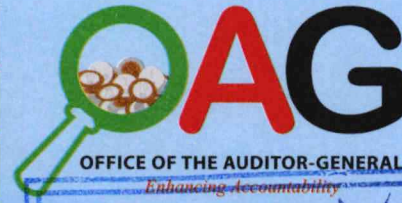


REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability

REPORT

THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 18 NOV 2025

DAY.

PARLIAMENT
OF KENYA
LIBRARY

OF

TABLED
BY:

HON. KIMANI IKHINKWA
MAJORITY LEADER

CLERK-AT
THE-TABLE:

INDITU MWALE HSC

THE AUDITOR-GENERAL

ON

EAST AFRICA'S CENTRE OF EXCELLENCE
FOR SKILLS AND TERTIARY EDUCATION IN
BIOMEDICAL SCIENCES PHASE 1- PROJECT
(LOAN NO.2100150031997 AND LOAN NO.
2100150043449)

FOR THE YEAR ENDED
30 JUNE, 2025

MINISTRY OF HEALTH



PROJECT NAME: EAST AFRICA'S CENTRE OF EXCELLENCE

IMPLEMENTING ENTITY: MINISTRY OF HEALTH (MOH)

PROJECT LOAN NUMBER: 2100150031997

PROJECT LOAN NUMBER: 2100150043449

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

JUNE 30, 2025

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

(Leave this page blank)



Table Contents	Page
1. Acronyms and Definition of Terms	ii
2. Project Information and Overall Performance	iii
Project Information and Overall Performance(continued)	iv
3. Statement of Performance against Project's Predetermined Objectives	xv
4. Environmental and Sustainability Reporting	xvii
Environmental and Sustainability Reporting(Continued)	xviii
Environmental and Sustainability Reporting(continued)	xix
4. Marketplace practices-	xix
5. Community Engagements	xix
6. 5. Statement of Project Management Responsibilities	xx
Report of the Independent Auditor on Financial Statements for East Africa Centres of Excellence Project	xxii
5. Statement of Financial Performance for the Year Ended 30th June 2025.	1
6. Statement of Financial Position as of 30 th June 2025	2
7. Statement of Changes in Net Assets	3
8. Statement of Cashflow for the year ended 30 th June 2025	4
9. Statement of Comparison of Budget and Actual Amounts for the Year ended 30 th June 2025	5
10. Notes to the Financial Statements	6
13. Annexes	24

1. Acronyms and Definition of Terms

CBK	Central Bank of Kenya
EACE	East Africa Centre of Excellence
EAKI	East Africa Kidney Institute
AfDB	African Development Bank
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
NT	National Treasury
PFM	Public Finance Management.
PSASB	Public Sector Accounting Standards Board
EAC	East African Community
KMTC	Kenya Medical Training College
KNH	Kenyatta National Hospital
MOH	Ministry of Health
NCD	Non – Non-Communicable Diseases
UON	University of Nairobi
SDA	Special Deposit Account
ESIA	Environmental and Social Impact Assessment
PPE	Plant Property and Equipment
GOK	Government of Kenya
IPC 21	Interim Payment Certificate No. 21

2. Project Information and Overall Performance

Line Ministry/State Department of the project	The project is under the supervision of Ministry of Health.
Project number	P-Z1-IBO-23 Loan Number 2100150031997 P-KE -IBO -002 Loan Number 2100150043449
Strategic goals of the project	The strategic goals of the project are as follows: I. Training II. Research III. Service delivery
Achievement of strategic goals	The project management aims to achieve the goals through the following means: (i) Training of public health workers (ii) Research and analysis of public health information
Project duration	The project phase I started on 17 th December 2014 and run until 30 th June 2025 which was the project extended closing date. The project Phase II additional financing start date was 1 st March 2023 with closing date of 31 st December 2025.

2.1 Name and registered office

Name

East Africa's Centre of Excellence for Skills and Tertiary Education in Biomedical Sciences Phase 1 - Project Loan Number: 2100150031997 and additional financing Loan Number 2100150043449.

Afya House

AfDB Prefab offices

Objective

The key objective of the project is to focus on public health problems affecting the country, including infectious diseases, use of scientific evidence for policy formulation and program implementation.

Project Information and Overall Performance(continued)

Address

The project headquarters offices are Nairobi, Nairobi County, Kenya.

The address of its registered office is:

P.O Box 30016 – 00100

Afya House. Cathedral Road, Nairobi.

Contacts: The following are the project contacts

Telephone: (254) 0202717077

E-mail: pshealth.go.ke

2.2 Project Information

Project Start Date:	The project start date was 17/12/2014 (Phase I)
Project Closing Date:	The project closing date was 30/06/2025 (Phase I)
Project Manager:	The project manager is Dr. Hossan Ajuck
Project Sponsor:	The project Financiers are AfDB and GOK

Project Start Date:	The project start date is 01/03/2023 (Additional Financing)
Project Closing Date:	The project closing date is 31/12/2025(Additional Financing)
Project Manager:	The project manager is Dr Hossan Ajuck
Project Sponsor:	The project Financiers are AfDB and GOK

2.3 Project Overview

Line Ministry/State Department of the project	The project is under the supervision of the Ministry of Health, in the State Department of Medical Services.
Project number	P-Z1-IBO-23 Loan Number 2100150031997 P-KE-IBO-002 Loan Number 2100150043449
Strategic goals of the project	The strategic goals of the project are as follows: I. Training II. Research III. Service delivery
Summary of Project Strategies for achievement of strategic goals	The project management aims to achieve the goals through the following means: I. Training of public health workers II. Research and analysis of public health information III. Offer specialized services in Urology and Nephrology
Other important background information of the project	The project Phase I came to an end on 30 th June 2025 with last disbursement date being 31 st October 2025.
Areas that the project was formed to intervene	The project was formed to intervene in the following problems/gaps: 1. To improve expertise and strengthen specialized health care services to Kenyans and the East African Region. 2. To reduce the burden on chronic kidney disease through enhancement of promotive and preventive interventions. 3. To provide high quality regional based renal health services to stem outward referrals to foreign countries. To improve specialists teaching and training 4. To strengthen regional healthcare referral services and attract medical tourism to the country. 5. To promote quality research in medical specialties and maintain a registry on renal conditions.
Project duration	Was 5 Years for Phase I but extensions were granted for 6 years from 2019 to 2025 while phase II Additional financing is for 2Years from 2023 to 2025 with extension of 2 years requested until 2027.

2.4 Bankers

The following are the bankers for the project:

Central Bank of Kenya

P.o Box 6000 -0200

Nairobi

2.5 Independent Auditor

Auditor General

Office of Auditor General

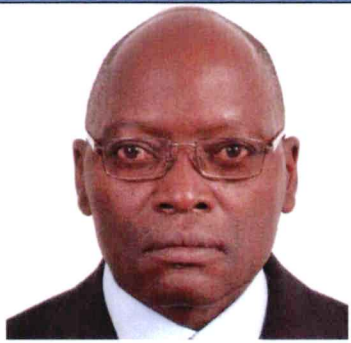


Anniversary Towers, University Way




P.O. Box 30084

GPO 00100

Nairobi, Kenya

2.6 Roles and Responsibilities

No	Names	Title designation	Key qualification	Responsibilities
1	 <p>Dr Ayub Manya</p>	Acting Director of health financing, Digital health policy and research	MBChB, MSc (epidemiology) PhD Health informatics.	Overseeing Health financing, digital, health, policy and research.
2	 <p>Dr. Hossan Ajuck</p>	Project Manager	DBA, MBA, MPH, BSDT, IPPHL, CMI, CIQ.	Involved in the day-to-day running of the EAKIP project. Reporting to the Ministry and the Financiers on the Project.
3	 <p>Samuel Ndiang'ui</p>	Project Accountant	B.COM, CPA(K)	Carrying out the accounting functions of the Project.

4.	 <p>Mary Obae</p>	Project Procurement Officer	B.Sc. Purchase and Supply Management.	Carrying out the procurement functions of the project.
5	 <p>Caroline Gakiavi</p>	Project Senior Supply Chain Management Officer	BBM	Carrying out the procurement functions of the Project.
6	 <p>Professor Mungai Ngugi</p>	Academic officer	MBCChB, M.Ed. Urologist	In charge of academic programs.

2.7 Funding summary

The Project Phase I was for duration of 5 years from 2014 to 2019 but was granted an extension of 6 years up to June 2025 with an approved budget of UA 27, 500,000 equivalent to Kshs. 3,674,000 ,000 and project Phase II is for duration of 2 years from 2023 to 2025 with an approved budget of UA 15,550,000 equivalent to Ksh. 2,402,786 as highlighted in the table below:

Project information and overall performance (continued)

Below is the funding summary:

A. Source of Funds

Source of funds	Development Partner Commitment		Amount received to date – (30 th June 2025)		Undrawn balance to date	
	Development Partner currency (UA)	Kshs	Development Partner currency (UA)	Kshs	Development Partner currency (UA)	Kshs
	(A)	(A')	(B)	(B')	(A)-(B)	(A') - (B')
(i) Loan						
AfDB (Phase I)	25,000,000	3,340,000,000	22,324,071	2,982,719,199	2,674,057	357,280,801
AfDB (Additional Financing)	14,000,000	2,163,280,000	25,851.58	540,000	13,974,148	2,162,740,000
(ii) Counterpart funds						
Government of Kenya (Phase I)	2,500,000	334,000,000	2,457,317	328,322,144	42,495.74	5,677,856
Government of Kenya (Additional Financing)	1,550,000	239,506,000.00	0	0	1,550,000	239,506,000
Total	43,050,000	6,076,786,000	24,807,240	3,311,581,343	18,240,701	2,765,204,657

Exchange rate 1 UA= KES 133.61 for Phase I Loan as of 17th December 2014.

Exchange rate 1 UA= KES 154.52 for Additional Loan as of 1st March 2023.

