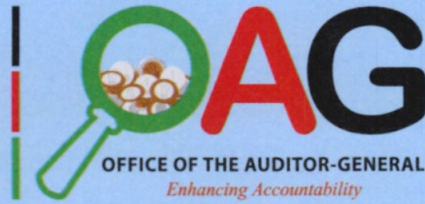


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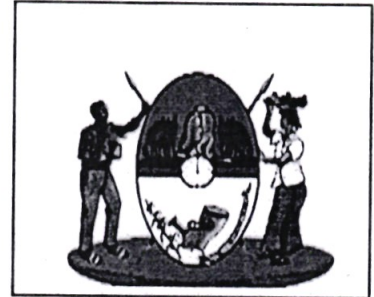
ON

MATETE LEVEL 4 HOSPITAL

FOR THE YEAR ENDED
30 JUNE, 2025

COUNTY GOVERNMENT OF KAKAMEGA

202



**MATETE LEVEL 4 HOSPITAL
(County Government OF Kakamega)**

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)

Matete Level 4 Hospital County Government of Kakamega
Annual Report and Financial Statements for The Year Ended 30th June 2025

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1. Acronyms & Glossary of Terms

Provide a list of all acronyms and glossary of terms used in the preparation of this report e.g.

CSR	Corporate Social Responsibility
OSHA	Occupational Health & Safety Act
PFMA	Public Financial Management Act
MED SUP	Medical Superintendent
Fiduciary Management	Key management personnel who have financial responsibility in the entity.
FIF	Facility Improvement Fund

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2. Key Entity Information and Management

(a) Background information

Matete Level 4 Hospital is a level (4) hospital established under gazette notice number 14242 of 2021 and is domiciled in Kakamega County under the Health Department. The hospital is governed by a Board of Management.

(b) Principal Activities

The principal activity/mission/ mandate of the hospital is to provide diagnostics, curative and referrals services as per the Ministry of health guidelines to the citizen.

Vision: Efficient and high-quality health care that is accessible, equitable and affordable to all Kenyans.

(c) Mission: To promote and participate in the provision of integrated and high quality promotive preventive, curative and rehabilitative health services to all citizens

(d) Key Management

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

- County department of health
- Board of Management
- Accounting Officer/ Medical Superintendent
- Health Administrative Officer
- Nursing Officer- In charge
- Accountant
- Procurement Officer

Fiduciary Management

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

SN	Designation	Name
1.	Medical Superintendent/CEO	Dr. Samson Kairu Maina
2.	Health Administrator	Ms. Mvarina Khakonga Mwimali
3.	Head of finance	CPA Elizabeth Mumia Anzelimo
4.	Supply chain Management	Phaebe Mayende

(e) Fiduciary Oversight Arrangements

No.	Entity	Role
1.	Parliamentary committee activities	Legislation, Oversight, Representation
2.	County Assembly of Kakamega	Legislation, Oversight, Representation

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	3.	Controller of Budget	Oversight and advisory
	4.	Office of the Auditor General	Oversight and advisory, Accountability, Express opinion on Books of account, Offer quality assurance on fiscal and monetary matters.
	5.	Audit Committee	Monitoring and reviewing risk, control and governance processes that have been established.
	6.	Development Partners	Hold to account on accountability.

Key Entity Information and Management (continued)

(f) Entity Headquarters

P.O. