Counselling.</p>	<p>Health Bodies Representative</p> <p>Mr. Peter is a dedicated and enthusiastic leader from Laikipia, passionate about transforming lives and making a positive impact across generations. With extensive involvement in various institutions, Mr. Peter serves as a board member of East Africa Partnership Ltd and chairs several organizations, including PCEA Mzabibu Sacco Ltd, the Harvest Festival committee of ASK Mount Kenya Branch, and the Kenya Private Schools Association, Laikipia Branch.</p>
<p>5.</p>	 <p>Ms. Rosemary Nenini Holds a Diploma in Early Childhood Development and a certificate in hospitality.</p>	<p>Women Representative</p> <p>Ms. Rosemary is a visionary leader dedicated to transforming communities through mentorship and social empowerment. As the General Manager of Twala Cultural Manyatta, she gained extensive experience in administration, staff and project management, and social networking.</p>

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<p>6.</p>	 <p>Lereuwa Tair Holds a diploma in Theology from the Narok Bible College.</p>	<p>Faith Based Organization Representative</p> <p>Rev. Lerauwa is a passionate theologian and a pastor who has dedicated his energy and life in service humanity. He is very passionate about preaching, singing and doing community service especially in Laikipia North.</p>
<p>7.</p>	 <p>Joseph Lerina Holds a Diploma in Community Development and Social Work.</p>	<p>Persons Living with Disability Representative</p> <p>Mr. Lerina is a passionate and transformative leader dedicated to community development and societal transformation. Mr. Lerina has been actively involved in community development programs in Laikipia North, focusing on advocacy and empowerment for people living with disabilities in the county.</p>
<p>8.</p>	 <p>Thomas Silvestre Holds a bachelor's degree in agriculture from Edinburgh University</p>	<p>Finance Expert Representative</p> <p>Mr. Tom is a transformative leader with extensive experience in strategic planning, management, leadership, financial knowledge, and budgeting. Since 2015, he has served as the CEO of Oryx Limited, previously holding roles such as Managing Director and General Manager in other companies. He is the Vice Chairman of the Laikipia Conservancies Association and Governor of Laikipia North Technical and Vocational College, among other honorary positions. Throughout his career, Mr. Tom has leveraged his social networks to benefit the Laikipia North community through various projects and humanitarian initiatives.</p>

9.	 <p>Dr. David Mwangi Holds a Bachelor of Medicine and Bachelor of Surgery from Kenyatta University.</p>	<p>Board Secretary Medical Superintendent Doldol Level 4 Hospital. Secretary to the hospital board of management.</p>
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4. KEY MANAGEMENT TEAM

Ref	Management	Details
1.	 Dr. David Mwangi	<p>MBChB, Medical Superintendent.</p>
2.	 Mr. Isaac Gachagua	<p>Senior Registered Nurse: Head of Nursing Services</p>
3.	 Dr. Isaac Gichinga	<p>Hospital Pharmacist</p>
4.	 Mr. Martin Kariuki	<p>Medical Laboratory Technologist I/c</p>

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5.	 Monicah Ndirangu	Health Records Information Officer
6.	 James Ndirangu	Public Health Officer
7.	 CPA King'ori Maureen	Hospital Accountant
8.	 Caroline Njoki	Supply Chain Management Officer

5. CHAIRMAN'S STATEMENT

It is with great honor that I present this year's Chairman's Statement for Doldol Level 4 Hospital. This report highlights both our achievements and the challenges we have encountered as we continue to serve the people of Laikipia North.

Doldol Level 4 Hospital remains a lifeline for more than 6000 residents across Laikipia North. Despite being located in a marginalized and arid region, our hospital continues to serve as a critical referral point for surrounding dispensaries while offering essential inpatient, outpatient, emergency, pharmacy, and diagnostic services. Guided by the principles of holistic and community-centred healthcare, we remain steadfast in our mission to provide quality and accessible care for all who depend on us.

Over the past year, our dedicated staff, despite limited resources, have continued to demonstrate resilience and commitment. Their efforts have ensured the continuity of services even during difficult times, and I take this opportunity to commend each of them for their professionalism and compassion.

One of the defining challenges in the past year has been the decline in donor support. With the termination of USAID Tujenge Jamii support in September 2025, the hospital faces a significant gap in HIV/AIDS programming, where USAID has historically been a key partner. Their contribution to HIV testing, treatment, and psychosocial support has been invaluable, and their exit will leave a visible gap in service delivery. It is our hope and expectation that the County Department of Health will provide leadership in ensuring a smooth transition, safeguarding continuity of care, and protecting the gains we have made in HIV response over the years.

In addition, the transition from NHIF to the Social Health Authority (SHA) in October 2024 has brought about new complexities. While SHA represents a bold step toward universal health coverage, the current arrangement excludes the hospital from directly providing primary healthcare services to walk-in patients. This has forced many residents to either pay out-of-pocket or forgo care, resulting in reduced hospital revenues. This development, though challenging, presents an opportunity for us to reimagine our partnerships, expand our capital projects, and leverage innovation to remain sustainable.

The anticipated Phase 3 rollout of Taifa Care is expected to address some of these bottlenecks, streamline service delivery, and align the hospital with national digitization goals.

In the midst of these challenges, we have also witnessed the power of strong partnerships. Our collaboration with Loisaba Conservancy and the Laikipia Conservancies Association has continued to strengthen healthcare outreach, infrastructure, and referral support. Such partnerships remain critical, and we are committed to cultivating more collaborations with both public and private sector actors to expand our capacity and impact.

The enactment of the Facility Improvement Financing (FIF) act ushered in a new era of autonomy in hospital operations. This opportunity comes with the responsibility of strengthening our internal financial systems, optimizing resource use, and diversifying our revenue base. With FIF in place, Doldol Level 4 Hospital is better positioned to reinvest revenue into improving infrastructure, expanding services, and ensuring that our patients receive the best possible care.

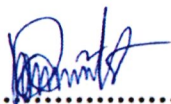
The year ahead presents both challenges and opportunities. While donor withdrawal and funding transitions remain pressing issues, they also push us to innovate, embrace efficiency, and diversify our partnerships.

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The operationalization of a dedicated outpatient department remains a priority for the near future, promising to reduce unnecessary referrals and improve diagnostic capacity.

We will continue to strengthen our engagement with the County Government, partners, and the community to build a resilient, responsive, and sustainable hospital system. Our ultimate goal remains the same: to deliver accessible, affordable, and quality healthcare to all residents of Laikipia North.

On behalf of the Hospital Management Committee, I extend my sincere gratitude to the County Government of Laikipia, our partners, and most importantly, our dedicated staff. Their unwavering commitment, even in times of uncertainty, has ensured that Doldol Level 4 Hospital remains a beacon of hope in our community. Together, we look to the future with optimism, confident that by working in partnership, we will overcome the challenges before us and continue to improve the health and wellbeing of our people.



.....
Patrick Karmushu

Chairman to the Board

6. REPORT OF THE MEDICAL SUPERINTENDENT

Doldol Level 4 Hospital, a Level 4 facility in Laikipia North, remains the main provider of secondary healthcare services for a population of more than 6,000 people spread across a vast, remote, and underserved region. As a referral point for Arjiju, Ilpolei and Kurum dispensaries, the hospital continues to play a central role in strengthening the continuum of care by providing inpatient and outpatient consultations, maternity and reproductive health services, pharmacy access, emergency services, and basic diagnostics. We are guided by the principles of; equity, accessibility, and community-centered care, our operations are aligned with both the Laikipia County Health Strategic Plan (2021–2025) and Kenya’s Universal Health Coverage (UHC) goals.

Performance and Revenue Trends

During the 2024/2025 financial year, the hospital recorded notable service delivery achievements despite experiencing a general decline in patient workload. Our outpatient department remained committed to providing dedicated service, complemented by maternity care, inpatient services, and pharmacy access. However, a reduction in antenatal clinic (ANC) attendance and hospital deliveries was evident, largely due to financing barriers following the transition from the National Hospital Insurance Fund (NHIF) to the Social Health Authority (SHA) and Social Health Insurance Fund (SHIF). Many patients who were accustomed to subsidized or fully covered services under NHIF found themselves paying out-of-pocket, and this discouraged healthcare-seeking behavior.

In general, the hospital’s own source declined compared to previous years. Specific gaps were observed in maternity and ANC-related services, diagnostic revenues due to limited laboratory capacity, and in insurance reimbursements caused by systemic changes. The absence of a hospital nutritionist also contributed to reduced demand for maternal and child health services, especially in a community grappling with recurrent drought and malnutrition.

Challenges during the Year

The hospital encountered several challenges that affected service delivery and operational efficiency:

- **Transition from NHIF to SHA/SHIF:** The most significant disruption arose from the shift to the new health financing system. Outstanding NHIF claims remain unpaid, with no clear mechanisms for recovery. Low uptake of SHIF registration, combined with restrictions on Level 4 hospitals in accessing primary healthcare reimbursements, further reduced revenue. Delays in SHA disbursements strained financial planning and created uncertainty in service provision.
- **Revenue and Pricing Gaps:** Hospital charges have not kept pace with the cost of inputs, with some services chronically underpriced. The lack of a clear policy on exemptions, such as free care for children under five years, created revenue leakage. This issue underscores the urgency of revising and harmonizing fees to ensure sustainability.
- **Limited Laboratory and Diagnostic Capacity:** The hospital lacks biochemistry testing services, while the Full Blood Count (FBC) machine remained non-functional for most of the year. These gaps reduced both the scope of diagnostic services and revenue potential, forcing referrals to external facilities.
- **Infrastructure and Accessibility:** Seasonal weather extremes, especially heavy rain, make road access to the hospital difficult. Poor roads and impassable laggas reduce patient attendance, delay emergency referrals, and disrupt supply chains.
- **Human Resources:** Staff shortages, particularly the absence of a nutritionist, limited the range of services offered. The reliance on casual staff, who are prone to turnover, also created challenges in maintaining continuity of care.

