

REPUBLIC OF KENYA



REPORT

98

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ON

IMBIRIKANI LEVEL 4 HOSPITAL

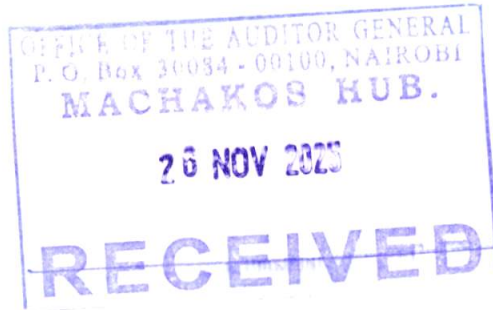
FOR THE YEAR ENDED
30 JUNE, 2025

COUNTY GOVERNMENT OF KAJIADO

PAPERS LAID	
DATE	17/02/2026
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COMMITTEE	
CLERK AT THE TABLE	TIFFANY X

87

Revised 30th June 2025



IMBIRIKANI Level 4 HOSPITAL (Kajiado 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)

Table of Contents

1. Acronyms & Glossary of Terms	ii
2. Key Entity Information and Management	iv
3. The Board of Management	vii
4. Key Management Team.....	viii
5. Chairman’s Statement.....	x
6. Report of The Medical Superintendent.....	xi
7. Statement of Performance Against Predetermined Objectives	xiii
8. Corporate Governance Statement	xiv
9. Management Discussion and Analysis	xvi
10. Environmental And Sustainability Reporting	xx
11. Report of The Board of Management	xxiii
12. Statement of Board of Management’s Responsibilities	xxiv
13. Report of the Independent Auditor (specify entity name).....	xxv
14. Statement of Financial Performance for The Year Ended 30 June 2025	1
15. Statement of Financial Position As At 30 th June 2025	3
16. Statement of Changes in Net Asset for The Year Ended 30 June 2025	5
17. Statement of Cash Flows for The Year Ended 30 June 2025.....	6
18. Statement of Comparison of Budget and Actual Amounts for Year Ended 30 Jun 2025	8
19. Notes to the Financial Statements	10
20. Appendices.....	57

1. Acronyms & Glossary of Terms

CSR	Corporate Social Responsibility
OSHA	Occupational Health & Safety Act
PFMA	Public Financial Management Act
MED SUP	Medical Superintendent
Fiduciary Management	Key management personnel who have financial responsibility in the entity.
HMT	Hospital Management Team
AIE	Authority to Incur Expenditure
GRM	Grievance Redress Mechanism
CHA	Community Health Assistant
CHP	Community Health Promoter
PHC	Primary Health Care
NHIF	National Hospital Insurance Fund.
SHIF	Social Health Insurance Fund
MCH	Maternal and child health clinic
OPD	out-patient department
ANC	Ante-natal clinic
FP	Family Planning
PMTCT	Prevention of Mother to child transmission (HIV)
KEPI	Kenya Expanded Program on immunisation
A & E	Accident and Emergency
IPC	Infection prevention and control

QIT	Quality Improvement Team
CIMES	County Integrated Monitoring & Evaluation system
NCD	Non communicable diseases
KEPI	Kenya expanded program on Immunisation
CCC	comprehensive care centre
TB	Tuberculosis
UECs	Urea, Electrolytes & Creatinine
LFTs	Liver Function Test
FIF	Facility improvement fund.
CIDP	county integrated development plan
LBW	Low birth weight.
DQA	Data Quality Analysis
SDGs	Sustainable Development Goals.
HPTs	Health Products and Technologies
ISCH	Imbirikani Sub-county Hospital

2. Key Entity Information and Management

(a) Background information

IMBIRIKANI Level 4 Hospital is a level 4 hospital established under Kenya gazette notice number 3089 dated 28th February 2023, registered with Kenya Medical Practitioners and dentists' council-KMPDC, and is domiciled in KAJIADO County under the Medical Services Department. The hospital was officially opened on 1st February 2023 by H.E The Governor of Kajiado County. The hospital, previously a dispensary, still awaits appointment constitution, gazettelement and induction process of Board of Management, having been upgraded from a dispensary to a Level 4 facility.

(b) Principal Activities

The principal mandate of the hospital is to offer health care services to the public, improving quality of health that leads to reduction of morbidity and mortality.

The facility was equipped and upgraded to a Level 4 hospital on the 1st February 2023. Before that, the facility was operating as a dispensary. After the upgrading, the facility started its operations increasing the efficiency of the services previously offered in the dispensary due to availability of staffing expertise and equipment. The facility offers 24-hour outpatient services which includes the Laboratory and pharmacy. More specialized services offered at the facility include patients review by senior medical officers, Dental department and specialized Laboratory investigations like Kidney and liver function tests. Other than outpatient services, the facility has Maternal and child welfare clinics -MCH, Family planning services -FP services, Ante-natal Clinics -ANC, Nutrition clinic, Cervical Cancer Screening clinic, Primary Eye care clinic, ortho-trauma for services like plaster/cast application and removal, 24 Hour Maternity services and general in-patient/wards services.

(c) Key Management

The *hospital's* management is under the following key organs:

- County department of health
- Accounting Officer/ Medical Superintendent
- Hospital Administrator
- Nursing services Manager
- Pharmacy in-charge
- Hospital Management Team-HMTs

(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.	Medical Superintendent	Dr. Abdulaziz Samperu
2.	Hospital Administrator	Jackson Sakimba
3.	Nursing services Manager	Boniface Wachira
4.	Pharmacist in-charge	Dr. Julius Kerei
5.	Laboratory In-charge	Juma Ramadhan
5.	Head of Clinical officer's department	Ryan Lesinko

(e) Fiduciary Oversight Arrangements

- County department of Medical Services
- Auditors-internal and External
- County Assembly
- Parliamentary committees
- Senate committee
- CIMES

Key Entity Information and Management (continued)

(f) IMBIRIKANI LEVEL 4 HOSPITAL
 IMBIRIKANI town-NEXT TO ENKIJAPE PRIMARY SCHOOL
 ALONG EMALI-LOITOKITOK ROAD.
 LOITOKITOK, KAJIADO SOUTH. KENYA

(g) Entity Contacts
 Telephone: (+254) 115554579
 E-mail: medsupimbirikani@gmail.com
 P O BOX 28- LOITOKITOK

(h) Entity Bankers
 Commercial Banks
 KENYA COMMERCIAL BANK LOITOKITOK BRANCH

(i) Independent Auditors

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

(j) Principal Legal Adviser

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

**(k) County Attorney.
Kajiado County Government**
P.O. Box. 11
KAJIADO, Kenya

3. The Board of Management

Entity board of management was not in place during the year under review.

Ref	Directors	Details
1.	Director 1	Provide a concise description of each Director's age, key qualifications, and work experience. Indicate whether the director is independent or an executive director and which committee of the Board the director chairs where applicable. Indicate whether the director is independent and or whether alternate.
2.	Director 2	
3.	Director 3	
4.	Director 4/Alternate	
5.	MED SUP	
6.	Entity Secretary	Indicate whether the secretary is a member of ICS as required under the Mwongozo code in addition to their other details.

4. Key Management Team

Ref	Management	Details
1.	 <p>Dr. Abdulaziz Samperu. MBChB, degree in Medicine and surgery. Certificates in Project management, leadership and Management in Health, Program based budgeting, registered by Kenya Medical Practitioners and Dentists council-KMPDC.</p>	Supervision and management of hospital operations, Facility accounting officer and AIE holder. Team leader.
2.	 <p>Jackson SAKIMBA. Former manager, Aid village clinic, IMBIRIKANI.</p>	Hospital Administrator- supervises the support functions for hospital operations, support staffs, fleet management and hospital environment.
3.	 <p>Mr. Boniface Wachira. Master degree in Public Health-MPH. Bachelors of science in Nursing-BSN, Registered Nurse by Nursing Council of Kenya.</p>	Nursing services manager, oversee and supervises non-pharmaceutical stocks, nursing department head and team leader.

4.	 <p>Dr Julius Kerei. Degree in Pharmacy, registered by the Kenya Pharmacy and Poisons Board-PPB</p>	<p>Pharmacist in-charge. Head of department/supervisor pharmacy. Ensures department is well stocked with rational use of medications, stock control and antibiotics stewardship.</p>
5.	 <p>Juma Ramadhan. Diploma in medical Laboratory technology, registered by the Kenya Medical Laboratory technicians and technologist board KMLTTB</p>	<p>Team leader and head of Laboratory department. Ensures quality standards and operations in the laboratory for timely accurate diagnosis in patients/clients management.</p>

5. Chairman's Statement

Entity board of management was not in place during the year under review.

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Name

Chairman to the Board

6. Report of The Medical Superintendent

IMBIRIKANI Level 4 Hospital started its operations on 1st Feb 2023, previously being a dispensary. The previously offered services at the dispensary like outpatient, maternity, MCH and nutrition services were enhanced by expertise staffing and more equipment together with departmentalization. The dispensary had only 2 nursing staff ensuring holistic service delivery. With the entity now offering services 24 hours with capacity-built expertise staff, departments have staff level improved.

The entity is a level 4 hospital with the outpatient/emergency department operating 24 hours, including the laboratory, pharmacy and ultrasound services. Other services include 24-hour maternity services for normal deliveries, assisted delivery and if need be cesarean section for operative delivery. The in-patient department has pediatric ward, male and female wards for patient admitted for management at the hospital.

The laboratory has capabilities of offering both routine laboratory tests like malarial test, urinalysis, stool analysis, among others. Specialized laboratory test like lipid profile, urea creatine, electrolytes, liver function tests, calcium levels, complete blood count are all offered for timely and accurate diagnosis. Diagnosis of tuberculosis is also offered via gene-expert test. The Laboratory also has a blood donor room to ensure blood and blood products availability is enhanced.

The pharmacy department has both essential drugs and specialized drugs, including cold chain drugs like insulin is well stocked. The temperature in the storage room is well controlled to avoid reduction in efficacy due occasioned by temperature instability.

The operating room/ theatre has been in operation, fully equipped and with expertise. The uptake for theatre procedures has been low, that notwithstanding both emergency and elective theatre cases has been done with 100% success rate for both the mother and newborn babies.

Other services offered include well baby clinic/MCH, nutrition clinic, occupational therapy, comprehensive care center for HIV/AIDS patients, TB clinic, among others.

Just to mention a few successes since the hospital inception include, managing a preterm of less than 1.5 kg to discharge successfully, managing major road traffic accident and trauma patients, successful cesarean sections, and no maternal mortality recorded.

The Management structure of the hospital includes, the Medical Superintendent. Hospital administrator, Nursing services manager, assisted with the departmental heads forming Hospital

management team- HMT. The routine supervision from the sub-county health management team and county health management team ensures the hospital needs and gaps are identified timely for quick intervention and provides conduit for communication dissemination and feedback mechanism.

