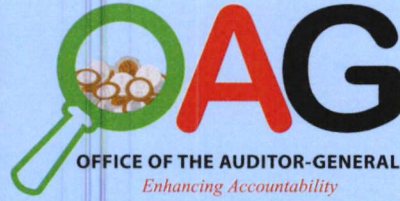


REPUBLIC OF KENYA



REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL
Enhancing Accountability



REPORT

310

OF

THE AUDITOR-GENERAL

ON

NJENGA LEVEL 4 HOSPITAL

FOR THE YEAR ENDED
30 JUNE, 2025

NAIROBI CITY
COUNTY GOVERNMENT

| PAPERS LAID | |
|--------------------|---------------|
| DATE | 19/2/2026 |
| TABLED BY | Minority Whip |
| COMMITTEE | - |
| CLERK AT THE TABLE | Angela |



2/0

Revised 30th June 2025



NJENGA LEVEL 4 HOSPITAL (Nairobi City County Government)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2025

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

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1. Acronyms & Glossary of Terms

| | |
|----------------------|---|
| CSR | Corporate Social Responsibility |
| OSHA | Occupational Health & Safety Act |
| PFMA | Public Financial Management Act |
| MED SUP | Medical Superintendent |
| HFMC | Health Facility Management committee |
| COHOS | Community Oral Health Officers |
| SOPS | Standard operations System |
| EMR | Electronic Medical Reports |
| Fiduciary Management | Key management personnel who have financial responsibility in the entity. |

2. Key Entity Information and Management

(a) Background information

Njenga Hospital is a level 4 hospital and is domiciled in Nairobi City County under the Health Department. It is the only public level 4 hospital in Embakasi South constituency. The hospital is governed by Health Facility Management committee. The county, however, is in the process of appointing board of management.

(b) Principal Activities

The principal mandate of the hospital is to deliver high quality standards of care to all clients visiting the facility.

(c) Key Management

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

- County department of health
- Health facility management committee
- Medical Superintendent

(d) Fiduciary Management

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

| No | Designation | Name |
|----|---------------------------|-----------------------|
| 1. | Medical Superintendent | Dr. Carl Oyoo |
| 2. | Hospital Administrator | Charles Mwangi |
| 3. | Nursing Officer In charge | Fridah Muturi |

(e) Fiduciary Oversight Arrangements

The Health Facility Management Committee provide oversight on Hospital Financial Management. The Sub County and County Health Committee oversees budget preparation and implementation. Currently the facility has no board of management and therefore the following sub committees are not in place:

- Clinical Research and Standards Committee.
- Finance and general purpose committee
- Audit committee
- Risk Committee
- Board Executive Expenditure Committee

The county, however, has initiated the process of establishing the board of management

Key Entity Information and Management (continued)

(f) Entity Headquarters

P.O. Box 34349-00100 Nairobi
PLOT NO-OUR LADY OF NAZARETH PRIMARY COMPOUND
MKURU KWA NJENGA SLUMS
NAIROBI, KENYA

(g) Entity Contacts

Telephone: (+254) 707244860
E-mail: Njenga.hospital@gmail.com

(h) Entity Bankers

Co-operative Bank of Kenya

(i) Independent Auditors

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



(j) Principal Legal Adviser


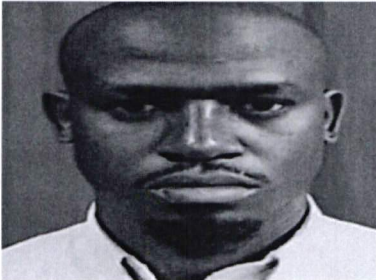

The Attorney General
State Law Office
Harambee Avenue
P.O. Box 40112
City Square 00200
Nairobi, Kenya

(k) County Attorney

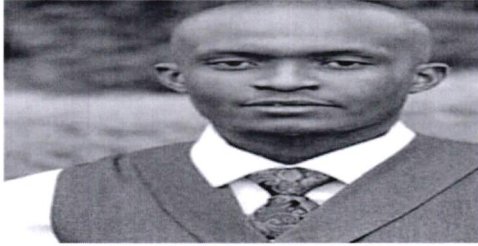


P.O. Box.30075-00100
City Hall, Kenya

3. The Board of Management

| Ref | Directors | Details |
|-----|--|---|
| 1. |  Martin Muriithi Gitonga Committee Chairman | Has over ten years of experienced in a wide varying set of management areas. Chairs the committee |
| 2. |  Easter Wangui Vice Chair Person | Has over ten years of experience in a wide range of administrative roles and mobilization. And she is renowned business lady.,chairs finance and general purpose committee. |

| | | |
|-----------|---|--|
| <p>3.</p> |  <p>Edith Vusha Uside Member</p> | <p>She has over eight years' experience in leadership and management and a holder of Bsc.in leadership & management, a Diploma in Purchasing and Supply Chain Management. Chairs the Communication and Branding Committee.</p> |
| <p>4.</p> |  <p>Stephen Okoth Member</p> | <p>Has over ten years of experienced in a wide varying set of management areas. Chairs the Audit Committee.</p> |
| <p>5.</p> |  <p>Dr. Carl Owuor Oyoo Medical Superintendent</p> | <p>Dr. Carl Owuor Oyoo is 32 years of age with a Bachelor of Medicine and Bachelor of Surgery with IT degree from Maseno University(2019)</p> |

4. Key Management Team

| Ref | Management | Details |
|-----|---|--|
| 1. |  Dr. Carl Oyoo Medical Superintendent | Responsible for managing the hospital's clinical services, ensuring high standards of patient care, maintaining compliance with medical regulations, and fostering an efficient, ethical, and professional medical environment. |
| 2. |  Charles Mwangi Hospital Administrator | Responsible for managing the hospitals non-clinical functions, including operations, finances, human resources, facilities, and patient services. This role is essential to ensuring that the hospital operates smoothly, enabling the medical team to focus on delivering quality patient care. |
| 3. |  Fridah Muturi Nursing Officer In-Charge | Ensures that nursing services are delivered effectively, staff are supported, and patients receive high-quality care within a structured and compliant healthcare environment. |

5. Chairman's Statement

As the chairperson of the hospital committee, I am delighted to share the key highlights and activities of Njenga Hospital, a level 4 facility, for the financial year 2024/2025. This period has witnessed significant advancements, including the enhancement of our health information system, alongside a steadfast dedication to providing quality healthcare, even while navigating various operational challenges. Our mortality rate, currently at 6%, remains a critical area of concern, and we are resolutely focused on enhancing clinical outcomes through targeted interventions and ongoing monitoring. Despite our achievements in service delivery, we continue to encounter considerable staffing challenges. Our total staff complement consists of 43 individuals, which includes 6 medical officers, 1 dental officer, 2 COHOs, 1 pharmacist, 1 pharmacy technician, 5 clinical officers, 17 nurses, 2 public officers, 2 health record personnel, 2 laboratory technicians, 1 administrator, 2 nutritionists, and 1 social worker.

The financial performance has been limited by the restricted funding available; however, through careful financial management and cost-saving strategies, we have succeeded in maintaining essential services. The inaccessibility of the facility due to inadequate road infrastructure has made it difficult for patients to reach the facility. This has been observed multiple times, particularly when critical patients are transported to the facility using motorcycles, especially during the rainy season. There are constraints related to limited space, security, and the availability of equipment and supplies. For example, our laboratory experiences periodic shortages of reagents. Additionally, ultrasound and x-ray services are occasionally interrupted due to equipment malfunctions. While we take pride in our accomplishments, the year has also presented its share of challenges.