Project information and overall performance (continued)

B. Application of Funds

Application of funds	Amount received to date – (30 th June 2025)		Cumulative amount paid to date – (30 th June 2025)		Unutilised balance to date (30 th June 2025)	
	Development Partner currency (UA)	Kshs	Development Partner currency (UA)	Kshs	Development Partner currency (UA)	Kshs
	(A)	(A')	(B)	(B')	(A)-(B)	(A')-(B')
(i) Loan						
AfDB (Phase I)	2,885,292	420,098,607	20,485,708	2,982,719,199	2,453,851	357,280,801
AfDB (Additional Financing)	25,851	540,000.00	25,851	540,000.00	13,974,148	2,162,740,000
(ii) Counterpart funds						
Government of Kenya (Phase I)	678,095	98,730,695	2,254,959.78	328,322,144.	38,996.26	5,677,856
Government of Kenya (Additional Financing))	0	0	0	0	1,550,000	239,506,000
Total	3,589,239	519,369,302	22,766,570	3,311,581,343	18,016,996	362,958,657

Exchange rate 1 UA= KES 145.6 for Phase I Loan as of 30th June 2025.

Exchange rate 1 UA= KES 145.6 for Additional Loan as of 30th June 2025.

Project information and overall performance (continued)

2.8 Summary of Overall Project Performance:

i) *Budget performance against actual amounts for current year and for cumulative to - 30th June 2025,*

AfDB (Phase I Loan) –KES 3,340,000,000 (90.9%) GOK – KES 334,000,000 (9.1%)

Total – KES 3,674,000,000 (100%)

AfDB (Additional Loan) KES 2,163,280,000 (90%) GOK – KES 239,506,000 (10%)

Total – KES 2,402,786,000(100%)

Expenditure as of 30th June 2025

AfDB (Phase I Loan) – KES 2,982,719,199.44 (89.30%) GOK – KES 328,322,144.35 (98.30%)

AfDB (Additional Loan) -KES 1,080,000(0.05%) GOK – KES 0 (0%)

ii) Physical progress based on outputs, outcomes, and impacts since project commencement,

1. Training of over 345 professionals who have supported all the renal units at the counties established under the Medical Equipment Services (MES) program.
2. Conducted over 250 Transplants at KNH.
3. Establishment of Histocompatibility and immunogenetics laboratory (HLA) at KNH.
4. Supported 5 regional conferences
5. Development of over 26 new Curricula in Urology and Nephrology
6. Supply, delivery, installation, commissioning, testing, and training on use and maintenance of biomedical equipment LOT I – Imaging Equipment.
7. Supply, delivery, installation, commissioning, testing, training on use and maintenance of LOT 4 Renal/pharmacy/Holding room equipment.
8. Supply, delivery, installation, commissioning, testing, training on use and maintenance of LOT 5-Laboratory clinical/chemistry/immunology/transplantation and genetics Equipment
9. Construction and equipping of Ground floor to second floor and shell on 3rd and 4th floor
10. Radiology equipment's have been supplied, delivered, installed, tested, commissioned and trained in the use of the equipment done.

Project information and overall performance (continued)

iii) Indicate the absorption rate for each year since the commencement of the project.

AfDB (Phase I Loan) and GOK Counter fund

FINANCIAL YEAR	SOURCE OF FINANCING	AMOUNT APPROVED	EXPEDITURE AS AT 30TH JUNE(Ksh.)	ABSORPTION RATE (%)
F/Y 2024/2025	AfDB	3,340,000,000.00	2,982,719,199.44	89.30
	GOK Counter fund.	334,000,000.00	328,322,144.35	98.30
F/Y 2023/2024	AfDB	3,340,000,000.00	2,608,715,739.05	78.11
	GOK Counter fund.	334,000,000.00	239,779,268.38	71.79
F/Y 2022/2023	AfDB	3,340,000,000.00	2,357,411,074.00	70.58
	GOK Counter fund.	334,000,000.00	193,393,030.00	57.90
F/Y 2021/2022	AfDB	3,340,000,000.00	2,171,303,285.36	65.01
	GOK Counter fund.	334,000,000.00	164,728,944.00	49.32
F/Y 2020/2021	AfDB	3,340,000,000.00	1,415,998,821.97	42.40
	GOK Counter fund.	334,000,000.00	96,730,695.00	28.96
F/Y 2019/2020	AfDB	3,340,000,000.00	895,935,883.35	26.82
	GOK Counter fund.	334,000,000.00	57,023,498.00	17.07
F/Y 2018/2019	AfDB	3,340,000,000.00	405,414,943.30	12.14
	GOK Counter fund.	334,000,000.00	30,900,998.00	9.25
F/Y 2017/2018	AfDB	3,340,000,000.00	354,511,670.35	10.61
	GOK Counter fund.	334,000,000.00	19,636,835.00	5.88
F/Y 2016/2017	AfDB	3,340,000,000.00	148,895,732.05	4.46
	GOK Counter fund.	334,000,000.00	12,002,735.00	3.59
F/Y 2015/2016	AfDB	3,340,000,000.00	26,296,828.65	0.79
	GOK Counter fund.	334,000,000.00	5,381,580.00	1.61
F/Y 2014/2015	AfDB	3,340,000,000.00	4,432,787.00	0.13
	GOK Counter fund.	334,000,000.00	702,680.00	0.21

Project information and overall performance (continued)

AfDB (Additional Loan) and GOK Counter fund

<i>FINANCIAL YEAR</i>	<i>SOURCE OF FINANCING</i>	<i>AMOUNT APPROVED</i>	<i>EXPEDITURE AS AT 30TH JUNE(Ksh)</i>	<i>ABSORPTION RATE (%)</i>
<i>F/Y 2024/2025</i>	AfDB	2,163,280,000.00	1,080,000.00	0.05
	GOK Counter fund.	239,506,000.00	0	0
<i>F/Y 2023/2024</i>	AfDB	2,163,280,000.00	0	0
	GOK Counter fund.	239,506,000.00	0	0
<i>F/Y 2022/2023</i>	AfDB	2,163,280,000.00	0	0
	GOK Counter fund.	239,506,000.00	0	0

iv) Implementation challenges.

- a) Establishment of registry
- b) Payment to the lead consultant
- c) Payment of Interim Payment Certificate No. 21 to the main contractor
- d) Payment of Final Payment Certificate No. 22 to the main contractor
- e) Operationalization of the Centre of excellence in urology and nephrology.

v) Recommended Next Steps.

- a) Approval of cabinet Memo by the cabinet to pave way for the center to be a Semi-Autonomous Government Agency.
- b) Issuing Human Resource instruments to the center of excellence in urology and nephrology

2.9 Summary of Project Compliance:

1. The project requirements were complied accordingly.

3. Statement of Performance against Project's Predetermined Objectives

Introduction

The Government of Kenya is committed to attain her health agenda guided by the health Policy 2014 – 2030, Vision 2030 and the 2010 constitution. The health Policy has an overarching goal of 'attaining the highest possible health standards in a manner responsive to the population needs' which is to be achieved through supporting provision of equitable, affordable, and quality health and related services at the highest attainable standards to all Kenyans. The target of the policy is to attain a level and distribution of health at a level commensurate with that of a middle-income country. It focuses on attaining two critical obligations of the health sector: A rights-based approach and ensuring health contribution to the Country's development.

The key development objectives of the project's agreement are,

1. To improve expertise and strengthen specialized health care services to Kenyans and the East African Region.
2. To reduce the burden on chronic kidney disease through enhancement of promotive and preventive interventions.
3. To provide high-quality regional-based renal health services to stem outward referrals to foreign countries. To improve specialists' teaching and training
4. To strengthen regional healthcare referral services and attract medical tourism to the country.
5. To promote quality research in medical specialties and maintain a registry on renal conditions.

Below is the progress attained on the above objectives which were made specific, measurable, achievable, realistic, and time-bound (SMART) and were converted into development outcomes. Attendant indicators were identified to track progress and performance measurement respectfully.

Statement of Performance against Project's Predetermined Objectives(continued)

Project	Objective	Outcome	Indicator	Performance
East Africa centre of excellence project.	To develop a Centre of Excellence in Urology and Nephrology (world-class institution) that will facilitate the realization of the vision to strengthen health training, research capacity, and provision of services to Kenyans, the East African community, and beyond.	❖ Training of over 345 professionals who have supported all the renal units at the counties established under the Medical equipment services (MES) program.	Successful completion and awarding of certificates.	Good
		❖ Conducted over 250 Transplants at KNH. Establishment of Histocompatibility and immunogenetics laboratory (HLA) at KNH	Successful kidney transplants	Good Good
		❖ Supported 5 regional conferences ❖ Published 8 papers ❖ Construction of the EAKI complex in a record time 2 years ❖ Development of over 26 new Curricula in Urology and Nephrology.	Full attendance by delegates. Printed in medical Journals Plan underway for commissioning by the Head of state. Students learning from the curriculum.	Good Good Good Good

4. Environmental and Sustainability Reporting

1. Sustainability strategy and profile

Key Environmental Issues & Potential Impacts The proposed EAKI is expected to have net positive benefits to the country and the East African Community. The positive impacts include land use optimization, improved access to specialized public medical care; and improvement of biomedical research & knowledge on renal diseases. The key potential negative impacts and proposed mitigation measures for the proposed project are summarized in the table below: Table Summary of Key Negative Impacts and Proposed Mitigation Measures

Potential Impact	Mitigation measures
Land Pollution	<ul style="list-style-type: none"> • Establish a robust solid waste management system
Air pollution	<ul style="list-style-type: none"> • Preventive maintenance of emergency diesel generator • Incorporation of renewable energy technologies • Landscaping & tree planting along site boundary
Land Use conflict	<p>Apply for extension of use for the plot – for institutional and recreational purpose)</p> <ul style="list-style-type: none"> • Extension of use approval for the EAKIP plot from physical planning department NCC • Seek approval from KCAA for the project as the site is adjacent to KNH heliport (helicopter landing area) • Relocation & upgrade of recreational facilities
Water and Ecosystem pollution	<ul style="list-style-type: none"> • Connect the facility to the existing public sewer line • Seek WRMA approval for drilling proposed borehole • Abstraction of ground water much permitted by WRMA • Wastewater & storm water collection & treatment prior to discharge to environment
Occupational safety & health concerns	<p>Undertake risk assessment of facility.</p> <ul style="list-style-type: none"> • Continuous training of workers on hazards & emerging workplace risks • Provision of appropriate PPE • Effective management of waste including hazardous medical waste.
Potential increase in HIV/AIDs infections	<p>Contractor should undertake HIV/AIDS education & awareness in partnership with the local administration & religious institutions.</p>

Environmental and Sustainability Reporting(Continued)

The findings of the ESIA based on the disclosed project details and the baseline site assessment indicated that the project is desirable and will support the realization of national and regional development goals. The project design has incorporated good environmental practice by adopting key green building design criteria such as storm water harvesting, use of natural lighting strategies & solar water heating technologies in line with existing national laws and regulations. The project design also specifies high standards for designs of key project elements including the civil works, mechanical systems and electrical systems. The project is therefore deemed feasible from environmental and social viewpoint when implemented alongside the Environmental Management plan developed for this project. The report recommends that the EAKI project should be approved by NEMA subject to conditions deemed necessary by the Authority to advance sustainable development.