The county assembly health committee and the internal audit team have also visited the entity to ensure service delivery and hospital operation is within the framework of our constitution and the governing laws and procedures.

The hospital FIF revenue collection, done within the framework of the law and the county finance bill 2023, has been low, advocacy and sensitization of the sub optimal utilization of the facility has been ongoing, with hopes in improvement of the resource envelop. The defunct NHIF has not been disbursing since inception, throwing us further into financial turmoil as consumables used by the members cannot be replenished due to unavailability of funds. The entity is still following up with the accrued claims with hopes to recover and improve service delivery with the funds.

That said and done, the department of health have been key in ensuring sustainability of operations through in-kind support like pharmaceuticals, non-pharmaceuticals, Laboratory reagents, casual wages, fuel, equipment and capacity building among others. This is highly appreciated as it has really helped to ensure no interruption of services.

Other key players/stakeholders helping the entity in activities like outreach include Big-life and Fahari Ya Jamii/USAID among others. Fahari Ya Jamii FYJ/USAID have been key in supporting HIV/ TB, MCH, GBV services among others.

Among the challenges that the entity is facing includes financial costs for running its operations, no mortuary, power outages, lack of sustainable power back-up and understaffing in all cadres.

Moving forward, the entity is planning to ensure improvement in collection of the FIF revenue and write proposals to partners to ensure sustainability of operations to improve health and nutritional status of the patients, ultimately leading to reduction of morbidity and mortality. Lastly is through leveraging on the new healthcare funding through SHIF/SHA to improve on financing.



.....
Name Dr. Abdulaziz Samperu

Medical Superintendent.

7. Statement of Performance Against Predetermined Objectives

IMBIRIKANI LEVEL 4 HOSPITAL has 3 objectives within the current Strategic Plan for the FY 2024- FY 2025. These strategic pillars/ themes/ issues are as follows:

OBJECTIVE 1: To offer timely evidence based curative and rehabilitative health services.

OBJECTIVE 2: To offer preventive and promotive health services

OBJECTIVE 3: To offer administrative support service, resource mobilisation and working environment for seamless hospital operations.

IMBIRIKANI LEVEL 4 HOSPITAL develops its annual work plans based on the above 3 pillars/Themes/Issues. Assessment of the Board’s performance against its annual work plan is done on a quarterly basis. The IMBIRIKANI LEVEL 4 HOSPITAL achieved its performance targets set for the FY 2024/2025 period for its 3 strategic pillars, as indicated in the diagram below: The hospital aligns its objective with the national and county governments health agendas.

Thematic areas/issues	Objective	Key Performance Indicators	Activities	Achievements
Access to quality and timely management of NCDs.	To increase early diagnosis of NCDs and timely management.	Number of NCD cases identified and put on care. Number of screened cases for NCDs.	Screening for NCD- outreach and at Triage in OPD. Management of NCDs at hospital	Numbers of NCD cases screened. Number of positive cases identified and put on care
Access to timely diagnosis and treatment of cervical cancer	To increase early cervical cancer diagnosis	Number of patients screened and linked to care	Cervical cancer screening at MCH and outreach.	Number of cases screened. Number of cases linked to care.
Timely diagnosis and management of SAM and MAM nutritional disorders	To increase early diagnosis of SAM and MAM	Number of cases screened. Number of cases put on management	OPD triage/ screening MCH-anthropometric measurement for screening.	Number of cases screened. Number of cases put on management
Timely service to	To reduce	Number of patients offered	Exit surveys on waiting	Number of

IMBIRIKANI LEVEL 4 Hospital (Kajiado County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

patients at the OPD/emergency departments	waiting times for OPD services to improve service uptake	timely service. Number	time and feedback. Meetings to evaluate service charter implementation.	patients offered timely services. Service charter implementation review meeting feedback.
Data quality standards and documentation	To ensure quality data and documentation standards.	Number of Data quality analysis DQA reviews done. Number of routine Registers/documentation standards adherence checks done.	DQA. Reviews. Registers/documentation inspection/checks.	Data quality and reports informing decisions and strategies.
Sub-optimal utilisation of the facility	To ensure optimal utilisation of the facility	Number of Advocacy/sensitization/dialogues done at community level and at the hospital, incorporating CHPs.	Dialogues Advocacy meetings, sensitizations.	Optimal utilisation of facility.
RMNCAH Services enhancement	To ensure access and improved RMNCA services	Reduction in maternal morbidity and mortality. Number of youth/adolescents accessing services. Number of skilled hospital deliveries. Number of early and late postpartum FP offered. Number of ANC visits increased to meet WHO criteria of 8 visits.	Sensitizations/dialogues at household levels by CHPs on RMNCAH service. Health education at MCH. Training and incorporation of TBAs to provide linkages to facility and RMNCA. Early and late postpartum FP service. Adolescents and youth friendly clinics. Capacity building of healthcare staffs on EMONC and BEMONC	Improved and enhanced RMNCAH services with reduction in maternal morbidity and mortality, infant deaths.

8. Corporate Governance Statement

IMBIRIKANI LEVEL 4 Hospital (Kajiado County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Entity board of management was not in place during the year under review.

9. Management Discussion and Analysis

Clinical/operational performance

- *Bed capacity of the hospital.*
The entity is a 60-bed capacity with maternity, in-patient including male. Female and paediatric ward.
- *Overall patient attendance during the year for both inpatient and outpatient.*

As per attached pictorial attached for the different months of the financial year.
- *Accident and Emergency attendance*

As per attached pictorial attached for the different months of the financial year.
- *Specialised clinic attendance*

As per attached pictorial attached for the different months of the financial year.
- *Average length of stay for in patient.*

As per attached pictorial attached for the different months of the financial year.
- *Bed occupancy rate*

As per attached pictorial attached for the different months of the financial year.
- *Mortality rate,*

No maternal mortality experienced during the financial year.
- *Surgical theatre utilisation*

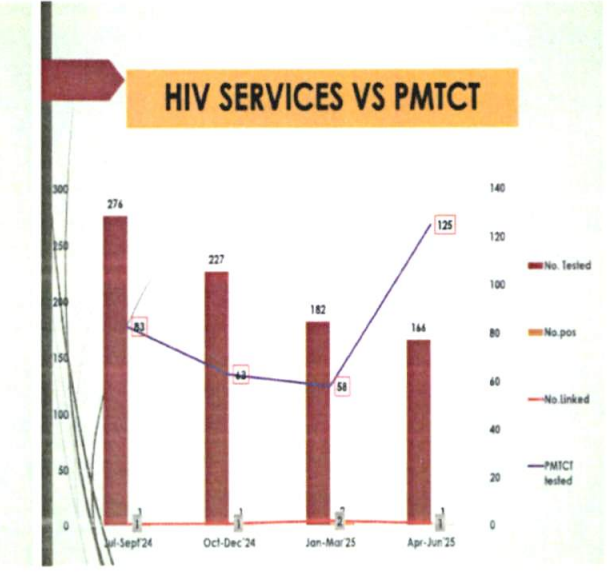
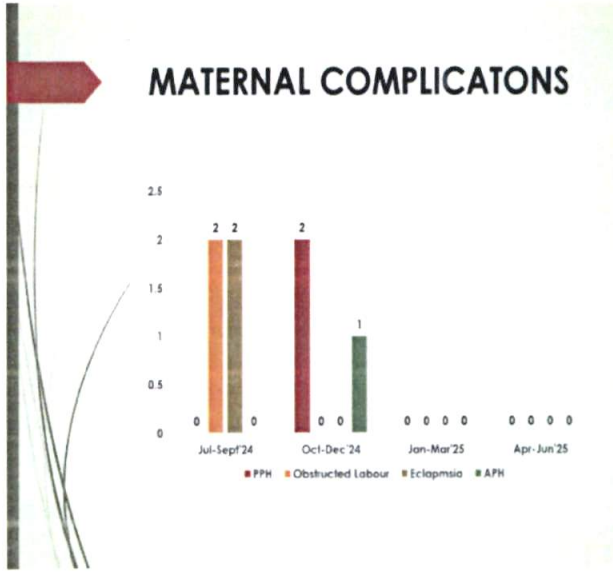
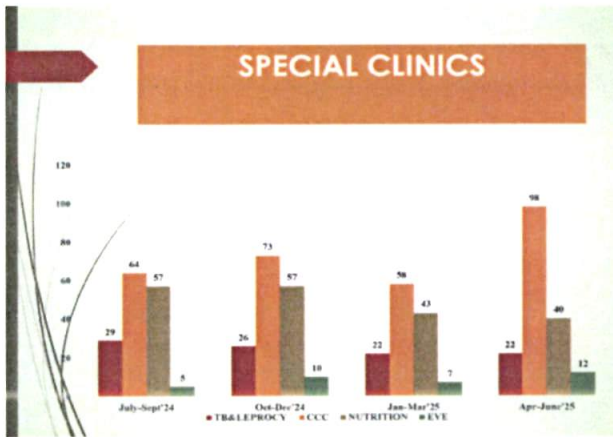
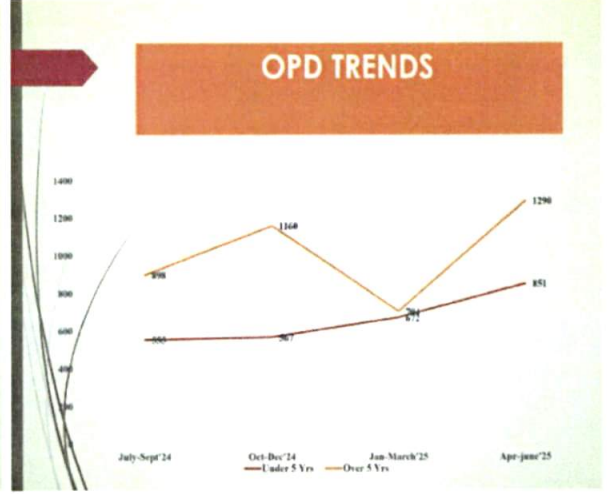
The major surgeries done though still lower in number is delivery via caesarean section, other occasional surgeries include repair of cervical tear, general surgery like major suture and debridement. On average caesarean section is 5 to 10 in a month.
- *Sponsorships and partnerships*

The main sponsor and partner is the goodwill of the county government. Othe partners include USAID among others supporting various service delivery like outreach, TB, HIV among others.