Despite these challenges, our emphasis will be on consolidating the progress we have made while proactively tackling the significant challenges that persist. Our strategic priorities will focus on enhancing our service delivery, particularly through digital health innovations and patient-centered care models. We are also dedicated to investing in our workforce, improving professional development opportunities, and creating a supportive work environment that empowers our teams to uphold and advance the highest standards of care. I am confident that, with the unwavering commitment of our team and the steadfast support of our stakeholders, Njenga Hospital, a level 4 hospital, is well-positioned to achieve its vision of becoming a leader in world-class healthcare delivery.



.....
Name Martin Muriithi Gitonga
Chairman to the Board



6. Report of the Medical Superintendent

It is my privilege to present this year’s operational and performance report for Njenga Hospital, reflecting on our key activities, achievements, ongoing challenges, and the way forward.

We have a total of 43 staff which includes;6 Medical officers,1 Dental officer,2 COHO,1 Pharmacist,1 pharmtech,5 clinical officers,17 Nurses,2 Public officers,2 health records,2 lab technicians,1 Administrator,2 Nutrition, 1 social worker.

i. Overview of Service Delivery

As a Level 4 facility located in the heart of one of Nairobi’s most densely populated informal settlements, Njenga Hospital continues to serve a vital role in providing accessible, affordable, and quality healthcare. The table below represents the patients turn over for various services offered at the facility for the financial year 2024-2025.

| | | July | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | June | Total |
|-------------|---------|------|------|------|------|------|-----|------|------|-----|------|------|------|-------|
| Under 5 | | 756 | 684 | 775 | 1013 | 606 | 213 | 144 | 118 | 119 | 115 | 206 | 273 | 5022 |
| Over 5 | | 1362 | 1551 | 1952 | 1854 | 1341 | 613 | 544 | 533 | 344 | 489 | 699 | 734 | 12021 |
| TB Patients | New | 6 | 6 | 9 | 11 | 4 | 4 | 3 | 3 | 4 | 3 | 4 | 3 | 60 |
| | Revisit | 7 | 19 | 34 | 40 | 36 | 44 | 40 | 37 | 29 | 40 | 36 | 38 | 400 |
| CCC | New | 5 | 10 | 7 | 13 | 4 | 4 | 4 | 6 | 6 | 8 | 11 | 10 | 88 |
| | TX CURR | 176 | 179 | 185 | 198 | 194 | 196 | 196 | 195 | 203 | 204 | 206 | 209 | 2341 |
| OBS/GYN | | 54 | 52 | 80 | 58 | 51 | 25 | 35 | 18 | 20 | 22 | 0 | 0 | 415 |
| NUTRITION | | 26 | 31 | 17 | 39 | 36 | 21 | 57 | 115 | 106 | 103 | 87 | 526 | 1164 |
| NCD | | 28 | 37 | 29 | 31 | 26 | 32 | 57 | 55 | 19 | 46 | 33 | 29 | 422 |
| CIUC | | 1002 | 1042 | 1004 | 1209 | 1064 | 749 | 1058 | 878 | 824 | 837 | 695 | 458 | 10820 |
| ANC | | 561 | 640 | 628 | 684 | 629 | 286 | 406 | 404 | 357 | 368 | 429 | 380 | 5772 |
| PNC | | 164 | 78 | 102 | 111 | 120 | 84 | 94 | 78 | 69 | 172 | 78 | 42 | 1192 |
| FP | | 575 | 453 | 465 | 417 | 606 | 186 | 141 | 258 | 180 | 236 | 234 | 190 | 3941 |
| DENTAL | | 0 | 0 | 210 | 117 | 255 | 71 | 64 | 63 | 68 | 71 | 136 | 366 | 1421 |
| MATERNITY | | 84 | 79 | 95 | 117 | 98 | 51 | 71 | 56 | 66 | 62 | 47 | 57 | 883 |
| SOCIALWORK | | 21 | 29 | 32 | 27 | 30 | 26 | 39 | 46 | 35 | 55 | 107 | 44 | 491 |
| LAB | SPECIAL | 0 | 0 | 0 | 0 | 0 | 0 | 36 | 48 | 27 | 12 | 13 | 5 | 141 |
| | ROUTINE | 348 | 2170 | 1224 | 2311 | 1133 | 937 | 1123 | 1133 | 787 | 1221 | 1328 | 1265 | 14980 |

These numbers reflect growing community trust, but also increased demand that stretches our current capacity.

ii. Health Information System Upgrade

We transitioned to a semi-digital health records system in critical departments (maternity, outpatient, and pharmacy), improving patient tracking, reporting, and billing efficiency

3. Challenges

A. Funds

Financial performance has been constrained by the limited funding available however, through prudent financial management and cost saving measures we have managed to maintain essential services.

B. Inaccessibility

Due to poor road infrastructures, patients have difficulties reaching the facility. This has been witnessed severally where critical patients are ferried in the facility using motorcycles especially during rainy seasons.

C. Limited space

The facility has a limited space that hinders expansion of the services, wards and offices due to high patient turnover. These has resulted to congestion of wards and offices affecting the facility operations.

D. Security

The facility has no perimeter wall to prevent unauthorized entry and trespassing. This is also important in protecting vulnerable patients e.g. Psychiatric or children as the wall acts as a barrier between the hospital and busy roads.

E. Human Resources

We continue to operate with only 63% of our approved staffing levels. Nurse-to-patient ratios remain unacceptably high in wards, especially during night shifts.

F. Equipment and Supplies

Our laboratory faces periodic reagent stock-outs. Ultrasound and x-ray services are intermittently disrupted due to equipment breakdowns.

4. Financial Performance (High-Level Summary)

| Metric | Recent Trend / Figure | Time Period | Context & Details |
|---------------------------|--|----------------|---|
| Operating Margin | Median: 4.9% (avg. for year); High: 7.6% (in Dec.) | Full Year 2024 | Margins have stabilized but are still considered "historically slim" for many, with 40% of hospitals operating at a loss. |
| Outpatient Revenue Growth | Outpaced inpatient growth at 6.3% year-over-year | As of mid-2025 | A key trend, with hospitals focusing on outpatient revenue |
| Labor Expense Growth | Increased 16.6.6% year-over-year | As of mid-2025 | Expenses are rising across the board, putting pressure on margins |
| Non-Labor Expense Growth | Increased 5.7% year-over-year | As of mid-2025 | Includes costs for supplies and purchased services, rising faster than labor costs |
| Operational growth | Rose 12.4% year-over-year | As of mid-2025 | Patient volumes showed mixed results, with a shift towards outpatient care evident |

SHA reimbursements have improved services at the facility.

5. Way Forward

- **Infrastructure & Equipment:** Seek capital investment from county and partners for radiology
- **Maternity theater**
- -operational of maternity theater
- **Human Resource Expansion:** Advocate for additional staff positions and create internship opportunities to ease pressure.
- **Health Financing:** Improve claims processing to increase SHIF income and pursue grants from development partners from intergovernmental transfer

Conclusion

Despite the many challenges faced, I remain proud of our team’s dedication and the progress we have made in service delivery and community impact. I would like to extend my heartfelt gratitude to our staff, Patients and community partners. Our goal remains clear: to continue growing Njenga Hospital into a model of resilient, inclusive urban healthcare. With the right support and strategic investments, we are confident in achieving even greater impact in the coming year.

