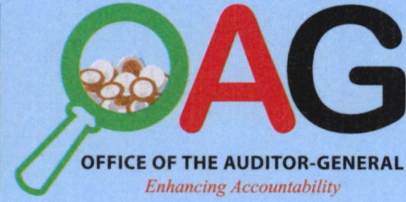


REPUBLIC OF KENYA



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OFFICE OF THE AUDITOR-GENERAL
Enhancing Accountability



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REPORT

OF

THE AUDITOR-GENERAL

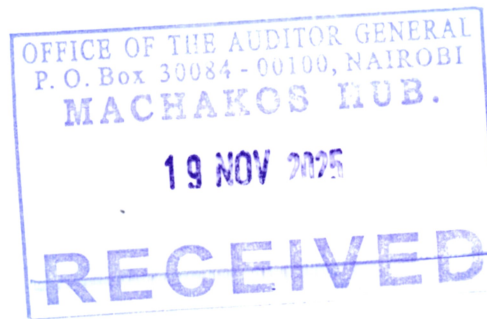
ON

MASHUURU LEVEL 4 HOSPITAL

FOR THE YEAR ENDED

30 JUNE, 2025

COUNTY GOVERNMENT OF KAJIADO



**MASHUURU LEVEL IV 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)

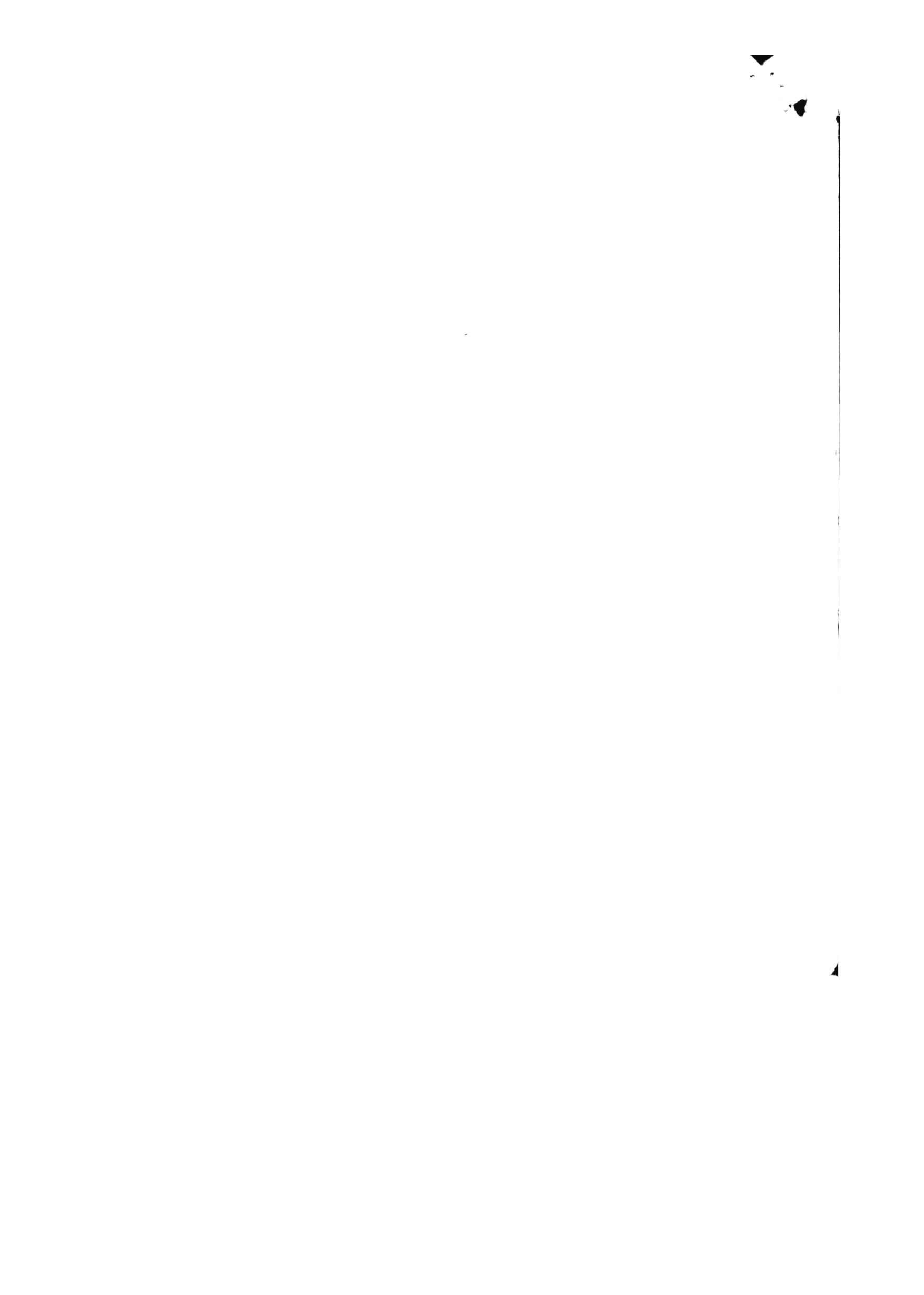


Table of Contents

1. Acronyms & Glossary of Terms	ii
2. Key Mashuuru Level IV Hospital Information and Management.....	iii
3. The Board of Management	vi
4. Key Management Team	vii
5. Chairman's Statement	x
6. Report of The Medical Superintendent	xi
7. Statement of Performance Against Predetermined Objectives.....	xiv
8. Corporate Governance Statement.....	xvii
9. Management Discussion and Analysis	xviii
10. Environmental And Sustainability Reporting	xxiv
11. Statement of Board of Management's Responsibilities	xxviii
12. Report of the Independent Auditor (<i>Mashuuru Level IV Hospital</i>)	xxx
13. Statement of Financial Performance for The Year Ended 30 June 2025	1
14. Statement of Financial Position As At 30 th June 2025	3
15. Statement of Changes in Net Assets for The Year Ended 30 June 2025	5
16. Statement of Cash Flows for The Year Ended 30 June 2025	6
17. Statement of Comparison of Budget and Actual Amounts for Year Ended 30 Jun 2025.....	7
18. Notes to the Financial Statements	9
19. Appendices	53

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 Mashuuru Level IV Hospital
SHA	Social Health Authority
NHIF	National Health Insurance Fund
CCC	Comprehensive Care Centre
TB	Tuberculosis
HTS	HIV Testing Services
ICU	Intensive Care Unit
HDU	High Dependence Unit
KPLC	Kenya Power Lighting Company
NBU	New Born Unit
MOPC	Medical Out-Patient Clinic
A&E	Accident & Emergency
OPD	Out-Patient Department
KMPDU	Kenya Medical Pharmacist & Dentist Union
KUCO	Kenya Union of Clinical Officers
KNUNM	Kenya National Union of Nurses & Midwives

2. Key Mashuuru Level IV Hospital Information and Management

(a) Background information

Mashuuru Hospital is a level IV hospital established under gazette notice number 4333, dated 14th March 2023, and officially launched on 30th March 2023. The hospital is domiciled in Kajiado County under the Health Department.

The facility is located in Mashuuru Town, adjacent to Mashuuru Police Station, and in Imaroro Ward, Kajiado-East Sub-County. The hospital occupies 10 Acres of land, Allotment number B118. It has a catchment population of 8,500 as at FY 2024- 2025.

(b) Principal Activities

The *principal activities* offered are: health promotive, preventive, curative, and rehabilitative services.

Vision: To provide efficient high-quality healthcare that is affordable, equitable, and accessible for all.

Mission: To participate in provision of integrated and high-quality promotive, preventive, curative, and rehabilitative healthcare services.

Values: Patient-centred, Professionalism, Integrity, Transparency, Excellence, and Impartiality.

(c) Key Management

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

- County Department of Health
- Hospital Management Team
- Accounting Officer/ Medical Superintendent

(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:

QUARTER I- III:

No.	Designation	Name
1.	Medical Superintendent	Dr. Gloria Mumeita
2.	Hospital Administrative Officer	Micah Perianto
3.	Nursing Officer In-charge	Geoffrey Ampuria

QUARTER IV:

No.	Designation	Name
1.	Acting Medical Superintendent	Dr. Grace Mwaura
2.	Hospital Administrative Officer	Jemimah Soyian
3.	Nursing Officer In-charge	Joyce Serem

(e) Fiduciary Oversight Arrangements

- Clinical Research and Standards Committee
- Executive Expenditure Committee
- Hospital Management Team
- County Health Management Team
- County Assembly
- Office of Auditor General

Key Mashuuru Level IV Hospital Information and Management (continued)

(f) Mashuuru Level IV Hospital Headquarters

Mashuuru Level IV Hospital
P.O. Box 411-01100
Kajiado- Imaroro- Isara Road
Kajiado, Kenya

(g) Mashuuru Level IV Hospital Contacts

Telephone: (+254) 717 797 952
E-mail: info.mashuuru@gmail.com

(h) Mashuuru Level IV Hospital Bankers

Kenya Commercial Bank Limited
Account No. 1156064465

(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

P.O. Box 22
Kajiado, Kenya

3. The Board of Management

Awaiting Hospital Board gazettelement.