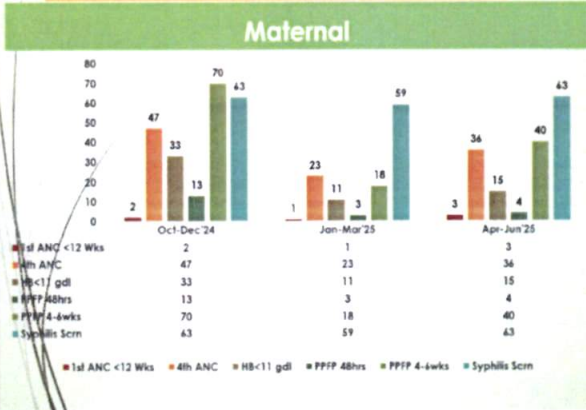
IMBIRIKANI LEVEL 4 Hospital (Kajiado County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

OVERVIEW

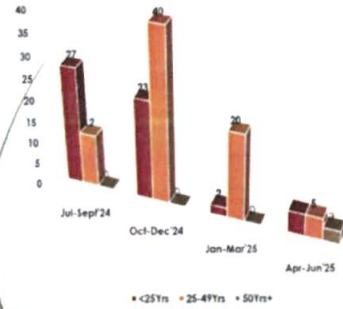
- Imbirikani Level 4 hospital is a public government facility in Kajiado South Along Emali-Loitokitok road.
- Upgraded from dispensary to a level 4 facility on 1st of February 2023 by His Excellency The Governor Kajiado county
- A 60 bed capacity KMPDC registered and SHA accredited.
- Services offered include 24 hour outpatient and emergency, maternity, in-patient, MCH, Dental services, ultrasound, theatre, nutrition, occupational therapy and physiotherapy



Reproductive Health Services



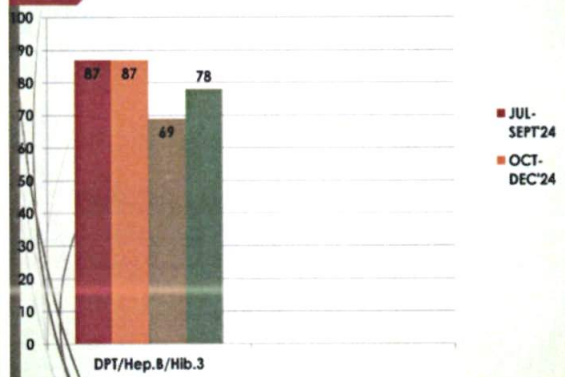
CaCx Screening By Age



LABORATORY SERVICES

	ROUTINE TESTS	SPECIAL TESTS
JULY-SEPT '24	1274	377
OCT-DEC '24	807	764
JAN-MAR'25	1025	243
APR-JUNE'25	781	335

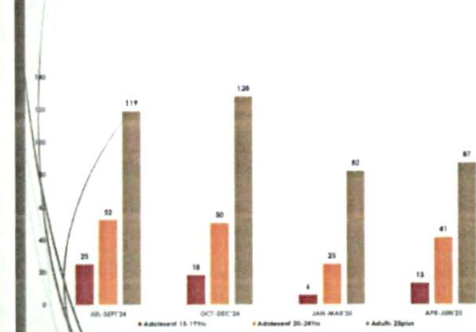
IMMUNIZATION PENTA (DPT/Hep. B/Hib.3)



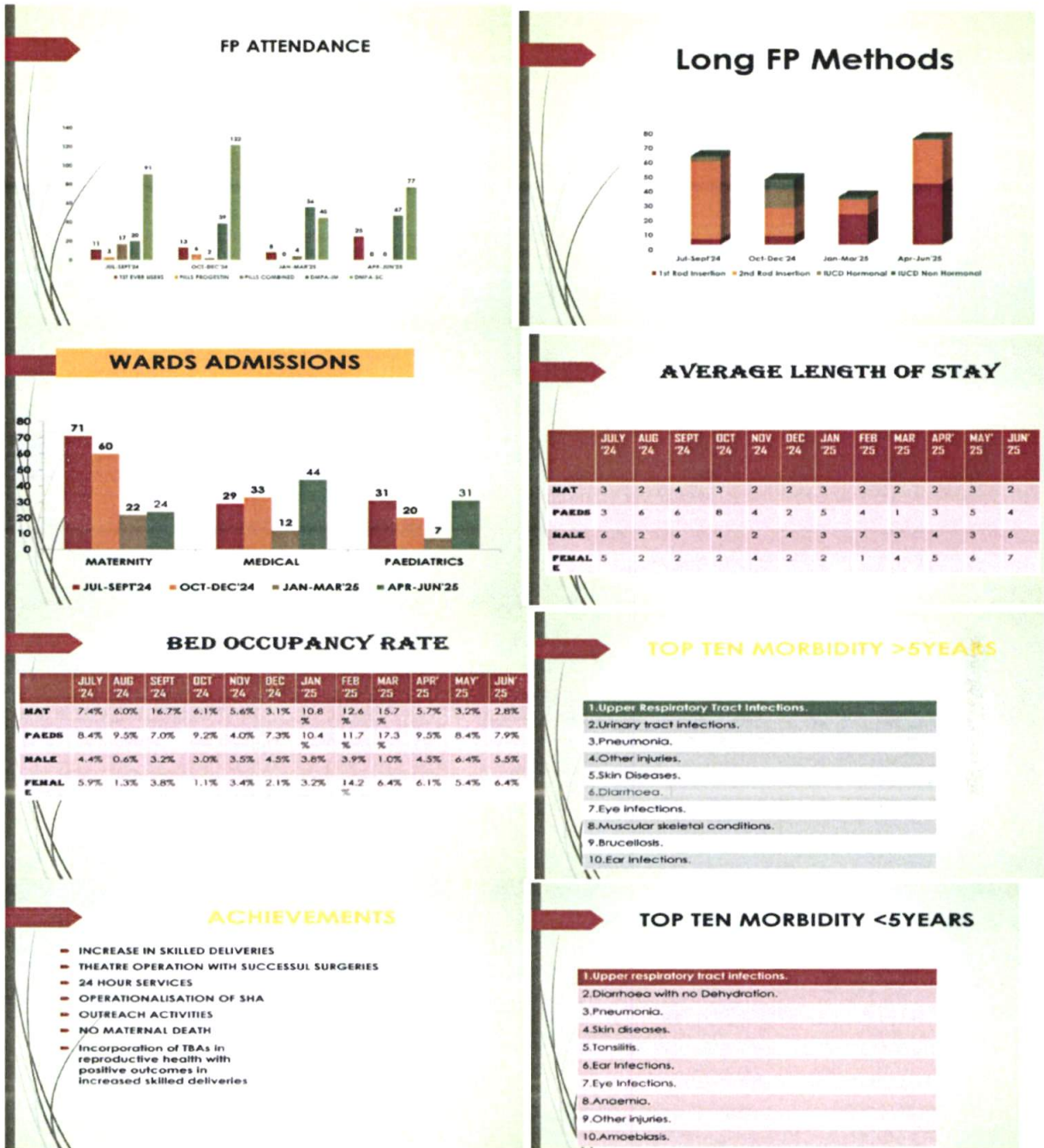
PHARMACY NO. OF PRESCRIPTIONS

	JUL-SEPT'24	OCT-DEC'24	JAN-MAR'25	APR-JUN'25
Common Drugs	1875	608	1095	1498
Antibiotics	1090	320	631	688
Special Drugs	232	114	149	95
Drugs For Children	2104	795	2096	2410

FP SERVICES ATTENDANCE BY AGE



IMBIRIKANI LEVEL 4 Hospital (Kajiado County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025



Financial performance: -

- Revenue sources,

The major revenue source is the Facility improvement fund FIF collected for services rendered and the social health Authority SHA disbursement.

- Utilisation of funds- mainly hospital operations including utility bills, casual wages, drugs, non-pharmaceuticals, maintenance (m/v and buildings, food rations among others

Medical Superintendent- Dr. Abdulaziz Samperu. Sign.....

Environmental And Sustainability Reporting

i) Sustainability strategy and profile

IMBIRIKANI Level 4 Hospital is a public hospital offering health-care services to the public. The entity vision is- An efficient and high-quality health care system that is accessible, equitable and affordable for every Kenyan.

The entity mission is- To promote and participate in provision of integrated and high quality promotive, preventive, curative and rehabilitative health care services to all Kenyans

The entity Mandate is – To formulate policies, set standards, provide health services, create an enabling environment and regulate the provision of health service delivery.

The facility, being in its first year with very low revenue collection, still depends on in kind support from the department of health in ensuring seamless operations and service delivery. The facility looks forward to the incoming social health authority as one of the ways to ensure revenue streams and resource baskets is improved to ensure optimal hospital operations. The other strategy is the primary health care model and funding as the facility is a hub in the hub and spoke model of universal health coverage and leverages on the government support in ensuring the national government agenda in health care is achieved. Among other ways is to increase and enhance service delivery points to increase the revenue streams. Lastly includes partnerships with stakeholders in order to achieve objectives of facility through lobbying, advocacy, stakeholders' engagements, public participation and proposal writing among others.

ii) Environmental performance

In line with the SDG number thirteen, the hospital management is cognizant of climatic change challenges, has sensitized all staff on environmental conservation and through correct waste disposal using segregation method and colour coded bins in the hospital, planting of trees in the hospital and embrace it. The hospital has a policy of every staff to adopt a tree which they will take care by watering. Every rainy season we ensure every staff member plans a tree.

In dealing with hazardous hospital waste, the support staff and staff have been sensitized on waste segregation, disposal, how to do it properly. The community health promoters who are attached to this facility are sensitized on environmental conservation so that they share the key message on sustainable environment for climate change to the households they supervise.

The biggest success has been; the hospital's infection prevention committee which meets monthly and advise the management accordingly, tree we planted since inception of the hospital and the team spirit in the hospital staff in matters environmental conservation and sustainability.

The biggest challenge in the waste management is the lack of an incinerator which necessitates transportation of sharps waste to LOITOKITOK for incineration/burning chamber

iii) Employee welfare

The clinical employees working at the hospital are hired by the county public service board and deployed by the department of health service. Redeployment, promotion is also done by the department of health service. To continuously improve skills the hospital management has organized for continuous medical education sessions conducted weekly. To further improve the staff skills the hospital conducts interactive medical ward round where they are learning sessions. The management releases for training any staff requested to be released by the department of health o attend health related seminars. There is also grievance redress and feedback mechanism escalation to the relevant offices for action.

Hiring of casual workers is done by the hospital health management team. The recruitment process is competitive and fair. Once recruited they are taken through a training in the hospital on their roles, infection prevention, customer care and ethics.

The hospital ensures employees work in a safe environment and provide them with necessary PPE items.

iv) Market place practices-

a) Responsible competition practice.