Thank you.

.....


Name : DR. CARL OWUOR OYOO
Secretary to the Board



7. Statement of Performance Against Predetermined Objectives

Njenga level 4 Hospital has 2 main strategic pillars/ themes/issues and objectives within the current Strategic Plan for the FY 2024/ 2025. These strategic pillars/ themes/ issues are as

Pillar /theme/issue 1: Service Delivery System

Pillar/theme/issue 2: Innovation and Technology

The hospital develops its annual work plans based on the above 2 pillars/Themes/Issues. Assessment of the Board’s performance against its annual work plan is done on a quarterly basis. The Health Facility Management Committee achieved its performance targets set for the FY 2024/2025 period for its 2 strategic pillars, as indicated in the diagram below:

| Strategic Pillar/Theme/Issues | Objective | Key Performance Indicators | Activities | Achievements |
|--------------------------------------|---|-----------------------------------|--|--------------------------------------|
| 1.Service Delivery System | Ensuring care is effective, timely, and free from preventable harms | Feedback from clients | SOPS at service delivery points | Increase in satisfaction rate |
| 2.Innovation and Technology | To fully digitalize the facility to improve care and service delivery | Health Information systems | Adoption of electronic medical records | Adoption of Taifa Care and Kenya EMR |

8. Corporate Governance Statement

It is important to Note that currently the hospital is being run by hospital facility management committee and the county is in the process of appointing the Board of management. The hospital facility management committee is responsible for ensuring Njenga level 4 hospital emphasizes corporate governance through accountability, transparency, and stakeholder value, under the guidance of its committee of Management, and established policies such as the Code of Conduct & Ethics and the Anti-Corruption Policy. It adheres to the laws of Kenya, including the Leadership and Integrity Act, to ensure effective resource management, risk mitigation, and strategic alignment with its mission to providing quality healthcare.

Throughout the year, capacity building initiatives were implemented in the domains of corporate governance and leadership, as well as financial management and stewardship, aimed at improving their oversight capabilities in corporate governance. The committee operates with four distinct functions, each defined by clear terms of reference, and reports to the county health sector board on a quarterly basis. These functions encompass the finance and general purpose committee, the branding committee, and the audit and compliance committee.

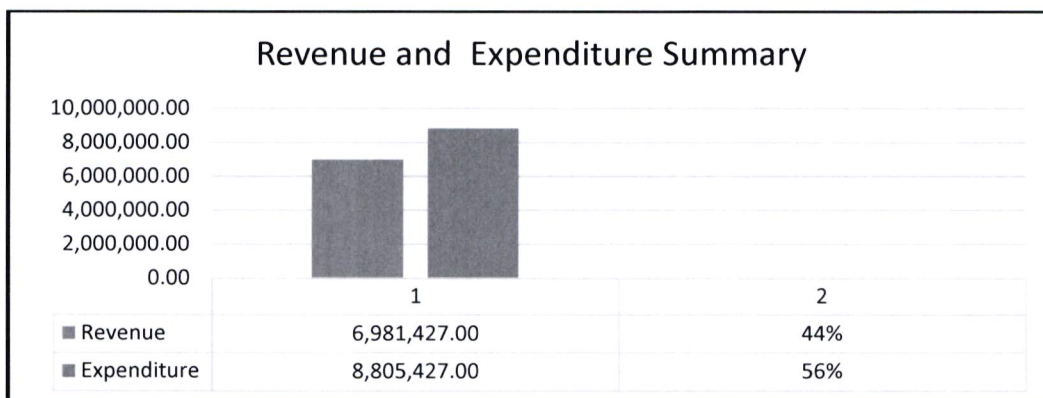
In order to effectively fulfill this role, the hospital facility management committee has complete access to the medical superintendent and pertinent hospital information. Existing regulatory frameworks also permit them to obtain independent professional advice on hospital-related issues, when necessary, at the hospital's expense. Meetings of the hospital facility management committee are scheduled to occur quarterly. Committee members are provided with sufficient notice and comprehensive reports in a timely manner to enable informed discussions and decision-making during the hospital committee meetings. The committee fosters an atmosphere of consultation, information sharing, and transparency in communication.

9. Management Discussion and Analysis

Clinical/operational performance

- Bed capacity of the hospital-24
- Overall patient attendance during the year for both inpatient and outpatient-61081
- Specialized clinic attendance-422
- Average length of stay for in patient-1day
- Bed occupancy rate-70
- Mortality rate-LESS THAN 5%
- Surgical theatre utilization-N/A
- Sponsorships and partnerships-N/A

Financial performance that includes: -



Clinical Quality & Patient Safety

- Patient Satisfaction Score: Improved from 88% to 91%.
- Hospital-Acquired Infection (HAI) Rate: Reduced from 2.1% to 1.7% through stringent hygiene protocols.
- Mortality Rate: The crude mortality rate was 1.2%, consistent with the previous year despite higher acuity patients.

Revenue & Expense Analysis

- Revenue: Growth was primarily volume-driven. The hospital is exploring service line optimization to improve revenue mix.
- Expenses:
 - Pharmaceuticals: Costs increased by 22% due to new, high-cost drugs and general inflation.
 - Staff Costs: Increased by 12%, largely due to locum, mandated salary adjustments and overtime.
 - Supplies & Consumables: Increased by 18%, aligned with the higher volume of procedures.\

Strategic Priorities

1. Operational Excellence:
 - Fully implement an EMR across all departments.
 - Offer continuous training to staff to ensure efficiency, accountability and team work.
2. Financial Sustainability:
 - Renegotiate contracts with key suppliers to curb supply cost growth.
 - Implement a new revenue cycle management system to reduce claim denials.

Challenges & Risks

1. Rising Drug & Supply Costs: This is the single biggest threat to profitability.
2. Collections Efficiency: The rising A/R days indicate potential issues with claims submission or follow-up.
3. Payor Mix Pressures: Over-reliance on government reimbursements, which may not keep pace with actual cost inflation.

10. Environmental And Sustainability Reporting

i) Environmental performance

The health care waste management strategic plan 2015-2020 guides the waste management in Njenga hospital. Waste is collected at a holding point and taken for incineration at intervals

ii) Employee welfare

Employee welfare is managed by the Nairobi County public service Board. The organization is managed in accordance with the policy on safety and compliance with Occupational Safety and Health Act of 2007, (OSHA).

iii) Market place practices-

- The organization should outline its efforts to:
 - **Responsible competition practice.**
 - The hospital adheres to the principles of fair competition.
 - **Responsible Supply chain and supplier relations**
 - The facility endeavors to honors supplier contracts with funding availability.
 - **Product stewardship or Awareness Creation**
 - Patient's rights are clearly displayed at every point of service.

iv) Corporate Social Responsibility / Community Engagements

The facility participates in free medical outreaches to the surrounding community

11. Report of The Board of Management

No board of management during financial year 2024/2025. The county, however, has begun the process of establishing one. The hospital is run by hospital facility management committee

Principal activities

The principal activities of the entity is to offer the residents of Mukuru kwa Njenga and its environ the highest attainable quality services of healthcare.