- Education-Linked Revenue Gaps: The rollout of a new education curriculum meant no Form One admissions during the year, eliminating income usually earned from school medical examinations.

Partnerships and Support

Despite these constraints, the hospital continued to benefit from the unwavering support of partners and stakeholders:

- Dharura Global Emergency Care supported quarterly simulation-based emergency trainings, significantly enhancing staff preparedness in handling maternal and neonatal emergencies.
- Loisaba Conservancy invested in the construction of a hospital kitchen, improving patient nutrition and staff welfare.
- Laikipia Conservancies Association provided solar backup systems, ensuring uninterrupted power supply and reducing the risks associated with frequent blackouts which was further exacerbated
- Filloca Initiative, through the Director of Climate Change, committed to clearing invasive opuntia plants around the hospital compound, improving safety, aesthetics, and environmental health.
- Daktari Smart Program (Gertrude's Children's Hospital Foundation): Doldol was among three facilities assessed for this telemedicine initiative in Laikipia North Subcounty, which promises to strengthen pediatric care and expand access to specialist consultations.

These partnerships demonstrate the potential of collaboration in bridging resource gaps and expanding services. They also highlight the importance of community ownership and stakeholder engagement in strengthening healthcare systems in marginalized areas.

Future Outlook and Strategic Direction

Looking ahead, the hospital's strategic direction is guided by several priorities. First, the anticipated Phase 3 rollout of Taifa Care is expected to transform hospital operations by digitizing currently manual processes. This transition will streamline patient registration, record management, revenue collection, and claims processing, while improving accountability and reducing leakages.

Second, the enactment of the Facility Improvement Fund (FIF) provides greater autonomy for hospital operations. This requires robust financial management, improved revenue collection, and strategic reinvestment of funds into essential services and infrastructure. The hospital is in the process of reviewing its service charges to ensure they reflect the cost of care without compromising affordability for the community.

Third, continued community engagement to promote SHIF registration remains a priority. Without insurance coverage, patients face barriers to care, leading to poor health outcomes and declining hospital utilization. Mobilization efforts, coupled with county-level advocacy, will be critical in driving UHC goals forward.

Finally, the hospital will continue to engage partners to support capital expenditure projects, such as upgrading laboratory services, establishing an imaging department, and strengthening maternal and child health services. These investments will not only improve patient outcomes but also boost revenue generation, creating a cycle of sustainability.

In closing, I wish to extend my heartfelt appreciation to the staff of Doldol Level 4 Hospital for their resilience, dedication, and unwavering service despite resource constraints. I also acknowledge the Laikipia

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County Government and our partners for their continued support in ensuring that this hospital remains a beacon of care for the people of Laikipia North.

The road ahead is not without challenges. Yet with strategic focus, stronger partnerships, enhanced autonomy through FIF, and a commitment to digitization under Taifa Care, I am confident that Doldol Level 4 Hospital will continue to play a pivotal role in transforming health outcomes in our community.



.....
Dr. David Mwangi
Secretary to the Board

7. STATEMENT OF PERFORMANCE AGAINST PREDETERMINED OBJECTIVES

Doldol Level 4 Hospital has seven Strategic Pillars which are;

Strategic Pillar 1. Leadership and Governance

Strategic Pillar 2. Service Delivery

Strategic Pillar 3. Health Products, Vaccines, and Technologies

Strategic Pillar 4. Human Resources for Health (HRH)

Strategic Pillar 5. Health Infrastructure

Strategic Pillar 6. Health Information

Strategic Pillar 7. Health Financing

The hospital develops its annual workplan based of the above seven pillars and assessment of the performance against the predetermined objectives is measured on quarterly basis. The Hospital achieved its performance targets set for the financial year 2024 – 2025 as detailed below:

CORPORATE GOVERNANCE STATEMENT

Strategic Pillars	Objective	Key Performance Indicators	Activities	Achievements
Leadership and Governance	To strengthen Leadership, Management and Governance (LMG) at Doldol Level 4 Hospital	<ul style="list-style-type: none"> • Percent increase in partnerships • Number of new partnerships developed. 	<ul style="list-style-type: none"> • Engagement with key partners to sustain service delivery. • Strengthened collaboration with UTJ, AMREF, Loisaba Conservancy, Laikipia Conservancies Association, and Dharura Global 	<ul style="list-style-type: none"> • Continued collaboration with USAID Tujenge Jamii (UTJ) in HIV care until its planned exit in September 2025. • AMREF supported oxygen supply systems. • Loisaba Conservancy constructed a hospital kitchen • Laikipia Conservancies Association provided solar backup ensuring continuous power. Dharura Global Emergency Care introduced quarterly emergency simulation trainings for staff

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Strategic Pillars	Objective	Key Performance Indicators	Activities	Achievements
Service Delivery	To provide effective teaching and referral services towards contribution to attainment of universal health coverage.	<ul style="list-style-type: none"> • Number of HCWs trained on various areas. • No. of clients receiving outpatient services in the hospital. • No. of contracts with private health insurance 	<ul style="list-style-type: none"> • Training on HIV, TB, SGBV, and emergency care • OPD service provision • Engagement with private insurers 	<ul style="list-style-type: none"> • 17 HCWs trained • 7,669 OPD attendances recorded • Signed service contracts with Minet Insurance • Enhanced emergency preparedness through Dharura-supported simulation drills
Health Products, Vaccines and Technologies	Provision of safe, effective, and accessible high-quality health products, vaccines, and technologies	<ul style="list-style-type: none"> • Prescription fill rate. • Availability of essential commodities. 	<ul style="list-style-type: none"> • Strengthened procurement and supply chain management • Monitoring of essential drug stocks 	<ul style="list-style-type: none"> • No major stock-outs experienced throughout the year • Improved access to medicines and vaccines for patients
Human Resources for Health	To strengthen the HRH management towards improved health outcomes at Doldol Level 4 Hospital	<ul style="list-style-type: none"> • % compliance of staff returns to the approved staff establishment 	<ul style="list-style-type: none"> • Submission of staff returns • Continuous professional development activities • Participation in simulation-based trainings 	<ul style="list-style-type: none"> • Regular staff returns submitted on time • Continuous staff training sessions conducted • Improved capacity in emergency response through simulation-based training

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Strategic Pillars	Objective	Key Performance Indicators	Activities	Achievements
Health Infrastructure	To expand and improve the Doldol Level 4 Hospital physical infrastructure. To enhance better power back up through repair of the hospital generator or installation of solar back up batteries.	Completed renovation against target areas	<ul style="list-style-type: none"> Number of renovations completed Availability of backup power 	<ul style="list-style-type: none"> Engagement with partners for infrastructure improvement Construction of an OPD and adjoined patient waiting bay
Health Information	To establish health information system for ready access of information for decision making	<ul style="list-style-type: none"> Completeness and timeliness of reports 	<ul style="list-style-type: none"> Strengthened reporting mechanisms Roll-out of EMR and Taifa Care digital systems 	<ul style="list-style-type: none"> Consistent and timely reporting achieved- EMR utilized to improve accuracy and timeliness of reports Preparations underway for Taifa Care digitization rollout
Health Financing	Provide resource adequacy to achieve the hospital's health delivery mandate.	<ul style="list-style-type: none"> Amount of revenue generated through SHA/insurance % increase in claims processed Diversification of funding sources 	<ul style="list-style-type: none"> Prompt filing of SHA and MInET claims Hiring of a Health Records and Information Officer to streamline claims Revision of hospital charges to reflect true cost of services 	<ul style="list-style-type: none"> SHA and MINET claims filed promptly Revenue streams diversified through private insurance partnerships Improved claim processing efficiency through dedicated officer

(i) Appointment of Board Members, Process of Appointment and Removal of Directors, the Size, Diversity, and Demographics of the Board, and Existence of the Board Charter

The Board of Management of Doldol Level 4 Hospital was appointed in December 2023 after a prolonged period without an active board. The appointment followed the provisions of the Laikipia County Health Services Act, 2014 and the Constitution of Kenya, which emphasize transparency, merit, and inclusivity. The process ensures that members are selected on the basis of their expertise, community representation, and commitment to advancing healthcare services. Removal of members is guided by the same legal framework, ensuring accountability in governance. The Board is diverse in its composition, bringing together individuals from clinical practice, administration, finance, and community leadership, thus reflecting the demographics and needs of Laikipia North. A formal Board Charter has since been adopted, providing a framework that defines the purpose, authority, and operational guidelines of the Board.

(ii) Roles and Functions of the Board

The Board provides strategic leadership and oversight of hospital operations. Its core functions include reviewing and approving hospital plans, endorsing budgetary estimates, promoting hospital development, and ensuring alignment with both county and national health strategies. It also provides oversight of administration, fosters partnerships, and ensures accountability in resource utilization.

(iii) Induction, Training, and Development

Following their appointment, Board members underwent a comprehensive induction program between 29th and 31st January 2024. This program covered hospital operations, regulatory frameworks, and healthcare sector priorities. The induction also introduced members to ongoing projects and challenges, preparing them to provide informed oversight. Continuous professional development opportunities remain a priority, ensuring members stay updated on governance practices and evolving healthcare policies.