The health facility is a nonprofit making entity and does not engage in competition with private health providers. It strives to provide quality and affordable services hence making it a hospital of choice among many people. It treats other health care providers as people who complement what we do but not competitors. The hospital management does not condone any form of corruption in the hospital.

b) Responsible Supply chain and supplier relations

The hospital procures its ***goods*** and ***services through*** the Kajiado County prequalified suppliers. Some of them are KEMSA and MEDS. The hospital honours the contracts by paying suppliers. For drugs procured through the county and other in kind from county department of health, it's the department that is responsible to honour their end of bargain.

c) Responsible marketing and advertisement or Responsible engagement with citizens

The hospital markets itself through platforms such as community dialogue day, chiefs baraza, has signposts and service charter showing location and its services respectively

d) Product stewardship or Awareness Creation

The hospital operates under the ethical principle of beneficence and ensures every staff upholds that.

v) Corporate Social Responsibility / Community Engagements

The hospital since its inception in February 2023 has not had any CSR activity owing to resource constrains. However, community engagement has been done through support from various partners where free outreach activities and mobile clinics have been conducted in various area.

10. Report of The Board of Management

The entity board of management was not in place during the year under review.

.....

Name

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 that *entity*, which give a true and fair view of the state of affairs of the *entity* at the end of the financial year/period and the operating results of the *entity* for that year/period. The Board of Management is also required to ensure that the *entity* keeps proper accounting records which disclose with reasonable accuracy the financial position of the *entity*. The council members are also responsible for safeguarding the assets of the *entity*.

The Board of Management is responsible for the preparation and presentation of the *entity’s* financial statements, which give a true and fair view of the state of affairs of the *entity* 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 the entity, (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 the *entity*; (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 the *entity’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. The Board members are of the opinion that the *entity’s* financial statements give a true and fair view of the state of *entity’s* transactions during the financial year ended June 30, 20xx, and of the *entity’s* financial position as at that date. The Board members further confirm the completeness of the accounting records maintained for the *entity*, which have been relied upon in the preparation of the *entity’s* financial statements as well as the adequacy of the systems of internal financial control.

In preparing the financial statements, the Directors have assessed the Fund’s ability to continue as a going concern OR

Nothing has come to the attention of the Board of management to indicate that the *entity* 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 _____ and signed on its behalf by:

.....
Name:
Chairperson
Board of Management

Dr. Abdulkadir Saadiku
.....
Name:
Accounting Officer

REPUBLIC OF KENYA



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

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

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

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 Imbirikani Level 4 Hospital - County Government of Kajiado set out on pages 1 to 57, which comprise of the statement

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

of financial position as at 30 June, 2025 and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison 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 Imbirikani Level 4 Hospital - County Government of Kajiado 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 County Governments Act, 2012, the Health Act, 2017 and the Public Finance Management Act, 2012,

Basis for Qualified Opinion

1. Unconfirmed Rendering of Services-Medical Service Income

The statement of financial performance and as disclosed in Note 11 to the financial statements reflect rendering of services - medical service income of Kshs.4,099,639 in respect to services rendered to patients including Social Health Authority. However, revenue billing reports indicating the revenue generated from each patient and the services offered were not provided for audit review.

Further, the schedules provided for audit review revealed revenue from rendering of services totalling Kshs.2,265,589 resulting to unexplained variance of Kshs.1,834,050.

In the circumstances, the accuracy and completeness of rendering of services - medical service income of Kshs.4,099,639 could not be confirmed.

2. Unconfirmed Property, Plant and Equipment Balance

The statement of financial position reflects a Nil balance of property, plant and equipment. However, review of the Hospital's records and physical verification revealed various assets including land, buildings, ambulance, furniture, computers and equipment which were not disclosed in the financial statements. Further, ownership documents for land and ambulance were not provided for audit review.

In the circumstances, the accuracy, completeness and ownership of a Nil balance of property, plant and equipment could not be confirmed.

3. Unconfirmed Inventories Balance

The statement of financial position reflects inventories balance of Kshs.2,148,464 as disclosed in Note 31 to the financial statements. However, no evidence was provided for audit review to confirm annual stock take had been undertaken to confirm the quantities, value and status of closing inventories balances as at 30 June, 2025.

In the circumstances, the accuracy, completeness and valuation of the inventories balance of Kshs.2,148,464 could not be confirmed.

4. Unsupported Receivables from Exchange Transactions

The statement of financial position and as disclosed in Note 29 to the financial statements reflect receivables from exchange transactions balance of Kshs.1,952,301. Included in the balance is Kshs.176,462 and Kshs.1,775,839 in respect to medical services Facility Improvement Fund (FIF) and medical services – Social Health Authority (SHA) respectively. However, supporting schedules, invoices raised, confirmation from SHA, FIF and reconciliations or correspondence on outstanding claims were not provided for audit review.

In the circumstances, the accuracy and completeness of receivables from exchange transactions balance of Kshs.1,952,301 could not be confirmed.

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

Key Audit Matters

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

Other Information

The Management is responsible for the Other Information set out on pages iv to xxiv 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 and 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 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. Deficiencies in Implementation of Universal Health Coverage (UHC)

Review of the Hospital's records and interviews on verification of services offered, equipment used and medical specialists in the Hospital as at the time of audit revealed that the Hospital did not meet the requirements of Kenya Quality Model for Health Policy Guidelines due to staff deficits by eighty-three (83) or approximately 82% of the authorized establishment.

Staffing Requirement	Level 4 Standard	Number in Hospital	Variance	Percentage Variance %
Medical Officers	16	3	13	81
Anesthesiologists	2	0	2	100
General Surgeons	2	0	2	100
Gynecologists	2	0	2	100
Pediatricians	2	0	2	100
Radiologists	2	0	2	100
Registered Community Health Nurses	75	15	60	80
Total	101	18	83	82

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

Equipment and Machines	Level 4 Hospital Standard	Actuals in the Hospital	Variance	Percentage Variance %
Bed Capacity	150	60	90	60
Incubators (Newborn)	5	1	4	80
Cots	5	1	4	80
Resuscitaire In Labour Ward	2	0	2	100
Functional ICU Beds	6	0	6	100

HDU Beds	6	0	6	100
Renal Unit with Dialysis Machines	5	0	5	100
Functional Operating Theaters Maternity and General	2	1	1	50

The deficiencies contravene the First Schedule of the Health Act, 2017 and imply that accessing the highest attainable standard of health, which includes the right to health care services, including Reproductive Health Care as required by Article 43(1) of the Constitution of Kenya, 2010 may not be achieved.

In the circumstances, the Hospital will not be able to deliver on its mandate.

2. Lack of an Approved Annual Budget

The Hospital Management did not prepare a budget for the financial year 2024/2025. This is contrary to Section 149(2)(h) of the Public Finance Management Act, 2012 which stipulates that an Accounting Officer shall, in respect of the entity concerned prepare estimates of expenditure of the entity in conformity with the Strategic Plan. Although Management explained that the budgetary requirements of the Hospital were incorporated in the County Government's budget and therefore the Hospital operated on monthly Authority to Incur Expenditures (AIEs) that were issued by the Health Department of the County, no reason was provided for failure to prepare the budget.

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

3. Irregular Engagement of Casual Workers

The statement of financial performance reflects employees' costs of Kshs.51,722,773 as disclosed in Note 16 to the financial statements. Included in the amount is Kshs.1,656,000 in respect to casuals and contractual staff. However, review of documents revealed that casual workers were engaged for more than three (3) months. This is contrary to Section B. 16(1) of the County Public Service Human Resource Manual of May, 2013 which states that (1) Casual workers shall be engaged only on urgent short-term tasks with the approval of the County Public Service Board and they shall not be engaged for more than three months, as stipulated in the Employment Act, 2007.

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

4. Non-Compliance with Law on Ethnic Composition

During the year under review, the total number of employees of the Hospital was forty-eight (48) out of which twenty-five (25) or approximately 52% of the total number were members of the dominant ethnic community in the County. This is contrary to Section 7(1) and (2) of the National Cohesion and Integration Act, 2008 which states that, "all public offices shall seek to represent the diversity of the people of Kenya in the employment of

staff and that no public Institution shall have more than one-third of its staff establishment from the same ethnic community”.

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

5. Lack of an Approved Procurement Plan

Review of the Hospital's procurement processes revealed that the Hospital did not prepare an Annual Procurement Plan contrary to Regulation 114(2) of the Public Finance Management (County Governments) Regulations, 2015 which stipulate that every year a Procurement Plan shall be prepared by Accounting Officers to form the basis for procurement activities undertaken by Government entities in the fiscal year.

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

6. Failure to Retain Facilities Improvement Funds (FIF) at the Hospital

Review of revenue records revealed that the Hospital collected a total of Kshs.2,825,759 towards the health facilities improvement which include a total of Kshs.2,825,759 that was transferred to County Revenue Fund. This is contrary to Section 5(1) of the Facilities Improvement Financing Act, 2023 which requires that monies raised or received by or on behalf of Public Health Facilities be retained by the Facility and be paid into a separate facility improvement financing account.

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

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

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

Conclusion

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

Basis for Conclusion

1. Lack of Risk Management Policy and Strategy

The Hospital Management had not put in place a Risk Management Policy, strategies, and risk register to mitigate against risk. It was, therefore, not clear how Management

manages risk exposures. This is contrary to Regulation 158(1)(a) and (b) of the Public Finance Management (County Governments) Regulations, 2015 which require the Accounting Officer to ensure that the County Government entity develops risk management strategies, which include fraud prevention mechanism; and the County Government entity develops a system of risk management and internal controls that builds robust business operations.

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

2. Lack of Hospital Board of Management

Review of records revealed that during the year under review, the Board of Management that is supposed to direct the Hospital in achieving its strategic objectives had not been constituted. In addition, the financial statements were not signed by the Chairman of Board of Management

In the circumstances, the Hospital may not be able to achieve its strategic objectives and goals.

3. Expired Medical Supplies

The statement of financial position reflects inventories balance of Kshs.2,148,464 as disclosed in Note 31 to the financial statements. Review of the store's records on pharmaceuticals and non-pharmaceuticals supplies revealed that two thousand, five hundred and sixty-two (2562) units of various drugs of undetermined value had expired.

In the circumstances, the effectiveness of internal controls on management of pharmaceutical and non-pharmaceutical supplies could not be confirmed.

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

Responsibilities of the Management and those Charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the 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.