Results

The results of the entity for the year ended June 30 2025 are set out on pages x to xii

Board of Management

No board of management during financial year 2024/2025. The county, however, has begun the process of establishing one.

Auditors

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

By Order of the Hospital Facility Management Committee

.....
Name **DR. CARL OWUOR OYOO**
Secretary to the Board



12. Statement of Board of Management’s Responsibilities

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

The Board of Management is responsible for the preparation and presentation of Njenga Level 4 Hospital financial statements, which give a true and fair view of the state of affairs of Njenga Level 4 Hospital for and as at the end of the financial year (period) ended on June 30, 2025. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period, (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity, (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud, (iv) safeguarding the assets of Njenga Level 4 Hospital; (v) selecting and applying appropriate accounting policies, and (vi) making accounting estimates that are reasonable in the circumstances.

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

REPUBLIC OF KENYA



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Website: www.oagkenya.go.ke

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

REPORT OF THE AUDITOR-GENERAL ON NJENGA LEVEL 4 HOSPITAL FOR THE YEAR ENDED 30 JUNE, 2025 - NAIROBI CITY COUNTY GOVERNMENT

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 Njenga Level 4 Hospital - Nairobi City County Government set out on pages 1 to 57, which comprise of the statement of financial position as at 30 June, 2025 and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement

of comparison 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 effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Njenga Level 4 Hospital - Nairobi City County Government as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Public Finance Management Act, 2012, the County Governments Act, 2012 and the Health Act, 2017.

Basis for Qualified Opinion

Undisclosed Property, Plant and Equipment

The statement of financial position reflects a Nil balance of property, plant and equipment. However, Management did not disclose the value of various assets which include land and buildings, furniture, computers and other equipment owned by the Hospital. Further, the title deed for the land where the Hospital is built was not provided for audit review and the assets register was incomplete since it lacked critical information such as the date of procurement, cost of the asset, depreciation charged, location of items, serial numbers and net book value.

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

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

Key Audit Matters

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

Other Information

Management is responsible for the Other Information set out on pages iii to xxi which comprise of Key Entity Information and Management, The Board of Management, Key Management Team, Chairman's Statement, Report of the Medical Superintendent, Statement of Performance Against Predetermined Objectives, Corporate Governance

Njenga level 4 Hospital (Nairobi County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

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


| Description | Note | 2024/2025 | 2023 /2024 |
|---|------|---------------------|------------|
| | | Kshs | Kshs |
| Revenue from non-exchange transactions | | - | - |
| Transfers from the County Government | 6 | - | - |
| In- kind contributions from the County Government | 7 | 1,252,142.00 | - |
| Grants from donors and development partners | 8 | - | - |
| Transfers from other Government entities | 9 | 330,600.00 | - |
| Public contributions and donations | 10 | - | - |
| | | | |
| Revenue from exchange transactions | | | |
| Rendering of services- Medical Service Income | 11 | 5,473,326.00 | - |
| Revenue from rent of facilities | 12 | - | - |
| Finance /Interest Income | 13 | - | - |
| Miscellaneous Income | 14 | - | - |
| Revenue from exchange transactions | | 5,473,326.00 | |
| Total revenue | | 7,056,068.00 | - |
| | | | |
| Expenses | | | |
| Medical/Clinical costs | 15 | 3,922,385.00 | - |
| Employee costs | 16 | 920,000.00 | |
| Board of Management Expenses | 17 | 162,000.00 | - |
| Depreciation and amortization expense | 18 | - | |
| Repairs and maintenance | 19 | 400,000.00 | - |
| Grants and subsidies | 20 | - | - |
| General expenses | 21 | 1,783,370.00 | - |
| Finance costs | 22 | - | - |
| Total expenses | | 7,187,755.00 | - |
| Other gains/(losses) | | | |

Njenga level 4 Hospital (Nairobi County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025


| Description | Note | 2024/2025 | 2023 /2024 |
|--|------|--------------------|------------|
| | | Kshs | Kshs |
| Gain/Loss on disposal of non-Current assets | 23 | - | - |
| Unrealized gain on fair value of investments | 24 | - | - |
| Medical services contracts Gains/Losses | 25 | - | - |
| Impairment loss | 26 | - | - |
| Gain on foreign exchange transactions | | - | - |
| Total other gains/(losses) | | - | - |
| Net Surplus / (Deficit) for the year | | -131,687.00 | - |

(The notes set out on pages 10 to 59 form an integral part of the Annual Financial Statements.)


The Hospital's financial statements were approved by the Board on 19/12/2025 and signed on its behalf by:



Chairman Martin Muriithi
Gitonga
Board of Management



Head of Finance
ICPAK No: 20566



DR. CARL OWUOR OYOO
Medical Superintendent

Njenga level 4 Hospital (Nairobi County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

15. Statement of Financial Position As At 30th June 2025

| Description | Note | 2024 /2025 | 2023 /2024 |
|---|------|---------------------|------------|
| | | Kshs | Kshs |
| Assets | | | |
| Current assets | | | |
| Cash and cash equivalents | 27 | 1,725,027.00 | - |
| Prepayments | 28 | - | - |
| Receivables from exchange transactions | 29 | 4,794,838.00 | - |
| Receivables from non-exchange transactions | 30 | - | - |
| Inventories | 31 | 2,530,162.00 | - |
| Total Current Assets | | 9,050,027.00 | -- |
| | | | |
| Non-current assets | | | |
| Property, plant, and equipment | 32 | - | - |
| Intangible assets | 33 | - | - |
| Investment property | 34 | - | - |
| Biological Assets | 35 | - | - |
| Total Non-current Assets | | - | - |
| | | | |
| Total assets (A) | | 9,050,027.00 | - |
| | | | |
| Liabilities | | | |
| Current liabilities | | | |
| Trade and other payables | 36 | 2,173,596.00 | - |
| Refundable deposits from Patients/Prepayments | 37 | - | - |
| Provisions | 38 | - | - |
| Finance lease obligation | 39 | - | - |
| Current portion of deferred income | 40 | - | - |
| Current portion of borrowings | 41 | - | - |
| Total Current Liabilities | | 2,173,596.00 | - |
| | | | |
| Non-current liabilities | | | |
| Provisions | 38 | - | - |
| Non-Current Finance lease obligation | 39 | - | - |
| Non-Current portion of deferred income | 40 | - | - |
| Non - Current portion of borrowings | 41 | - | - |

Njenga level 4 Hospital (Nairobi County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

| Description | Note | 2024 /2025 | 2023 /2024 |
|--------------------------------------|------|---------------------|------------|
| | | Kshs | Kshs |
| Service concession Arrangements | 42 | - | - |
| Total non-current liabilities | | - | - |
| | | | |
| Total Liabilities (B) | | 2,173,596.00 | - |
| | | | |
| Net assets (A-B) | | 6,876,431.00 | - |
| | | | |
| Represented by: | | | |
| Revaluation reserve | | - | - |
| Accumulated surplus/Deficit | | (131,687.00) | - |
| Capital Fund | | 7,008,118.00 | - |
| | | | |
| Net Assets | | 6,876,431.00 | - |

(The notes on pages 10 to 59 form an integral part of the Annual Financial Statements.)

The Hospital's financial statements were approved by the Board on 19/12/2025 and signed on its behalf by:

.....