4. Key Management Team

QUARTER I- III:







Management	Details
Dr. Gloria Mumeita	Medical Superintendent (Degree in Medicine & Surgery)
Micah Perianto	Hospital Administrative Officer
Geoffrey Ampuria	Head of Nursing Services (Diploma in Nursing)
Yvonne Kores	Head of Health Records and Information (Degree in Health Records and Information)
Elijah Kapurua	Head of Maintenance (Degree in Bio-Medical Engineering)
Dr. Leonidah Nkirote	Head of Medical & Surgical Services (Degree in Medicine & Surgery)
David Mwenda	Head of Clinical Services (Diploma in Clinical Medicine)
Susan Kanar	Head of Nutrition Services (Diploma in Nutrition and Dietetics)
Daniel Wanjohi	Head of Diagnostic Services (Diploma in Medical Laboratory Sciences)
Dr. Grace Mwaura	Head of Pharmacy Services (Degree in Pharmacy)
Patrick Ntwiga	Head of Hospital Sanitation (Degree in Public Health)

*Mashuuru Level IV Hospital (Kajiado County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025*

QUARTER IV:

Management	Details
<p>Dr. Grace Mwaura</p> 	<p>Acting Medical Superintendent (Degree in Pharmacy)</p>
<p>Jemimah Soyian</p> 	<p>Health Administrative Officer (Degree in Health System Management)</p>
<p>Joyce Serem</p> 	<p>Head of Nursing Services (Diploma in Nursing)</p>
<p>Yvonne Kores</p> 	<p>Head of Health Records and Information (Degree in Health Records and Information)</p>
<p>Elijah Kapurua</p> 	<p>Head of Maintenance (Degree in Bio-Medical Engineering)</p>

Mashuuru Level IV Hospital (Kajiado County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

<p>Dr. Maureen Kimeu</p> 	<p>Head of Medical & Surgical Services (Degree in Medicine & Surgery)</p>
<p>Daniel Perianto</p> 	<p>Head of Clinical Services (Diploma in Clinical Medicine)</p>
<p>Selina Tokoin</p> 	<p>Head of Nutrition Services (Diploma in Nutrition and Dietetics)</p>
<p>Daniel Wanjohi</p> 	<p>Head of Diagnostic Services (Diploma in Medical Laboratory Sciences)</p>
<p>Dr. Joshua Mukaria</p> 	<p>Head of Pharmacy Services (Degree in Pharmacy)</p>
<p>Tainei Sekut</p> 	<p>Head of Hospital Sanitation (Degree in Public Health)</p>

5. Chairman's Statement

Awaiting Hospital Board gazettelement.

6. Report of The Medical Superintendent

Executive Summary:

In the past fiscal year, Mashuuru IV Hospital has continued to fulfil its mission of delivering high-quality, compassionate care while navigating a complex and evolving healthcare environment. We made significant strides in clinical outcomes, patient satisfaction, financial stewardship, and strategic integration.

FY 2024- 2025 was a year of resilience and growth as well. In February 2025, the County Department of Health, guided by their mission to deliver exceptional, patient- centred care; strengthened our workforce by appointing an energised senior management team that would guide the hospital into its next chapter of growth. The changes were as follows:

Outgoing EEC:

Dr. Gloria Mumeita- Medical Superintendent (Jul 2024- Feb 2025)

Micah Perianto- Hospital Administrative Officer (Jul- Mar 2025)

Geoffrey Ampuria- Head of Nursing Services (Jul- Nov 2024)

Current EEC:

Dr. Grace Mwaura- Acting Medical Superintendent (Apr- To-date)

Jemimah Soyian- Hospital Administrative Officer (Apr- To-date)

Joyce Serem- Head of Nursing Services (Apr- To-date)

Key Achievements:

- Outpatient and Inpatient Client Flow Charts were established, improving service delivery efficiency (Reduced waiting time and enhanced better healthcare outcomes)
- Integration of CCC & TB services with Outpatient services (Reduced stigma)
- Staff were deployment by County, improving hourly coverage (7 Nurses, 1 Clinical Officer, 1 Clinical Anaesthetist, 1 HTS and 1 Hospital Administrator)
- We held over 12 Continuous Medical Education meetings
- Successfully transitioned from NHIF to SHA, enabling clients to benefit from it early enough (Oct 2024)
- Resilience in service delivery despite six months of strike (Nov 2024- Apr 2025)

Financial Highlights:

The hospital received revenue mainly in form of FIF and reimbursement by NHIF or SHA. FIF was generated as per the Kajiado County 2023 FIF Act while NHIF and SHA as per the National Insurance Health Fund Act & CAP 255 (2) and the Social Health Insurance Act, 2023 & Primary Health Care Act, 2023 respectively. The funds collected were used prudently to support hospital operations and reinvested into patient care.

Challenges Faced:

- Staff shortages in essential departments (Like: Dentist, Surgeon, Paediatrician, Physician, Gynaecologist, Physiotherapist, Occupation Therapist, Supply Chain Officer,)
- Unavailability of some essential equipment (Like: Immunoassay analyser, Full auto-chemistry analyser, NBU Incubator, Patient Monitors)
- Old, in fair condition of some essential equipment (Like: Anaesthesia machine, Laundry machine, Power generator)
- Unavailability of some essential infrastructure/units (Like: Rehabilitative Centre, Radiology Unit, ICU & HDU, Stores/ Warehouse, Mortuary, Staff quarters)
- High operational costs (Inflation, Supplies)
- Late disbursement of NHIF & SHA claims (Like: SHA in May & June 2025)
- Health workers industrial actions affecting services in November 2024- April 2025 (Like: KMPDU: Nov- Dec 2024, KUCO: Jan- Feb 2024, and KNUNM: Mar- Apr 2025)
- Long, unstructured transition process from one management team to the next (Like: February- May 2025)
- Manual Management Systems (For: Health Records and Information, Accounting and Finance, Supply Chain, and other Hospital Operations)
- Unreliable water supply from the community borehole
- Erratic power supply by KPLC
- Inaccessibility to the facility (Like: Due to heavy rains that lead to overflow on the bridges)

Future Outlook:

- ***Staffing by the County:*** To increase hourly coverage by existing departments and introduce additional specialised services. (Workforce development & wellbeing programs)
- ***Supply and replace equipment by the County:*** To enable the clients to benefit from modern technology and have better health outcomes. (Expansion of services)
- ***Fill-in the infrastructure gaps by the County:*** To deliver healthcare services closer to the clients/ community. (Expansion of services)
- ***Digitalization of Management Systems by the County and Ministry of Health:*** To strengthen health information systems by improving the management of data, accounting, supply chain, and other operations. (Strategic plan)
- ***Introduction of a hospital borehole by the County:*** To ensure an uninterrupted water supply, thus supporting hospital sanitation, and IPC measures. (Sustainability goals)
- ***Alternative solar or more efficient generator for power back-up by the County:*** To ensure essential services are not disrupted at any given time. (Green hospital initiatives & energy efficiency)
- ***Enhance stakeholders and community engagements by Management Team:*** To strengthen the link between the hospital and the end-user, the community. (Ubuntu spirit)

Closing Remarks:

It takes a great team with great dedication and focus to build a great organization.

I salute the County Department of Health, the Partners, the Staff, the Stakeholders, and the entire team for the great work towards improving the quality of service at Mashuuru Level IV Hospital.


.....

Dr. Grace Mwaura

Acting Medical Superintendent

7. Statement of Performance Against Predetermined Objectives

Mashuuru Level IV Hospital has six strategic pillars and objectives within the current Strategic Plan for the FY 2024- 2025. These strategic pillars are as follows:

Pillar 1: Service Delivery

Pillar 2: Human Resource for Health

Pillar 3: Leadership and Governance

Pillar 4: Health System Financing

Pillar 5: Health Products and Technologies

Pillar 6: Health Information Systems

Mashuuru Level IV Hospital developed its annual work plans based on the above six pillars (WHO health systems building blocks). Assessment of the hospital's performance against its annual work plan is done on a quarterly basis. The hospital achieved its performance targets set for the FY 2024- 2025 period for its six strategic pillars, as indicated in the diagram below:

Strategic Pillar/Theme/Issues	Objective	Key Performance Indicators	Activities	Achievements
Pillar 1: Service Delivery	To provide timely and efficient healthcare services -To achieve customer satisfaction	-Clients' turnaround time -Feedback messages by clients	-Establishment of outpatient and inpatient client flow charts -Introduction of suggestion box, customer care mobile number, and email for clients to share their feedback	-Improved client flow and accessibility to care -Positive feedback by the community

*Mashuuru Level IV Hospital (Kajiado County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025*

Pillar 2: Human Resource for Health	-To improve on professionalism, and quality of service delivered	-Number of staff trained on healthcare services -Number of Continuous Medical Education	-Attendance of trainings -Conduction of monthly CMEs	-Well trained staff -Improved quality of service delivered
Pillar 3: Leadership and Governance	-To have transparency, prudence, and accountability of resources -To strengthen the linkage between the hospital and the community	-Number of HMT and Staff meetings held -Number of in-reach and out-reach activities done	-Conveyance of monthly HMT and Staff meetings -Participation in in-reach and out-reach activities by the health workers	-Effective and accountable use of the funds -Improved hospital-community relationship
Pillar 4: Health System Financing	-To ensure a verifiable, and efficient revenue collection mechanisms -To promote equity in financial contribution	-Improved FIF collection -Number of clients claim through SHA	-Registration of client payment transactions -Issuance of official receipt against each transaction -Display of Pay-bill numbers and 'NO CASH' notices -Community health talks on the importance of	-Increased FIF collection -Increased capitation and clients claiming through SHA

Mashuuru Level IV Hospital (Kajiado County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

			getting insurance coverage	
Pillar 5: Health Products and Technologies	-To focus on availability, affordability, and accountability of quality health products	-Availability of affordable, essential health products -Updated bin-cards and ledger books	-Procurement of health products as per demand -Monthly physical stock- taking	-Availability of affordable, and accounted for essential health products
Pillar 6: Health Information Systems	-To promote timely, and quality data reporting	-Timely reporting rate -Data completeness -Data correctness	-Monthly reporting by the 5 th of every month -Monthly data reviews	-Improved timely, and quality reports

8. Corporate Governance Statement

Awaiting Hospital Board gazettelement.