Those charged with governance are 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

1 December, 2025

IMBIRIKANI LEVEL 4 Hospital (Kajiado County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

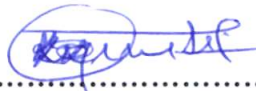
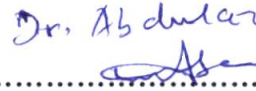
13. Statement of Financial Performance for The Year Ended 30 June 2025

Description	Note	2024/2025	2023/2024
		FY Kshs	FY Kshs
Revenue from non-exchange transactions			
Transfers from the County Government	6	-	1,691,424
In-kind contributions from the County Government	7	50,636,399	5,648,047
Grants from donors and development partners	8	-	-
Transfers from other Government entities	9	-	-
Public contributions and donations	10	-	-
		50,636,399	7,339,471
Revenue from exchange transactions			
Rendering of services- Medical Service Income	11	4,099,639	3,644,122
Revenue from rent of facilities	12	-	-
Finance /Interest Income	13	-	-
Miscellaneous Income	14	-	-
Revenue from exchange transactions		4,099,639	3,644,122
Total revenue		54,736,038	10,983,593
Expenses			
Medical/Clinical costs	15	697,879	6,226,183
Employee costs	16	51,722,773	1,895,904
Board of Management Expenses	17	-	-
Depreciation and amortization expense	18	-	21,331
Repairs and maintenance	19	199,314	438,286
Grants and subsidies	20	-	517,650
General expenses	21	2,657,824	2,357,221
Finance costs	22	-	-
Total expenses		55,277,791	11,456,575
Other gains/(losses)		-	-472,982
Gain/Loss on disposal of non-Current assets	23	-	-

IMBIRIKANI LEVEL 4 Hospital (Kajiado County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Description	Note	2024/2025	2023/2024
		FY Kshs	FY Kshs
Unrealized gain on fair value of investments	24	-	-
Medical services contracts Gains/Losses	25	-	-
Impairment loss	26	(-)	-
Gain on foreign exchange transactions		-	-
Total other gains/(losses)		-	-
Net Surplus / (Deficit) for the year		(541,753)	-472,982

The Hospital's financial statements were approved by the Board on _____ and signed on its behalf by:

.....		
Chairman	Head of Finance	Dr. Abdulkarim Samperu
Board of Management	ICPAK No: 24733	Medical Superintendent

IMBIRIKANI LEVEL 4 Hospital (Kajiado 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	2024/2025	2024/2025
		FY	FY
		Kshs	Kshs
Assets			
Current assets			
Cash and cash equivalents	27	179,927	1,266
Prepayments	28	-	
Receivables from exchange transactions	29	1,952,301	724,288
Receivables from non-exchange transactions	30	-	-
Inventories	31	2,148,464	4,957,548
Total Current Assets		4,280,692	5,683,102
Non-current assets			
Property, plant, and equipment	32	-	42,669
Intangible assets	33	-	0
Investment property	34	-	0
Biological Assets	35	-	
Total Non-current Assets		-	42,669
Total assets (A)		4,280,692	5,725,770
Liabilities			
Current liabilities			
Trade and other payables	36	764,498	1,059,915
Refundable deposits from Patients/Prepayments	37	-	-
Provisions	38	-	-
Finance lease obligation	39	-	-
Current portion of deferred income	40	-	-
Current portion of borrowings	41	-	-
Total Current Liabilities		764,498	1,059,915
Non-current liabilities			
Provisions	38	-	-
Non-Current Finance lease obligation	39	-	-
Non-Current portion of deferred income	40	-	-
Non - Current portion of borrowings	41	-	-

IMBIRIKANI LEVEL 4 Hospital (Kajiado County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Description	Note	2024/2025	2024/2025
		FY	FY
		Kshs	Kshs
Service concession Arrangements	42	-	-
Total non-current liabilities		-	-
Total Liabilities (B)		764,498	1,059,915
Net assets (A-B)		3,516,194	4,665,855
Represented by:			
Revaluation reserve		-	-
Accumulated surplus/Deficit		(1,014,735)	-472,982
Capital Fund		4,530,929	5,138,837
Net Assets		3,516,194	4,665,855

The Hospital's financial statements were approved by the Board on _____ and signed on its behalf by:

.....
Chairman
Board of Management


.....
Head of Finance
ICPAK No: 34733


.....
Medical Superintendent

IMBIRIKANI LEVEL 4 Hospital (Kajiado County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

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

Description	Revaluation reserve	Accumulated surplus/Deficit	Capital Fund	Total
As at July 1, 2024 (previous year)	-	-	-	-
Revaluation gain	-	-	-	-
Surplus/(deficit) for the year	-	-	-	-
Capital/Development grants	-	-	-	-
As at June 30, 2024 (previous year)	-	-	-	-
At July 1, 2025 (current year)	-	-	-	-
Revaluation gain	-	-	-	-
Surplus/(deficit) for the year	-	-	-	-
Capital/Development grants	-	-	-	-
At June 30, 2025 (current year)	-	-	-	-

IMBIRIKANI LEVEL 4 Hospital (Kajiado County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

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

Description	Note	2024/2025 FY	2023/2024 FY
		Kshs	Kshs
Cash flows from operating activities		-	
Receipts		-	
Transfers from the County Government		-	1,110,000
Grants from donors and development partners		-	581,424
Transfers from other Government entities		-	000
Public contributions and donations		-	170,450
Rendering of services- Medical Service Income		4,099,639	2,749,384
Revenue from rent of facilities		-	000
Finance / interest income		-	000
Miscellaneous receipts(<i>specify</i>)		-	000
Total Receipts			4,611,258
Payments			
Medical/Clinical costs		697,879	472,136
DANIDA Level 1			517,650
Employee costs		1,266,000	1,415,904
Board of Management Expenses			000
Repairs and maintenance		195,360	438,286
Grants and subsidies			000
General expenses		1,761,740	1,883,306
Finance costs			000
Refunds paid out			000
Total Payments		3,920,979	4,727,282
Net cash flows from operating activities	43	178,660	(116,024)
Cash flows from investing activities			
Purchase of property, plant, equipment		(-)	(64,000)
Purchase of intangible assets		(-)	(000)
Proceeds from the sale of PPE		-	000
Acquisition of investments		(-)	(000)
Net cash flows used in investing activities		(-)	(64,000)
Cash flows from financing activities			
Proceeds from borrowings		-	000
Repayment of borrowings		(-)	(000)

IMBIRIKANI LEVEL 4 Hospital (Kajiado County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Capital grants received			000
Net cash flows used in financing activities			(000)
Net increase/(decrease) in cash and cash equivalents		178,660	(180,024)
Cash and cash equivalents as at 1 July	27	1,266	723,715
Cash and cash equivalents as at 30 June	27	179,926	1,266

IMBIRIKANI LEVEL 4 Hospital (Kajiado County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

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

Description	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% of utilisation
	a	b	c=(a+b)	d	e=(c-d)	f=d/c%
	Kshs	Kshs	Kshs	Kshs	Kshs	
Budget carryovers from the previous year	1,166		1,166	1,166		%
Receipts						
Transfers from the County Government						%
Grants from donors and development partners						%
Transfers from other Government entities						%
Public contributions and donations						%
Rendering of services- Medical Service Income	4,200,000		4,200,000	4,099,639		102%
Revenue from rent of facilities						%
Finance / interest income						%
Miscellaneous receipts (<i>specify</i>)						%
Total receipts	4,200,000	-	4,200,000	4,099,639	-100,361	102%
Payments						
Medical/Clinical costs	714,500	-	714,500	697,897	16,621	97%
Employee costs	1,290,000	-	1,290,000	1,266,000	24,000	98%
Remuneration of directors	-	-	-	-	-	%
Repairs and maintenance	207,000	-	207,000	195,360	11,640	94%
Grants and subsidies	-	-	-	-	-	%
General expenses	1,988,500	-	1,988,500	1,761,740	226,760	89%
Finance costs	-	-	-	-	-	%
Refunds	-	-	-	-	-	%
Total Operational Expenditure paid	4,200,000	-	4,200,000	3,920,979	178,660	93%
Capital Expenditure paid	-	-	-	-	-	%
Surplus	-	-	-	178,660	178,660	%

IMBIRIKANI LEVEL 4 Hospital (Kajiado County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Budget Reconciliation

	Description of Particulars	Amount in Kshs
	Actual Surplus Amounts as per the statement of Budget	178,660
	Cash opening balances as at 1 st July 2024	1,166
	Closing Cash and Cash Equivalent as per the statement of Cash flows	179,826

18. Notes to the Financial Statements

1. General Information

IMBIRIKANI LEVEL 4 HOSPITAL is established by and derives its authority and accountability from gazette notice. The entity is wholly owned by the KAJIADO County Government and is domiciled in KAJIADO County in Kenya. The entity's principal activity is healthcare service delivery.

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 *ISCH* accounting policies. The areas involving a higher degree of judgment or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Notes. The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the *ISCH*. The financial statements have been prepared in accordance with the PFM Act, and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

3. Adoption of New and Revised Standards

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

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

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

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

Standard	Effective date and impact:
	<p>criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.</p>
<p>IPSAS 46 Measurement</p>	<p><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>IPSAS 47- Revenue</p>	<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>IPSAS 48- Transfer Expenses</p>	<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</p>

Standard	Effective date and impact:
	transfers on accounting for such transfers.
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. The standard sets the financial statements that should be presented by a retirement benefit plan.</p>
IPSAS 50: Exploration For & Evaluation of Mineral Resources	<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 entity's financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized.

4. Summary of Significant Accounting Policies

a. Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other Government entities

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

ii) Revenue from exchange transactions

Rendering of services

The entity 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 entity.

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.

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.

Notes to the Financial Statements (Continued)

b. Budget information

The original budget for FY 2024-2025 was approved by the HMT and Key hospital managers. 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 entity upon receiving the respective approvals in order to conclude the final budget. Accordingly, the *ISCH* recorded additional appropriations of on the FY 2024/2025. budget following the Board's approval. The *ISCH* budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget.

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

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

c. Taxes

Sales tax/ Value Added Tax

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

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

taxation authority is included as part of receivables or payables in the statement of financial position.

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 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 derecognition. 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 entity recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus or deficit as incurred. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value.

Notes to the Financial Statements (Continued)

f. Leases

Finance leases are leases that transfer substantially the entire risks and benefits incidental to ownership of the leased item to the Entity. Assets held under a finance lease are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the future minimum lease payments. The Entity also recognizes the associated lease liability at the inception of the lease. The liability recognized is measured as the present value of the future minimum lease payments at initial recognition.

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

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

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

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.

Notes to the Financial Statements (Continued)

h. Biological Assets

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

i. Research and development costs

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

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

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

j. Financial instruments

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. The entity does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the hospital's financial statements.

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. At initial recognition, the entity measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Financial assets

Classification of financial assets

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

Subsequent measurement

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

Amortized cost

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest, and that are not designated at fair value

through surplus or deficit, are measured at amortized cost. A gain or loss on an instrument that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in profit or loss when the asset is de-recognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair value through net assets/ equity

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

Fair value through surplus or deficit

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

Trade and other receivables

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

Impairment

The entity assesses, on a forward-looking basis, the expected credit loss ('ECL') associated with its financial assets carried at amortized cost and fair value through net assets/equity. The entity recognizes a loss allowance for such losses at each reporting date. Critical estimates and significant judgments made by management in determining the expected credit loss (ECL) are set out in *Note xx*.