(iv) Board and Members' Performance

Board performance is monitored collectively and individually. Members are expected to actively contribute to deliberations, offer technical expertise, and provide oversight on strategic issues. Performance has been strong, with members demonstrating commitment to their roles and responsibilities.

(v) Number of Board Meetings Held and Attendance by Members

In the 2024/2025 financial year, the Board successfully convened four quarterly meetings: two at Kimanjo Sub County Hospital, where it has caretaker responsibilities, and two at Doldol Level 4 Hospital. Attendance was consistently high, with members actively participating in deliberations and decisions on strategic, financial, and service delivery matters.

(vi) Succession Plan

The Board recognizes the importance of continuity in governance. Succession planning mechanisms

have been established both at the governance and management levels. These measures ensure that transitions in leadership do not disrupt hospital operations or compromise service delivery.

(vii) Policy to Manage Conflict of Interest

A clear policy on conflict of interest has been instituted. Members are required to declare any potential conflict at the start of meetings and to recuse themselves from deliberations where personal interest may interfere with impartial decision-making. This strengthens integrity and transparency in governance.

(viii) Board Remuneration

Remuneration of Board members is guided by the Salaries and Remuneration Commission (SRC) in accordance with public service standards. This ensures fairness, compliance with regulations, and sustainability.

(ix) Ethics and Conduct

The Board upholds a strict code of ethics and conduct. Members are expected to demonstrate professionalism, integrity, and commitment to service. These principles guide decision-making and the handling of hospital affairs.

(x) Governance Audit

In line with best practices, governance audits are periodically undertaken to review the effectiveness of the Board's oversight, its adherence to legal frameworks, and its commitment to accountability. These audits also provide recommendations for strengthening governance.

(xi) Communication Policy

The Board has adopted a communication policy that guides internal and external communication. This policy ensures accurate, timely, and transparent sharing of information with staff, county government, partners, and the public, thereby enhancing trust and stakeholder engagement.

(xii) Terms of Reference of Committees

To strengthen oversight, the Board has established committees with clearly defined Terms of Reference. These committees focus on finance, human resources, infrastructure, and clinical services. Delegating responsibilities allows the Board to maintain strategic focus while committees manage operational oversight.

(xiii) Policy on Related Party Transactions

A policy on related party transactions has been established to ensure that all dealings are conducted fairly and transparently. The policy prevents misuse of resources and reinforces accountability in financial and operational decisions.

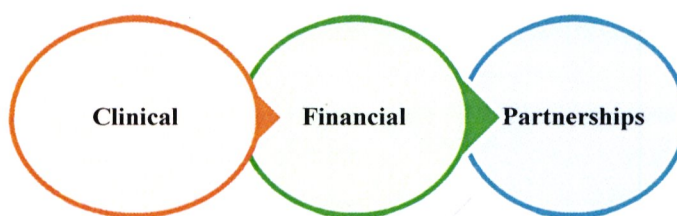
Conclusion

The establishment of the Board of Management has significantly improved the governance and leadership of Doldol Level 4 Hospital. With its diverse membership, strong legal foundation, and commitment to

ethical practices, the Board is well-positioned to provide strategic oversight, promote sustainable development, and safeguard accountability. Its work continues to ensure that the hospital meets its mandate of providing accessible, high-quality healthcare to the people of Laikipia North, in line with county and national priorities.

8. MANAGEMENT DISCUSSION AND ANALYSIS

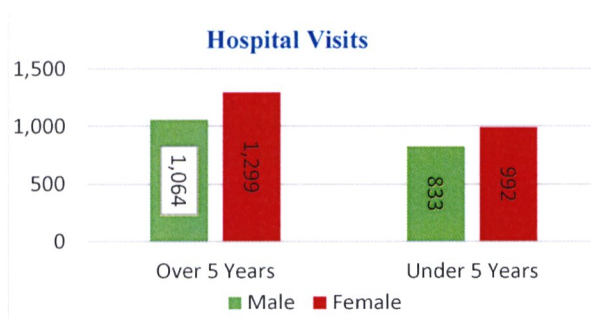
Doldol Level 4 Hospital, a Level 4 facility serving over 5,600 residents of Laikipia North, continued to provide critical healthcare services during the 2024/2025 financial year. Despite significant challenges—including disruptions in health financing following the transition from NHIF to the Social Health Insurance Fund (SHIF), declining donor support, and persistent staffing and infrastructural gaps—the hospital demonstrated resilience through strategic leadership, community partnerships, and operational efficiency.



This statement provides a detailed review of the hospital’s clinical, operational, and financial performance, while outlining both the challenges faced and the opportunities that lie ahead.

Outpatient Department (OPD) Attendance

The Outpatient Department remained the backbone of hospital service delivery, with a combined total of 4,188 visits by patients over 5 years and 3,475 visits by children under 5 years, giving an overall OPD attendance of 7,669.



Patients Over 5 Years: Utilization reached 2,363 visits (1,064 female, 1,299 male). Peaks in July 2024 (395) and September 2024 (244) highlighted seasonal morbidity patterns, as well as heightened

community demand during outreach campaigns. However, service dips in November 2024 and April 2025 reflected access challenges during adverse weather and economic strain under the SHA transition.

Patients Under 5 Years: The hospital recorded 1,825 visits (833 female, 992 male). While utilization remained steady, surges in July and September were linked to heightened childhood illness prevalence and improved immunization follow-up.

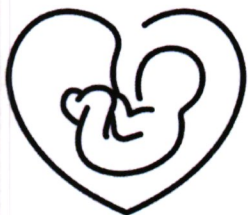
These figures affirm the hospital’s continued role as the primary point of care for the community. However, the variations in attendance underscore the need for stronger health insurance enrolment, better community mobilization, and sustained outreach.

Inpatient Services



The hospital recorded 50 inpatient admissions (25 female, 25 male), reflecting limited capacity for advanced inpatient care. Admissions peaked in March, coinciding with seasonal disease burdens, but remained low in most other months. This trend highlights both effective outpatient management and the significant challenge of inadequate inpatient infrastructure. Patients requiring specialized or prolonged care continued to be referred to Nanyuki Teaching and Referral Hospital, underscoring the urgent need for investment in critical care facilities at Doldol.

Maternal and Neonatal Services



Maternity services remained a key focus, with 227 deliveries recorded during the year. Utilization fluctuated month-to-month, peaking in January 2025 (38 deliveries) and maintaining a steady range of 20–26 in subsequent months.

While deliveries declined compared to previous years, largely due to affordability barriers under SHA and the absence of a hospital nutritionist, the service continues to be a cornerstone of hospital operations. Importantly, stillbirths remained extremely low, with none recorded in the latter half of the year, reflecting improvements in emergency obstetric care and adherence to safe delivery protocols.

Antenatal and Postnatal Care



Antenatal Care (ANC): A total of 281 new ANC visits were recorded. Attendance showed a modest decline from 75 in Q1 to 64 in Q4. This decline is linked to changes in health financing that now require uninsured patients to pay out of pocket. The hospital is engaging communities to promote early ANC booking and encourage enrolment in SHIF to improve service uptake.

Post Natal Care (PNC): The hospital recorded 161 new PNC visits, demonstrating continuity of care for mothers after delivery. Although stable, attendance remains lower than desired, emphasizing the need for stronger community follow-up and education on the importance of postnatal care

Family Planning Services

Family planning uptake was encouraging, with 528 visits (77 new clients and 451 revisits). This consistency highlights community confidence in reproductive health services. The sustained demand reflects effective community sensitization and the hospital's capacity to provide a range of contraceptive options. Continued focus will be placed on expanding choices, ensuring consistent supplies, and integrating FP into other service points such as ANC and CWC.



Child Welfare Clinic (CWC)



CWC services recorded a total of 1,151 visits (275 new, 876 revisits). The steady increase throughout the year reflects strengthened paediatric follow-up and immunization activities. Peaks in March 2025 (111 visits) and July 2024 (139 visits) point to seasonal campaigns and growing community trust in child health services. The hospital remains committed to improving child survival outcomes through expanded CWC services and integration with nutrition and maternal health programs.

Nutrition Services



Nutrition services were among the least utilized, with only 165 visits (21 new and 144 revisits). The lack of a full-time hospital nutritionist constrained capacity to provide comprehensive nutritional assessments and interventions. Given the high burden of malnutrition in drought-affected Laikipia North, restoring and strengthening nutrition services is a top priority.

Total Service Utilization

Across all service areas, the hospital recorded 8,690 patient contacts during the year. Attendance was lowest in November 2024 and April 2025, with a sharp peak in December 2024 (249 patient contacts across multiple services). This variation reflects the combined impact of seasonal illness trends, economic pressures, and health financing policy shifts. The overall volume, while significant, remains below potential due to constraints in financing and service



Financial Performance

a) Revenue Overview

During the reporting period, Doldol Level 4 Hospital generated total revenue of Kshs. 1,966,406, marking a significant decline compared to previous years. This reduction is primarily attributed to:

- Termination of Edu Afya and reduced donor inflows, notably the planned withdrawal of USAID support for HIV programs.
- Transition from NHIF to SHIF in October 2024, which excluded the hospital from primary healthcare reimbursements, resulting in increased out-of-pocket payments by patients.
- Delays in reimbursements from the Social Health Authority, which strained operational liquidity and service delivery.