There is a robust waste management is well outlined in the contract and there is a team of consultants who have been assigned to supervise and approve all the works. As far as air pollution is concerned, the procurement of the generator is in the process and specification has been done together with the preventive maintenance plan. The provision of solar energy is also in the contract and installation has begun.

On the land use and conflict, all necessary approvals were obtained, and the state of art pitch construction will take place once funds are available. Occupation safety is taken seriously and there are weekly meetings to assess the safety level, and the report is shared among stakeholders. There is a also a safety officer on site and in summary, all the staff are provided with PPEs. Periodic awareness of HIV/AIDS is conducted and is documented

2. Environmental Performance

Key Environmental Issues & Potential Impacts The proposed EAKI is expected to have net positive benefits to the country and the East African Community. The positive impacts include: land use optimization, improved access to specialized public medical care; and improvement of biomedical research & knowledge on renal diseases.

Environmental and Sustainability Reporting(continued)

3. Employee welfare

Currently the staff in the PIU are redeployed MOH staff and the employment of staff will commence when the institute is operational.

We have an environmental specialist who supervises the main contractor to ensure that OSHA Act is followed to the later. We have weekly safety reports that is shared among the stakeholders. All staff on site are also insured as per the contract requirements.

4. Marketplace practices-

a) Responsible Supply chain and supplier relations-

The Project uses both AfDB and Country System guidelines for supply chain management. Supplier and service provider contracts are maintained well in the project.

Payments for goods delivered and services rendered are paid promptly after thorough inspection and acceptance.

b) Responsible ethical practices

The implementing entity adheres to the principles of the constitution as stipulated in chapter six of the Kenyan constitution

c) Regulatory impact assessment

Guidelines of the regulatory bodies are adhered to to ensure the rights of all stakeholders are considered.

5. Community Engagements

Once the centre of excellence in urology and nephrology will be fully operational it will be in position to have community engagements and give back to the society by undertaking social corporate responsibility.

5. Statement of Project Management Responsibilities

The Principal Secretary, State Department of Medical Services, Ministry of Health and the Project Coordinator for East Africa's Centre of Excellence Project are responsible for the preparation and presentation of the Project's financial statements, which give a true and fair view of the state of affairs of the Project for and as at the end of the financial year ended on June 30, 2025

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

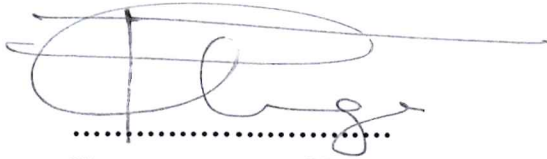
The Principal Secretary Ministry of Health and the Project Manager for East Africa's Centre of Excellence Project accept responsibility for the Project's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards.

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

The Principal Secretary Ministry of Health and the Project Manager for East Africa's Centre of Excellence Project confirm that the Project has complied fully with applicable Government Regulations and the terms of external financing covenants, and that Project funds received during the financial year under audit were used for the eligible purposes for which they were intended and were properly accou

Approval of the Project Financial Statements

The Project financial statements were approved by the Principal Secretary Ministry of Health and the Project Manager for East Africa's Centre of Excellence Project on 03/10/2025 and signed by:



.....
Name: Dr Ouma Oluga, OGW
Principal Secretary



.....
Name: Dr Hossan Ajuck
Project Coordinator

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON EAST AFRICA'S CENTRE OF EXCELLENCE FOR SKILLS AND TERTIARY EDUCATION IN BIOMEDICAL SCIENCES PHASE 1- PROJECT (LOAN NO.2100150031997 AND LOAN NO. 2100150043449) FOR THE YEAR ENDED 30 JUNE, 2025– MINISTRY OF HEALTH

PREAMBLE

I draw your attention to the contents of my report which is in three parts:

- A. Report on Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements;
- B. Report on Lawfulness and Effectiveness in the Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure the Government achieves value for money and that such funds are applied for the intended purpose; and,
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, risk management environment and internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

A Qualified Opinion is issued when the Auditor-General concludes that, except for material misstatements noted, the financial statements are fairly presented in accordance with the applicable financial reporting framework. The report on Financial Statements should be read together with the Report on Lawfulness and Effectiveness in the Use of Public Resources, and the Report on Effectiveness of Internal Controls, Risk Management and Governance.

The three parts of the report are aimed at addressing the statutory roles and responsibilities of the Auditor-General as provided by Article 229 of the Constitution, the Public Finance Management Act, 2012, and the Public Audit Act, 2015. The three parts of the report when read together constitute the report of the Auditor-General.

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of East Africa's Centre of Excellence for Skills and Tertiary Education in Biomedical Sciences Phase 1- Project

Report of the Auditor-General on East Africa's Centre of Excellence for Skills and Tertiary Education in Biomedical Sciences Phase 1- Project (Loan No.2100150031997 and Loan No. 2100150043449) for the year ended 30 June, 2025 – Ministry of Health

(Loan No.2100150031997 and Loan No. 2100150043449) set out on pages 1 to 28, which comprise of the statement of financial position as at 30 June, 2025 and the statement of financial performance, statement of cash flows and the statement of comparison of budget and actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of East Africa's Centre of Excellence for Skills and Tertiary Education in Biomedical Sciences Phase 1-Project (Loan No.2100150031997 and Loan No. 2100150043449) as at 30 June, 2025, and 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 Financing Agreement No.2100150031997 dated 17 December, 2014 and No.2100150043449 dated 5 April, 2023 between African Development Fund and the Republic of Kenya, and the Public Finance Management Act, 2012.

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

Basis for Qualified Opinion

1. Undelivered Medical Equipment

The statement of financial position and as disclosed in Note 11 to the financial statements reflects property, plant and equipment balance of Kshs.3,030,103,780. Included in the balance is medical equipment valued at Kshs.508,758,854 and furniture, fittings, computer and Information Communication and Technology (ICT) equipment valued at Kshs.166,221,360 purchased during the year but were not delivered as at 30 June, 2025. As a result, the property, plant and equipment balance is overstated by Kshs.674,980,214.

In the circumstances, accuracy and fair statement of the reported property, plant and equipment balance of Kshs.3,030,103,780 as at 30 June, 2025 could not be confirmed.

2. Unsupported Expenditure

The statement of financial performance and as disclosed in Note 8 to the financial statements reflects use of goods and services expenditure of Kshs.131,081,935. The amount includes hospitality expenses, domestic travel and subsistence, foreign travel and subsistence training expenses totaling Kshs.79,900,839. However, review of payment vouchers revealed an amount of Kshs.18,069,140 was unsupported by receipts, signed attendance registers, copies of certificates, work tickets and certificates of the training for the participants. Further, the expenditure includes supervisory field allowances of Kshs.11,206,725 paid to officers for fifteen (15) days

per month translating to one hundred and eight days (180) for the year under review which was not supported.

In the circumstances, the accuracy and regularity of expenditure on use of goods and services amounting to Kshs.29,275,865 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the East Africa's Centre of Excellence for Skills and Tertiary Education in Biomedical Sciences Phase 1- Project (Loan No.2100150031997 and Loan No. 2100150043449) Management in accordance with ISSAI 130 on the Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final budget revenue and actual on comparable basis of Kshs.1,018,968,747 and Kshs.148,050,683 respectively resulting in an underfunding of Kshs.870,918,064 or 85% of the budget.

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

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Information

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

In connection with my audit on the Project's financial statements, my responsibility is to read the Other Information and in doing so, consider whether the Other Information is materially inconsistent with the financial statements or my knowledge obtained in

the audit or otherwise appears to be materially misstated. If based on the work I have performed, I conclude that there is a material misstatement of this Other Information, I am required to report that fact. I have nothing to report in this regard.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, 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. Idle Medical Equipment

The statement of financial position and as disclosed in Note 11 to the financial statements reflects property, plant and equipment balance of Kshs.3,030,103,780. Included in the property, plant and equipment balance is medical equipment valued at Kshs.290,979,389 delivered in the year 2023 but had not been put to use as at the time of physical verification in August, 2025. The delay lasting more than two(2) years had been occasioned by delays in completing the hospital building.

In the circumstances, the value for money has not been realized with the continued delay in utilization of the equipment.

2. Irregular Construction of Sports Field

Review of the additional financing agreement revealed an allocation of Kshs.32,000,000 for construction of additional sports fields while in the previous years, an amount of Kshs.9,990,135 was incurred in the construction of a football field next to the Hospital. However, the constructions were not part of project's objectives. This was contrary to Regulation 43 (b) of the Public Finance Management (National Government) Regulations, 2015 which states that "An accounting officer shall ensure that public funds entrusted to their care are properly safeguarded and are applied for purposes for only which they were intended and appropriated by the National Assembly.