Financial liabilities

Classification

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

k. Inventories

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

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

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

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

l. Provisions

Provisions are recognized when the Entity has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where the Entity expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain.

The expense relating to any provision is presented in the statement of financial performance net of any reimbursement.

Notes to the Financial Statements (Continued)

m. Social Benefits

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

n. Contingent liabilities

The Entity 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.

o. Contingent assets

The Entity 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 Entity 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.

p. Nature and purpose of reserves

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

q. Changes in accounting policies and estimates

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

Notes to the Financial Statements (Continued)

r. Employee benefits

Retirement benefit plans

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

s. Foreign currency transactions

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

t. Borrowing costs

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

u. Related parties

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

v. Service concession arrangements

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

w. Cash and cash equivalents

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

x. Comparative figures

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

y. **Subsequent events**

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

5. Significant Judgments and Sources of Estimation Uncertainty

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

Estimates and assumptions.

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

Useful lives and residual values

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

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

Provisions

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

Notes to Financial Statements Continued

6. Transfers from the County Government

Description	2024/2025	2023/2025
	FY	FY
	KShs	KShs
Unconditional grants		
Operational grant	-	-
Level 4/5 grants	-	-
Unconditional development grants	-	-
Other grants (<i>specify</i>)	-	1,110,000
	-	-
Conditional grants		
User fee forgone	-	-
Transforming health services for Universal care project (THUCP)	-	-
DANIDA	-	581,424
Wards Development grant	-	-
Paediatric block grant	-	-
Administration block grant	-	-
Laboratory grant	-	-
Total government grants and subsidies	-	1,691,424

6 b Transfers from The County Government

Name of the Entity sending the grant	Amount recognized to Statement of financial performance* KShs	Amount deferred under deferred income KShs	Amount recognised in capital fund.	Total grant income during the year	Comparative Period
			KShs	KShs	KShs
Kajiado County Government	-	-	-	-	-
Total	-	-	-	-	-

Notes to Financial Statements Continued

7. In Kind Contributions from The County Government

Description	2024/2025 FY	2023/2024 FY
	KShs	KShs
Salaries and wages	50,066,773	-
Medical supplies-Drawings Rights (KEMSA)	-	2,336,780
Pharmaceuticals and Non-Pharmaceutical Supplies (other suppliers)	-	674,127
Lab reagents	-	2,637,140
Utility bills (Electricity)	569,626	-
Total grants in kind	50,636,399	5,648,047

8. Grants From Donors and Development Partners

Description	2024/2025 FY	2023/2024 FY
	KShs	KShs
Cancer Centre grant- DANIDA	-	-
World Bank grants	-	-
Paediatric ward grant- JICA	-	-
Research grants	-	-
Other grants (<i>specify</i>)	-	-
Total grants from development partners	-	-

8 (a) Grants from donors and development partners (Classification)

Name of the Entity sending the grant	Amount recognized to Statement of financial performance	Amount deferred under deferred income	Amount recognised in capital fund.	Total grant income during the year	Comparative Period
	KShs	KShs	KShs	KShs	KShs
Donor e.g., DANIDA	-	-	-	-	-
JICA	-	-	-	-	-
World Bank	-	-	-	-	-
Total	-	-	-	-	-

Notes to Financial Statements Continued

9. Transfers From Other Government Entities

Description	2024/2025 FY	2023/2024 FY
	KShs	KShs
Transfer from National Government (Ministry of Health)	-	-
Transfer from xxx National Hospital	-	-
Transfer from xxx Institute	-	-
Total Transfers	-	-

10. Public Contributions and Donations

Description	2024/2025 FY	2023/2024 FY
	KShs	KShs
Public donations	-	-
Donations from local leadership	-	-
Donations from religious institutions	-	-
Donations from other international organisations and individuals	-	-
Other donations(<i>specify</i>)	-	-
Donations in kind-amortised	-	-
Total donations and sponsorships	-	-

10 (a)Reconciliations of amortised grants

Description	2024/2025 FY	2023/2024 FY
	Kshs	Kshs
Balance unspent at beginning of year	-	-
Current year receipts	-	-
Amortised and transferred to revenue	-	-
Conditions to be met – remain liabilities	-	-

Notes to Financial Statements Continued

11. Rendering of Services-Medical Service Income

Description	2024/2025	2023/2024
	FY	FY
	Kshs	Kshs
Pharmaceuticals	-	-
Non-Pharmaceuticals	-	-
Laboratory	-	-
Radiology	-	-
Orthopedic and Trauma Technology	-	-
Theatre	-	-
Accident and Emergency Service	-	-
Anesthesia Service	-	-
Ear Nose and Throat service	-	-
Nutrition service	-	-
Cancer centre service	-	-
Dental services	-	-
Reproductive health	-	-
Paediatrics services	-	-
NHIF/SHA	1,273,880	-
Ambulance services	-	-
Other medical services income (FIF)	2,825,759	3,644,122
Total revenue from the rendering of services	4,099,639	2,481,859

Notes to the Financial Statements (Continued)

12. Revenue From Rent of Facilities

Description	2024/2025 FY	2023/2024 FY
	Kshs	Kshs
Residential property	-	-
Commercial property	-	-
Total Revenue from rent of facilities	-	-

13. Finance /Interest Income

Description	2024/2025 FY	2023/2024 FY
	Kshs	Kshs
Interest income from Cash investments and fixed deposits	-	-
Interest income from short- term/ current deposits	-	-
Interest income from Treasury Bills	-	-
Interest income from Treasury Bonds	-	-
Interest from outstanding debtors	-	-
Total finance income	-	-

14. Miscellaneous Income

Description	2024/2025 FY	2023/204 FY
	KShs	KShs
Insurance recoveries	-	-
Income from sale of tender	-	-
Services concession income	-	-
Sale of goods (water, publications, containers etc)	-	-
Write backs (Deposits, payments in advance etc)	-	-
Bad debts recovered	-	-
<i>Others (Specify)</i>	-	-
Total Miscellaneous income	-	-

IMBIRIKANI LEVEL 4 Hospital (Kajiado County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Notes to the Financial Statements (Continued)

15. Medical/ Clinical Costs

Description	2024/2025 FY	2023/2024 FY
	Kshs	Kshs
Dental costs/ materials	-	-
Laboratory chemicals and reagents	8,000	2,727,380
Public health activities	-	-
Food and Ration	-	-
Uniform, clothing, and linen	-	-
Dressing and Non-Pharmaceuticals	61,930	872,473
Pharmaceutical supplies	517,449	2,377,120
Health information stationery	-	106,000
Reproductive health materials	-	-
Sanitary and cleansing Materials	110,500	143,210
Purchase of Medical gases	-	-
X-Ray/Radiology supplies	-	-
Other medical related clinical costs (Medical gruds)	-	-
Total medical/ clinical costs	697,879	6,226,183

16. Employee Costs

Description	2024/2025 FY	2023/2024 FY
	Kshs	Kshs
Salaries, wages, and allowances	1,656,000	1,895,904
Contributions to pension schemes	-	-
Service gratuity	-	-
Performance and other bonuses	-	-
Staff medical expenses and Insurance cover	-	-
Group personal accident insurance and WIBA	-	-
Social contribution	913,573	-
Other employee costs (County Government for PnP)	49,153,200	-
Employee costs	51,722,773	1,895,904

Notes to the Financial Statements (Continued)

17. Board of Management Expenses

Description	2024/2025	2023/2025
	FY	FY
	Kshs	Kshs
Chairman's Honoraria	-	-
Sitting allowance	-	-
Mileage	-	-
Insurance expenses	-	-
Induction and training	-	-
Travel and accommodation allowance	-	-
Airtime allowances	-	-
Total	-	-

18. Depreciation and Amortization Expense

Description	2024/2025	2023/2024
	FY	FY
	Kshs	Kshs
Property, plant and equipment	-	21,331
Intangible assets	-	-
Investment property carried at cost	-	-
Total depreciation and amortization	-	21,331

19. Repairs And Maintenance

Description	2024/2025	2023/2024
	FY	FY
	Kshs	Kshs
Property- Buildings	131,360	208,356
Medical equipment	9,500	-
Office equipment	-	-
Furniture and fittings	-	-
Computers and accessories	33,454	-
Motor vehicle expenses	25,000	229,930
Maintenance of civil works	-	-
Total repairs and maintenance	199,314	229,930

Notes to the Financial Statements (Continued)

20. Grants And Subsidies

Description	2024/2025	2023/2024
	FY Kshs	FY Kshs
Community development and social work	-	-
Education initiatives and programs	-	-
Free/ subsidised medical camp	-	-
Disability programs	-	-
Free cancer screening	-	-
Social benefit expenses	-	-
Other grants and subsidies(DANIDA Level 1)	-	517,650
Total grants and subsidies	-	517,650

21. General Expenses

Description	2024/2025	2023/2024
	FY Kshs	FY Kshs
Advertising and publicity expenses	-	-
Catering expenses	204,126	217,624
Waste management expenses	-	-
Insecticides and rodenticides	-	-
Audit fees	-	-
Bank charges	4,864	1,540
Conferences and delegations	-	-
Consultancy fees	-	-
Contracted services	-	-
Electricity expenses	845,569	335,925
Fuel and Lubricants	420,000	769,774
Insurance	-	-
Research and development expenses	-	-
Travel and accommodation allowance	333,000	248,000
Legal expenses	-	-
Licenses and permits	-	-
Courier and postal services	9,055	12,785
Printing and stationery	167,900	33,000
Hire charges	-	-
Rent expenses	-	-

IMBIRIKANI LEVEL 4 Hospital (Kajiado County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Description	2024/2025	2023/2024
	FY	FY
	Kshs	Kshs
Water and sewerage costs	406,160	241,890
Skills development levies	-	-
Telephone and mobile phone services	149,700	136,500
Internet expenses	60,800	182,000
Staff training and development	-	-
Subscriptions to professional bodies	-	-
Subscriptions to newspapers periodical, magazines, and gazette notices	-	-
Library books/Materials	-	-
General Office Supplies	56,650	145,855
Parking charges	-	-
Computer accessories	-	32,328
Total General Expenses	2,657,824	2,357,221

22. Finance Costs

Description	2024/2025	2023/2024
	FY	FY
	KShs	KShs
Borrowings (amortized cost) *	-	-
Finance leases (amortized cost)	-	-
Interest on Bank overdrafts/Guarantees	-	-
Interest on loans from commercial banks	-	-
Total finance costs	-	-