Despite these constraints, the hospital sustained operations through prudent financial management, strategic partner engagement, and the autonomy granted under the Facility Improvement Fund (FIF) Act, 2023.

b) Expenditure and Cost Management

The hospital maintained a lean expenditure framework, supported by:

- County Government support in supplying essential medical drugs and non-pharmaceuticals, which form the backbone of service delivery.
- Personnel remuneration is fully covered by the County Government of Laikipia, with supplementary staffing support from donors and the Ministry of Health (MoH).
- Donor-funded capital assets, including property, plant, and equipment received during the period: this enhanced service capacity without impacting cash flow.

c) Surplus Position

The hospital recorded a net surplus of Kshs. 7,343,494, driven by:

- In-kind support from the County Government and implementing partners who covered all salary and wage expenses.
- Reduced direct expenditure resulting from the Department of Health's centralized procurement of medical drugs through KEMSA.
- Capital asset receipts from donors that improved the hospital's financial position under IPSAS Accrual reporting.

d) Financial sustainability.

To strengthen financial sustainability, the hospital has initiated a strategic revision of service charges to harmonize fees and address historical underpricing. This aims to:

- Improve cost recovery for essential services.
- Enhance transparency and equity in billing.
- Support long-term planning under the FIF framework.

Partnerships and Innovations

Amid financial strain, partnerships continued to sustain hospital operations:

- Dharura Global Emergency Care supported quarterly emergency simulation trainings, strengthening staff capacity.
- Loisaba Conservancy funded construction of a hospital kitchen, improving staff and patient welfare.

Doldol Level 4 Hospital (Laikipia County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

- Laikipia Conservancies Association installed a solar backup system, ensuring continuous power supply.
- FIlloca (Financing Locally Led Climate Action) Program pledged to clear the invasive opuntia cactus around the facility, enhancing safety and aesthetics.
- Gertrude’s Children’s Hospital Foundation through the Daktari Smart Program, identified Doldol as one of three facilities likely to benefit from telemedicine support for paediatric care in Laikipia North Subcounty.
- Taifa Care Digitization rollout is expected to streamline operations, replacing largely manual systems and improving efficiency.

These partnerships continue to be a critical buffer against funding shortfalls, while also expanding hospital capacity and resilience.

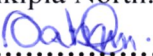
Conclusion and Outlook

The 2024/2025 financial year was marked by both significant challenges and promising opportunities for Doldol Level 4 Hospital. Service utilization reflected both community demand and systemic barriers, with declines in ANC, deliveries, and nutrition services, but strong performance in OPD, FP, and child health. Financially, revenue declined due to systemic health financing reforms and reduced donor support, but partner investments and prudent management helped the hospital sustain core operations.

Looking forward, the hospital will prioritize:

- Enhancing maternal and child health services, with a focus on reversing declining ANC and delivery trends.
- Strengthening inpatient capacity to reduce reliance on referrals.
- Scaling nutrition services by securing a hospital nutritionist.
- Expanding SHIF enrolment to improve access and financial protection.
- Leveraging partnerships to support capital projects and operational sustainability.
- Embracing digitization through Taifa Care to streamline efficiency and accountability.

Through these strategies, Doldol Level 4 Hospital remains steadfast in its mission to provide accessible, affordable, and high-quality healthcare while contributing to the realization of universal health coverage in Laikipia North.


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Dr. David Mwangi
Medical Superintendent

9.ENVIRONMENTAL AND SUSTAINABILITY REPORTING

i) Sustainability strategy and profile

Doldol Level 4 Hospital's core mandate is to provide quality, accessible, and affordable healthcare services to the people of Laikipia North and beyond. Delivering these services effectively requires reliable enabling resources such as energy, water, and other critical inputs. A significant portion of the hospital's internally generated revenue is currently directed toward electricity and water consumption. To reduce dependency on external supply and improve efficiency, the hospital has invested and will continue to invest in supplementary systems, including rainwater harvesting to complement piped water from the Doldol Water and Sanitation Company. These interventions are part of a broader sustainability strategy aimed at ensuring efficient resource utilization, reducing operational costs, and enhancing service continuity.

ii) Environmental performance

The hospital recognizes its responsibility to minimize its environmental footprint and to promote sustainable practices. During the year, staff across departments were sensitized and trained on waste segregation and management, reinforcing the importance of safe biomedical waste disposal and recycling practices. Efforts were also undertaken to establish designated green areas within the compound, conserve water through rainwater harvesting, and reduce energy wastage by adopting solar power backup systems. These measures not only improve environmental performance but also enhance resilience in an arid and marginalized region where resources are often scarce.

iii) Employee welfare

Our staff remain the cornerstone of the hospital's service delivery, and their welfare is prioritized. The hospital operates under a formal Human Resource recruitment and management policy that emphasizes diversity, equality, fair compensation, and adherence to relevant legislation and public service guidelines. To foster a supportive working environment, the hospital continued to provide staff with tea and snacks during shifts, improving morale and team cohesion. In addition, a staff welfare committee was established to coordinate initiatives aimed at supporting employees during times of need, further strengthening the sense of community and solidarity within the workforce.

iv) Market place practices-

The organisation should outline its efforts to:

a) Responsible competition practice.

Doldol Level 4 Hospital upholds a policy of zero tolerance to corruption and malpractice. The hospital fosters collaboration with other healthcare institutions in areas such as patient referrals, specialist consultations, and capacity-building trainings, ensuring continuity of care across the health system. To safeguard financial accountability, all hospital payments are made exclusively through the official hospital paybill, eliminating cash transactions and minimizing risks of revenue leakage.

b) Responsible Supply chain and supplier relations

The hospital adheres strictly to the Public Procurement and Asset Disposal Act (2015) and the Public Finance Management Act (2012), ensuring fairness, transparency, and accountability in procurement processes. Suppliers are engaged through open, competitive processes, and the hospital endeavours to honour payments within agreed timelines. While delays occasionally occur due to exchequer constraints and funding gaps, the institution remains committed to maintaining healthy and respectful supplier relations.

c) Responsible marketing and advertisement or Responsible engagement with citizens

The hospital has established a communication unit and maintains a vibrant social media presence to engage with the public, provide health education, and enhance transparency. Plans are underway to develop an institutional website to further strengthen access to information, enhance visibility, and improve stakeholder engagement.

d) Product stewardship or Awareness Creation

At Doldol Level 4 Hospital, product stewardship is an integral component of both healthcare delivery and environmental sustainability. The hospital is committed to managing the full lifecycle of medical products—from procurement to safe disposal—while minimizing environmental risks. Over the reporting period, biomedical waste management systems were reinforced to meet both national and international standards, ensuring hazardous materials are handled responsibly to protect public health and the environment. By strengthening product stewardship, the hospital not only ensures patient and community safety but also contributes to reducing waste and operational costs.

v) Corporate Social Responsibility / Community Engagements

Doldol Level 4 Hospital recognizes that its role extends beyond clinical care into the broader social and economic well-being of the community it serves. The hospital expanded its Corporate Social Responsibility (CSR) initiatives in the reporting year, implementing targeted outreach programs to promote preventive healthcare and health literacy. Health education workshops were conducted on maternal health, family planning, and the prevention of non-communicable diseases, reaching underserved populations and empowering families to make informed health choices.

The hospital also partnered with local schools to carry out regular health screenings, ensuring early detection and management of health conditions among children and adolescents. In collaboration with the Beyond Zero initiative and local community leaders, medical camps were organized to provide free consultations, screening, and treatment to residents with limited access to healthcare. These camps reached hundreds of beneficiaries, further reinforcing the hospital's role as a trusted partner in improving health outcomes.

Through these CSR efforts, Doldol Level 4 Hospital continues to foster strong community relationships, promote equity in healthcare access, and contribute meaningfully to the social and economic progress of Laikipia County.

10. REPORT OF THE BOARD OF MANAGEMENT

The board members submit their report together with the audited financial statements for the year that ended June 30, 2025 which shows the state of the hospital’s affairs.

Principal activities

The principal activities of the hospital is to:

1. To provide quality, accessible, and affordable health care services
2. To facilitate preventive, promotive, and rehabilitative services to the community
3. To conduct research in diverse public health fields

Results

The results of the Doldol Level 4 Hospital for the year ended June 30 2025 are set out on pages 1 to 5.

Board of Management

The members of the Board who served during the year are shown on page *vii* to page *x*. During the year, 2025, no director retired/ resigned, and no director was appointed with effect from 1st July 2024.

Auditors

The Auditor General is responsible for the statutory audit of the Doldol Level 4 Hospital in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015.

By Order of the Board



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Dr. David Mwangi
Secretary to the Board

11. STATEMENT OF BOARD OF MANAGEMENT’S RESPONSIBILITIES

Section 164 of the Public Finance Management Act, 2012 requires the Board of Management to prepare financial statements in respect of Doldol Level 4 Hospital, which give a true and fair view of the state of affairs of the Doldol Level 4 Hospital at the end of the financial year/period and the operating results of the Doldol Level 4 Hospital for that year/period. The Board of Management is also required to ensure that the Doldol Level 4 Hospital keeps proper accounting records which disclose with reasonable accuracy the financial position of the Doldol Level 4 Hospital. The board members are also responsible for safeguarding the assets of the Doldol Level 4 Hospital.

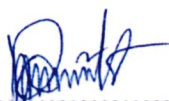
The Board of Management is responsible for the preparation and presentation of Doldol Level 4 Hospital’s financial statements, which give a true and fair view of the state of affairs of Doldol Level 4 Hospital for and as at the end of the financial year (period) ended on June 30, 2025. This responsibility 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 Doldol Level 4 Hospital, (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud, (iv) safeguarding the assets of Doldol Level 4 Hospital; (v) selecting and applying appropriate accounting policies, and (vi) making accounting estimates that are reasonable in the circumstances.