9. Management Discussion and Analysis

Clinical/ Operational Performance:

Health Services Offered:

The health services currently offered are as listed below:

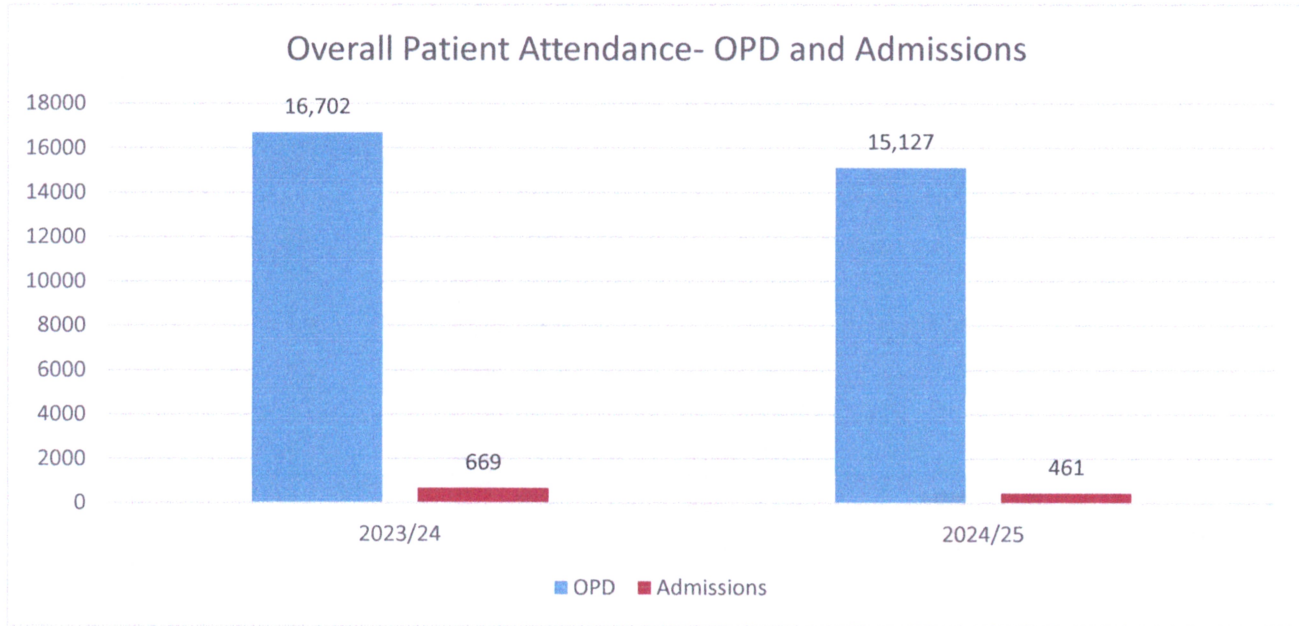
- Ambulance services
- Outpatient services
- Specialized clinics- MOPC
- CCC & TB services
- MCH/FP services
- Dental services
- Laboratory services
- Imaging services
- Nutritional services
- Pharmacy services
- Inpatient services
- Theatre services
- Public Health services
- Community In-reach & Out-reach service

Bed Capacity:

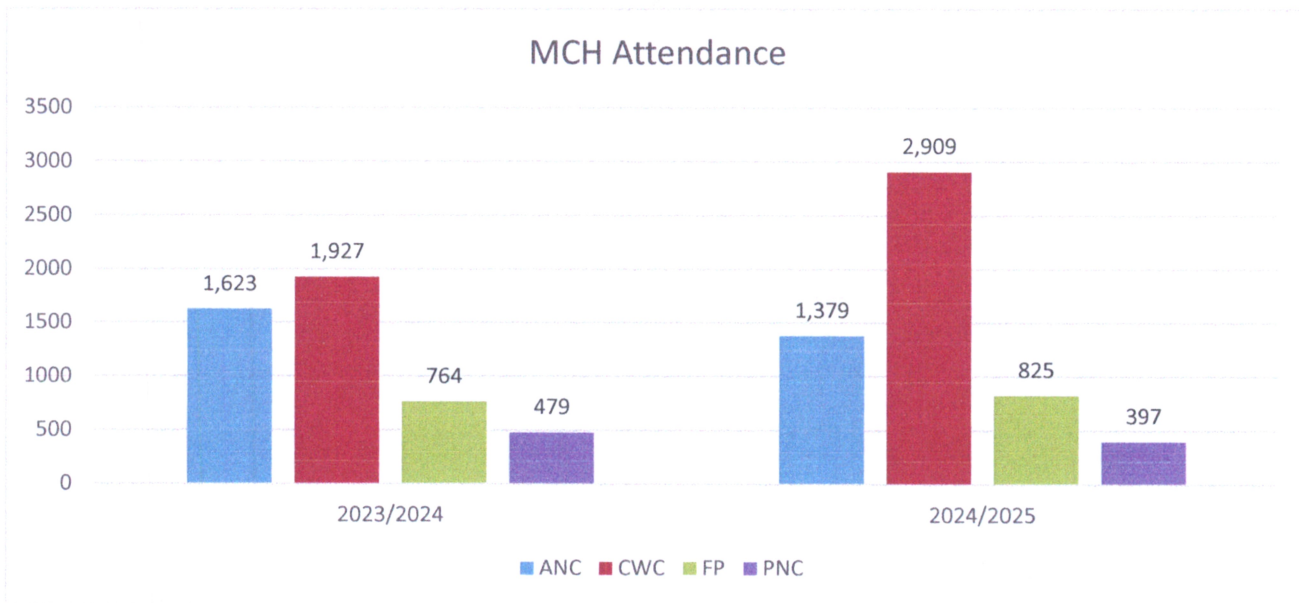
The bed capacity is as tabulated below:

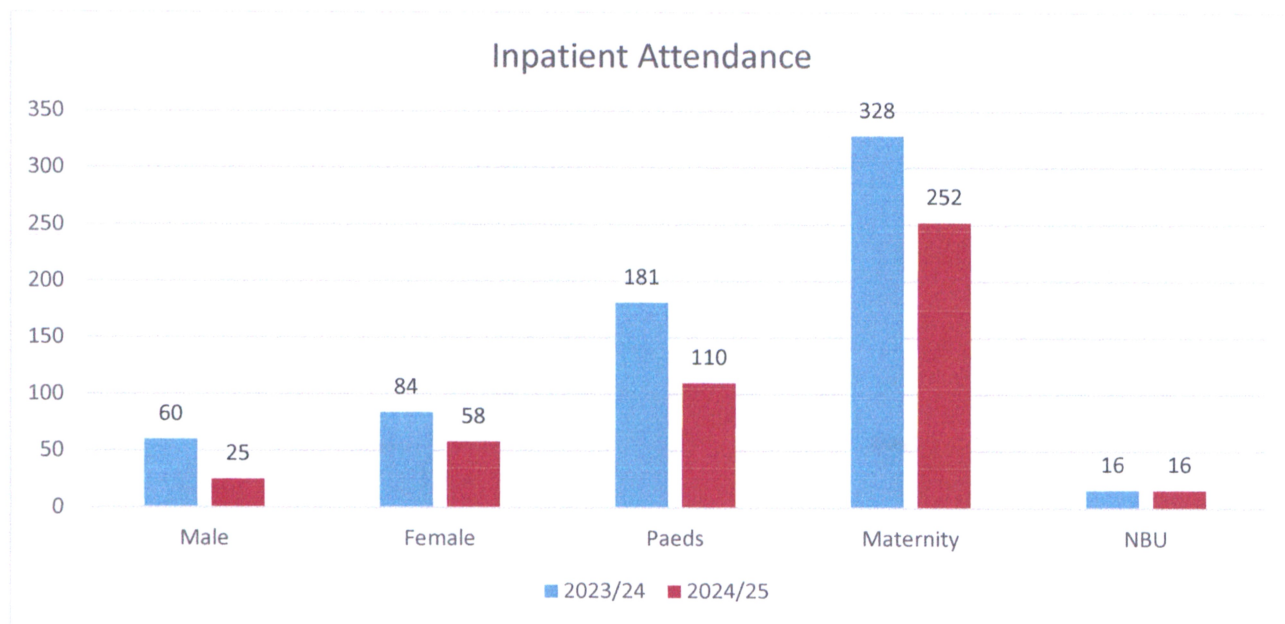
Ward	Number of Beds
Maternity	8
Paediatrics	6
Female	6
Male	6
Theatre Recovery	2
A&E	2
Total number of beds	30

Overall patient attendance during the year for both inpatient and outpatient:



Prolonged heavy rains made roads impassable, reducing outpatient and inpatient visits. There were also industrial strikes during the year under review.





During the financial year the hospital experienced a decline in inpatient workload, primarily attributed to the industrial strikes. This led to a reduction in inpatient workload compared to the previous year.

Specialised Clinic Attendance:

During the year under review the special clinic attendance increased from 180 clients to 460 clients.

Average Length of Stay for Inpatients:

Average length of stay

Maternity	2 days
Female Ward	3 days
Male Ward	2 days
Paediatrics	3 days

Mortality rate:

13 deaths in a 1000 population

Mashuuru Level IV Hospital (Kajiado County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Surgical theatre utilisation:

During FY 2024- 2025 the facility performed 5 surgeries. There was a decrease in the number of operations during the year under review compared to the previous year. This was attributed to the industrial strikes.