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

3. Irregular Training of Healthcare Workers

The statement of financial performance and as disclosed in Note 8 reflects use of goods and services amounting to Kshs.131,081,935 out of which an amount of Kshs.36,470,006 was spent on training expenses. The amount includes a total of Kshs.34,157,000 incurred to train one hundred and fifty-eight (158) healthcare workers

for diploma in renal nursing which was approved by the lender. This was contrary to Paragraph H.9 (1) of Human Resource Policies and Procedures Manual for the Public Service of May, 2016 which states that, 'The government shall not sponsor serving officers for undergraduate programmes. Where there is need for skills at this level, the government will procure the same from the labor market'.

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

4. Non-Compliance with Project Steering Committee Requirements

During the year under review, the Project Steering Committee was required to convene quarterly meetings to provide policy oversight but only met twice on 17 December, 2024 and on 1 February, 2025. This was contrary to the Donor's Appraisal Document which requires that the Project Steering Committee (PSC) for the East Africa's Centre of Excellence for Skills and Tertiary Education in Biomedical Sciences (Phase 1) convene quarterly meetings to provide policy oversight.

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

5. Delayed Procurement of Additional Civil Works

Review of the additional loan financing (Phase 1) agreement revealed that it was signed on 03 April, 2023 with an amount of Kshs.2,163,280,000. However, the bids for the procurement of civil works for this additional financing were invited on 27 March, 2025 two (2) years after the signing of additional loan agreement. In addition, as at the time of audit in the month of August, 2025, five (5) months after invitation of bids, the contract had not been signed. This exposed the Government to loan commitment fees as per Section 2.03 of the additional loan agreement which requires the borrower to pay commitment fees at a rate of 0.5% per annum of the undisbursed loan balance which accrue one hundred and twenty days after the loan agreement is signed.

In the circumstances, the value for money on the additional financing due to delayed procurement of civil works could not be confirmed.

6. Land Held Under Third-Party Title

The statement of financial position and as disclosed in Note 11 to the financial statements reflects property plant and equipment balance of Kshs.3,030,103,780 which includes nil land balance. However, review of the lease title revealed that the land where the project is being developed is jointly owned by Kenyatta National Hospital, Kenya Medical Training College and the University of Nairobi and not by The National Treasury as the borrower. This was contrary to Section 5.01 (d) of the loan agreement dated 17 December, 2014 which requires the borrower to provide evidence in writing that it owns the land under which any physical developments under the project will be made, free from all encumbrances and/or third-party claims.

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

7. Irregular Procurement of Scientific and Operations Research

The statement of financial performance and as disclosed under Note 8 to the financial statements reflects use of goods amount of Kshs.131,081,935 which includes consultancy amount of Kshs.32,351,241 out of which Kshs.23,999,782 was scientific and operational research consultancy fee paid to the University of Nairobi whose total contract price was Kshs.59,999,454. Further, the University being a Government entity and one of the parties undertaking the project was receiving funds from The National Treasury which is the borrower and should not have qualified to offer consultancy services. In addition, the lead consultant is also the project's academic officer. This was contrary to Paragraph A.2.2.2 (b) of African Development Bank Operation Procurement Manual Part A, Volume 1: General conditions November, 2018 which prohibits a government owned institution depended on the borrower from participating in consultancy services.

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

8. Irregular Payment of Retention Fee

The statement of financial position and as disclosed under Note 11 to the financial statements reflects property plant and equipment balance of Kshs.3,030,103,780 which includes building balance of Kshs.112,189,753 out of which Kshs.50,179,976 was retention money paid to a contractor for the construction of the East Africa's Kidney Institute Centre of Excellence. However, physical verification in August, 2025 revealed incomplete works which were not valued despite a certificate of practical completion being issued on 19 February, 2024 and a handover certificate on 03 April, 2024. This was contrary to clause 14.9.2 of the general conditions of the contract between the Ministry of Health and the contractor which requires the engineer to withhold the certificate for any works which remain to be executed under the defect liability.

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

9. Budget Imbalance

The statement of comparison of budget and actual amounts reflects final revenue budget of Kshs.1,018,968,747 and final expenses budget of Kshs.708,000,000 resulting to unbalanced budget by Kshs.310,968,747. This was contrary to Regulation 33 (c) of the Public Finance Management (National Government) Regulations, 2015 which states that a budget shall be balanced.

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, 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.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Conclusion

As required by African Development Fund, I report, based on my audit, that:

- i. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit;
- ii. Adequate accounting records have been kept by the Project, so far as appears from the examination of those records; and
- iii. The Project's financial statements are in agreement with the accounting records and returns.

Basis for Conclusion

The African Development Fund requires that I report on the legal or regulatory requirements, or on performance information disclosed. These matters require expressing a separate opinion as to the Project's compliance with laws and regulations. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of the Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Accrual Basis) and for maintaining effective internal controls as Management determines is necessary to enable the preparation of financial statements that are free

from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and governance.

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

In conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way. In addition, I consider the entity's control environment in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7 (1) (a) of the Public Audit Act, 2015.

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

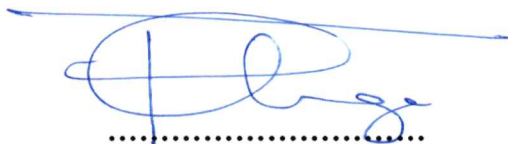
Nairobi

21 October, 2025

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

	Notes	Period Ended 30th June 2025
		Kshs
Revenue from non-exchange transactions		
Transfers from Exchequer	6	115,699,442
Transfers from Domestic and Foreign Partners		32,351,241
Total		148,050,683
Total revenue		148,050,683
Expenses		
Employee costs	7	6,882,348
Use of goods and services	8	131,081,935
Total expenses		137,964,283
Total gains/(losses)		-
Surplus/Deficit for the year		10,086,400

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



.....
Name: Dr Ouma Oluga, OGW
Principal Secretary00



.....
Name: Hossan Ajuck
Project Coordinator

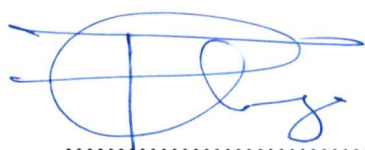


.....
Name: Samuel Ndiangui
Project Accountant
ICPAK Member No: 14495

6. Statement of Financial Position as of 30th June 2025

	Notes	Period as at 30th June 2025	Opening Statement 1st July 2024
		Kshs	Kshs
Assets			
Current Assets			
Cash and Cash equivalents	10	13,145,680	3,059,281
Total Current Assets		13,145,680	3,059,281
Non-Current Assets			
Property, Plant, and Equipment	11	3,030,103,780	-
Total Non-Current Assets		3,030,103,780	-
Total Assets (A)		3,043,249,460	3,059,281
Liabilities			
Current Liabilities			
Trade and Other Payables	12	674,980,214	-
Total Liabilities (B)		674,980,214	-
Net Assets (A-B)		2,368,269,246	3,059,281
Represented By:			
Capital Fund		2,355,123,566	
Accumulated Surplus		13,145,680	3,059,281
Total net assets		2,368,269,246	3,059,281

The financial statements were approved on 3rd October 2025 and signed by:



Name: Dr Ouma Oluga OGW
Principal Secretary



Name: Hossan Ajuck
Project Coordinator



Name: Samuel Ndiangui
Project Accountant
ICPAK Member No.14495

7. Statement of Changes in Net Assets

Description	Capital Fund	Accumulated Surplus	Total
	Ksh	kshs	kshs
As at 30 th June 2024 (cash basis)		3,059,280	3,059,281
Medical Equipment's	290,979,389		290,979,389
Building	1,905,559,924		1,905,559,924
Surplus/ deficit for the period		10,086,400	10,086,400
Additions during the year			
Buildings	112,189,753		112,189,753
ICT Equipment's	886,500		886,500
Furniture	0		
Medical Equipment's	45,508,000		45,508,000
As at 30th June 2025	2,355,123,566	13,145,680	2,368,269,246

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

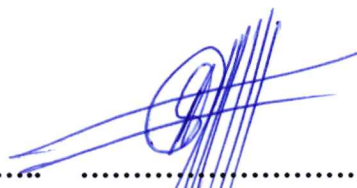
The financial statements were approved on 3rd October 2025 and signed by:



.....
Name: Dr Ouma Oluga, OGW
Principal Secretary/



.....
Name: Hossan Ajuck
Project Coordinator



.....
Name: Samuel Ndiangui
Project Accountant

ICPAK Member No.14495

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

Description	Note	2024/2025
		Kshs
Cashflow from operating activities		
Receipts		
Revenue Transfers		16,968,747
Total receipts		16,968,747
Payments		
Employee costs		6,882,349
Total payments		6,882,349
Net cash flow from operating activities	13	10,086,399
Cashflow from investing activities		
Net cash flows from investing activities		-
Net cash flow from financing activities		-
Net increase/Decrease in cash and cash equivalents		10,086,399
Cash and cash equivalent at 1st July 2024		3,059,281
Cash and cash equivalent at end June 2025	14	13,145,680

*East Africa's Centre of Excellence Project Loan Number 2100150031997 & 2100150043449
Annual Report and Financial Statements for the financial year ended June 30, 2025*

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

Description	Original budget	Adjustments	Final budget	Actual on a comparable basis	Budget utilization difference	% of utilization
	A	B	C=a+b	D	E=c-d	F=d/c %
Revenue						
Transfers from exchequer	121,968,747	-	121,968,747	115,699,442.00	6,269,305	95%
Transfers from other government entities	2,043,000,000	-	897,000,000	32,351,241	476,901,393	53%
Total revenue	2,164,968,747	-	1,018,968,747	148,050,683	483,170,698	47%
Expenses						
Employees Costs	8,000,000	-	8,000,000	6,882,348	1,117,652	86%
Use of goods and services	700,000,000	-	700,000,000	131,081,935	568,918,065	19%
Total expenses	708,000,000	-	708,000,000	137,964,283	570,035,717	19%
Surplus/ deficit	1,456,968,747	-	310,968,747	10,086,400	-86,865,019	3%

Budget Reconciliation

	Description of Particulars	Amount in Kshs
	Actual Surplus Amounts as per the statement of Budget	10,086,400
	Opening bank balance	3,059,280
		13,145,680
	Closing Cash and Cash Equivalent as per the statement of Cash flows	13,145,680

10. Notes to the Financial Statements

1. General Information

East Africa centres of excellence is established by and derives its authority and accountability from the loan agreement signed between the republic of Kenya and African Development Bank. The project is wholly owned by the Government of Kenya and is domiciled in Kenya. The project principal activity is training, research and service delivery.