The Board of Management accepts responsibility for Doldol Level 4 Hospital’s financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and Facilities Improvement Act (FIF), 2023. The Board members are of the opinion that the Doldol Level 4 Hospital’s financial statements give a true and fair view of the state of Doldol Level 4 Hospital’s transactions during the financial year ended June 30, 2025, and of Doldol Level 4 Hospital’s financial position as at that date. The Board members further confirm the completeness of the accounting records maintained for the Doldol Level 4 Hospital, which have been relied upon in the preparation of the Doldol Level 4 Hospital’s financial statements as well as the adequacy of the systems of internal financial control.

Nothing has come to the attention of the Board of management to indicate that Doldol Level 4 Hospital will not remain a going concern for at least the next twelve months from the date of this statement.

Approval of the financial statements

The Hospital’s financial statements were approved by the Board on 25th August 2025 and signed on its behalf by:



.....
Patrick Karmushu
Chairman to the Board



.....
Dr. David Mwangi
Accounting Officer

REPUBLIC OF KENYA

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HEADQUARTERS
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Monrovia Street
P.O Box 30084-00100
NAIROBI

REPORT OF THE AUDITOR-GENERAL ON DOLDOL LEVEL 4 HOSPITAL FOR THE YEAR ENDED 30 JUNE, 2025 - COUNTY GOVERNMENT OF LAIKIPIA

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 Doldol Level 4 Hospital – County Government of Laikipia set out on pages 1 to 31, which comprise of the statement of

Report of the Auditor-General on Doldol Level 4 Hospital for the year ended 30 June, 2025 - County Government of Laikipia

financial position as at 30 June, 2025, and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison 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 Doldol Level 4 Hospital – County Government of Laikipia as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Health Act, 2017, County Governments Act, 2012 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Inaccuracy on Rendering of Services – Medical Services Income

The statement of financial performance and Note 9 to the financial statements disclose revenue from rendering of services – medical services income amounting to Kshs.1,966,406. Review of the Social Health Assurance (SHA) payment claims against the Hospital's bank statements provided for audit revealed inconsistencies in the reported transactions. According to the SHA portal, claims amounting to Kshs.220,000 had been settled to the Hospital between the months of February and March 2025. However, review of the Hospital's bank statements for the said months revealed no corresponding credits, indicating no payments were credited to the Hospital's account.

In the circumstances, the accuracy and completeness of rendering of services-medical income of Kshs.1,966,406 could not be confirmed.

2. Undisclosed Property, Plant and Equipment

The statement of financial position and Note 22 to the financial statements disclose property, plant and equipment balance of Kshs.3,294,000. However, review of the Hospital's assets register revealed that the Hospital had various assets including land, buildings, motor vehicles, furniture, computers and equipment of unknown values, which were not disclosed in the financial statements. In addition, it was noted that the Hospital's land had no title deed and the Hospital's motor vehicle was registered under the County Government of Laikipia.

In the circumstances, the accuracy and completeness of property, plant and equipment balance of Kshs.3,294,000 could not be confirmed.

3. Long Outstanding Receivables from Exchange Transactions

The statement of financial position and Note 20 to the financial statements disclose receivables from exchange transactions amounting to Kshs.1,738,591. The aging analysis of the receivables indicated that Kshs.331,658 had remained outstanding for

more than two (2) years. Further, the Hospital had outstanding National Health Insurance Fund (NHIF) claims totalling Kshs.815,500 for services rendered under the Linda Mama Outpatient, Linda Mama Inpatient, Edu Afya and NHIF Maternity programs. However, Management indicated uncertainty regarding the likelihood of receiving these payments, as the NHIF program had been discontinued and the claims had remained unpaid for an extended period.

In the circumstances, the recoverability of receivables from exchange transactions of Kshs.1,738,591 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Doldol Level 4 Hospital - County Government of Laikipia 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 Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflect final budgeted income of Kshs.39,156,340, while the actual income amounted to Kshs.38,007,841, resulting in a shortfall of Kshs.1,148,499, or 3% of the budget. Similarly, the Hospital spent Kshs.33,495,891 against the actual income of Kshs.38,007,841, resulting in an under absorption of Kshs.4,511,950, or 12% of the actual income.

The shortfall in receipts and the under absorption could have impacted negatively on the Hospital's service delivery.

My opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, are of most significance in the audit of the financial statements. Except for the effect of 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's Audit Matters

In the prior year's audit reports, several issues were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in Use of Public Resources, and Report on Effectiveness of Internal Controls, Risk Management and Governance, respectively. Review of the status during audit of the Doldol Level 4 Hospital in the year 2024/2025 revealed that the following matters remained unresolved:

1. Unconfirmed Comparative Balances.
2. Non-Disclosure of Property, Plant and Equipment.
3. Non-Disclosure of Inventory.
4. Engagement of Casual Workers.
5. Lack of Risk Management and ICT Policy.
6. Non-Compliance with Universal Health Care (UHC) Requirements.

Other Information

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

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

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

As previously reported, verification of services offered, available equipment and staffing levels at the Hospital revealed deficiencies in both human resources and medical infrastructure. The Hospital lacked key specialists, including anesthesiologists, general

surgeons, gynecologists, pediatricians and radiologists against a requirement of two (2) specialists for each category. Further, only one (1) medical officer and six (6) registered community health nurses were available against the requirement of sixteen (16) and seventy-five (75) respectively.

In addition, the Hospital did not have functional Intensive Care Unit (ICU) and High Dependency Unit (HDU) beds, renal unit with at least five (5) dialysis machines, functional operating maternity and general theatres, resuscitaire in theatre. Further, there was no advanced life support, surgical, radiology, renal dialysis, oral health, mortuary and autopsy, Caesarean sections and surgical operations services. Also, the available infrastructure was inadequate, with only sixteen (16) in-patients' beds, one (1) newborn unit cot and incubator and one (1) resuscitator against the requirement of one hundred and fifty (150), five (5), and three (3) respectively.

This was contrary to the First Schedule of the Health Act, 2017, which outlines the minimum staffing and facility standards for a Level 4 Hospital, and undermines the realization of Article 43(1)(a) of the Constitution of Kenya, 2010, which guarantees the right to the highest attainable standard of health, including reproductive health care.

In the circumstances, the Hospital's capacity to provide adequate and quality healthcare services to the public as required in the Kenya Quality Model for Health Policy Guidelines could not be confirmed.

2. Lack of Quality Management Standards and Certification

Review of licenses, certification documents and interviews held with the Medical Superintendent revealed that the Hospital operates without certification in recognized Quality Management Standards, contrary to best practices in Public Health Service Delivery and Requirements of Section 33(1) of Laikipia County Health Services Act, 2014 which requires each health facility to have a quality management system certified under a recognized international quality standard.

In the circumstances, the Hospital's ability to meet patient care expectations, manage risks, and ensure continuous improvement in clinical and administrative processes could not be confirmed.

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 effects 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. Revenue Collection

The statement of financial performance and Note 9 to the financial statements disclose revenue from exchange transactions on rendering of services – medical service income amounting to Kshs.1,966,406. However, the following anomalies were noted:

1.1 Significant Decline in Revenue on Rendering of Services

The statement of financial performance shows that the Hospital's rendering of services – medical service income decreased by Kshs.865,778, from Kshs.2,832,184 in the 2023/2024 financial year to Kshs.1,966,406 in the year under review. Management attributed the decline to the transition from NHIF to SHA, a reduction in maternity and antenatal patients and limited laboratory capacity. However, no documentary or analytical evidence was provided to support these explanations.

1.2 Manual Revenue Collection System

The Hospital's revenue collection system is largely manual, with the officers collecting payments via Mpesa, issue manual receipts, record transactions in an Mpesa counter book and carry out monthly reconciliations rather than daily. The lack of automation and real time reconciliation poses risks to financial accuracy, accountability and operational efficiency.

1.3 Unclear Revenue Collection Process

Audit of the revenue collection system revealed that the Hospital received payments from clients through a pay bill number configured with an automated daily check-off system that transferred the collections to a secondary pay bill account. The secondary account served as a centralized account shared with several Laikipia Sub-County Hospitals, after which the funds were transferred to a common bank account that was not owned or controlled by Doldol Level 4 Hospital. Management did not provide justification or supporting documentation to explain the rationale for channeling Hospital revenue through multiple pay bill accounts or depositing collections into a bank account outside the Hospital's direct control.

In the circumstances, the efficiency and effectiveness of the Hospital's revenue collection process could not be confirmed.

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

Responsibilities of Management and the Board of Management

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 in assessing the Hospital's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management is aware of the intention to cease operations.

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

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

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

Auditor-General's Responsibilities for the Audit

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

In conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities

that govern them and that public resources are applied in an effective way. In addition, I consider the entity's control environment in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015.