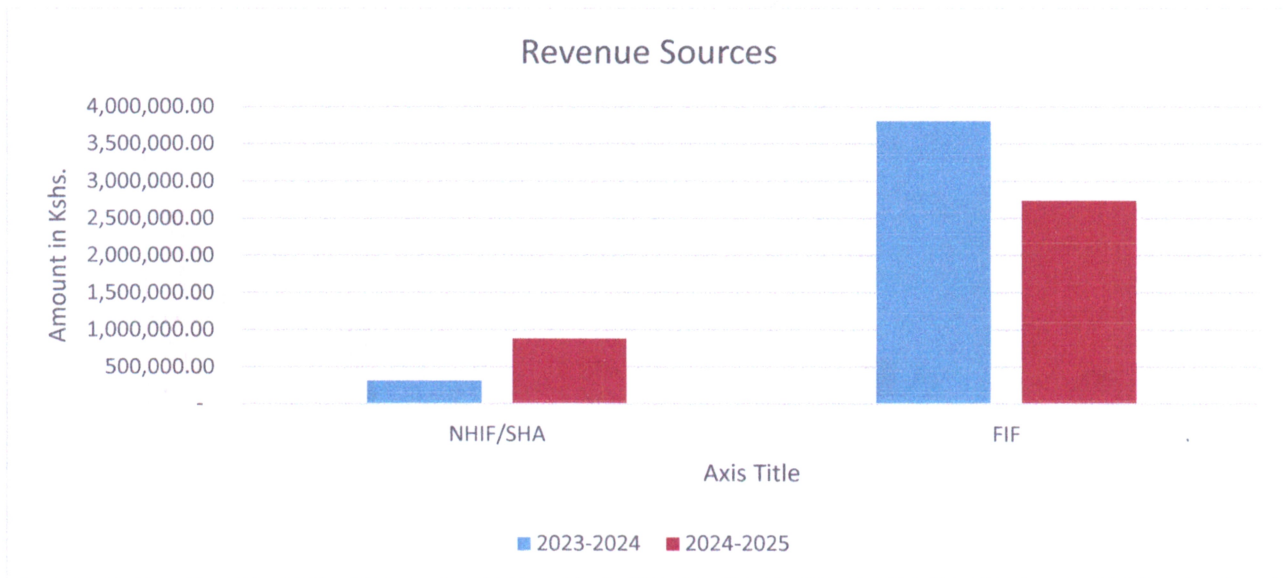
Sponsorships and partnerships:

The financial year under review was a transition period for the hospital, following the exit of a key partner, Fahari Ya Jamii, in February 2025. Despite this change, the hospital has successfully integrated the previously supported services into its routine services, ensuring continuity of care for our clients.

Financial Performance:

Revenue sources:

	2023-2024	2024-2025
NHIF/ SHA	316,748.00	882,410.00
FIF	3,806,336.00	2,739,585.00
TOTAL	4,123,084.00	3,621,995.00

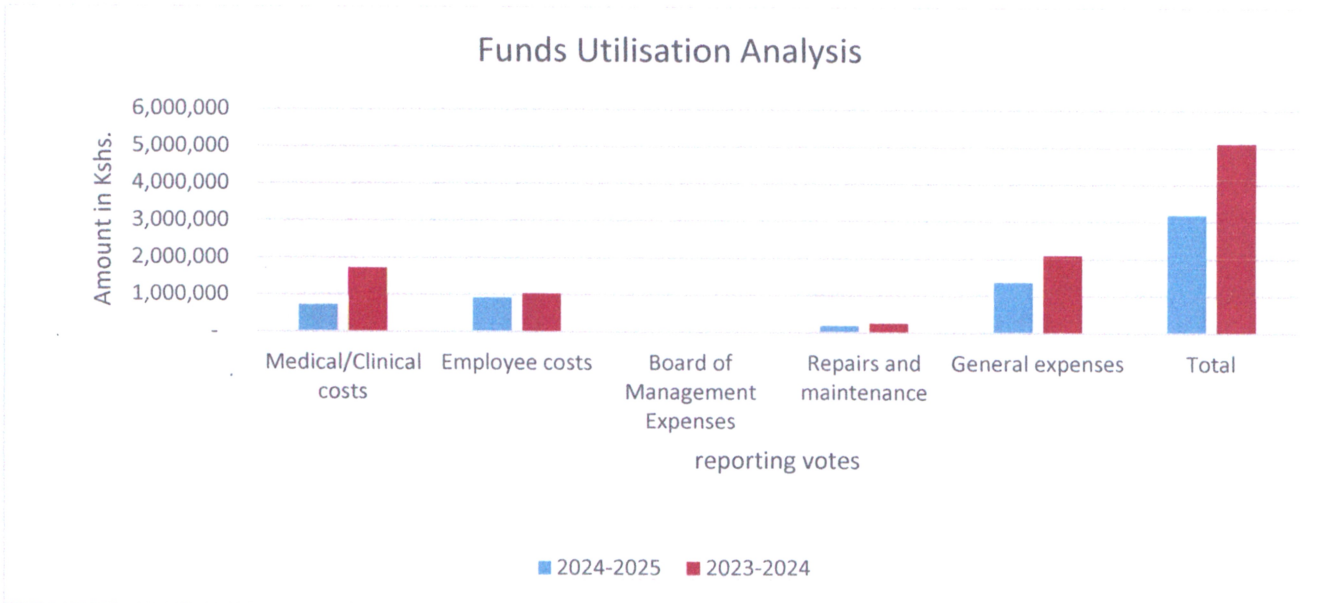


Total revenue for the year ended 30th June 2025 amounted to KSh. 3,621,959, compared to KSh. 4,123,084 in the previous year, representing a 12% decline. The reduction was due to health workers strike which led to lower collections. Management continues to implement measures aimed at enhancing revenue generation and improving efficiency in SHA claim processing to ensure sustainable financial performance.

Mashuuru Level IV Hospital (Kajiado County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Utilisation of funds:

	2024-2025	2023-2024
Medical/Clinical costs	721,120	1,727,112
Employee costs	915,800	1,031,500
Board of Management Expenses	-	4,000
Repairs and maintenance	176,060	249,200
General expenses	1,370,938	2,101,600
Total	3,183,918	5,113,412



During the year under review, total operating expenses decreased compared to the previous year, reflecting prudent cost management and efficiency improvements across various expenditure categories.

10. Environmental And Sustainability Reporting

i) Sustainability strategy and profile

The core mandate of the hospital is in provision of quality, timely, accessible, and affordable healthcare services to all. The hospital endeavours to:

- Increase and improve on the service delivery points
- Strengthen financial collection mechanism to curb any pillage
- Strengthen stakeholders and partners' engagement through diplomacy to increase its revenue basket

ii) Environmental performance

Mashuuru Level IV Hospital has waste management policy and Infection Prevention Control measures. They are:

- Functional IPC committee
- Colour coded waste bins for the different waste materials
- A compost pit, placenta pit, and a burning chamber
- Proper equipment for cleaning, disinfection, and pressure sterilization
- IPC Continuous training for both health care workers and support staff
- Clearing of bushes, and grass
- Proper sewerage and draining
- Hand washing stations in every services delivery point
- Availability of clean and safe running water

iii) Employee welfare

The healthcare workers in the hospital are hired, designated/ re-designated, and promoted by the County Public Service Board. Deployment/ redeployment, and transfers are done by the County Department of Health. Casuals are hired on quarterly' contracts by the hospital; where applications are made, HMT conducts the interviews, and successful persons signs a 3-month renewable contract.

The hospital has monthly CMEs and trainings for the healthcare workers to improve on knowledge capacity in different areas of service delivery.

It also has a functional CQI and GRM committee to improve on quality service delivery, and mechanism to redress grievances from both the staff and clients. The hospital has suggestions box for feedback, queries and concerns.

Additionally, there are safety measures in places, like availability of PPEs and masks.

iv) Market place practices-

Responsible competition practice

The hospital is focused on ensuring fair, transparent, and efficient purchasing processes through engaging in open and fair tendering and strictly adhering to anti-corruption policies. It respects competitors, avoids unethical political involvement, and promotes service improvements through mechanisms like clear service charters.

Responsible Supply chain and supplier relations

The facility ensures responsible, and ethical supply chain by engaging with transparent, reliable, and compliant suppliers. It ensures fairness and equity in all procurement processes, timely settlement of supplier obligations, and adherence to quality and regulatory standards.

Responsible marketing and advertisement or Responsible engagement with citizens

To maintain transparency, honesty, and fairness while ensuring that all marketing materials are compliant with laws and ethical standards. The suppliers must be transparent about the final cost stating clearly any discount or promotions.

Advertisement of procurement opportunities is done in a way that encourages diverse suppliers to participate, including small, minority-owned, and women-owned businesses.

Guidelines on issues like claims regarding product safety, pricing, and usage are clearly defined.

Product stewardship or Awareness Creation

During the reporting period, the hospital made deliberate efforts to safeguard consumer rights and interests. This involved ensuring the health and safety of patients and staff, as well as promoting transparency in service provision. The hospital provided adequate information on services, enabling patients to make informed decisions regarding their care. In addition, mechanisms for dispute resolution and redress were enhanced to ensure that any concerns raised by clients were addressed promptly and effectively through the GRM committee.

The hospital also prioritized the protection of patients' data and privacy, in line with regulatory requirements, by strengthening data management systems and staff training on confidentiality protocols. Continuous awareness creation was undertaken, including the provision of accurate information regarding SHA to improve access and understanding among clients.

v) Corporate Social Responsibility / Community Engagements

As part of its commitment to social responsibility, the hospital implemented various CSR activities aimed at giving back to the community during the year under review. These initiatives included health outreach programs, partnerships with community leaders, and participation in local events to promote health awareness and preventive care. These engagements not only strengthened community relations but also reinforced the hospital's role as a trusted healthcare partner dedicated to improving the well-being of the populations it serves.

Mashuuru Level IV Hospital (Kajiado County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Report of The Board of Management

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

Principal activities

The principal activities of the Mashuuru Level IV Hospital are to offer quality and affordable health services.

Results

The results of the Mashuuru Level IV Hospital for the year ended June 30 2025 are set out on pages 1 to 60

Board of Management

The members of the board who served during the year are shown on Page vi.

Auditors

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

By Order of the Board



.....
Name *Dr. Grace Mwaura*

Secretary to the Board

11. Statement of Board of Management’s Responsibilities

Section 164 of the Public Finance Management Act, 2012 (*entities should quote the applicable legislation under which they are regulated*) requires the Board of Management to prepare financial statements in respect of that *Mashuuru Level IV Hospital*, which give a true and fair view of the state of affairs of the *Mashuuru Level IV Hospital* at the end of the financial year/period and the operating results of the *Mashuuru Level IV Hospital* for that year/period. The Board of Management is also required to ensure that the *Mashuuru Level IV Hospital* keeps proper accounting records which disclose with reasonable accuracy the financial position of the *Mashuuru Level IV Hospital*. The council members are also responsible for safeguarding the assets of the *Mashuuru Level IV Hospital*.