2. Statement of Compliance and Basis of Preparation

The financial statements have been prepared in accordance with the Public Finance Management Act, 2012 and with the International Public Sector Accounting Standards (IPSAS).

Guiding note during the transition period:

The financial statements have been prepared in accordance with the PFM Act, and International Public Sector Accounting Standards (IPSAS), and the project has taken advantage of the transitional provisions under IPSAS 33, and therefore these 1st year financial statements are transitional financial statements and the following elements of the financial statements have not been recognized as the project has taken advantage of the transition provisions outlined in IPSAS 33

1. The value of land in which the building is situated has not been stated.
2. All assets for the project have not been tagged.

. (entity to state the transitional provisions it has applied and the steps being towards full compliance with IPSAS Accrual).

These financial statements were authorized for issue by the accounting officer on

3. Adoption of New and Revised Standards

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

Standard	Effective date and impact:
IPSAS 43	<p><i>Applicable 1st January 2025</i></p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p>

East Africa Centres of Excellence Project Loan Number 2100150031997 and 2100150043449
Annual Reports and Financial Statements for the year ended June 30, 2025.

Standard	Effective date and impact:
IPSAS 44: Non-Current Assets Held for Sale and Discontinued Operations	<p><i>Applicable 1st January 2025</i></p> <p>The Standard requires,</p> <p>Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and:</p> <p>Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.</p>
IPSAS 45-Property Plant and Equipment	<p><i>Applicable 1st January 2025</i></p> <p>The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the 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>
IPSAS 46 Measurement	<p><i>Applicable 1st January 2025</i></p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ol style="list-style-type: none"> i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS; iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p>

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:
-----------------	-----------------------------------

East Africa Centres of Excellence Project Loan Number 2100150031997 and 2100150043449,
Annual Reports and Financial Statements for the year ended June 30, 2025.

Standard	Effective date and impact:
IPSAS 47- Revenue	<i>Applicable 1st January 2026</i> This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.
IPSAS 48- Transfer Expenses	<i>Applicable 1st January 2026</i> The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.
IPSAS 49- Retirement Benefit Plans	<i>Applicable 1st January 2026</i> The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.
IPSAS 50: Exploration For & Evaluation of Mineral Resources	<i>Applicable 1st January 2027</i> The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires: <ul style="list-style-type: none"> i. Limited improvements to existing accounting practices for exploration and evaluation expenditures. ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26. iii. Disclosures that identify and explain the amounts in the entity’s financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized.

iii) Early adoption of standards

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

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

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

ii) Revenue from exchange transactions

Interest income

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

b) Budget information

The original budget for FY 2024/2025 was approved by the National Assembly. Subsequent revisions were made to the approved budget in accordance with specific approvals from the appropriate authorities. The projects budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented on page **5 and 6** under section **II** of these financial statements.

c) Property, plant and equipment

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

Notes to the financial statements

d) Intangible assets

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

e) Research and development costs

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

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

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

Notes to the financial statements

f) 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 project does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the Company's financial statements. (amend as appropriate).* A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. At initial recognition, the entity measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Financial assets

Classification

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

Subsequent measurement

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

Amortized cost

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

Notes to the financial statements

Fair value through net assets/ equity

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

Fair value through surplus or deficit

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

Trade and other receivables

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

Impairment

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

Financial liabilities

Classification

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

g) Inventories

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

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

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

After initial recognition, inventory is measured at the lower of cost and net realizable value. However, to the extent that a class of inventory is distributed or deployed at no charge or for a nominal charge, that class of inventory is measured at the lower of cost and current replacement cost.

Notes to the financial statements

Inventories (Continued)

Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or distribution. Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the *Entity*.

h) Provisions

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

Contingent liabilities

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

Contingent assets

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

i) Nature and purpose of reserves

The *Entity* creates and maintains reserves in terms of specific requirements. (*Entity to state the reserves maintained and appropriate policies adopted*).

j) Changes in accounting policies and estimates

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

Notes to the financial statements

k) Employee benefits

Retirement benefit plans

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

l) Foreign currency transactions

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

m) 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 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.

n) Related parties

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

Notes to the financial statements

o) Service concession arrangements

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

p) 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.

q) Subsequent events

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

Notes to the financial statements

5. Significant Judgments and Sources of Estimation Uncertainty

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

Estimates and assumptions.

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

Useful lives and residual values

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

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

Provisions

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

Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the reporting date and are discounted to present value where the effect is material.

(Include provisions applicable for your organisation e.g. provision for bad debts, provisions of obsolete stocks and how management estimates these provisions).

Notes to the financial statements

6. Revenue Transfers

Description	2024-2025
	KShs
Unconditional Transfers	
GoK Counter Part funding	115,699,442
Transfers from Development partners	32,351,241
Total Unconditional Transfers (a)	148,050,683

Nature of transfer	Amount recognized to Statement of Financial performance	Total transfers Period ended /June 2025
	Kshs	Kshs
Development	115,699,442.00	115,699,442.00
Total	115,699,442.00	115,699,442.00

a) Details to Revenue Transfers

Name of The Entity Transferring	Amount recognized to Statement of Financial performance	Amount deferred under deferred income.	Amount moved to Capital fund	Total transfers 2024-2025
	Kshs	Kshs	Kshs	Kshs
GOK Funding	115,699,442	-	-	115,699,442
AfDB	32,351,241	-	158,584,253	190,935,494
Total	148,050,683	-	158,584,253	306,634,936

Notes to the financial statements

7. Employees Costs

Description	FY 2024/25
	Kshs
Basic salaries of permanent employees	6,673,719
Compulsory national social security schemes	74,263
Compulsory national health insurance schemes	134,366
Total	6,882,348

8. Use of Goods and Services

Description	Period ended 30th June 2025
	Kshs
Hospitality expenses	12,995,883
Domestic travel and subsistence	26,915,900
Foreign travel and subsistence	3,519,050
Training expenses	36,470,006
Office and general supplies and services	4,375,250
Routine maintenance – vehicles and other transport equipment	3,247,881
Supervisory allowances	11,206,725
Consultancy	32,351,241
Total Use of Goods and Services	131,081,935

9. Transfer/Direct payments

Description	FY 2024/2025
	Kshs
Civil works construction	50,179,976
Medical Equipment's	322,779,389
Consultancy	23,139,461
Total	396,098,826

10. Cash and Cash Equivalents

Description	2024/2025	1 st July
	Kshs	Kshs
Cash in Bank	13,145,680	3,059,281
Cash on hand	-	-
Total Cash and Cash Equivalents	13,145,680	3,059,281

Project Bank Accounts (Loan Phase I)

Details	2024/2025	1 st July 2024
	USD	USD
Foreign Currency Accounts		
Central Bank of Kenya :A/c No 1000233998- USD	122,474.40	0.91
Total Foreign Currency balances	<u>122,474.40</u>	<u>0.91</u>
Local Currency Accounts	KSH	KSH
Central Bank of Kenya : A/c No 1000258756	13,145,680	3,059,281.00
Total local currency balances	<u>13,145,680</u>	<u>3,059,281.00</u>
Total bank account balances	-	-

Project Bank Accounts (Additional Financing)

Details	2024/2025	1 st July 2024
	EURO	EURO
Foreign Currency Accounts		
Central Bank of Kenya :A/c No 1000233998- EURO	28,375.63	0.00
Total Foreign Currency balances	28,375.63	<u>0.00</u>
Local Currency Accounts	KSH	KSH
Central Bank of Kenya : A/c No 1000258756	0.00	0.00
Total local currency balances	<u>0.00</u>	<u>0.00</u>
Total bank account balances	-	-

Notes to the financial statement

11. Property, Plant and Equipment

Description	Capital Work in progress	Total
Cost	Kshs	Kshs
Opening Bal as 1st July 2024		
Building	1,905,559,924	1,905,559,924
Medical Equipment's	290,979,389	290,979,389
Total	2,196,539,313.00	2,196,539,313.00
Additions		
Building	112,189,753	112,189,753
Furniture and fittings	109,870,400	109,870,400
Computers & ICT Equipment's	57,237,460	57,237,460
Medical Equipment's	554,266,854	554,266,854
Total	833,564,467	833,564,467
As At 30 June, 2025	3,030,103,780	3,030,103,780

The hospital is incomplete and not operational hence all the equipment's purchased are not in use thus classified as work in progress .

12. Trade and Other Payables

Description	F/Y2024/2025		1 st July 2024	
	Kshs		Kshs	
Trade payables	674,980,214		0	
Total trade and other payables	674,980,214		0	
Ageing analysis: (Trade and other payables)	2024-2025	% of the Total	Comparative 2023-2024	% of the Total
Under one year	674,980,214		290,979,389	%
Total	674,980,214		290,979,389	

13 Cash Generated from Operations

	Period ended 30th June 2025
	Kshs
Surplus for the period before tax	10,086,399
Adjusted for:	
Net cash flow from operating activities	10,086,399

12. Special Deposit Accounts

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

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

**East Africa Centre of Excellence Project Loan Number 2100150031997 and 2100150043449
Annual Report and Financial Statements for the financial year ended June 30, 2025**

Notes to the financial statements

Special Deposit Accounts Movement Schedule(Phase I Loan)

Description	2024/2025	1 st July 2024
	USD	USD
(i) East Africa Centre of Excellence Project A/c No 1000233998-USD		
Opening balance	0.00	0.91
Total amount deposited in the account	131,225.33	40,795.06
Total amount withdrawn	(131,225.33)	(40,795.97)
Closing balance (as per SDA bank account reconciliation attached)	0.00	0.00

Special Deposit Accounts Movement Schedule(Additional Financing Loan)

Description	2024/2025	1 st July 2024
	EURO	EURO
(i) East Africa Centres of Excellence Project- Additional financing :A/c No 1000762489		
Opening balance	0.00	-
Total amount deposited in the account	28,437.63	-
Total amount withdrawn	62.00	-
Closing balance (as per SDA bank account reconciliation attached)	28,375.63	-

13. Related Party Disclosures

Nature of related party relationships

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

Government of Kenya

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

***East Africa Centre of Excellence Project Loan Number 2100150031997 and 2100150043449
Annual Report and Financial Statements for the financial year ended June 30, 2025***

Notes to the financial statements

Other related parties include:

The State Department of Medical Services- Ministry of Health
The Kenyatta National Hospital
Kenya Medical Training College

14. Events after the Reporting Period

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

15. Ultimate And Holding Entity

The Project of East Africa Centre of Excellence is under the State Department of Medical Services, Ministry of Health. the Government of Kenya.