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

19 November, 2025

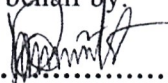
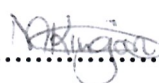
Doldol Level 4 Hospital (Laikipia County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

13. STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2025

Description	Note	FY 2024-2025	FY 2023-2024
		Kshs	Kshs
Revenue from non-exchange transactions			
In- kind contributions from the County Government	6	29,850,361	5,863,151
Grants from donors and development partners	7	4,577,642	-
Grants from National Government	8	622,001	-
		35,050,005	5,863,151
Revenue from exchange transactions			
Rendering of services- Medical Service Income	9	1,966,406	2,832,184
Revenue from exchange transactions		1,966,406	2,832,184
Total revenue		37,016,410	8,695,335
Expenses			
Medical/Clinical costs	10	534,568	3,793,530
Employee costs	11	27,529,455	1,365,760
Board of Management Expenses	12	255,000	-
Depreciation and amortization expense	13	126,000	-
Repairs and maintenance	14	168,320	168,977
Grants and Subsidies	15	-	-
General expenses	16	1,059,573	748,101
Total expenses		29,672,916	6,076,368
Net Surplus for the year		7,343,494	2,618,967

The notes set out on pages 7 to 28 form an integral part of the Annual Financial Statements.

The Hospital's financial statements were approved by the Board on 25th August 2025 and signed on its behalf by:


.....
Patrick Karmushu
Chairman
Board of Management

.....
CPA King'ori Maureen
Head of Finance
ICPAK No:16160

.....
Dr. David Mwangi
Medical Superintendent

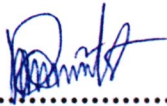
Doldol Level 4 Hospital (Laikipia County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

14. STATEMENT OF FINANCIAL POSITION AS AT 30TH JUNE 2025


Description	Note	FY 2024-2025	FY 2023-2024
		Kshs	Kshs
Assets			
Current assets			
Cash and Cash Equivalents	19	1,217,950	1,119,132
Receivables from exchange transactions	20	1,738,591	1,609,390
Inventories	21	4,099,049	-
Total Current Assets		7,055,591	2,728,522
Non-current assets			
Property, Plant, and Equipment	22	3,294,000	-
Total Non-current Assets		3,294,000	-
Total assets		10,349,591	2,728,522
Liabilities			
Current liabilities			
Trade and other payables	23	277,575	-
Total Current Liabilities		277,575	-
Non-current liabilities		-	-
Total non-current liabilities		-	-
Total Liabilities		277,575	-
Net assets		10,072,016	2,728,522
Represented by:			
Capital Fund		-	-
Accumulated surplus		10,072,016	2,728,522
Net Assets		10,072,016	2,728,522

(The notes on pages 7 to 28 form an integral part of the Annual Financial Statements.)


The Hospital's financial statements were approved by the Board on 25th August 2025 and signed on its behalf by:



Patrick Karmushu
 Chairman
 Board of Management



CPA King'ori Maureen
 Head of Finance
 ICPAK No:16160



Dr. David Mwangi
 Medical Superintendent

15. STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2025

Description	Revaluation reserve	Accumulated surplus	Capital Fund	Total
At July 1, 2023	-	109,555	-	109,555
Revaluation gain	-	-	-	-
Surplus for the year	-	2,618,967	-	2,618,967
Capital/Development grants	-	-	-	-
At June 30, 2024	-	2,728,522	-	2,728,522
At July 1, 2024	-	2,728,522	-	2,728,522
Revaluation gain	-	-	-	-
Surplus for the year	-	7,343,494	-	7,343,494
Capital/Development grants	-	-	-	-
At June 30, 2025	-	10,072,016	-	10,072,016

Doldol Level 4 Hospital (Laikipia County Government)
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16. STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2025

Description	Note	FY 2024-2025	FY 2023-2024
		Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from the County Government		-	-
Rendering of services- Medical Service Income	9,20	1,838,705	1,222,794
Total Receipts		1,838,705	1,222,794
Payments			
Medical/Clinical costs	10,23	256,993	4,637
Board of Management Expenses	12	255,000	-
Repairs and Maintenance	14	168,320	1,985
General Expenses	16	1,059,573	206,595
Total Payments		1,739,886	213,217
Net cash flows from operating activities		98,819	1,009,577
Cash flows from investing activities		-	-
Cash flows from financing activities		-	-
Net increase in cash and cash equivalents		98,819	1,009,577
Cash and cash equivalents as at 1 July		1,119,132	109,555
Cash and cash equivalents as at 30 June		1,217,950	1,119,132

17. STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR YEAR ENDED 30 JUNE 2025

Surplus for the period	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% of utilisation
	a	b	c=(a+b)	d	e=(c-d)	f=d/c%
	Kshs	Kshs	Kshs	Kshs	Kshs	
Budget carryovers from the previous year	0	1,119,132	1,119,132	1,119,132	0	100
Receipts						
In Kind Contributions from the County Government	29,850,361	0	29,850,361	29,850,361	0	100
Grants from National Government	622,001	0	622,001	622,001	0	100
Grants from donors and development partners	1,157,642	3,420,000	4,577,642	4,577,642	0	100
Rendering of Services- Medical Service Income	1,738,386	1,248,818	2,987,204	1,838,705	1,148,499	62
Total income	33,368,390	5,787,950	39,156,340	38,007,841	1,148,499	97
Expenses						
Medical/Clinical costs	4,401,108	-	4,401,108	4,357,543	43,565	99
Employee costs	27,529,455	1,008,000	28,537,455	27,529,455	1,008,000	96
Board of Management Expenses	300,000	80,000	380,000	255,000	125,000	67
Depreciation and Amortization Expense	-	126,000	126,000	126,000	0	100
Repairs and Maintenance	168,320	471,680	640,000	168,320	471,680	26
General Expenses	1,059,573	-	1,059,573	1,059,573	0	100
Total Expenses	33,368,390	1,685,680	35,144,136	33,495,891	1,648,245	95
Capital expenditure				3,294,000		
Surplus for the period				1,217,950		

Budget Reconciliation

	Description of Particulars	Amount in Kshs
	Actual Surplus Amounts as per the statement of Budget	1,217,950
	Difference	-
	Closing Cash and Cash Equivalent as per the statement of Cash flows	1,217,950

18. NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Doldol Level 4 Hospital is a health facility established vide Gazette Notice No. 786 dated 4th February 2020 and is domiciled in Laikipia County under the Laikipia Health Service (LHS). Doldol Level 4 Hospital was registered as a Level 4 by the Kenya Medical Practitioners and Dentists Council via Licence No. GK-013080.

2. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant, and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts and actuarially determined liabilities at their present value. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgement in the process of applying the entity accounting policies. The areas involving a higher degree of judgment or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note 22. The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the Doldol Level 4 Hospital. The financial statements have been prepared in accordance with the PFM Act, and FIF Act, 2023 and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

Notes to the Financial Statements (Continued)

3. ADOPTION OF NEW AND REVISED STANDARDS

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

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

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

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. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p> <p>The hospital will be required to identify all lease contracts where it acts as a lessee—such as leased medical equipment, office space, staff housing, or vehicles. These leases will be recognized on the statement of financial position as right-of-use assets and corresponding 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: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.</p> <p>For Doldol Level 4 Hospital, the anticipated impacts are as follows:</p> <p>Any hospital assets—such as obsolete medical equipment, vehicles, or buildings—identified for disposal and meeting the “held for sale” criteria must be:</p> <ul style="list-style-type: none"> • Measured at the lower of carrying amount and fair value less costs to sell • Excluded from depreciation once classified as held for sale

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Standard	Effective date and impact:
<p>IPSAS 45- Property Plant and Equipment</p>	<p><i>Applicable 1st January 2025</i></p> <p>The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously 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.</p> <p>IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.</p> <p>The hospital doesn't hold heritage or infrastructure assets that meet the recognition criteria</p>
<p>IPSAS 46 Measurement</p>	<p><i>Applicable 1st January 2025</i></p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <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> <p>Since the standard harmonizes measurement principles across IPSAS, this may simplify reporting for assets under different categories (e.g., PPE, inventories, biological assets).</p>

Doldol Level 4 Hospital (Laikipia County Government)
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Standard	Effective date and impact:
IPSAS 47- Revenue	<p><i>Applicable 1st January 2026</i></p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p> <p>For Doldol Level 4 Hospital, the key impacts include unified revenue recognition framework, improved timing and classification and enhanced disclosure of revenue uncertainty</p>
IPSAS 48- Transfer Expenses	<p><i>Applicable 1st January 2026</i></p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p> <p>The standard won't apply to Doldol Level 4 Hospital since it's not a transfer provider but rather a recipient of transfers from county or national entities.</p>
IPSAS 49- Retirement Benefit Plans	<p><i>Applicable 1st January 2026</i></p> <p>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.</p> <p>The standard sets the financial statements that should be presented by a retirement benefit plan.</p> <p>IPSAS 49 is not applicable to Doldol Level 4 Hospital because employee compensation and retirement contributions are met by Laikipia County, not the facility itself.</p>

Doldol Level 4 Hospital (Laikipia County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Standard	Effective date and impact:
<p>IPSAS 50: Exploration For & Evaluation of Mineral Resources</p>	<p><i>Applicable 1st January 2027</i></p> <p>The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires:</p> <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 Doldol Level 4 Hospital’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. <p>As a health facility, Doldol Level 4 Hospital does not engage in exploration or evaluation of mineral resources.</p>

iii) Early adoption of standards

The Doldol Level 4 Hospital did not early – adopt any new or amended standards in the financial year.

Notes to the Financial Statements (Continued)

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 Doldol Level 4 Hospital and can be measured reliably. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, the amount is recorded in the statement of financial position and realised in the statement of financial performance over the useful life of the asset that has been acquired using such funds.

ii) Revenue from exchange transactions

Rendering of services

The Doldol Level 4 Hospital recognizes revenue from rendering of services by reference to the stage of completion when the outcome of the transaction can be estimated reliably. The stage of completion is measured by reference to labour hours incurred to date as a percentage of total estimated labour hours. Where the contract outcome cannot be measured reliably, revenue is recognized only to the extent that the expenses incurred are recoverable.