23. Gain/Loss on Disposal of Non-Current Assets

Description	2024/2025	2023/2024
	FY	FY
	KShs	KShs
Property, plant, and equipment	-	-
Intangible assets	-	-
Other assets not capitalised (<i>specify</i>)	-	-
Total gain on sale of assets	-	-

24. Gain On Fair Value Investments Unrealized

Description	2024/2025	2023/2024
	FY	FY
	KShs	KShs
Investments at fair value	-	-
Total gain	-	-

Notes to the Financial Statements (Continued)

25. Medical Services Contracts Gains /Losses

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

26. Impairment Loss

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

27. Cash And Cash Equivalentents

Description	2024/2025	2023/2024
	FY	FY
	KShs	KShs
Current accounts	179,927	1,166
On - call deposits	-	-
Fixed deposits accounts	-	-
Cash in hand	-	-
Others(<i>specify</i>)- Mobile money	-	-
Total cash and cash equivalentents	179,927	1,266

Notes to the Financial Statements (Continued)

27 (a). Detailed Analysis of Cash and Cash Equivalents

Description		2024/2025 FY	2023/2024 FY
Financial institution	Account number	KShs	KShs
a) Current account			
Kenya Commercial bank	1145415539	179,927	1,166
Equity Bank, etc		-	-
Sub- total		179,927	1,166
b) On - call deposits			
Kenya Commercial bank		-	-
Equity Bank – etc		-	-
Sub- total		-	-
c) Fixed deposits account			
Bank Name		-	-
Sub- total		-	-
d) Others(<i>specify</i>)			
cash in hand		-	-
Mobile money- Mpesa, Airtel money		-	-
Sub- total		-	-
Grand total		179,927	1,266

28. Prepayments

Description	2024/2025 FY	2023/2024 FY
	Kshs	Kshs
Insurance	-	-
Rent	-	-
Water	-	-
Internet	-	-
Others specify	-	-
Total	-	-

29. Receivables From Exchange Transactions

Description	2024/2025	2023/2024
	FY	FY
	KShs	KShs
Medical services NHIF	-	531,250
Medical services FIF	176,462	193,038
Medical services SHA	1,775,839	-
Rent receivables	-	-
Other exchange debtors	-	-
Less: impairment allowance	(-)	(-)
Total receivables	1,952,301	724,288

Analysis of Receivables From Exchange Transactions

Description	2024/2025		2023/2024	
	FY		FY	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	2,374,536	100%	724,288	100%
Between 1- 2 years	-	%	-	%
Between 2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total (a+b)	2,374,536	%	724,288	%

30. Receivables From Non-Exchange Transactions

Description	2024/2025	2023/2024
	FY	FY
	KShs	KShs
Transfers from the County Government	-	-
Undisbursed donor funds	-	-
Other debtors (<i>non-exchange transactions</i>)	-	-
Less: impairment allowance	(-)	(-)
Total	-	-

Analysis of Receivables From Non-Exchange Transactions

Description	2024/2025		2023/2024	
	FY		FY	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	-	%	-	%
Between 1- 2 years	-	%	-	%
Between 2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total (a+b)	-	%	-	%

31. Inventories

Description	2024/2025	2023/2024
	FY	FY
	KShs	KShs
Pharmaceutical supplies	768,987	3,130,319
Non pharms	445,407	1280,159
Lab reagents	934,070	547,070
Maintenance supplies	-	-
Food supplies	-	-
Linen and clothing supplies	-	-
Cleaning materials supplies	-	-
General supplies	-	-
Less: provision for impairment of stocks	(-)	(-)
Total	2,148,464	4,957,548

Detailed disclosure on inventories

	2024/2025 FY	2023/2024 FY
Opening balance	4,957,548	-
Additional Inventory in the year	1,000,000	-
Inventory expensed in the year	1,809,084	-
Write-downs in the year	-	-
Others specify	-	-
Closing balance	2,148,464	4,957,548

IMBIRIKANI LEVEL 4 Hospital (Kajiado County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Notes to the Financial Statements (Continued)

32. Property, Plant and Equipment

Description	Land	Buildings and Civil works	Motor vehicles	Furniture, fittings, and office equipment	ICT Equipment	Plant and medical equipment	Other Assets (specify)	Capital Work in progress	Total
	Ksh	Ksh	Ksh	Ksh	Ksh	Ksh		Ksh	Ksh
Cost									
At 1 July 2024 (previous year)	-	-	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-	-	-
Disposals	(-)	(-)	(-)	(-)	(-)	(-)	-	-	(-)
Transfers/adjustments	-	-	(-)	-	-	-	-	-	(-)
Revaluation Adjustments	-	-	-	-	-	-	-	-	-
At 30th Jun 2025	-	-	-	-	-	-	-	-	-
At 1 July 2024 (current year)	-	-	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-	-	-
Disposals	(-)	(-)	(-)	(-)	(-)	(-)	-	(-)	(-)
Transfer/adjustments	-	-	-	-	-	-	-	(-)	-
Revaluation Adjustments	-	-	-	-	-	-	-	-	-
At 30th Jun 2025	-	-	-	-	-	-	-	-	-
Depreciation and impairment									
At 1 July 2024 (previous year)	-	-	-	-	-	-	-	-	-
Depreciation for the year		-	-	-	-	-	-	-	-

IMBIRIKANI LEVEL 4 Hospital (Kujiado County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Description	Land	Buildings and Civil works	Motor vehicles	Furniture, fittings, and office equipment	ICT Equipment	Plant and medical equipment	Other Assets (specify)	Capital Work in progress	Total
Disposals		(-)	(-)	(-)	(-)	(-)	(-)	-	(-)
Impairment		(-)	(-)	(-)	(-)	(-)	(-)	-	(-)
At 30 June 2025		-	-	-	-	-	-	-	-
At July 2024 (current year)		-	-	-	-	-	-	-	-
Depreciation		-	-	-	-	-	-	-	-
Disposals		(-)	(-)	(-)	(-)	(-)	(-)	-	(-)
Impairment		(-)	(-)	(-)	(-)	(-)	(-)	-	(-)
Transfer/adjustment		-	-	-	-	-	-	-	(-)
At 30th June 2025		-	-	-	-	-	-	-	-
Net book values									
At 30 th Jun 2024 (previous)	-	-	-	-	-	-	-	-	-
At 30 th Jun 2025 (current)	-	-	-	-	-	-	-	-	-

IMBIRIKANI LEVEL 4 Hospital (Kajiado County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Notes to the Financial Statements (Continued)

33. Intangible Assets-Software

Description	2024/2025 FY	2023/2024 FY
	KShs	KShs
Cost		
At beginning of the year	-	-
Additions	-	-
Additions–Internal development	-	-
Disposal	(-)	(-)
At end of the year	-	-
Amortization and impairment		
At beginning of the year	-	-
Amortization for the period	-	-
Impairment loss	-	-
At end of the year	-	-
NBV	-	-

34. Investment Property

Description	2024/2025 FY	2023/2024 FY
	KShs	KShs
At beginning of the year	-	-
Additions	-	-
Disposals during the year	(-)	(-)
Fair value gain	-	-
Depreciation (<i>where investment property is at cost</i>)	(-)	(-)
Impairment	(-)	(-)
At end of the year	-	-

IMBIRIKANI LEVEL 4 Hospital (Kajiado County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Notes to the Financial Statements (Continued)

35. Biological Assets

Description	2024/2025	2023/2024
	FY	FY
	Kshs	Kshs
Trees in a plantation forest	-	-
Animals: Dairy Cattle, Pigs, Sheep	-	-
Others specify	-	-
Total	-	-

36. Trade and other Payables

Description	2024/2025		2023/2024	
	FY		FY	
	KShs		KShs	
Trade payables	374,498		579,915	
Employee dues	390,000		480,000	
Third-party payments (e.g. unremitted payroll deductions)	-		-	
Audit fee	-		-	
Doctors' fee	-		-	
Total trade and other payables	764,498		1,059,915	
Ageing analysis:	2024/2025	% of the Total	2023/2024	% of the total
Under one year	-	%	-	%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total	-	%	-	%

37. Refundable Deposits from Customers/Patients

Description	2024/2025	2023/2025
	FY	FY
	KShs	KShs
Medical fees paid in advance	-	-
Credit facility deposit	-	-
Rent deposits	-	-
Others (specify)	-	-
Total deposits	-	-

IMBIRIKANI LEVEL 4 Hospital (Kajiado County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

	2024/2025 FY	% of the Total	2023/2024 FY	% of the Total
Ageing analysis:				
Under one year	-	%	-	%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total	-	%	-	%

38. Provisions

Description	Leave provision	Bonus provision	Other provision	Total
	KShs	KShs	KShs	KShs
Balance at the beginning of the year	-	-	-	-
Additional Provisions	-	-	-	-
Provision utilised	(-)	(-)	(-)	(-)
Change due to discount & time value for money	(-)	(-)	(-)	(-)
Total provisions	-	-	-	-
Current Provisions	-	-	-	-
Non-Current Provisions	-	-	-	-
Total Provisions	-	-	-	-

39. Finance Lease Obligation

Description	2024/2025 FY	2023/2024 FY
	Kshs	Kshs
Current Lease obligation	-	-
Long term lease obligation	-	-
Total	-	-

40. Deferred Income

Description	2024/2025 FY	2023/2024 FY
	KShs	KShs
Current Portion	-	-
Non-Current Portion	-	-
Total	-	-

IMBIRIKANI LEVEL 4 Hospital (Kajiado County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Notes to the Financial Statements (Continued)

40 (a) The deferred income movement is as follows:

Description	National government	International funders/donors	Public contributions and donations	Total
Balance b/f	-	-	-	-
Additions during the year	-	-	-	-
Transfers to Capital fund	(-)	(-)	(-)	(-)
Transfers to statement of financial performance	(-)	(-)	(-)	(-)
Other transfers (<i>Specify</i>)	(-)	(-)	(-)	(-)
Balance C/F	-	-	-	-

41. Borrowings

Description	2024/2025	2023/2024
	FY	FY
	KShs	KShs
Balance at beginning of the period	-	-
External borrowings during the year	-	-
Domestic borrowings during the year	-	-
Repayments of external borrowings during the year	(-)	(-)
Repayments of domestic borrowings during the year	(-)	(-)
Balance at end of the period	-	-

41. (a) Breakdown of Long- and Short-Term Borrowings

Description	2024/2025	2023/2024
	FY	FY
	KShs	KShs
Current Obligation	-	-
Non-Current Obligation	-	-
Total	-	-

Notes to the Financial Statements (Continued)

42. Service Concession Arrangements

Description	2024/2025	2023/2024
	FY	FY
	KShs	KShs
Fair value of service concession assets recognized under PPE	-	-
Accumulated depreciation to date	(-)	
Net carrying amount	=	=
Service concession liability at beginning of the year	-	-
Service concession revenue recognized	(-)	(-)
Service concession liability at end of the year	=	=