The Board of Management is responsible for the preparation and presentation of the *Mashuuru Level IV Hospital’s* financial statements, which give a true and fair view of the state of affairs of the *Mashuuru Level IV Hospital* for and as at the end of the financial year (period) ended on June 30, 2025. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period, (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the *Mashuuru Level IV Hospital*, (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud, (iv) safeguarding the assets of the *Mashuuru Level IV Hospital*; (v) selecting and applying appropriate accounting policies, and (vi) making accounting estimates that are reasonable in the circumstances.

The Board of Management accepts responsibility for the *Mashuuru Level IV Hospital’s* financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and (*– entities should quote applicable legislation as indicated under*). The Board members are of the opinion that the *Mashuuru Level IV Hospital’s* financial statements give a true and fair view of the state of *Mashuuru Level IV Hospital’s* transactions during the financial year ended June 30, 2025, and of the *Mashuuru Level IV Hospital’s* financial position as at that date. The Board members further confirm the completeness of the accounting records maintained for the *Mashuuru Level IV Hospital*, which have been relied upon in the preparation of the *Mashuuru Level IV Hospital’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 (*disclosed, as applicable, matters relating to the use of going concern basis of preparation of the financial statements*) OR

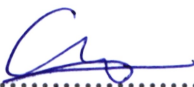
Nothing has come to the attention of the Board of management to indicate that the *Mashuuru Level IV Hospital* will not remain a going concern for at least the next twelve months from the date of this statement.

Mashuuru Level IV Hospital (Kajiado County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Approval of the financial statements

The Hospital's financial statements were approved by the Board on 28/08/2025 and signed on its behalf by:

.....
Name:
Chairperson
Board of Management


.....
Name: Pr. Grace Mwanira
Accounting Officer

REPUBLIC OF KENYA

Phone: +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 MASHUURU 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.

An Unmodified Opinion is issued when the Auditor-General concludes that 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 aim to address the Auditor-General's statutory roles and responsibilities 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

Opinion

I have audited the accompanying financial statements of Mashuuru Level 4 Hospital – County Government of Kajiado set out on pages 1 to 55, which comprise of the statement of financial position as at 30 June, 2025 and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison

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

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, the financial statements present fairly, in all material respects, the financial position of Mashuuru 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 Health Act, 2017, the County Governments Act, 2012 and the Public Finance Management Act, 2012.

Basis for Opinion

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Mashuuru 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 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. There were no key audit matters to report in the year under review.

Other Information

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

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Lack of Hospital Management Board

As previously reported, review of financial statements revealed that the Hospital did not have a Board of Management contrary to Section 12 of the Kajiado County Health Improvement Fund Act, 2020. The County Executive Committee Member for health gazetted the Board of Management on 19 June, 2025.

In the circumstances, the Hospital will not achieve its strategic objectives due to lack of a Board of Management.

2. Irregular Engagement of Casual Workers

As previously reported, the statement of financial performance reflects Kshs.48,283,151 being employee costs as disclosed in Note 16 to the financial statements. Included in the amount is Kshs.929,573 being salaries, wages and allowances for casual workers. Review of the master roll and staff biodata revealed that Management engaged casual workers for more than three 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.

3. Deficiencies in Implementation of Universal Health Coverage (UHC)

As previously reported, 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 in October, 2025 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 as shown in Table 1 below:

Table 1: Deficiencies in staff Requirements

Grades	Recommended Number	Available Staff	Variance	Percentage %
Medical Officers	16	2	14	88
Anesthesiologist	2	2	0	
General surgeons	2	0	2	100
Gynecologists	2	0	2	100
Pediatrics	2	0	2	100
Radiologists	2	0	2	100
Kenya registered Community Health nurses	75	14	61	81
Total	101	18	83	82

In addition, the Hospital lacked the necessary equipment and machines outlined in the Health Policy Guidelines as shown in Table 2 below:

Table 2: Deficiencies in Equipment

Requirement	Required Number	Available Number	Variance
Beds	150	30	120
Resuscitaire (2 in Labour Ward, 1 in theatre)	3	2	1
New Born Unit Cots	5	2	3
New Born Unit Incubators	5	1	4
Functional ICU Beds	6	0	6
Functional HDU Beds	6	0	6
Dialysis Machines	5	0	5
Operational Theatres; Maternity and General	2	1	1

These 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.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, I confirm that nothing has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

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

Responsibilities of the Management and Board of Management

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

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

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

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

The Board of Management 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

27 November, 2025

Mashuuru Level IV 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	FY24-25	FY23-24
		Kshs	Kshs
Revenue from non-exchange transactions			
Transfers from the County Government	6	-	172,369
In-kind contributions from the County Government	7	49,146,888	10,446,682
Grants from donors and development partners	8	-	-
Transfers from other Government entities	9	-	-
Public contributions and donations	10	-	-
		49,146,888	10,619,051
Revenue from exchange transactions			
Rendering of services- Medical Service Income	11	3,680,937	5,291,924
Revenue from rent of facilities	12	-	-
Finance /Interest Income	13	-	-
Miscellaneous Income	14	-	-
Revenue from exchange transactions		3,680,937	5,291,924
Total revenue		52,827,825	15,910,975
Expenses			
Medical/Clinical costs	15	3,367,089	11,348,183
Employee costs	16	48,283,151	1,107,500
Board of Management Expenses	17	-	4,000
Depreciation and amortization expense	18	4,830,792	13,332
Repairs and maintenance	19	176,060	249,200
Grants and subsidies	20	-	517,650
General expenses	21	1,495,641	2,431,789
Finance costs	22	-	-
Total expenses		58,152,732	15,671,654
Other gains/(losses)			
Gain/Loss on disposal of non-Current assets	23	-	-
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		(5,324,908)	239,321

Mashuuru Level IV Hospital (Kajiado County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

The Hospital's financial statements were approved by the Board on 28/8/2025 and signed on its behalf by:

.....

Chairman
Board of Management

Grace Mweke 

Head of Finance
ICPAK No: 15563

Dr. Grace Mwanza 

Medical Superintendent

Mashuuru Level IV 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	FY24-25	FY23-24
		Kshs	Kshs
Assets			
Current assets			
Cash and cash equivalents	27	122,668	85,574
Prepayments	28	-	-
Receivables from exchange transactions	29	1,613,325	1,168,840
Receivables from non-exchange transactions	30	-	-
Inventories	31	4,424,712	4,155,906
Total Current Assets		6,160,705	5,410,320
Non-current assets			
Property, plant, and equipment	32	105,338,176	26,668
Intangible assets	33	-	-
Investment property	34	-	-
Total Non-current Assets		105,338,176	26,668
Total assets		111,498,881	5,436,988
Liabilities			
Current liabilities			
Trade and other payables	36	383,467	100,227
Refundable deposits from customers/Patients	37	-	-
Provisions	38	-	-
Finance lease obligation	39	-	-
Current portion of deferred income	40	-	-
Current portion of borrowings	41	-	-
Total Current Liabilities		383,467	100,227
Non-current liabilities			
Provisions	38	-	-
Non-Current Finance lease obligation	39	-	-
Non-Current portion of deferred income	40	-	-
Non - Current portion of borrowings	41	-	-
Service concession liability	42	-	-
Total Non-current liabilities		-	-
Total Liabilities		383,467	100,227
Net assets		111,115,414	5,336,761
Revaluation reserve		-	-
Accumulated surplus/Deficit		(5,085,587)	239,321
Capital Fund		116,201,001	5,097,439
		111,115,414	5,336,760

Mashuuru Level IV Hospital (Kajiado County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025



The Hospital's financial statements were approved by the Board on 20/8/25 and signed on its behalf by:

.....	<u>Grace mweh</u> 	<u>Dr. Grace Mwangi</u> 
Chairman Board of Management	Head of Finance ICPAK No: 15563	Medical Superintendent

*Mashuuru Level IV 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	Total
			Fund	
At July 1, 2023	-	-	-	-
Revaluation gain	-	-	-	-
Surplus/(deficit) for the year	-	239,321	5,097,439	5,336,760
Capital/Development grants	-	-	-	-
Adjustments				-
At June 30, 2024	-	239,321	5,097,439	5,336,760
At July 1, 2024	-	239,321	5,097,439	5,336,760
Revaluation gain	-	-	-	-
Surplus/(deficit) for the year	-	(5,324,908)	111,103,562.00	105,778,654
Capital/Development grants	-	-	-	-
Prior Year Adjustments			-	-
At June 30, 2025	-	(5,085,587)	116,201,001	111,115,414

Mashuuru Level IV 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	FY24-25	FY23-24
		Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from other Government entities		-	172,369
Public contributions and donations			
Rendering of services- Medical Service Income		3,236,338	4,123,084
Revenue from rent of facilities			
Finance / interest income			
Miscellaneous receipts(<i>specify</i>)			
Total Receipts		3,236,338	4,295,453
Payments			
Medical/Clinical costs		725,735	1,727,112
Employee costs		915,800	1,031,500
Board of Management Expenses		-	4,000
Repairs and maintenance		176,060	249,200
Grants and subsidies			
General expenses		1,374,149	2,101,600
Finance costs			
Refunds paid out			
Total Payments		3,191,744	5,113,412
Net cash flows from operating activities	43	44,594	(817,959)
Cash flows from investing activities			
Purchase of property, plant, equipment & intangible assets		7,500	40,000
Proceeds from the sale of property, plant, and equipment		-	-
Acquisition of investments		-	-
Net cash flows used in investing activities		7,500	40,000
Cash flows from financing activities			
Net cash flows used in financing activities		-	-
Net increase/(decrease) in cash and cash equivalents		37,094	(857,959)
Cash and cash equivalents as at 1 July	27	85,574	943,533
Cash and cash equivalents as at 30 June	27	122,668	85,574