**Chairman Martin Muriithi
Gitonga**

Board of Management

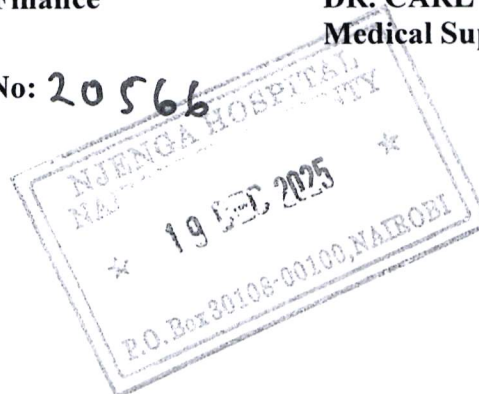
.....

Head of Finance

ICPAK No: 20566

.....

**DR. CARL OWUOR OYOO
Medical Superintendent**



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

| Description | Revaluation reserve | Accumulated surplus/Deficit | Capital Fund | Total |
|--------------------------------|---------------------|-----------------------------|------------------|---------------------|
| | | | | |
| As at July 1, 2023 | - | - | - | - |
| Revaluation gain | - | - | - | - |
| Surplus/(deficit) for the year | - | - | - | - |
| Cash and Cash Equivalents | | - | | |
| Capital/Development grants | - | - | - | - |
| As at June 30, 2024 | - | - | 7,008,118 | 7,008,118 |
| | | - | | |
| At July 1, 2024 | - | - | - | - |
| Revaluation gain | - | - | - | - |
| Surplus/(deficit) for the year | - | (131,687.00) | - | (131,687.00) |
| Capital/Development grants | - | - | | - |
| At June 30, 2025 | - | (131,687.00) | 7,008,118 | 6,876,431 |

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

| Description | Note | FY2024/2025 | FY 2023/2024 |
|--|------|-----------------------|--------------|
| | | Kshs | Kshs |
| Cash flows from operating activities | | | |
| Receipts | | | |
| Transfers from the County Government | | - | - |
| Grants from donors and development partners | | - | - |
| Transfers from other government entities | | 330,600.00 | - |
| Public contributions and donations | | - | - |
| Rendering of services- Medical Service Income | | 5,473,326.00 | - |
| Revenue from rent of facilities | | - | - |
| Finance / interest income | | - | - |
| Miscellaneous receipts(<i>specify</i>) | | - | - |
| Total Receipts | | 5,803,926.00 | - |
| | | | |
| Payments | | | |
| Medical/Clinical costs | | 3,922,385.00 | - |
| Employee costs | | 920,000.00 | - |
| Board of Management Expenses | | 162,000.00 | - |
| Repairs and maintenance | | 400,000.00 | - |
| Grants and subsidies | | - | - |
| General expenses | | 1,783,370.00 | - |
| Finance costs | | - | - |
| Refunds paid out | | - | - |
| Total Payments | | 7,187,755.00 | - |
| Net cash flows from operating activities | 43 | (1,383,829.00) | |
| Cash flows from investing activities | | | |
| Purchase of property, plant, equipment | | - | - |
| Purchase of intangible assets | | - | - |
| Proceeds from the sale of PPE | | - | - |
| Acquisition of investments | | - | - |
| Net cash flows used in investing activities | | - | - |
| Cash flows from financing activities | | | |
| Proceeds from borrowings | | - | - |

Njenga level 4 Hospital (Nairobi County Government)

Annual Report and Financial Statements for The Year Ended 30th June 2025

| | | | |
|---|----|-----------------------|---|
| Repayment of borrowings | | - | - |
| Capital grants received | | - | - |
| Net cash flows used in financing activities | | - | - |
| Net increase/(decrease) in cash and cash equivalents | | (1,383,829.00) | - |
| Cash and cash equivalents as at 1 July 2024 | 27 | - | - |
| Cash and cash equivalents as at 30 June 2025 | 27 | (1,383,829.00) | - |

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

| Description | Original budget | Adjustments | Final budget | Actual on comparable basis | Performance difference | % of utilisation |
|---|----------------------|-------------|----------------------|----------------------------|------------------------|------------------|
| | A | B | c=(a+b) | D | e=(c-d) | f=d/c % |
| | Kshs | Kshs | Kshs | Kshs | Kshs | |
| Budget carryovers from the previous year | - | - | - | - | - | - |
| Receipts | | | | | | |
| Transfers from the County Government | - | - | - | - | - | - |
| Grants from donors and development partners | - | - | - | - | - | - |
| Transfers from other Government entities | - | - | - | - | - | - |
| Public contributions and donations | - | - | - | - | - | - |
| Rendering of services- Medical Service Income | 14,000,000.000 | - | 14,000,000.000 | 5,473,326.00 | 8,526,674.00 | 39% |
| Revenue from rent of facilities | - | - | - | - | - | - |
| Finance / interest income | - | - | - | - | - | - |
| Miscellaneous receipts (<i>specify</i>) | - | - | - | - | - | - |
| Total receipts | 14,000,000.00 | | 14,000,000.00 | 5,473,326.00 | 8,526,674.00 | 39% |
| Payments | | | | | | |
| Medical/Clinical costs | 10,089,700.00 | | 10,089,700.00 | 3,922,385.00 | 6,167,315.00 | 39% |
| Employee costs | 1,760,000.00 | | 1,760,000.00 | 920,000.00 | 840,000.00 | 52% |
| Remuneration of directors | 486,000.00 | - | 486,000.00 | 162,000.00 | 324,000.00 | 33% |
| Repairs and maintenance | 1,738,000.00 | | 1,738,000.00 | 400,000.00 | 1,338,000.00 | 23% |
| Grants and subsidies | - | - | - | - | - | - |
| General expenses | 3,622,012.00 | - | 3,622,012.00 | 1,783,370.00 | 1,838,642.00 | 49% |
| Finance costs | - | | - | - | - | - |
| Refunds | - | - | - | - | - | - |
| Total Operational Expenditure paid | 17,695,712.00 | - | 17,695,712.00 | 7,187,755.00 | 10,507,957.00 | 42% |
| Capital Expenditure paid | | | | | | |
| Surplus/ | -3,695,712.00 | - | -3,695,712.00 | 1,285,571.00 | (1,981,283.00) | -35% |

Njenga level 4 Hospital (Nairobi County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Budget Reconciliation

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

19. Notes to the Financial Statements

1. General Information

Njenga Level 4 Hospital derives its authority and accountability from Public Financial Management Act 2012. The entity is wholly owned by the Nairobi County Government and is domiciled in Nairobi County in Kenya. The entity's principal activity is to provide curative, preventive, and rehabilitative health care services.

2. Statement of Compliance and Basis of Preparation

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

3. Adoption of New and Revised Standards

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

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

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

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

| Standard | Effective date and impact: |
|---|---|
| <p>IPSAS 45- Property Plant and Equipment</p> | <p><i>Applicable 1st January 2025</i></p> <p>The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognized as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.</p> |
| <p>IPSAS 46 Measurement</p> | <p><i>Applicable 1st January 2025</i></p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ul style="list-style-type: none"> i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS; iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p> |
| <p>IPSAS 47- Revenue</p> | <p><i>Applicable 1st January 2026</i></p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non-exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users</p> |

| Standard | Effective date and impact: |
|--|---|
| | 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

Notes to the Financial Statements (Continued)

4. Summary of Significant Accounting Policies

a. Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other Government entities

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

ii) Revenue from exchange transactions

Rendering of services

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

Sale of goods

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

Interest income

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

Rental income

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

b. Budget information

The original budget for FY 2024/2025 was approved by Board on ~~xxxx~~. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the entity upon receiving the respective approvals in order to conclude the final budget. Accordingly, the *entity* recorded additional appropriations of ~~xxxx~~ on the FY xxx budget following the Board's approval. The *entity's* budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget.