16. Currency

The financial statements are presented in Kenya Shillings (Kshs)

13. Annexes

Annex 1: Prior Year Auditor-General's Recommendations

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
<p>S/No.1.0 2021/2022 audit report</p>	<p>Budgetary Control and Performance</p> <p>The statement of comparative budget and actual amounts reflects final receipts budget of Kshs.1,160,000,000 and actual on comparable basis of Kshs.554,331,070, resulting in an under-funding of Kshs.605,668,930 (or 52%) of the budget. Similarly, the Project spent Kshs.551,755,580 out of the approved expenditure budget of Kshs.1,160,000,000, resulting in an under-absorption of Kshs.608,244,420 (or 52%) of the budget.</p> <p>The underfunding and under absorption affected</p>	<p>It is true there was underfunding of Ksh. 605,668,930(or 52%) of the budget. This was caused by delayed approvals from other government entities, hence slowing absorption of funds.</p>	<p>Resolved</p>	<p>N/A</p>

**East Africa Centre of Excellence Project Loan Number 2100150031997 and 2100150043449
Annual Report and Financial Statements for the financial year ended June 30, 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)
	the planned activities and may have impacted negatively on service delivery to the public.			
S/No 2.0 2021/2022 audit report	<p>Unutilized Balance</p> <p>The project information and overall performance underfunding summary at paragraph 1.7 reflects total commitment of Kshs.3,674,000,000 and amount received to date (30 June, 2022) of Kshs.1,908,278,502 resulting to a difference of Kshs.1,765,721,498 (or 48%). Meaning the Project had attained 52% performance level with project end date indicated as 31 December, 2023.</p> <p>In the circumstances, the primary objective of focusing on public health problems affecting the country, including infectious diseases, use of</p>	<p>This was caused by delay in project implementation due to late approvals for construction from other government entities. The project activities have since progressed and the project duration has been extended and closing date will be 31st December 2024</p>	Resolved	N/A

**East Africa Centre of Excellence Project Loan Number 2100150031997 and 2100150043449
Annual Report and Financial Statements for the financial year ended June 30, 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)
	scientific evidence for policy formulation and program implementation may not be realized			
S/No.507.	Budgetary Control and Performance The statement of comparison of budget and actual amounts reflects final receipts budget and actual amounts on comparable basis of Kshs.1,182,000,000 and Kshs.651,825,579 respectively resulting to an under-funding of Kshs.530,174,421 or 45% of the budget.		Not resolved	December 2025
S/No.508.	Unutilized/Undrawn Balances The funding summary in Note 2.7 under the project		Not resolved	December 2025

**East Africa Centre of Excellence Project Loan Number 2100150031997 and 2100150043449
Annual Report and Financial Statements for the financial year ended June 30, 2025**

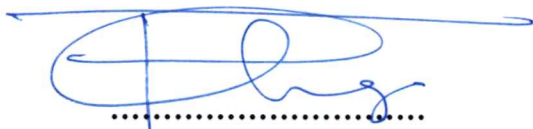
Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>information and overall performance reflect that the project had a total donor commitment of Kshs.3,674,000,000 but had received disbursements of Kshs.2,561,814,494 as at 30 June, 2023 leading to undrawn balances of Kshs.1,112,185,506, an indication that the project had attained an absorption rate of 70% since commencement, with the project end date indicated as 31 December, 2023.</p>			

Guidance Notes:

1. Use the same reference numbers as contained in the external audit report;

***East Africa Centre of Excellence Project Loan Number 2100150031997 and 2100150043449
Annual Report and Financial Statements for the financial year ended June 30, 2025***

2. Obtain the “Issue/Observation” and “management comments”, required above, from final external audit report that is signed by Management;
3. Before approving the report, discuss the timeframe with the appointed Focal Point persons within your entity responsible for implementation of each issue;
4. Indicate the status of “Resolved” or “Not Resolved” by the date of submitting this report to National Treasury.



.....
Name: Dr Ouma Oluga OGW
Principal Secretary



.....
Name: Hossan Ajuck
Project Coordinator

*East Africa Centres of Excellence Project Loan Number 2100150031997 and 2100150043449
Annual Report and Financial Statements for the financial year ended June 30, 2025*

Annex 2: Reconciliation of inter-entity transfers

Project Name:				
Break down of transfers from the State Department of Medical services				
a.	Government Counterpart funding			
		Bank Statement Date	Amount (Kshs)	Indicate the FY to which the amounts relate
1	SDMS_DEV_EXCHQ_04SEPT_2024/2025	27-Aug-24	955,200.00	F/Y 2024/2025
2	SDMS_DEV_EXCHQ_25SEPT_2024/2025	04-Sept-24	20,000.00	F/Y 2024/2025
3	SDMS_DEV_EXCHQ_25SEPT_2024/2025	17-Sept-24	100,000.00	F/Y 2024/2025
4	SDMS_DEV_28OCTG_2024/2025	25-Sept-24	3,254,300.00	F/Y 2024/2025
5	SDMS_DEV_11NOVB_2024/2025	11/11/2024	3,565,480.00	F/Y 2024/2025
6	SDMS_DEV_EXCH_13NOVD_2024/2025	13-Nov-24	2,170,650.00	F/Y 2024/2025
7	SDMS-DEV-15NOVXX-2024/2025	15/11/2024	5,304,400.00	F/Y 2024/2025
8	SDMS_DEV_22NOVE_2024/2025	22/11/2024	110,800.00	F/Y 2024/2025
9	SDMS-DEV-04DECEEE-2024/2025	12/04/2024	4,027,400.00	F/Y 2024/2025
10	SDMS-DEV-20JANXX/2024/2025	20/01/2025	2,202,150.00	F/Y 2024/2025
11	SDMS-DEV-29JANEEE-2024/2025	29/01/2025	3,155,624.00	F/Y 2024/2025
12	SDMS_DEV_EXCHQ_25FEBBEE_2024/2025	25/02/2025	911,500.00	F/Y 2024/2025
13	SDMS	21/03/2025	1,546,500.00	F/Y 2024/2025
14	SDMS-DEV-4APRYYY-2024/2025	04/04/2025	3,391,250.00	F/Y 2024/2025
15	SDMS-DEV-7MAYRR-2024/2025	07/05/2025	2,357,400.00	F/Y 2024/2025
16	SDMS-DEV-15MAYHTU-2024/2025	15/05/2025	328,752.00	F/Y 2024/2025
17	SDMS-DEV-19MAY-2024-2025	19/05/2025	2,279,400.00	F/Y 2024/2025
18	SDMS_DEV_EXCHQ_20FEBB_2024/2025		163,500.00	F/Y 2024/2025

19	SDMS-DEV-16JANEEE-2024/2025	16-Jan-25	540,000.00	F/Y 2024/2025
20	SDMS-DEV-29JANEEE-2024/2025	29-Jan-25	3,077,224.00	F/Y 2024/2025
21	SDMS-DEV-26MARWW-2024/2025	26-Mar-25	1,670,400.00	F/Y 2024/2025
22	SDMS-DEV-17APR-2024/2025	17-Apr-25	4,852,350.00	F/Y 2024/2025
23	SDMS-DEV-17APRXX-2024/2025	17-Apr-25	450,660.00	F/Y 2024/2025
24	SDMS -DEV 24APRILL2425	25-Apr-25	1,494,240.00	F/Y 2024/2025
25	SDMS-DEV-30APRHHH-2024/2025	25-Apr-25	992,800.00	F/Y 2024/2025
26	SDMS-DEV 25APR 2024/2025	25-Apr-25	39,631,105.00	F/Y 2024/2025
27	SDMS MERCHANTS -DEV2025	30-Jun-25	5,866,810.00	F/Y 2024/2025
28	SDMS-DEV-30JUNHHH-2024/2025	30-Jun-25	4,310,800.00	F/Y 2024/2025
		Total	98,730,695.00	
B.	Direct payments			
		Bank Statement Date	Amount (Kshs)	Indicate the FY to which the amounts relate
	DP 0116	27/09/2024	76,820,741.65	F/Y 2024/2025
	DP 0127	30/09/2024	13,708,000.00	F/Y 2024/2025
	DP 0117	30/09/2024	85,481,361.00	F/Y 2024/2025
	DP126	11/06/2024	3,208,978.53	F/Y 2024/2025
	DP 0120	11/07/2024	71,737,861.19	F/Y 2024/2025
	DP 0123	13/11/2024	56,939,425.50	F/Y 2024/2025
	DP 0124	19/02/2025	31,800,000.00	F/Y 2024/2025
	DP 130	19/02/2025	1,921,500.00	F/Y 2024/2025
	DP 002	20/02/2025	540,000.00	F/Y 2024/2025
	DP 132	21/02/2025	2,089,980.00	F/Y 2024/2025
	DP 133	21/02/2025	2,089,980.00	F/Y 2024/2025


	DP 131	21/03/2025	2,250,000.00	F/Y 2024/2025
	DP 137	02/06/2025	23,999,781.00	F/Y 2024/2025
	DP 136	02/06/2025	46,970,998.00	F/Y 2024/2025
	DP 003	24/06/2025	540,000.00	F/Y 2024/2025
		Total	420,098,606.87	
C. Others				
		Bank Statement Date	Amount (Kshs)	Indicate the FY to which the amounts relate
		Total		
		Total (A+B+C)	518,829,301.87	