Sale of goods

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

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 for each period.

Notes to the Financial Statements (Continued)

Rental income

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

b. Budget information

The original budget for FY 2024-2025 was approved by Board on 17th June 2024. 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 Doldol Level 4 Hospital upon receiving the respective approvals in order to conclude the final budget. Accordingly, the hospital recorded additional appropriations of Kshs.3,012,100 on the FY 2024-2025 budget following the Board's approval.

A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget.

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

c. Taxes

Sales tax/ Value Added Tax

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

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

Notes to the Financial Statements (Continued)

d. Investment property

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property.

Investment property acquired through a non-exchange transaction is measured at its fair value at the date of acquisition. Subsequent to initial recognition, investment properties are measured using the cost model and are depreciated over a period of twenty years. Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of de-recognition. Transfers are made to or from investment property only when there is a change in use.

e. Property, plant and equipment

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

f. Leases

Finance leases are leases that transfer substantially the entire risks and benefits incidental to ownership of the leased item to the hospital. 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. Doldol Level 4 Hospital 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.

Notes to the Financial Statements (Continued)

Subsequent to initial recognition, lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in surplus or deficit.

An asset held under a finance lease is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the hospital will obtain ownership of the asset by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

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

g. Intangible assets

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

h. Research and development costs

The hospital expenses research costs as incurred. Development costs on an individual project are recognized as intangible assets when the hospital can demonstrate:

- The technical feasibility of completing the asset so that the asset will be available for use or sale
- Its intention to complete and its ability to use or sell the asset
- The asset will generate future economic benefits or service potential
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development.

Notes to the Financial Statements (Continued)

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.

i. 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 hospital does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the hospital's financial statements.

Financial assets

Classification of financial assets

Doldol Level 4 Hospital 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 hospital'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 the hospital has made irrevocable election at initial recognition for particular investments in equity instruments.

Subsequent measurement

Based on the business model and the cash flow characteristics, the hospital classifies its financial assets into amortized cost or fair value categories for financial instruments.

Notes to the Financial Statements (Continued)

Movements in fair value are presented in either surplus or deficit or through net assets/ equity subject to certain criteria being met.

Amortized cost

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

Fair value through net assets/ equity

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

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 hospital 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.

Notes to the Financial Statements (Continued)

j. Inventories

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

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

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

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

k. Provisions

Provisions are recognized when the hospital 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 hospital 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.

Notes to the Financial Statements (Continued)

l. Social Benefits

Social benefits are cash transfers provided to i) specific individuals and / or households that meet the eligibility criteria, ii) mitigate the effects of social risks and iii) Address the need of society as a whole. The hospital recognises a social benefit as an expense for the social benefit scheme at the same time that it recognises a liability. The liability for the social benefit scheme is measured at the best estimate of the cost (the social benefit payments) that the hospital will incur in fulfilling the present obligations represented by the liability.

m. Contingent liabilities

The hospital 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.

n. Contingent assets

The hospital 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 hospital 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.

o. Changes in accounting policies and estimates

Doldol Level 4 Hospital recognizes the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy are applied prospectively if retrospective application is impractical.

p. Related parties

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

Notes to the Financial Statements (Continued)

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 balances include funds held at the various commercial banks as at the close of the financial year. For the purposes of these financial statements, cash and cash equivalents also encompass collections received through the hospital's paybill platform during the year, which had not yet been transferred to the hospital's official bank accounts by year-end.

r. Comparative figures

Comparative figures for the previous financial year have been amended or reconfigured.

s. Subsequent events

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

5. Significant Judgments and Sources of Estimation Uncertainty

The preparation of Doldol Level 4 Hospital's financial statements in conformity with IPSAS requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

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 County Government.
- 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.
- Changes in the market in relation to the asset.

Doldol Level 4 Hospital (Laikipia County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Notes to the Financial Statements (Continued)

6. IN KIND CONTRIBUTIONS FROM THE COUNTY GOVERNMENT

Description	FY 2024-2025	FY 2023-2024
	KShs	KShs
Salaries, wages, and allowances	22,066,323	-
Contributions to pension schemes	1,082,979	-
Social contribution	186,840	-
Housing Levy Contribution	330,410	-
Service Gratuity	62,831	-
Casual Labour - Others	2,466,360	1,044,082
Casual Labour - Others (Accrued)	-	321,678
Medical Supplies (KEMSA)	3,654,619	2,541,405
Pharmaceuticals and Non-Pharmaceutical Supplies (other suppliers)	-	306,648
Pharmaceuticals and Non-Pharmaceutical Supplies (other suppliers) Accrued	-	96,115
Other Medical/ Clinical Supplies	-	503,175
Other Medical/ Clinical Supplies-Accrued	-	341,550
Repairs and Maintenance	-	166,992
General Expenses	-	541,506
Total Contributions in kind from the county government	29,850,361	5,863,151

7. IN KIND CONTRIBUTIONS FROM DONORS AND IMPLEMENTING PARTNERS

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Salaries, wages, and allowances	711,712	-
Medical Supplies	445,930	-
Construction of a modern Kitchen	1,500,000	-
Provision of Solar Panels	120,000	-
Provision of Solar Backup Batteries	1,800,000	-
Total in kind Contributions from donors	4,577,642	-

Doldol Level 4 Hospital (Laikipia County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Notes to the Financial Statements (Continued)

8. IN KIND CONTRIBUTIONS FROM THE NATIONAL GOVERNMENT

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Salaries, wages, and allowances- Universal Health Coverage	622,001	-
Total in kind contributions from national government	622,001	-

9. RENDERING OF SERVICES-MEDICAL SERVICE INCOME

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Consultation	104,670	76,210
Laboratory	87,570	23,540
Pharmacy	274,168	101,540
MCH/FP	1,370	16,685
Dressing	7,250	8,160
Medical	800	10,000
Inpatient	112,970	31,200
Linda Mama Outpatient	71,000	584,018
Linda Mama Inpatient	390,000	1,260,931
Edu Afya	-	360,691
Minnet	62,415	110,390
NHIF Outpatient	-	248,819
NHIF Maternity	470,000	-
SHA Maternity	320,000	
SHA Outpatient	53,625	
SHA Inpatient	10,568	
Total revenue from the rendering of services	1,966,406	2,832,184

10. MEDICAL/ CLINICAL COSTS

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Food and Ration	-	789,820
Dressing and non-pharmaceuticals	-	23,154
Pharmaceutical supplies	-	2,921,014
Sanitary and Cleansing Materials	-	54,905
In kind medical/ clinical costs	-	3,788,893
Food and Ration	181,065	-
Dressing and non-pharmaceuticals	19,126	3,452
Laboratory Materials	295,676	
Pharmaceutical supplies	10,641	-
Sanitary and Cleansing Materials	28,060	1,185
Entity medical/ clinical costs	534,568	4,637
Total medical/ clinical costs	534,568	3,793,530

Doldol Level 4 Hospital (Laikipia County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Notes to the Financial Statements (Continued)

11. EMPLOYEE COSTS

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Salaries, wages, and allowances	23,298,843	-
Contributions to pension schemes	1,082,979	
Service gratuity	115,541	
Social contribution	216,000	
Housing Levy Contribution	349,733	
Staff medical expenses and Insurance cover	-	
Casual Wages	2,466,360	1,365,760
Employee costs	27,529,455	1,365,760

12. BOARD OF MANAGEMENT EXPENSES

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Sitting allowance	255,000	-
Total	255,000	-

13. DEPRECIATION AND AMORTIZATION EXPENSE

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Property, plant and equipment	126,000	-
Intangible assets	-	-
Investment property carried at cost	-	-
Total depreciation and amortization	126,000	-

14. REPAIRS AND MAINTENANCE

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Furniture and fittings	-	138,990
Motor vehicle expenses	-	12,002
Maintenance of civil works	-	16,000
In kind repairs and maintenance	-	166,992
Property- Buildings	155,120	-
Furniture and fittings	-	1,985
Motor vehicle expenses	13,200	-
Entity repairs and maintenance	168,320	1,985
Total repairs and maintenance	168,320	168,977

Doldol Level 4 Hospital (Laikipia County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Notes to the Financial Statements (Continued)

15. GRANTS AND SUBSIDIES

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
	-	-
	-	-
Total Grant and Subsidies	-	-

16. GENERAL EXPENSES

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Electricity	-	233,428
Water and Sewerage Charges	-	33,800
Accommodation - Domestic Travel	-	5,500
General Office Supplies (papers, pencils, forms, small office equipment etc)	-	44,984
Courier & Postal Services	-	37,800
Telephone, Telex, Facsimile and Mobile Phone Services	-	16,000
Catering Services (receptions), Accommodation, Gifts, Food and Drinks	-	61,200
Bank Service Commission	-	-
Internet Connections	-	66,024
Other Fuels (wood, charcoal, cooking gas etc...)	-	42,770
In kind General Expenses	-	541,506
Electricity	168,625	58,172
Water and Sewerage Charges	39,000	49,400
Telephone, Telex, Facsimile and Mobile Phone Services	5,401	-
Internet Connections	88,032	22,008
Courier & Postal Services	10,890	-
Accommodation - Domestic Travel	68,000	4,000
Daily Subsistence Allowance	356,600	33,600
Printing and publishing services	4,640	
Training fees	92,800	
General Office Supplies (papers, pencils, forms, small office equipment etc)	62,680	10,725
Catering Services (receptions), Accommodation, Gifts, Food and Drinks	39,850	10,000
Bank Service Commission	7,775	5,645
Other Depository Corp. Other	1,500	
Subscriptions	4,050	-
Refined Fuels	43,350	-
Other Fuels (wood, charcoal, cooking gas etc...)	66,380	13,045
Entity General Expenses	1,059,573	206,595
Total General Expenses	1,059,573	748,101