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

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

c. Taxes

Sales tax/ Value Added Tax

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

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

- When receivables and payables are stated with the amount of sales tax included. The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Notes to the Financial Statements (Continued)

d. Investment property

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

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

e. Property, plant and equipment

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

Notes to the Financial Statements (Continued)

f. Leases

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

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

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

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

g. Intangible assets

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

Notes to the Financial Statements (Continued)

h. Biological Assets

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

i. Research and development costs

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

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

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

j. Financial instruments

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

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

Subsequent measurement

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

Amortized cost

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

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

Fair value through net assets/ equity

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

Fair value through surplus or deficit

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

Trade and other receivables

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

Impairment

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

Financial liabilities

Classification

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

k. Inventories

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

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

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

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

l. Provisions

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

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

The expense relating to any provision is presented in the statement of f

Notes to the Financial Statements (Continued)

m. Social Benefits

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

n. Contingent liabilities

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

o. Contingent assets

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

p. Nature and purpose of reserves

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

q. Changes in accounting policies and estimates

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

Notes to the Financial Statements (Continued)

r. Employee benefits

Retirement benefit plans

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

s. Foreign currency transactions

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

t. Borrowing costs

Borrowing costs are capitalized against qualifying assets as part of property, plant and equipment. Such borrowing costs are capitalized over the period during which the asset is being acquired or

constructed and borrowings have been incurred. Capitalization ceases when construction of the asset is complete. Further borrowing costs are charged to the statement of financial performance.

u. Related parties

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

v. Service concession arrangements

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

w. Cash and cash equivalents

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

x. Comparative figures

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

y. Subsequent events

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

5. Significant Judgments and Sources of Estimation Uncertainty

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

Estimates and assumptions.

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

Useful lives and residual values

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

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

Provisions

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

Notes to Financial Statements Continued

6. Transfers from the County Government

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

6 b Transfers from The County Government

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

Notes to Financial Statements Continued

7. In Kind Contributions from The County Government

| Description | 2024 - 2025 | 2023-2024 |
|---|---------------------|-----------|
| | KShs | KShs |
| Salaries and wages | - | - |
| Medical supplies-Drawings Rights (KEMSA) | 1,252,142.00 | - |
| Pharmaceuticals and Non-Pharmaceutical Supplies (other suppliers) | | |
| Utility bills | | |
| Total grants in kind | 1,252,142.00 | - |

8. Grants From Donors and Development Partners

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

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

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

Notes to Financial Statements Continued

9. Transfers From Other Government Entities

| Description | 2024/2025 | 2023 / 2024 |
|--|-------------------|-------------|
| | KShs | KShs |
| Transfer from National Government (Ministry of Health) | - | - |
| Transfer from National Hospital | - | - |
| Transfer from State department of Youth Affairs | 330,300.00 | - |
| Total Transfers | 330,300.00 | - |

10. Public Contributions and Donations

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

(Provide brief explanation for this revenue)

10 (a)Reconciliations of amortised grants

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

Notes to Financial Statements Continued

11. Rendering of Services-Medical Service Income

| Description | 2024 / 2025 | 2023 / 2024 |
|---|---------------------|-------------|
| | Kshs | Kshs |
| NHIF | 2,060,070.00 | - |
| SHA | 3,413,256.00 | - |
| Other medical services income (<i>specify</i>) | - | - |
| Total revenue from the rendering of services | 5,473,326.00 | - |

Notes to the Financial Statements (Continued)

12. Revenue From Rent of Facilities

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

13. Finance /Interest Income

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

14. Miscellaneous Income

| Description | 2024 /2-025 | 2023 / 2024 |
|---|-------------|-------------|
| | KShs | KShs |
| Insurance recoveries | - | - |
| Income from sale of tender | - | - |
| Services concession income | - | - |
| Sale of goods (water, publications, containers etc) | - | - |
| Write backs (Deposits, payments in advance etc) | - | - |
| Bad debts recovered | - | - |
| <i>Others (Specify)</i> | - | - |
| Total Miscellaneous income | - | - |

Notes to the Financial Statements (Continued)

15. Medical/ Clinical Costs

| Description | 2024 / 2025 | 2023 / 2024 |
|---|---------------------|-------------|
| | Kshs | Kshs |
| Dental costs/ materials | | - |
| Laboratory chemicals and reagents | 911,985.00 | - |
| Public health activities | 155,500.00 | - |
| Food and Ration | 1,049,400.00 | - |
| Uniform, clothing, and linen | - | - |
| Dressing and Non-Pharmaceuticals | 745,000.00 | - |
| Pharmaceutical supplies | 950,000.00 | - |
| Health information stationery | - | - |
| Reproductive health materials | - | - |
| Sanitary and cleansing Materials | 110,500.00 | - |
| Purchase of Medical gases | - | - |
| X-Ray/Radiology supplies | - | - |
| Other medical related clinical costs (<i>specify</i>) | | - |
| Total medical/ clinical costs | 3,922,385.00 | - |

16. Employee Costs

| Description | 2024 / 2025 | 2023 / 2024 |
|--|-------------------|-------------|
| | Kshs | Kshs |
| Salaries, wages, and allowances | 920,000.00 | - |
| Contributions to pension schemes | - | - |
| Service gratuity | - | - |
| Performance and other bonuses | - | - |
| Staff medical expenses and Insurance cover | - | - |
| Group personal accident insurance and WIBA | - | - |
| Social contribution | - | - |
| Other employee costs (<i>specify</i>) | - | - |
| Employee costs | 920,000.00 | - |

Notes to the Financial Statements (Continued)

17. Board of Management Expenses

| Description | 2024 / 2025 | 2023 / 2024 |
|------------------------------------|-------------------|-------------|
| | Kshs | Kshs |
| Chairman's Honoraria | - | - |
| Sitting allowance | 162,000.00 | - |
| Mileage | - | - |
| Insurance expenses | - | - |
| Induction and training | - | - |
| Travel and accommodation allowance | - | - |
| Airtime allowances | - | - |
| Total | 162,000.00 | - |

18. Depreciation and Amortization Expense

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

19. Repairs And Maintenance

| Description | 2024 / 2025 | 2023 / 2024 |
|--------------------------------------|-------------------|-------------|
| | Kshs | Kshs |
| Property- Buildings | 100,000.00 | - |
| Medical equipment | 210,000.00 | - |
| Office equipment | - | - |
| Furniture and fittings | - | - |
| Computers and accessories | 60,000.00 | - |
| Motor vehicle expenses | - | - |
| Maintenance of civil works | 30,000.00 | - |
| Total repairs and maintenance | 400,000.00 | - |

Notes to the Financial Statements (Continued)