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	-	-	-	85,574.00	- 85,574.00	
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	3,841,000.00	-	3,841,000.00	3,236,338.00	604,662.00	84.26
Revenue from rent of facilities	-	-	-	-	-	-
Finance / interest income	-	-	-	-	-	-
Miscellaneous receipts (<i>specify</i>)	-	-	-	-	-	-
Total receipts	3,841,000.00	-	3,841,000.00	3,321,912.00	519,088.00	86.49
Payments						-
Medical/Clinical costs	1,120,000.00	-	1,120,000.00	725,735.00	394,265.00	64.80
Employee costs	1,000,000.00	-	1,000,000.00	915,800.00	84,200.00	91.58
Remuneration of directors	-	-	-	-	-	-
Repairs and maintenance	200,000.00	-	200,000.00	176,060.00	23,940.00	88.03
Grants and subsidies	-	-	-	-	-	-
General expenses	1,501,000.00	-	1,501,000.00	1,374,149.00	126,851.00	91.55
Finance costs	-	-	-	-	-	-
Refunds	-	-	-	-	-	-
Total Operational Expenditure paid	3,821,000.00	-	3,821,000.00	3,191,744.00	629,256.00	83.53
Capital Expenditure paid	20,000.00	-	20,000.00	7,500.00	12,500.00	37.50
Surplus	-	-	-	122,668.00	- 122,668.00	

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*Mashuuru Level IV Hospital (Kajiado County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025*

Budget notes

- Difference in rendering receipt vs budget was due to Lower-than-expected patient turnout
- delays in NHIF/SHA reimbursements
- Under spending of expenditure was due to Cost-saving measures or efficiency gains achieved during the year
- Use of existing inventory instead of new purchases

Budget Reconciliation

	Description of Particulars	Amount in Kshs
	Actual Surplus Amounts as per the statement of Budget	122,668
1	Reason for differences	-
2	Reason for differences	-
3	Reason for differences	-
4	Reason for differences	-
	Closing Cash and Cash Equivalent as per the statement of Cash flows	122,668

Mashuuru Level IV Hospital (County Government of Kajiado)
Annual Report and Financial Statements for The Year Ended 30th June 2025

18. Notes to the Financial Statements

1. General Information

Mashuuru Level IV Hospital is established by and derives its authority and accountability from PFM Act. The Mashuuru Level IV Hospital is wholly owned by the Kajiado County Government and is domiciled in Kenya. The Mashuuru Level IV Hospital's principal activity is to provide healthcare services.

2. Statement of Compliance and Basis of Preparation

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

*Mashuuru Level IV Hospital (County Government of Kajiado)
Annual Report and Financial Statements for The Year Ended 30th June 2025*

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 Mashuuru Level IV Hospital.</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</p>

*Mashuuru Level IV Hospital (County Government of Kajiado)
Annual Report and Financial Statements for The Year Ended 30th June 2025*

Standard	Effective date and impact:
	<p>excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.</p>
<p>IPSAS 46 Measurement</p>	<p><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 Mashuuru Level IV Hospital 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>

*Mashuuru Level IV Hospital (County Government of Kajiado)
Annual Report and Financial Statements for The Year Ended 30th June 2025*

Standard	Effective date and impact:
IPSAS 48- Transfer Expenses	<p><i>Applicable 1st January 2026</i></p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p>
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 Mashuuru Level IV Hospital's financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized.

iii) Early adoption of standards

Mashuuru Level IV Hospital (County Government of Kajiado)
Annual Report and Financial Statements for The Year Ended 30th June 2025

The Mashuuru Level IV Hospital did not early – adopt any new or amended standards in the financial year under review.

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

ii) Revenue from exchange transactions

Rendering of services

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

Sale of goods

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

Interest income

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

Rental income

Mashuuru Level IV Hospital (County Government of Kajiado)
Annual Report and Financial Statements for The Year Ended 30th June 2025

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 hospital management team. 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 Mashuuru Level IV Hospital upon receiving the respective approvals in order to conclude the final budget. Accordingly, the *Mashuuru Level IV Hospital* recorded no additional appropriations on the FY 2024-2025 budget. The *Mashuuru Level IV Hospital's* budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget.

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

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

c. Taxes

Sales tax/ Value Added Tax

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

- When the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the sales tax is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable.

Mashuuru Level IV Hospital (County Government of Kajiado)
Annual Report and Financial Statements for The Year Ended 30th June 2025

- 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 2 years. Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of de-recognition. Transfers are made to or from investment property only when there is a change in use.

The facility did not have any investments on property.

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

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 Mashuuru Level IV Hospital. Assets held under a finance lease are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the future minimum lease payments. The Mashuuru Level IV Hospital also recognizes the associated lease liability at the inception of the lease. The liability recognized is measured as the present value of the future minimum lease payments at initial recognition.

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 Mashuuru Level IV Hospital will obtain ownership of the asset by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

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

g. Intangible assets

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

*Mashuuru Level IV Hospital (County Government of Kajiado)
Annual Report and Financial Statements for The Year Ended 30th June 2025*

Notes to the Financial Statements (Continued)

h. Biological Assets

The Mashuuru Level IV Hospital 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 Mashuuru Level IV Hospital, 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 Mashuuru Level IV Hospital expenses research costs as incurred. Development costs on an individual project are recognized as intangible assets when the Mashuuru Level IV Hospital can demonstrate:

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

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

Subsequent measurement

Based on the business model and the cash flow characteristics, the Mashuuru Level IV Hospital 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 Mashuuru Level IV Hospital manages financial assets with the objective of realizing cash flows through solely the sale of the assets would result in a fair value through surplus or deficit model.

Trade and other receivable

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 Mashuuru Level IV Hospital 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 Mashuuru Level IV Hospital 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.

Financial liabilities Classification

The Mashuuru Level IV Hospital 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 Mashuuru Level IV Hospital.

l. Provisions

Provisions are recognized when the Mashuuru Level IV Hospital has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources

*Mashuuru Level IV Hospital (County Government of Kajiado)
Annual Report and Financial Statements for The Year Ended 30th June 2025*

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.

Notes to the Financial Statements (Continued)

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

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

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

n. Contingent liabilities

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

p. Nature and purpose of reserves

The Mashuuru Level IV Hospital does not create and maintain reserves in terms of specific requirements.

Notes to the Financial Statements (Continued)

q. Changes in accounting policies and estimates

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

r. Employee benefits

Retirement benefit plans

The Mashuuru Level IV Hospital provides retirement benefits for its employees and directors. Defined contribution plans are post-employment benefit plans under which an Mashuuru Level IV Hospital pays fixed contributions into a separate Mashuuru Level IV Hospital (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.

(Mashuuru Level IV Hospital does not have any information relating to defined benefits or contributions.

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

Mashuuru Level IV Hospital (County Government of Kajiado)
Annual Report and Financial Statements for The Year Ended 30th June 2025

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 Mashuuru Level IV Hospital regards a related party as a person or an Mashuuru Level IV Hospital with the ability to exert control individually or jointly, or to exercise significant influence over the *Mashuuru Level IV Hospital*, 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 Mashuuru Level IV Hospital 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 *Mashuuru Level IV Hospital* 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 *Mashuuru Level IV Hospital* 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

Mashuuru Level IV Hospital (County Government of Kajiado)
Annual Report and Financial Statements for The Year Ended 30th June 2025

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

Estimates and assumptions.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Mashuuru Level IV Hospital 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 Mashuuru Level IV Hospital. 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 Mashuuru Level IV Hospital.
- 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.

Mashuuru Level IV Hospital (County Government of Kajiado)
Annual Report and Financial Statements for The Year Ended 30th June 2025

- Changes in the market in relation to the asset.

Notes to the Financial Statements (Continued)

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions is included. 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.

No provisions made during the year under review.

Mashuuru Level IV Hospital (County Government of Kajiado)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Notes to Financial Statements Continued

6. Transfers from the County Government

Description	2024-2025	2023-2024
	KShs	KShs
Unconditional grants		
Operational grant	-	-
Level 4/5 grants	-	-
Unconditional development grants	-	-
Other grants (<i>specify</i>)	-	-
Conditional grants		
User fee forgone	-	-
Transforming health services for Universal care project (THUCP)	-	-
DANIDA	-	172,369.0
Wards Development grant	-	-
Paediatric block grant	-	-
Administration block grant	-	-
Laboratory grant	-	-
Total government grants and subsidies	-	172,369.0

6 b Transfers from The County Government

Name of the Mashuuru Level IV Hospital 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	-	-	-	-	-

Mashuuru Level IV Hospital (County Government of Kajiado)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Notes to Financial Statements Continued

7. In Kind Contributions from The County Government

Description	2024-2025	2023-2024
	KShs	KShs
Salaries and wages	-	-
Employee cost(PNP)	46,480,116	-
NITA	21,600	-
NSSF	155,520	-
AHL	696,115	-
Social benefit	-	-
Medical supplies-Drawings Rights (KEMSA)	1,793,536	7,694,916
Pharmaceuticals and Non-Pharmaceutical Supplies (other suppliers)		-
Food supplies	-	1,921,060
Utility bills	-	-
Lab reagents	-	830,706
Total grants in kind	49,146,888	10,446,682

8. Grants From Donors and Development Partners

Description	2024-2025	2023-2024
	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	-	-

*Mashuuru Level IV Hospital (County Government of Kajiado)
Annual Report and Financial Statements for The Year Ended 30th June 2025*

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

Name of the Mashuuru Level IV Hospital 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	2023-2024
	KShs	KShs	KShs	KShs	KShs
Donor e.g., DANIDA	-	-	-	-	-
JICA	-	-	-	-	-
World Bank	-	-	-	-	-
Total	-	-	--	-	-

9. Transfers From Other Government Entities

Description	2024-2025	2023-2024
	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	2023-2024
	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	-	-

Mashuuru Level IV Hospital (County Government of Kajiado)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Notes to Financial Statements Continued