Doldol Level 4 Hospital (Laikipia County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Notes to the Financial Statements (Continued)

17. MEDICAL SERVICES CONTRACTS GAINS /LOSSES

Description	FY 2024-2025	FY 2023-2024
	KShs	KShs
Comprehensive care contracts with NHIF	-	-
Non- Comprehensive contracts care with NHIF	-	-
Linda Mama Program	-	-
Waivers and Exemptions	-	-
Total Gain/Loss	-	-

18. IMPAIRMENT LOSS

Description	FY 2024-2025	FY 2023-2024
	KShs	KShs
Property, plant, and equipment	-	-
Intangible assets	-	-
Total impairment loss	-	-

19. CASH AND CASH EQUIVALENTS

Description	FY 2024-2025	FY 2023-2024
	KShs	KShs
Current accounts	1,074,123	1,109,007
On - call deposits	-	-
Fixed deposits accounts	-	-
Cash in hand	-	-
Mpesa Paybill no.3131317	143,827	10,125
Total cash and cash equivalents	1,217,950	1,119,132

19 (a) Detailed Analysis of Cash and Cash Equivalents

Description		FY 2024-2025	FY 2023-2024
Financial institution	Account number	KShs	KShs
a) Current account			
Kenya Commercial bank	1324987057	1,036,955	1,104,836
Kenya Commercial bank	1235093808	37,168	4,171
Family Bank	064000064783	-	-
Sub- total		1,074,123	1,109,007
b) On - call deposits			
		-	-
c) Fixed deposits account			
		-	-
d) Others			
Cash in Hand		-	-
Mpesa Paybill no.3131317		143,827	10,125
Sub- total		143,827	10,125
Grand total		1,217,950	1,119,132

Doddol Level 4 Hospital (Laikipia County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Notes to the Financial Statements (Continued)

20. RECEIVABLES FROM EXCHANGE TRANSACTIONS

Description	FY 2024-2025	FY 2023-2024
	KShs	KShs
Medical services receivables	1,738,591	1,609,390
Less: impairment allowance	-	-
Total receivables	1,738,591	1,609,390

Analysis of Receivables from Exchange Transactions

Description	FY 2024-2025		FY 2023-2024	
	Kshs		Kshs	
	FY 2024-2025	% of the total	FY 2023-2024	% of the total
Less than 1 year	1,406,933	80.92	1,609,390	100
Between 1- 2 years	331,658	19.08	-	-
Between 2-3 years	-	-	-	-
Over 3 years	-	-	-	-
Total (a+b)	1,738,591	100.00	1,609,390	100

21. INVENTORIES

Description	FY 2024-2025	FY 2024-2025
	KShs	KShs
Pharmaceutical supplies	3,502,797	-
Food supplies	169,052	-
Linen and clothing supplies	81,900	-
General supplies	345,301	-
Less: provision for impairment of stocks	-	-
Total	4,099,049	-

Detailed disclosure on inventories

Description	FY 2024-2025	FY 2024-2025
	KShs	KShs
Opening balance	-	-
Additional Inventory in the year	4,635,117	-
Inventory expensed in the year	(536,068)	-
Write-downs in the year	-	-
Closing balance	4,099,049	-

Doldol Level 4 Hospital (Laikipia County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Notes to the Financial Statements (Continued)

22. PROPERTY, PLANT AND EQUIPMENT

Description	Land	Buildings and Civil works	Motor Vehicles	Furniture, Fittings & Office Equipment	Plant and Equipment	Total
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Depreciation rate		2%	16.67%	12.50%	5%	
Cost						
At 1 July 2023						-
Additions						-
Disposals	-	-	-	-	-	-
Transfers/adjustments	-	-	-	-	-	-
At 30th June 2024	-	-	-	-	-	-
At 1 July 2024						-
Additions		1,500,000		-	1,920,000*	3,420,000
Disposals	-	-	-	-	-	-
Transfers/adjustments	-	-	-	-	-	-
At 30th June 2025	-	1,500,000	-	-	1,920,000	3,420,000
Depreciation and impairment						-
Depreciation for the year	-	30,000	-	-	96,000	126,000
Impairment	-	-	-	-	-	-
Total Depreciation and impairment	-	30,000	-	-	96,000	126,000
Net Book Value At 30th June 2025	-	1,470,000	-	-	1,824,000	3,294,000

* The asset was recognized at deemed cost due to the absence of formal documentation from the donor at the time of acquisition.

Doldol Level 4 Hospital (Laikipia County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Notes to the Financial Statements (Continued)

23. Trade and other Payables

Description	FY 2024-2025		FY 2023-2024	
	KShs		KShs	
Trade payables	277,575		0	
Employee dues	-		0	
Total trade and other payables	277,575		0	
Ageing analysis:	FY 2024-2025	% of the Total	FY 2023-2024	% of the total
Under one year	277,575	100%	0	%
1-2 years	-	-	0	%
2-3 years	-	-	0	%
Over 3 years	-	-	0	%
Total	277,575	100%	0	%

24. Events after the Reporting Period

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

25. Ultimate and Holding Doldol Level 4 Hospital

Doldol Level 4 Hospital is a County Government entity under the Department of Health. Its ultimate parent is the County Government of Laikipia.

26. Currency

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

1. APPENDICES

APPENDIX 1: PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor. We have nominated focal persons to resolve the various issues as shown below with the associated time frame within which we expect the issues to be resolved.

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status:	Timeframe:
1.	Unconfirmed Comparative Balances	Doldol Level 4 Hospital is officially registered as a Level 3A facility pursuant to Gazette Notice No. 786 dated 4th February 2020. However, the operational license issued for the year under audit authorized the hospital to function as a Level 4 facility. In view of this, management resolved to prepare the financial statements in accordance with the Level 4 designation, thereby aligning with the hospital's actual service delivery scope and evolving regulatory requirements.	Resolved	
2.	Non-disclosure of Property, Plant and Equipment	The hospital currently lacks formal ownership documentation for a significant portion of its assets, including land and buildings. In response, management is actively collaborating with the Department of Health to engage the County Executive with the aim of securing the requisite ownership documents. Upon acquisition of these documents, the hospital intends to commission a qualified valuer to conduct a comprehensive asset valuation. This process will ensure that the assets are appropriately recognized and measured in accordance with IPSAS 33. The resulting valuations will be incorporated into the financial statements to present a true and fair view of the hospital's financial position. For verification purposes, the updated asset registers have been annexed.	Not Resolved	

Doldol Level 4 Hospital (Laikipia County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status:	Timeframe:
3.	Non – Disclosure of Inventory	Management acknowledges that the statement of financial position reflects a nil inventory balance as disclosed in Note 17 to the financial statements. This is because all inventories—both pharmaceutical and non-pharmaceutical—were fully expensed during the year under audit. As such, no closing stock was recognized as at 30 June 2024. The hospital is currently reviewing its inventory management and valuation processes to ensure future compliance with IPSAS and FIF Act requirements.	Resolved	
4.	Engagement of casual workers	At Doldol Level 4 Hospital, casual workers are initially contracted for a period of three months. Before any renewal is considered, each worker must submit a formal written request for re-engagement. These requests undergo a rigorous review process, with decisions based on individual performance evaluations and prevailing operational requirements. Where performance standards are not met or staffing needs have shifted, re-engagement may not be granted.	Not Resolved	
5.	Lack of risk management policy and ICT policy	The hospital has developed draft Risk Management and ICT policies, which have been reviewed and formally endorsed by the Hospital Management Board. These drafts have since been submitted to the Department of Health for final approval. Management remains committed to implementing these policies upon ratification to strengthen institutional governance, operational resilience, and compliance with regulatory standards	Resolved	
6.	Non-Compliance with Universal Health Care (UHC)Requirements	The hospital acknowledges current non-compliance with Universal Health Coverage (UHC) standards related to Human Resources for Health (HRH) and facility capacity. Staffing gaps persist across key service areas, as identified through a Workload Indicator of Staffing Needs (WISN) survey conducted by the Department of Health. While these needs have been formally documented, their resolution remains	Not Resolved	

Doldol Level 4 Hospital (Laikipia County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status:	Timeframe:
		contingent on resource availability and recruitment processes managed by the County Public Service Board. In parallel, the hospital is actively engaging the County Executive and strategic partners to mobilize resources for the acquisition of essential equipment required to attain and sustain Level 4 facility status. These efforts reflect management's commitment to progressively align with UHC benchmarks and improve service delivery		

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Dr. David Mwangi
Accounting Officer

APPENDIX II: PROJECTS IMPLEMENTED BY THE DOLDOL LEVEL 4 HOSPITAL

Projects

Projects implemented by the Hospital Funded by development partners

Project title	Project Number	Donor	Period/ duration	Donor commitment	Separate donor reporting required as per the donor agreement (Yes/No)	Consolidated in these financial statements (Yes/No)
1. Construction of a modern Kitchen	002/2024-2025	Loisaba Community Trust	2 Months	Kshs. 1,500,000	Yes	Yes
2. Provision of solar panels and back up Batteries	001/2024-2025	Laikipia Conservancies Association	One week	Kshs. 1,920,000	No	Yes

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