20. Grants And Subsidies

| Description | 2024 / 2025 | 2023 /2024 |
|--|-------------|------------|
| | Kshs | Kshs |
| Community development and social work | - | - |
| Education initiatives and programs | - | - |
| Free/ subsidised medical camp | - | - |
| Disability programs | - | - |
| Free cancer screening | - | - |
| Social benefit expenses | - | - |
| Other grants and subsidies(<i>specify</i>) | - | - |
| Total grants and subsidies | - | - |

21. General Expenses

| Description | 2024/2025 | 2023 /2024 |
|------------------------------------|--------------|------------|
| | Kshs | Kshs |
| Advertising and publicity expenses | - | - |
| Casual wages | - | - |
| Waste management expenses | - | - |
| Insecticides and rodenticides | 87,500.00 | - |
| Audit fees | - | - |
| Bank charges | 16,770.00 | - |
| Conferences and delegations | - | - |
| Consultancy fees | - | - |
| Contracted services | 1,060,000.00 | - |
| Electricity expenses | - | - |
| Fuel and Lubricants | 280,000.00 | - |
| Computer accessories | - | - |
| Research and development expenses | - | - |
| Insurance | - | - |
| Legal expenses | - | - |
| Licenses and permits | - | - |
| Courier and postal services | - | - |
| Printing and stationery | 236,000.00 | - |
| Hire charges | - | - |

| Description | 2024/2025 | 2023 /2024 |
|--|---------------------|------------|
| | Kshs | Kshs |
| Rent expenses | - | - |
| Water and sewerage costs | - | - |
| Skills development levies | - | - |
| Telephone and mobile phone services | 58,000.00 | - |
| Internet expenses | 45,100.00 | - |
| Staff training and development | - | - |
| Subscriptions to professional bodies | - | - |
| Subscriptions to newspapers periodical, magazines, and gazette notices | - | - |
| Library books/Materials | - | - |
| Parking charges | - | - |
| Total General Expenses | 1,783,370.00 | - |

22. Finance Costs

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

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

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

24. Unrealized Gain On Fair Value Investments

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

Notes to the Financial Statements (Continued)

25. Medical Services Contracts Gains /Losses

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

26. Impairment Loss

| Description | Insert Current FY | Insert Comparative FY |
|--------------------------------|-------------------|-----------------------|
| | KShs | KShs |
| Property, plant, and equipment | - | - |
| Intangible assets | - | - |
| Investments | - | - |
| Total impairment loss | - | - |

27. Cash And Cash Equivalents

| Description | 2024 /2025 | 2023 /2024 |
|--|---------------------|------------|
| | KShs | KShs |
| Current accounts | 1,725,027.00 | - |
| On - call deposits | - | - |
| Fixed deposits accounts | - | - |
| Cash in hand | - | - |
| Others(<i>specify</i>)- Mobile money | - | - |
| Total cash and cash equivalents | 1,725,027.00 | - |

Notes to the Financial Statements (Continued)

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

| Description | | 2024 /2025 | 2023 /2024 |
|-----------------------------------|----------------|---------------------|------------|
| Financial institution | Account number | KShs | KShs |
| a) Current account | | | |
| Kenya Commercial bank | | - | - |
| Co-Operative Bank | | 1,725,027.00 | - |
| Sub- total | | - | - |
| b) On - call deposits | | | |
| Kenya Commercial bank | | - | - |
| Equity Bank – etc | | - | - |
| Sub- total | | - | - |
| c) Fixed deposits account | | | |
| Co-Operative bank | | - | - |
| Sub- total | | - | - |
| d) Others(specify) | | | |
| cash in hand | | - | - |
| Mobile money- Mpesa, Airtel money | | - | - |
| Sub- total | | - | - |
| | | | |
| Grand total | | 1,725,027.00 | - |

Provide disclosure on any restricted cash that the entity is holding.

28. Prepayments

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

29. Receivables From Exchange Transactions

| Description | 2024 /2025 | 2023 /2024 |
|------------------------------|---------------------|------------|
| | KShs | KShs |
| Medical services receivables | 4,794,838.00 | - |
| Rent receivables | - | - |
| Other exchange debtors | - | - |
| Less: impairment allowance | - | - |
| Total receivables | 4,794,838.00 | - |

Analysis of Receivables From Exchange Transactions

| Description | 2024 /2025 | | 2023 /2024 | |
|--------------------|---------------------|----------------|----------------|----------------|
| | Kshs | | Kshs | |
| | Current FY | % of the total | Comparative FY | % of the total |
| Less than 1 year | 4,794,838.00 | 100% | | |
| Between 1- 2 years | | | | |
| Between 2-3 years | | | | |
| Over 3 years | | | | |
| Total (a+b) | 4,794,838.00 | | | |

30. Receivables From Non-Exchange Transactions

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

Analysis of Receivables From Non-Exchange Transactions

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

31. Inventories

| Description | 2024 / 2025 | 2023 / 2024 |
|--|---------------------|-------------|
| | KShs | KShs |
| Pharmaceutical supplies | 1,261,955.00 | - |
| Non-Pharmaceutical | 1,116,440.00 | - |
| Laboratory supplies | 151,767.00 | - |
| Maintenance supplies | - | - |
| Food supplies | - | - |
| Linen and clothing supplies | - | - |
| Cleaning materials supplies | - | - |
| General supplies | - | - |
| Less: provision for impairment of stocks | - | - |
| Total | 2,530,162.00 | - |

Detailed disclosure on inventories

| | 2024 /2025 | 2023 /2024 |
|----------------------------------|---------------------|------------|
| Opening balance | - | - |
| Additional Inventory in the year | - | - |
| Inventory expensed in the year | - | - |
| Write-downs in the year | - | - |
| Others specify | - | - |
| Closing balance | 2,530,162.00 | - |

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

Notes to the Financial Statements (Continued)

32. Property, Plant and Equipment

| Description | Land | Buildings and Civil works | Motor vehicles | Furniture, fittings, and office equipment | ICT Equipment | Plant and medical equipment | Capital Work in progress | Total |
|--|------|---------------------------|----------------|---|---------------|-----------------------------|--------------------------|-------|
| | Ksh | Ksh | Ksh | Ksh | Ksh | Ksh | Ksh | Ksh |
| Cost | | | | | | | | |
| At 1 July 2023 | - | - | - | - | - | - | - | - |
| Additions | - | - | - | - | - | - | - | - |
| Disposals | - | - | - | - | - | - | - | - |
| Transfers/adjustments | - | - | - | - | - | - | - | - |
| Revaluation Adjustments | - | - | - | - | - | - | - | - |
| At 30th Jun 2024 | - | - | - | - | - | - | - | - |
| | | - | - | - | - | - | - | - |
| At 1 July 2024 | | - | - | - | - | - | - | - |
| Additions | - | - | - | - | - | - | - | - |
| Disposals | - | - | - | - | - | - | - | - |
| Transfer/adjustments | - | - | - | - | - | - | - | - |
| Revaluation Adjustments | - | - | - | - | - | - | - | - |
| At 30th Jun 2025 | - | - | - | - | - | - | - | - |
| Depreciation and impairment | | - | - | - | - | - | - | - |
| Useful life in years | | - | - | - | - | - | - | - |
| Depreciation rate | | - | - | - | - | - | - | - |
| New addition 1st year depreciation @ 50% | | - | - | - | - | - | - | - |
| Annual Depreciation | | - | - | - | - | - | - | - |
| TOTAL DEPRECIATION | | - | - | - | - | - | - | - |
| NBV At 1 July 2025 | | - | - | - | - | - | - | - |