10 (a) Reconciliations of amortised grants

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

11. Rendering of Services-Medical Service Income

Description	FY24-25	FY23-24
	KShs	KShs
Pharmaceuticals	625,028	
Laboratory	653,222	
Inpatient	923,512	
Medical Exam	29,600	
Radiology	103,000	
Outpatient	27,600	
Antenatal Clinic & Mother Child Care	700	
NHIF	-	1,183,048
SHA	882,410	
Theatre	-	
Accident and Emergency Service	102,500	
Records	283,365	
Other medical services income -Fuel	50,000	4,108,876
Total revenue from the rendering of services	3,680,937	5,291,924

Notes to the Financial Statements (Continued)

12. Revenue From Rent of Facilities

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

(Provide brief explanation for this revenue)

Mashuuru Level IV Hospital (County Government of Kajiado)
Annual Report and Financial Statements for The Year Ended 30th June 2025

13. Finance /Interest Income

Description	2024-2025	2023-2024
	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	2023-2024
	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	-	-

Mashuuru Level IV Hospital (County Government of Kajiado)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Notes to the Financial Statements (Continued)

15. Medical/ Clinical Costs

Description	FY24-25	FY23-24
	Kshs	Kshs
Laboratory chemicals and reagents	388,010	1,122,106
Food and Ration	318,292	2,139,060
Uniform, clothing, and linen	26,492	24,000
Dressing and Non-Pharmaceuticals	672,998	14,000
Pharmaceutical supplies	1,684,297	7,791,917
Health information stationery	193,500	-
Sanitary and cleansing Materials	83,500	257,100
Purchase of Medical gases		-
X-Ray/Radiology supplies		-
Other medical related clinical costs		-
Total medical/ clinical costs	3,367,089	11,348,183

16. Employee Costs

Description	FY24-25	FY23-24
	Kshs	Kshs
Salaries, wages, and allowances	47,409,916	1,107,500
NITA	21,600	
NSSF	155,520	-
AHL	696,115	-
Employee costs	48,283,151	1,107,500

Mashuuru Level IV Hospital (County Government of Kajiado)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Notes to the Financial Statements (Continued)

17. Board of Management Expenses

Description	2024-2025	2023-2024
	Kshs	Kshs
Chairman's Honoraria	-	-
Sitting allowance	-	4,000
Mileage	-	-
Insurance expenses	-	-
Induction and training	-	-
Travel and accommodation allowance	-	-
Airtime allowances	-	-
Total	-	4,000

18. Depreciation and Amortization Expense

Description	FY24-25	FY23-24
	Kshs	Kshs
Property, plant and equipment	4,830,792	13,332
Intangible assets	-	-
Investment property carried at cost	-	-
Total depreciation and amortization	4,830,792	13,332

19. Repairs And Maintenance

Description	2024-2025	2023-2024
	Kshs	Kshs
Property- Buildings	146,260	186,200
Medical equipment	29,800	16,000
Office equipment	-	-
Furniture and fittings	-	47,000
Computers and accessories	-	-
Motor vehicle expenses	-	-
Maintenance of civil works	-	-
Total repairs and maintenance	176,060	249,200

Mashuuru Level IV Hospital (County Government of Kajiado)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Notes to the Financial Statements (Continued)

20. Grants And Subsidies

Description	2024-2025	2023-2024
	Kshs	Kshs
Community development and social work	-	-
DANIDA LEVEL 1	-	517,650
Free/ subsidised medical camp	-	-
Disability programs	-	-
Free cancer screening	-	-
Social benefit expenses	-	-
Other grants and subsidies(<i>specify</i>)	-	-
Total grants and subsidies	-	517,650

21. General Expenses

Description	FY24-25	FY23-24
	Kshs	Kshs
Catering expenses	162,060	267,500
purchase of cutlery and kitchen households	19,615	-
Bank charges	4,408	6,612
Contracted services		
Electricity expenses	260,468	604,227
Fuel and Lubricants	511,710	817,000
Travel and accommodation allowance	700	216,350
Subsistence and accomodation	107,800	
General office and stationery	186,130	248,100
Water and sewerage costs	93,500	
printer supplies		51,000
Telephone and mobile phone services	52,000	38,500
Internet expenses	97,250	89,500
Skill and development levies		93,000
Total General Expenses	1,495,641	2,431,789

22. Finance Costs

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

Notes to the Financial Statements (Continued)

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

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

24. Unrealized Gain On Fair Value Investments

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

25. Medical Services Contracts Gains /Losses

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

*Mashuuru Level IV Hospital (County Government of Kajiado)
Annual Report and Financial Statements for The Year Ended 30th June 2025*

Notes to the Financial Statements (Continued)

27. Cash And Cash Equivalents

Description	2024-2025	2023-2024
	KShs	KShs
Current accounts	122,668	85,574
On - call deposits	-	-
Fixed deposits accounts	-	-
Cash in hand	-	-
Others(<i>specify</i>)- Mobile money	-	-
Total cash and cash equivalents	122,668	85,574

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

Description		2024-2025	2023-2024
Financial institution	Account number	KShs	KShs
a) Current account			
Kenya Commercial bank	1156064465	122,668	85,574
Equity Bank, etc		-	
Sub- total			
b) On - call deposits		122,668	85,574
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		122,668	85,574

Mashuuru Level IV Hospital (County Government of Kajiado)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Notes to the Financial Statements (Continued)

28. Prepayments

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

29. Receivables From Exchange Transactions

Description	2024-2025	2023-2024
	KShs	KShs
Medical services receivables	1,613,325	1,168,840
Rent receivables	-	-
Other exchange debtors	-	-
Less: impairment allowance	-	-
Total receivables	1,613,325	1,168,840

Analysis of Receivables From Exchange Transactions

Description	2024-2025		Insert Comparative FY	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	824,885	51%	1,168,840	100%
Between 1- 2 years	788,440	49%		%
Between 2-3 years		%		%
Over 3 years		%		%
Total (a+b)		1,613,325	1,168,840	%

Mashuuru Level IV Hospital (County Government of Kajiado)
Annual Report and Financial Statements for The Year Ended 30th June 2025

30. Receivables From Non-Exchange Transactions

Description	2024-2025	2023-2024
	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	
	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	FY24-25	FY23-24
	KShs	KShs
Pharmaceutical supplies	2,765,649	3,669,106
Non-pharmaceutical supplies	686,116	-
Food supplies	20,028	-
Linen and clothing supplies	345,890	-
Laboratory reagents	607,029	486,800
General supplies		-
Less: provision for impairment of stocks	-	-
Total	4,424,712	4,155,906

Mashuuru Level IV Hospital (County Government of Kajiado)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Detailed disclosure on inventories

	2024-2025	2023-2024
Opening balance	4,155,906	
Additional Inventory in the year	2,699,635	
Inventory expensed in the year	- (2,430,829)	
Write-downs in the year	-	
Others specify	-	
Closing balance	4,424,712	4,155,906

Mashuuru Level IV Hospital (County Government of Kajiado)
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	re, fittings, and office equ	ICT Equipment	Plant and medical equipment	Capital Work in progress	Total
Depreciation rates		2%	25%	20%	33.33%	25%		
	Shs		Shs	Shs	Shs	Shs	Shs	Shs
Cost								
At 1 July 2023	-	-	-	-	40,000	-	-	40,000
Additions	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Transfers/adjustments	-	-	-	-	-	-	-	-
At 30th June 2024	-	-	-	-	40,000	-	-	40,000
At 1 st July 2024	40,140,000	55,101,000	800,000	1,111,500	593,000	12,429,300	-	110,174,800
Additions	-	-	-	7,500	-	-	-	7,500
Disposals	-	-	-	-	-	-	-	-
Transfer/adjustments	-	-	-	-	-	-	-	-
At 30th June 2025	40,140,000	55,101,000	800,000	1,119,000	593,000	12,429,300	-	110,182,300
Depreciation and impairment								
At 1 July 2023	-	-	-	-	-	-	-	-
Depreciation for the year	-	-	-	-	13,332	-	-	13,332
Disposals	-	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-	-
At 30 June 2024	-	-	-	-	-	-	-	-
At July 2024	-	-	-	-	-	-	-	-
Depreciation	-	1,102,020	200,000	223,800	197,647	3,107,325	-	4,830,792
Disposals	-	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-	-
Transfer/adjustment	-	-	-	-	-	-	-	-
At 30th June 2025	-	1,102,020	200,000	223,800	210,979	3,107,325	-	4,844,124
Net book values								
At 30 th June 2024	-	-	-	-	26,668	-	-	26,668
At 30 th June 2025	40,140,000	53,998,980	600,000	895,200	382,021	9,321,975	-	105,338,176

Mashuuru Level IV Hospital (County Government of Kajiado)
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	2023-2024
	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	2023-2024
	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		

35. Biological Assets

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

Mashuuru Level IV Hospital (County Government of Kajiado)
Annual Report and Financial Statements for The Year Ended 30th June 2025

36. Trade and other Payables

Description	2024-2025		2023-2024	
	KShs		KShs	
Trade payables	383,467		100,227	
Employee dues	0			
Third-party payments	0			
Audit fee	0			
Doctors' fee	0			
Total trade and other payables	383,467		100,227	
Ageing analysis:	30th June 2025	% of the Total	30th June 2024	% of the total
Under one year	383,467	%	100,227	%
1-2 years		%		%
2-3 years		%		%
Over 3 years		%		%
Total	383,467	%	100,227	%

37. Refundable Deposits from Customers/Patients

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

Mashuuru Level IV Hospital (County Government of Kajiado)
Annual Report and Financial Statements for The Year Ended 30th June 2025

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	2023-2024
	Kshs	Kshs
Current Lease obligation	-	-
Long term lease obligation	-	-
Total	-	-

Notes to the Financial Statements (Continued)

40. Deferred Income

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

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	-	-	-	-

Mashuuru Level IV Hospital (County Government of Kajiado)
Annual Report and Financial Statements for The Year Ended 30th June 2025

41. Borrowings

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

Mashuuru Level IV Hospital (County Government of Kajiado)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Notes to the Financial Statements (Continued)

42. Service Concession Arrangements

Description	2024-2025	2023-2024
	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