43. Cash Generated from Operations

Description	2024/2025	2023/2024
	FY	FY
	KShs	KShs
Surplus for the year before tax	-	-
Adjusted for:		
Depreciation	-	-
Non-cash grants received	(-)	(-)
Impairment	-	-
Gains and losses on disposal of assets	(-)	(-)
Contribution to provisions	-	-
Contribution to impairment allowance	-	-
Working Capital adjustments		
Increase in inventory	(-)	(-)
Increase in receivables	(-)	(-)
Increase in deferred income	-	-
Increase in payables	-	-
Increase in payments received in advance	-	-
Net cash flow from operating activities	-	-

Notes to the Financial Statements (Continued)

44. Financial Risk Management

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

The entity's financial risk management objectives and policies are detailed below:

(i) Credit risk

The entity has exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Credit risk arises from cash and cash equivalents, and deposits with banks, as well as trade and other receivables and available-for-sale financial investments. Management assesses the credit quality of each customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external assessment in accordance with limits set by the directors. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by the hospital's management based on prior experience and their assessment of the current economic environment. The carrying amount of financial assets recorded in the financial statements representing the entity's maximum exposure to credit risk without taking account of the value of any collateral obtained is made up as follows:

Description	Total amount	Fully performing	Past due	Impaired
	Kshs	Kshs	Kshs	Kshs
At 30 June 2024 (previous year)				
Receivables from exchange transactions	-	-	-	-
Receivables from –non-exchange transactions	-	-	-	-
Bank balances	-	-	-	-
Total	-	-	-	-
At 30 June 2025 (current year)				
Receivables from exchange transactions	-	-	-	-
Receivables from –non-exchange transactions	-	-	-	-
Bank balances	-	-	-	-
Total	-	-	-	-

Notes to the Financial Statements (Continued)

The customers under the fully performing category are paying their debts as they continue trading. The credit risk associated with these receivables is minimal and the allowance for uncollectible amounts that the hospital has recognised in the financial statements is considered adequate to cover any potentially irrecoverable amounts. The entity has significant concentration of credit risk on amounts due from. The board of management sets the hospital's credit policies and objectives and lays down parameters within which the various aspects of credit risk management are operated.

(ii) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the hospital's board of management who have built an appropriate liquidity risk management framework for the management of the entity's short, medium and long-term funding and liquidity management requirements. The entity manages liquidity risk through continuous monitoring of forecasts and actual cash flows.

The table below represents cash flows payable by the hospital under non-derivative financial liabilities by their remaining contractual maturities at the reporting date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
At 30 June 2024				
Trade payables	-	480,000	579,915	1,059,915
Current portion of borrowings	-	-	-	-
Provisions	-	-	-	-
Deferred income	-	-	-	-
Employee benefit obligation	-	-	-	-
Total	-	480,000	579,915	1,059,915
At 30 June 20xx				
Trade payables	-	390,000	375,298	765,298
Current portion of borrowings	-	-	-	-
Provisions	-	-	-	-
Deferred income	-	-	-	-
Employee benefit obligation	-	-	-	-
Total	-	390,000	375,298	765,298

IMBIRIKANI LEVEL 4 Hospital (Kajiado County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Notes to the Financial Statements (Continued)

(iii) Market risk

The hospital has put in place an internal audit function to assist it in assessing the risk faced by the entity on an ongoing basis, evaluate and test the design and effectiveness of its internal accounting and operational controls. Market risk is the risk arising from changes in market prices, such as interest rate, equity prices and foreign exchange rates which will affect the entity's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Overall responsibility for managing market risk rests with the Audit and Risk Management Committee.

The hospital's Finance Department is responsible for the development of detailed risk management policies (subject to review and approval by Audit and Risk Management Committee) and for the day-to-day implementation of those policies. There has been no change to the entity's exposure to market risks or the way it manages and measures the risk.

a) Foreign currency risk

The entity has transactional currency exposures. Such exposure arises through purchases of goods and services that are done in currencies other than the local currency. Invoices denominated in foreign currencies are paid after 30 days from the date of the invoice and conversion at the time of payment is done using the prevailing exchange rate. The carrying amount of the entity's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Description	KShs	Other currencies	Total
	Kshs		Kshs
At 30 June 20xx			
Financial assets (investments, cash, debtors)	-	-	-
Liabilities			
Trade and other payables	-	-	-
Borrowings	-	-	-
Net foreign currency asset/(liability)	-	-	-

The entity manages foreign exchange risk from future commercial transactions and recognised assets and liabilities by projecting expected sales proceeds and matching the same with expected payments.

IMBIRIKANI LEVEL 4 Hospital (Kajiado County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Notes to the Financial Statements (Continued)

Description	KShs	Other currencies	Total
	Kshs		Kshs
At 30 June 20xx			
Financial assets (investments, cash, debtors)	-	-	-
Liabilities			
Trade and other payables	-	-	-
Borrowings	-	-	-
Net foreign currency asset/(liability)	-	-	-

Foreign currency sensitivity analysis

The following table demonstrates the effect on the hospital's statement of financial performance on applying the sensitivity for a reasonable possible change in the exchange rate of the three main transaction currencies, with all other variables held constant. The reverse would also occur if the Kenya Shilling appreciated with all other variables held constant.

Description	Change in currency rate	Effect on Profit before tax	Effect on Equity
	Kshs	Kshs	Kshs
2024 (previous year)			
Euro	10%	-	-
USD	10%	-	-
2025 (current year)			
Euro	10%	-	-
USD	10%	-	-

b) Interest rate risk

Interest rate risk is the risk that the entity's financial condition may be adversely affected as a result of changes in interest rate levels. The hospital's interest rate risk arises from bank deposits. This exposes the hospital to cash flow interest rate risk. The interest rate risk exposure arises mainly from interest rate movements on the hospital's deposits.

Management of interest rate risk

To manage the interest rate risk, management has endeavoured to bank with institutions that offer favourable interest rates.

IMBIRIKANI LEVEL 4 Hospital (Kajiado County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Notes to the Financial Statements (Continued)

Sensitivity analysis

The entity analyses its interest rate exposure on a dynamic basis by conducting a sensitivity analysis. This involves determining the impact on profit or loss of defined rate shifts. The sensitivity analysis for interest rate risk assumes that all other variables, in particular foreign exchange rates, remain constant. The analysis has been performed on the same basis as the prior year.

Using the end of the year figures, the sensitivity analysis indicates the impact on the statement of financial performance if current floating interest rates increase/decrease by one percentage point as a decrease/increase. A rate increase/decrease of 5% would result in a decrease/increase in surplus.

iv) Capital Risk Management

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

Description	2024/2025	2023/2024
	Period	Period
	Kshs	Kshs
Revaluation reserve	-	-
Retained earnings	-	-
Capital reserve	-	-
Total funds	-	-
Total borrowings	-	-
Less: cash and bank balances	(-)	(-)
Net debt/ (<i>excess cash and cash equivalents</i>)	-	-
Gearing	-%	-%

IMBIRIKANI LEVEL 4 Hospital (Kajiado County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Notes to the Financial Statements (Continued)

45. Related Party Balances

Nature of related party relationships

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

KAJIADO County Government is the principal shareholder of the *IMBIRIKANI LEVEL 4 HOSPITAL*, holding 100% of the *entity's* equity interest. The National Government of Kenya has provided full guarantees to all long-term lenders of the entity, both domestic and external. The related parties include:

- i) The National Government;
- ii) The County Government;
- iii) Board of Directors;
- iv) Key Management

Description	2024/2025	2023/2024
	FY	FY
	Kshs	Kshs
Transactions with related parties		
a) Services offered to related parties		
Services	-	-
Sales of services	-	-
Total	-	-
b) Grants from the Government		
Grants from County Government	-	-
Grants from the National Government Entities	-	-
Donations in kind	-	-
Total	-	-
c) Expenses incurred on behalf of related party		
Payments of salaries and wages for employees	-	-
Payments for goods and services	-	-
Total	-	-

IMBIRIKANI LEVEL 4 Hospital (Kajiado County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Description	2024/2025	2023/2024
	FY	FY
	Kshs	Kshs
d) Key management compensation		
Directors' emoluments	-	-
Compensation to the medical Sup	-	-
Compensation to key management	-	-
Total	-	-

46. Segment Information

47. Contingent Liabilities

Contingent liabilities	2024/2025	2023/2024
	FY	FY
	Kshs	Kshs
Court case against the hospital	-	-
Bank guarantees in favour of subsidiary	-	-
Total	-	-

48. Capital Commitments

Capital Commitments	2024/2025	2023/2024
	FY	FY
	Kshs	Kshs
Authorised For	-	-
Authorised And Contracted For	-	-
Total	-	-

49. Events after the Reporting Period

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

50. Ultimate and Holding Entity

The entity is a County Corporation/ or a Semi- Autonomous Government Agency under the Department of health. Its ultimate parent is the County Government of Kajiado.

51. Currency

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


IMBIRIKANI LEVEL 4 Hospital (Kajiado County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

19. 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: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)

Dr. Abdulaziz Samperu

.....
Accounting Officer

IMBIRIKANI LEVEL 4 Hospital (Kajiado County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Appendix II: Projects Implemented by The Entity

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						
2						

Status of Projects completion

SN	Project	Total project Cost	Total expended to date	Completion % to date	Budget	Actual	Sources of funds
1							
2							
3							

IMBIRIKANI LEVEL 4 Hospital (Kajiado County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Appendix III: Inter-Entity Confirmation Letter

Name of Transferring entity.....

Name of Beneficiary entity... *Imbirikani Level 4 Hospital*

Confirmation of amounts received by IMBIRIKANI LEVEL 4 HOSPITAL as at 30 th June 2025					
Reference Number	Date Disbursed	Recurrent (A)	Development (B)	Total (C)=(A+B)	Remarks
Total					

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

Head of Accounts Department - Disbursing Entity:
 Name Sign Date

Head of Accounts Department - Beneficiary Entity:
 Name *Dr Abdulaziz Samperu* Sign *[Signature]* Date *26-11-25*

IMBIRIKANI LEVEL 4 Hospital (Kajiado County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Appendix IV Reporting of Climate Relevant Expenditures

Project Name	Project Description	Project Objectives	Project Activities	Quarter				Source Of Funds	Implementing Partners
				Q1	Q2	Q3	Q4		

XX Hospital (XX County Government)
Annual Report and Financial Statements for The Year Ended 30th June 20xx

Appendix V: Disaster Expenditure Reporting Template

Programme	Sub-programme	Disaster Type	Category of disaster related Activity that require expenditure reporting (response/recovery/mitigation/preparedness)	Expenditure item	Amount (Kshs.)	Comments