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

Notes to the Financial Statements (Continued)

33. Intangible Assets-Software

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

34. Investment Property

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

Notes to the Financial Statements (Continued)

35. Biological Assets

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

36. Trade and other Payables

| Description | 2024 /2025 | | 2023 /2024 | |
|--|---------------------|-----------------------|------------------------|-----------------------|
| | KShs | | KShs | |
| Trade payables | 1,963,596.00 | | - | |
| Employee dues | 210,000.00 | | - | |
| Third-party payments (<i>e.g. unremitted payroll deductions</i>) | - | | - | |
| Audit fee | - | | - | |
| Doctors' fee | - | | - | |
| Total trade and other payables | 2,173,596.00 | | | |
| Ageing analysis: | Current FY | % of the Total | Compa rative FY | % of the total |
| Under one year | 2,173,596.00 | 100% | - | % |
| 1-2 years | - | - | - | % |
| 2-3 years | - | - | - | % |
| Over 3 years | - | - | - | % |
| Total | 2,173,596.00 | 100% | - | % |

37. Refundable Deposits from Customers/Patients

| Description | 2024 /2025 | | 2023 /20254 | |
|------------------------------|------------|--|-------------|--|
| | KShs | | KShs | |
| Medical fees paid in advance | - | | - | |
| Credit facility deposit | - | | - | |
| Rent deposits | - | | - | |
| Others (<i>specify</i>) | - | | - | |
| Total deposits | - | | - | |
| | | | | |

Njenga Level 4 Hospital (Nairobi County Government)
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| | Current FY | % of the Total | Comparative FY | % of the Total |
|-------------------------|------------|----------------|----------------|----------------|
| Ageing analysis: | | | | |
| Under one year | - | % | - | % |
| 1-2 years | - | % | - | % |
| 2-3 years | - | % | - | % |
| Over 3 years | - | % | - | % |
| Total | - | % | - | % |

38. Provisions

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

39. Finance Lease Obligation

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

40. Deferred Income

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

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Notes to the Financial Statements (Continued)

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

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

41. Borrowings

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

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

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

Notes to the Financial Statements (Continued)

42. Service Concession Arrangements

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

43. Cash Generated from Operations

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

Notes to the Financial Statements (Continued)

44. Financial Risk Management

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

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

(i) Credit risk

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

| Description | Total amount | Fully performing | Past due | Impaired |
|---|--------------|------------------|----------|----------|
| | Kshs | Kshs | Kshs | Kshs |
| At 30 June 2024 | | | | |
| Receivables from exchange transactions | - | - | - | - |
| Receivables from –non-exchange transactions | - | - | - | - |
| Bank balances | - | - | - | - |
| Total | - | - | - | - |
| At 30 June 2025 | | | | |
| Receivables from exchange transactions | - | - | - | - |
| Receivables from –non-exchange transactions | - | - | - | - |
| Bank balances | - | - | - | - |
| Total | - | - | - | - |

Notes to the Financial Statements (Continued)

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

(ii) Liquidity risk management

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

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

| Description | Less than 1 month | Between 1-3 months | Over 5 months | Total |
|-------------------------------|-------------------|--------------------|---------------|-------|
| | Kshs | Kshs | Kshs | Kshs |
| At 30 June 2024 | | | | |
| Trade payables | - | - | - | - |
| Current portion of borrowings | - | - | - | - |
| Provisions | - | - | - | - |
| Deferred income | - | - | - | - |
| Employee benefit obligation | - | - | - | - |
| Total | - | - | - | - |
| At 30 June 2025 | | | | |
| Trade payables | - | - | - | - |
| Current portion of borrowings | - | - | - | - |
| Provisions | - | - | - | - |
| Deferred income | - | - | - | - |
| Employee benefit obligation | - | - | - | - |
| Total | - | - | - | - |

Notes to the Financial Statements (Continued)

(iii) Market risk

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

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

a) Foreign currency risk

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

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

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

Notes to the Financial Statements (Continued)

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

Foreign currency sensitivity analysis

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

| Description | Change in currency rate | Effect on Profit before tax | Effect on Equity |
|-----------------------------|-------------------------|-----------------------------|------------------|
| | Kshs | Kshs | Kshs |
| 20XX (previous year) | | | |
| Euro | 10% | - | - |
| USD | 10% | - | - |
| 20XX (current year) | | | |
| Euro | 10% | - | - |
| USD | 10% | - | - |

b) Interest rate risk

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

Management of interest rate risk

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

Notes to the Financial Statements (Continued)

Sensitivity analysis

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

Using the end of the year figures, the sensitivity analysis indicates the impact on the statement of financial performance if current floating interest rates increase/decrease by one percentage point as a decrease/increase of KShs (2025: KShs). A rate increase/decrease of 5% would result in a decrease/increase in surplus of KShs (2025 – KShs).

iii) Capital Risk Management

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

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

Notes to the Financial Statements (Continued)

45. Related Party Balances

Nature of related party relationships

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

Nairobi County Government is the principal shareholder of Njenga Hospital, holding 100% of the equity interest. The National Government of Kenya has provided full guarantees to all long-term lenders of the entity, both domestic and external. The related parties include:

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

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

Njenga Level 4 Hospital (Nairobi County Government)

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

46. Segment Information

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

47. Contingent Liabilities

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

(Give details)

48. Capital Commitments

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

(

49. Events after the Reporting Period

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

50. Ultimate and Holding Entity

The entity is a County Government Agency under the Department of health. Its ultimate parent is the County Government of Nairobi City.

51. Currency

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

Njenga Level 4 Hospital (Nairobi County Government)
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20. Appendices

Appendix 1: Progress on Follow Up of Auditor Recommendations

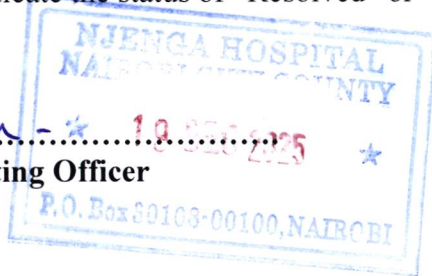
The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor. We have nominated focal persons to resolve the various issues as shown below with the associated time frame within which we expect the issues to be resolved.

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

Guidance Notes:

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

.....
Accounting Officer



Appendix II: Projects Implemented by The Entity

Projects

Projects implemented by the Hospital Funded by development partners

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

Status of Projects completion

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

Njenga Level 4 Hospital (Nairobi County Government)
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Appendix III: Inter-Entity Confirmation Letter

Name of Transferring entity.....

Name of Beneficiary entity.....

| Confirmation of amounts received by [Insert name of beneficiary Entity] as at 30 th June (Current FY) | | | | | |
|--|----------------|---------------|-----------------|-----------------|---------|
| Reference Number | Date Disbursed | Recurrent (A) | Development (B) | Total (C)=(A+B) | Remarks |
| | | | | | |
| | | | | | |
| | | | | | |
| Total | | | | | |

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

Head of Accounts Department - Disbursing Entity:
 Name Sign Date

Head of Accounts Department - Beneficiary Entity:
 Name Sign Date.....

Appendix V: Disaster Expenditure Reporting Template

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



11-11-11