	FY24-25	FY23-24
	KShs	KShs
Surplus/deficit for the year before tax	- 5,324,730	239,321
Adjusted for:		
Depreciation	4,830,614	13,320.00
Non-cash grants received	968,761	(1,070,600)
Impairment	-	-
Gains and losses on disposal of assets	-	-
Contribution to provisions	-	-
Contribution to impairment allowance	-	-
Working Capital adjustments		
Increase in inventory	- 268,806	
Increase in receivables	- 444,485	
Increase in prepayments	-	
Increase in deferred income	-	
Increase in payables	283,240	
Increase in payments received in advance	-	-
Net cash flow from operating activities	44,594	- 817,959

Mashuuru Level IV Hospital (County Government of Kajiado)
Annual Report and Financial Statements for The Year Ended 30th June 2025
Notes to the Financial Statements (Continued)

44. Financial Risk Management

The Mashuuru Level IV Hospital'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 Mashuuru Level IV Hospital's financial risk management objectives and policies are detailed below:

(i) Credit risk

The Mashuuru Level IV Hospital 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 Mashuuru Level IV Hospital'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				
Receivables from exchange transactions	1,168,840			
Receivables from –non-exchange transactions				
Bank balances				
Total	1,168,840			
At 30 June 2025				
Receivables from exchange transactions	1,613,325			
Receivables from –non-exchange transactions				
Bank balances				
Total	1,613,325			

*Mashuuru Level IV Hospital (County Government of Kajiado)
Annual Report and Financial Statements for The Year Ended 30th June 2025*

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 Mashuuru Level IV Hospital does not have significant concentration of credit risk. 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 Mashuuru Level IV Hospital's short, medium and long-term funding and liquidity management requirements. The Mashuuru Level IV Hospital 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	100,227	-	-	100,227
Current portion of borrowings	-	-	-	-
Provisions	-	-	-	-
Deferred income	-	-	-	-
Employee benefit obligation	-	-	-	-
Total	100,227			100,227
At 30 June 2025				
Trade payables	383,467	-	-	383,467
Current portion of borrowings	-	-	-	-
Provisions	-	-	-	-
Deferred income	-	-	-	-
Employee benefit obligation	-	-	-	-
Total	383,467	-	-	383,467

Mashuuru Level IV Hospital (County Government of Kajiado)
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 Mashuuru Level IV Hospital 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 Mashuuru Level IV Hospital'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 Mashuuru Level IV Hospital's exposure to market risks or the way it manages and measures the risk.

a) Foreign currency risk

The Mashuuru Level IV Hospital 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 Mashuuru Level IV Hospital'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 2025			
Financial assets (investments, cash, debtors)			
Liabilities			
Trade and other payables			
Borrowings			
Net foreign currency asset/(liability)			

The Mashuuru Level IV Hospital 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.

Mashuuru Level IV Hospital (County Government of Kajiado)
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 2025			
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
2025 (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 Mashuuru Level IV Hospital'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.

Mashuuru Level IV Hospital (County Government of Kajiado)
Annual Report and Financial Statements for The Year Ended 30th June 2025
Notes to the Financial Statements (Continued)

Sensitivity analysis

The Mashuuru Level IV Hospital 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.

Mashuuru Hospital has no interest-bearing borrowings or deposits as at 30 June 2025. Consequently, changes in market interest rates would not have any material impact on the Hospital's surplus or deficit.

Accordingly, a sensitivity analysis for a 1% or 5% increase or decrease in prevailing interest rates indicates no effect on the Statement of Financial Performance for the year ended 30 June 2025 (2024: Nil).

iv) Capital Risk Management

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

Description	FY24-25	FY23-24
	Kshs	Kshs
Revaluation reserve	0	0
Retained earnings	-5,085,409	239,321
Capital reserve	116,201,013	5,097,439
Total funds	111,115,604	5,336,760
Total borrowings	383,467	100,227
Less: cash and bank balances	122668.15	85,574
Net debt/ (excess cash and cash equivalents)	260,799	14,653
Gearing	0.002	0.003

Mashuuru Level IV Hospital (County Government of Kajiado)
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 Mashuuru Level IV Hospital 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.

County Government of Kajiado is the principal shareholder of the *Mashuuru Level IV Hospital*, holding 100% of the *Mashuuru Level IV Hospital's* equity interest. The National Government of Kenya has provided full guarantees to all long-term lenders of the Mashuuru Level IV Hospital, 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
	Kshs	Kshs
Transactions with related parties		
a) Services offered to related parties		
Services to xxx		
Sales of services to xxx		
Total		
b) Grants from the Government		
Grants from County Government	49,146,888	10,446,682
Grants from the National Government Entities		
Donations in kind		
Total	49,146,888	10,446,682
c) Expenses incurred on behalf of related party		
Payments of salaries and wages for Mashuuru P&P employees	47,353,352	
Payments for goods and services	1,793,536	10,446,682
Total	49,146,888	10,446,682

Mashuuru Level IV Hospital (County Government of Kajiado)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Description	2024-2025	2023-2024
	Kshs	Kshs
d) Key management compensation		
Directors' emoluments		4,000
Compensation to the medical Sup		
Compensation to key management		
Total		4,000

46. Segment Information

(Where an organisation operates in different geographical regions or in departments, IPSAS 18 on segmental reporting requires an Mashuuru Level IV Hospital to present segmental information of each geographic region or department to enable users understand the Mashuuru Level IV Hospital's performance and allocation of resources to different segments)

47. Contingent Liabilities

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

(Give details)

48. Capital Commitments

Capital Commitments	2024-2025	Insert Comparative FY
	Kshs	Kshs
Authorised For	-	-
Authorised And Contracted For	-	-
Total	-	-

Mashuuru Level IV Hospital (County Government of Kajiado)
Annual Report and Financial Statements for The Year Ended 30th June 2025

49. Events after the Reporting Period

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

50. Ultimate and Holding Mashuuru Level IV Hospital

The Mashuuru Level IV Hospital is a County Level IV Hospital 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.

Mashuuru Level IV Hospital (County Government of Kajiado)
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)
REPORT ON THE FINANCIAL STATEMENTS	Non-Disclosure of Property, Plant and Equipment	Valuation of assets was done on 30 th September 2024 after publishing of financial statements.	Resolved	
REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES	1. Inadequacies in UHC as per Kenya Quality Model for Level 4 and Level 5 Hospitals	The hospital has submitted requests to the County Department of Health for additional resources and infrastructure support.	Not resolved	2026-27
	2. Irregular Engagement of Casual Workers	Efforts are being made to seek approval from the County Public Service Board through the County Department of Health for regularization of the affected staff to ensure compliance with labour regulations and public service guidelines.	Not resolved	2025-26

*Mashuuru Level IV Hospital (County Government of Kajiado)
Annual Report and Financial Statements for The Year Ended 30th June 2025*

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	3. Revenue Safeguards and Controls	The hospital is now able to reconcile revenue with that of the bank statement.	Resolved	
REPORT ON THE EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE	1. Lack of Hospital Management Board	Hospital board was Gazzetted on 19 th June 2025	Resolved	
	2. Expiry of Medical Supplies	Measures have since been implemented to prevent expiry of medical supplies. As a result, no expiries were reported during the year under review.	Resolved	
	3. Stock-Outs of Essential Medical Supplies	The hospital has strengthened inventory management practices including regular stock monitoring and improved quantification during procurement.	Resolved	
	4. Management of NHIF Claims	NHIF Portal has since been closed as a result of migration to SHA.	Not resolved	2025-26
	5. Failure to Maintain Fixed Asset Register.	The hospital now has an upto date fixed assets register.	Resolved	

*Mashuuru Level IV Hospital (County Government of Kajiado)
Annual Report and Financial Statements for The Year Ended 30th June 2025*

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)

Guidance Notes:

- (i) Use the same reference numbers as contained in the external audit report.
- (ii) Obtain the “Issue/Observation” and “management comments”, required above, from the final external audit report that is signed by Management.
- (iii) Before approving the report, discuss the timeframe with the appointed Focal Point persons within your Mashuuru Level IV Hospital responsible for the implementation of each issue.
- (iv) Indicate the status of “Resolved” or “Not Resolved” by the date of submitting this report to National Treasury.



Accounting Officer

*Mashuuru Level IV Hospital (County Government of Kajiado)
Annual Report and Financial Statements for The Year Ended 30th June 2025*

Appendix II: Projects Implemented by The Mashuuru Level IV Hospital

Projects

Projects implemented by the Hospital Funded by development partners

Project title	Project Number	Donor	Period/ duration	Donor commitment	Separate donor reporting required as per the donor agreement (Yes/No)	Consolidated in these financial statements (Yes/No)
1						
2						

Status of Projects completion

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

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

Mashuuru Level IV Hospital (County Government of Kajiado)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Appendix III: Inter-Mashuuru Level IV Hospital Confirmation Letter

Name of Transferring :Department of Health services.....

Name of Beneficiary: Mashuuru Level IV Hospital.....

Confirmation of amounts received by [Insert name of beneficiary Mashuuru Level IV Hospital] as at 30th June (Current FY)

Reference Number	Date Disbursed	Recurrent (A)	Development (B)	Total (C)=(A+B)	Remarks
	9/08/2024	317,490		317,490	
	9/09/2024	326,390		326,390	
	8/10/2024	309,631		309,631	
	11/11/2024	370,800		370,800	
	13/12/2024	221,305		221,305	
	22/01/2025	161,307		161,307	
	28/02/2025	126,870		126,870	
	12/03/2025	122,061		122,061	
	26/04/2025	55,150		55,150	
	21/05/2025	77,680		77,680	
	10/06/2025	318,026		318,026	
Total		2,406,710		2,406,710	

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

Head of Accounts Department - County Department of Health Services:

Name Susan Kirubi Sign  Date 28/8/25

Head of Accounts Department - Beneficiary Mashuuru Level IV Hospital:

Name Pr. Grace Mwangi Sign  Date 28/8/25

Mashuuru Level IV Hospital (County Government of Kajiado)
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		

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