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

Project Coordinator
East Africa Centre of Excellence Project

Head of Accounting Unit
State Department of Medical services

Sign 

Sign 

Annex 3: Fixed Asset Register

Asset class	Historical Cost b/f	Additions during the year	Disposals during the year	Transfers in/(out) during the year	Historical Cost c/f
	(Kshs)	(Kshs)	(Kshs)		(Kshs)
	Previous Year				Current Year
Buildings and structures	1,905,559,924	112,189,753	-	-	2,017,749,677
Furniture and fittings		109,870,400	-	-	109,870,400
ICT Equipment		57,237,460	-	-	57,237,460
Medical Equipment	290,979,389	554,266,854	-	-	845,246,243
Total	2,196,539,313	883,564,467			3,030,103,780

Annex 4: Other Support Documents

- i. Signed confirmations from beneficiaries in Transfers to Other Government Entities
- ii. Bank Reconciliations statement as at 30th June 2025
- iii. Board of Survey Report
- iv. Special Deposit Account(s) reconciliation statement(s)

REPUBLIC OF KENYA
BANK RECONCILIATION
M.O.H

E.A.C.E**30TH JUNE 2025****MINISTRY OF HEALTH - CBK A/C****ACCOUNT NO. 1000258756****Balance as per Bank Certificate****Less---**

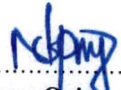
1. Payments in Cash Book not yet recorded in Bank Statement
2. Receipts in Bank Statement not yet recorded in Cash Book

Add---

3. Payments in Bank Statement not yet recorded in Cash Book
4. Receipts in Cash Book not yet recorded in Bank Statement

	KSH	KSH	KSH
			13,681,308.50
			535,628.50
			-
			-
			-
Bank balance as per cash book ..			13,145,680.00

I certify that I have verified the Bank Balance in the Cash Book with the Bank Statement and that the above Reconciliation is correct.

Prepared by:
Samuel Githae**Project Accountant.****Authorised by**
Nazarene Opiyo**Deputy/Head Of Accounting Unit****1. PAYMENTS IN THE CASH BOOK NOT YET RECORDED IN THE BANK STATEMENT**

			AMOUNT
PAYEE	DATE	DETAILS	KSH
HOSSAN AJUCK	20/6/2025	SALARY	364,780.00
KRA	20/6/2025	PAYE	148,583.00
SHA	20/6/2025	SHIF	14,174.10
KRA	20/6/2025	HOUSING LEVY	7,731.40
NSSF	20/6/2025	NSSF	360.00
TOTAL KSH.			535,628.50

2. RECEIPTS IN THE BANK STATEMENT NOT YET RECORDED IN CASH BOOK

DETAILS	DATE	DETAILS	AMOUNT
			KSHS
			-
			-
			-

3. PAYMENT IN BANK STATEMENT NOT YET RECORDED IN CASH BOOK

DETAILS	DATE	DETAILS	AMOUNT
			KSH.
			-
			-
TOTAL KSH.			-

4. RECEIPTS IN CASH BOOK NOT YET RECORDED IN BANK STATEMENT

			AMOUNT

STATEMENT OF ACCO Rundate : 04 JUL 2025

CENTRAL BANK OF KE Runtime : 09:37:01

BANKI KUU YA KENYA Customer number : 171622

P.O.BOX 60000-0200, Account number : 1000736569

NAIROBI. Account name : E.A CENT. OG EXC.SKILLED-BIOMEDS-KES

STATEMENT PERIOD : Opening Balance : 13,681,308.50

No.	Txn. Date	Value Date	Reference N	Transaction	Dr. Amount	Cr. Amount	Balance
1	2-Jul-25	2-Jul-25	FT25183392	TRFS Payme 1000169 0 1.082E+09	7,731.40	0	13,673,577.10
2	2-Jul-25	2-Jul-25	FT25183543	TRFS Payme 1000166 0 1.082E+09	148,583.00	0	13,524,994.10
3	3-Jul-25	3-Jul-25	FT25184995	Outward RT 1000167 STATE DEPART FOR MEDICAL SERVICES:CBK DIRECTOR NSSF /REC/0001000167 1.082E+09	360	0	13,524,634.10
4	3-Jul-25	3-Jul-25	FT25184PXS	Outward RT 1000170 STATE DEPART FOR MEDICAL SERVICES:CBK SOCIAL HEALTH AUTHORITY /REC/0001000170 1.082E+09	14,174.10	0	13,510,460.00
5	3-Jul-25	3-Jul-25	FT251844R7	Outward RT 1000168 STATE DEPART FOR MEDICAL SERVICES:999999 DENNIS HOSSAN AJUK 1000168	364,780.00	0	13,145,680.00

1.082E+09

Totals 535,628.50 0

Closing Balar 13,145,680.00



MINISTRY OF HEALTH
State Department for Medical Services

INTERNAL MEMO
Accounts Department

FROM : PRINCIPAL SECRETARY

TO : Esther Cherotich – Senior Accountant – Chair ✓
: Malvin Mose – Finance Officer II – Secretary

REF : MOH/ACCT/BOS/ VOL.1

DATE : 21st July 2025

BOARD OF SURVEY

You have been appointed as a Board of Survey **Chairperson** for checking of cashbooks at **EACE and EDB cash Office**. This exercise should be held on Friday 25th July 2025 at 9.00 a.m.

The report should be handed over to the undersigned after inspection.

DR. OUMA OLUGA, OGW
PRINCIPAL SECRETARY



REPUBLIC OF KENYA

Date **25TH JULY 2025** F.O 51

Report of the Board of Survey on the Cash and Bank Balances of **EAST AFRICA CENTRE OF EXCELLENCE**

Business on **30th June 2025** as at the close of

The Board, Consisting of (Names and Official titles)

- 1. ESTHER OHEROTICH** SENIOR ACCOUNTANT - CHAIRMAN
- 2. MARINE MOSE** FINANCE OFFICER II - SECRETARY

Assembled at the office **EAST AFRICA OF EXCELLENCE - ACCOUNTANT**
at **9. am** (time) on the **25TH JULY 2025**

and the following cash was produced:

Notes	sh	NIL
Silver	sh	NIL
Copper	sh	NIL
Cheque(as per details on reverse)	Sh.....	NIL

As observed that cheques amounting to shs. **NIL** cts.
I been on hand for more than 14 days prior to the date of survey. The cash consists of East African currency and does not
tain any demonetized coin
otes.

The cash Book reflected the following balances as at the close of business on the

Cash on hand Sh.....	NIL
Bank BalanceSh.....	13,681,308.50
		13,681,308.50

The Bank Certificate of Balances showed a sum of Shs. **13,681,308.50** cts Fifty Six (Sh.....) cts

ng to the credit account on
fference between this figure and the Bank Balance as shown by the Cash Book is accounted for in the Bank
iliation Statement (F.)30) attached.

ChairPerson

Member of the Board

Member of the Board

Member of the Board

25/7/2025

**EAST AFRICA CENTERS OF EXCELLENCE PROJECT
 STATEMENT OF SPECIAL (DESIGNATED) ACCOUNT RECONCILIATION
 FOR THE YEAR ENDED 30TH JUNE 2025
 PART B: ACCOUNT RECONCILIATION STATEMENT**

PROJECT No. 2100150031997

Bank Account No.1000233998 Held with Central Bank of Kenya

	NOTES	AMOUNT	AMOUNT
		USD	USD
1	Amount advanced by ADB		1,846,581.91
	Less		
2	Total amount justified to ADB		1,724,107.51
3	Outstanding amount advanced to Designated Account		122,474.40
	Represented by:		
4	Ending Designated Account Balance at 30.06.2025		-
5	Amount claimed but not credited at 30.06.2025		-
6	Amount withdrawn and not claimed as at 30.06.2025		122,474.40
7	Service charges (if not included in 5 & 6 above)		-
	Less		
8	Interest earning (if included in Designated Account)		-
9	Total advance to Designated Account year ended 30.06.2025		122,474.40

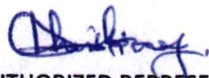
Descrpancy between total appearing on lines 3 and 9

-

Notes:

- 1 Explain the discrepancy between totals appearing on lines 3 and 9 above (e.g amount due to be refunded to cover ineligible expenditures paid from the Special/Designated Account)
- 2 Indicate if amount appearing on line 6 is eligible for financing by ADB and provide reasons for not claiming the expenditures

The amount appearing on line 6 is eligible for financing by ADB and shall be documented in subsequent IFRs/SOEs



**AUTHORIZED REPRESENTATIVE
 RESOURCES MOBILIZATION DEPARTMENT - TREASURY DATE:**

4-08-2025

SPECIAL ACCOUNT STATEMENT

For period ending	30th JUNE, 2025
Account No.	1000233998
Depository Bank	CENTRAL BANK OF KENYA.
Address	CENTRAL BANK OF KENYA.
Related Loan	(EA) COE FOR SKILLS&T-2100150031997
Credit Agreement	
Currency	USD

Part A - Account Activity

Beginning balance of 1st July, 2024 as per C.B.K. Ledger Account	0.00
---	------

Add:

Total Amount deposited by ^{ADB} World Bank	131,225.33
---	------------

Total Interest earnings if deposited in account	-----
---	-------

Total amount refunded to cover ineligible expenditure	-----
--	-------

Deduct:

Total amount withdrawn	131,225.33
------------------------	------------

Total service charges if not included above in amount withdrawn	-----
--	-------

Ending balance on 30th June,2025	0.00
----------------------------------	------

**AUTHORISED REPRESENTATIVE
CENTRAL BANK OF KENYA**

SIGNATURE: 

DATE: 14/07/2025

**AUTHORISED REPRESENTATIVE
EXTERNAL RESOURCES
DEPARTMENT-TREASURY**

SIGNATURE: 

DATE: 01-08-2025

NOTE: The ending balance as per Central Bank of Kenya Ledger Account and the off-shore Special Account as at 30th June,2025 have been reconciled and a copy of the supporting Reconciliation Statement is attached.

Results 1 - 2 of 2

Run Date: 04/07/2025 Run Time: 10:27:44
 CENTRAL BANK OF KENYA
 BANKI KUU YA KENYA
 P.O.BOX 60000-0200
 NAIROBI

STATEMENT OF ACCOUNT

PAGE NO : 1

ACCOUNT NUMBER : 1000233998

ACCOUNT TITLE : (EA) COE FOR SKILLS&T-2160150031997
 30/06/2025

STATEMENT PERIOD: From 01/07/2024 To

NO.	DATE	REFERENCE NO	DETAILS	DEBIT	CREDIT BALANCE	
OPENING BAL :			0.00			
NO.	Value Date	Reference.No	Details	Debit	Credit	Balance
1	21/11/2024	FT24326P1R9Y;1	PROJECT FUNDING	0.00	131,225.33	131,225.33
2	10/12/2024	FT24345CSJAQ;1	PA136476	-131,225.33	0.00	0

CLOSING BALANCE : 0

END OF ACCOUNT STATEMENT

Favourites

TAM.E.STMT.OF.ACCT.EPRM

[More Options](#)
[Clear Selection](#) Fund

Account	equals	1000233998
Statement From	equals	20240701
Statement To	equals	20250630

TAM.E.STMT.OF.ACCT.EPRM

African Development Fund
 Summary of Revolving Funds By Loan (In Paid Currency)
 Public sector As at 17.07.2025
 Loan Number : 2100150031997
 Project ID : P-Z1-IB0-023
 Project Title : EAST AFRICA CENTERS OF EXCELLENCE KENYA
 Borrower : GOVERNEMENT OF KENYA

Printing Date : 17.07.2025
 Page : 1
 System : PRD / 400
 Loan Contract Currency : UAC
 Closing Date : 30.06.2025
 Commitment Capital : 25.000.000,00
 Available Balance : 0,00

LDV Number	Reference	Curr	Amount Approved Approval Currency	Amount Justified Approval Currency	Balance to Justify Approval Currency	Amount Disbursed UAC	Amount Justified UAC	Balance to Justify UAC	%Justified	Disburs. Value Date	Last Just. Date
(A)	(B)		(X)	(Y)	(Z) = (X) - (Y)	(C)	(D)	(E) = (C) - (D)	F = D / C	(G)	(H)
2100150031997											
1 All activitie 1/KE/2015/08860	RF N00001	USD	520.592,00	520.592,00	0,00	371.596,62	371.596,62	0,00	100,00	07.10.2015	15.03.2019
1/KE/2018/49668	RF N00028	USD	748.683,91	748.683,91	0,00	538.606,02	538.606,02	0,00	100,00	26.10.2018	02.03.2023
1/KE/2021/98807	RF N00070	USD	269.377,27	269.377,27	0,00	192.481,08	192.481,08	0,00	100,00	06.12.2021	27.07.2023
1/KE/2023/23649	RF N00092	USD	135.908,34	135.908,34	0,00	100.733,28	100.733,28	0,00	100,00	21.04.2023	24.06.2024
1/KE/2023/35201	RF N00098	USD	40.795,06	40.795,06	0,00	31.044,11	31.044,11	0,00	100,00	13.10.2023	17.04.2025
1/KE/2024/54713	RF N00122	USD	131.225,33	8.750,93	122.474,40	99.555,67	6.639,00	92.916,67	6,67	20.11.2024	17.04.2025
Total 2100150031997 All activities						1.334.016,78	1.241.100,11	92.916,67	93,03		
2100150031997			1,846,581.91	1,724,107.51	122,474.40	1.334.016,78	1.241.100,11	92.916,67	93,03		

SPECIAL ACCOUNT STATEMENT

For period ending **30th JUNE, 2025**
Account No. **1000762489**
Depository Bank **CENTRAL BANK OF KENYA.**
Address **CENTRAL BANK OF KENYA.**
Related Loan **EA CENTRES OF EXCELLENCE FOR SKILLS**
Credit Agreement
Currency **EUR**

Part A - Account Activity

Beginning balance of 1st July, 2024
as per C.B.K. Ledger Account 0.00

Add:

Total Amount deposited by ^{WB}World Bank 28,375.63

Total Interest earnings if deposited in account

Total amount refunded to cover ineligible
expenditure

Deduct:

Total amount withdrawn 0.00

Total service charges if not included above in
amount withdrawn

Ending balance on 30th June,2025 28,375.63

**AUTHORISED REPRESENTATIVE
CENTRAL BANK OF KENYA**

SIGNATURE: 

DATE

14/07/2025

**AUTHORISED REPRESENTATIVE
EXTERNAL RESOURCES
DEPARTMENT-TREASURY**

SIGNATURE: 

DATE

01-08-2025

NOTE: The ending balance as per Central Bank of Kenya Ledger Account and the off-shore Special Account as at 30th June,2025 have been reconciled and a copy of the supporting Reconciliation Statement is attached.

Results 1 - 1 of 1

Run Date: CENTRAL BANK OF KENYA
 BANK KUU YA KENYA
 P.O.BOX 60000-0200
 NAIROBI
 STATEMENT PERIOD: From 01/07/2024 To

STATEMENT OF ACCOUNT
 ACCOUNT NUMBER :
 ACCOUNT TITLE : EA CENTRES OF EXCELLENCE FOR SKILLS
 30/06/2025

PAGE NO : 1

NO.	DATE	REFERENCE NO	DETAILS	DEBIT	CREDIT BALANCE
OPENING BAL :			0.00		
NO.	Value Date	Reference.No	Details	Debit	Credit
1	31/12/2024	FT24366T807S;1	FUNDING	0.00	28,375.63

CLOSING BALANCE : 28375.63

END OF ACCOUNT STATEMENT

Favourites

T.A.M.E.STMT.OF.ACCT.EPRM

More Options
 Clear Selection Find

Account	equals	1000762489
Statement From	equals	20240701
Statement To	equals	20250630

T.A.M.E.STMT.OF.ACCT.EPRM

BANKI
KUU YA
KENYA



CENTRAL
BANK OF
KENYA

Haile Selassie Avenue
P.O. Box 60000 - 00200 Nairobi, Kenya
Telephone: 2860000, Fax: 3340192

July 18, 2025

CERTIFICATE OF BALANCES


Customer:
Balance
Date:

171622 STATE DEPART FOR
MEDICAL SERVICES

30-Jun-25

Account No	Account Name	Currency	Balance
1000733748	REC-STATE DEPT FOR MEDICAL SERVICES	KES	4,161,118,705.55
1000733764	DEV-STATE DEPT FOR MEDICAL SERVICES	KES	1,213,140,207.05
1000733799	CBK165-STATE DEPT FOR MEDIC SERV	KES	0.00
1000733888	DEP-STATE DEPT FOR MEDICAL SERVICES	KES	325,716,423.71
1000736569	E.A CENT. OG EXC.SKILLED-BIOMEDS	KES	13,681,308.50
1000736577	KENYA ITALY DEBT FOR DEV (KIDDP)	KES	0.00
1000736585	TRANSFORM.HEALTH SYST.UNIVERSAL C	KES	0.00
1000736593	DANIDA PRO SUP UNIV HEALTH CARE SER	KES	0.00
1000736607	STATE DEP FOR MED SERV-EQUALIZATION	KES	95,234,558.55
1000736615	THE UC GFF GRANT TFOA2561 KE	KES	0.00
1000736623	THS UC PHRD GRANT TFOA2792 KE	KES	0.00
1000736631	SPORTS.ART,SOCIAL DEV. FUND-HEALTH	KES	11,000,000.00
1000736647	COVID 19 EMERGENCY RESPONSE PROJECT	KES	2,325,940.45
1000736658	KENYA COVID-19 HEALTH EMERGENCY RES	KES	59,798,311.45
1000736666	DANIDA SUPPORTED PRI H C PROGRAMME	KES	5,089,956.60
1000736674	KEPSA PRIVATE SECTOR INTI COVID VAC	KES	0.00
1000761498	EA CENT OF EXCEL FOR SKILLS IN BIOM	KES	0.00
1000762462	HEALTH EMERGENCY PREP RESP RESILIEN	KES	0.00


Micala Nabori
Authorised Signatory
Banking Services Division


Joyce Nasieku
Authorised Signatory
Banking Services Division

African Development Fund
 Summary of Revolving Funds By Loan (In Paid Currency)
 Public sector As at 18.07.2025
 Loan Number :2100150043449
 Project ID :P-KE-IB0-002
 Project Title :CENTRES OF EXCELLENCE - ADDITION FINANCE
 Borrower :GOVERNEMENT OF KENYA

Printing Date :18.07.2025
 Page : 1
 System :PRD / 400
 Loan Contract Currency :UAC
 Closing Date :31.12.2025
 Commitment Capital : 14.000.000,00
 Available Balance : 0,00

LDV Number	Reference	Curr	Amount Approved Approval Currency	Amount Justified Approval Currency	Balance to Justify Approval Currency	Amount Disbursed UAC	Amount Justified UAC	Balance to Justify UAC	%Justified	Disburs. Value Date	Last Just. Date
(A)	(B)		(X)	(Y)	(Z) = (X) - (Y)	(C)	(D)	(E) = (C) - (D)	F = D / C	(G)	(H)
2100150043449											
1 All activities 1/KE/2024/57619	RF NO0001	EUR	28.437,63	0,00	28.437,63	22.765,40	0,00	22.765,40	0,00	20.12.2024	00.00.0000
Total 2100150043449 All activities											
2100150043449						22.765,40	0,00	22.765,40	0,00		
						22.765,40	0,00	22.765,40	0,00		

Bal c/d

53
53
1421
1475

Ajuck - Salary
A YE

12

364780.00
148583.00
14174.10
7731.40
360.00

HIF
- Housing Levy
LAF

~~22/04/25~~

Bal c/d.

535
535
13681
14216

Ajuck - Salary
E

364780.00
148583.00
14174.10
7731.40
360.00

HIF
Housing Levy
LAF

~~25/04/25~~

Bal c/d

5356
5356
131456
1368132

Board of Survey at
Chairperson:
Secretary:

25th JUNE 2025
Esther
Mavline

~~25/06/25~~

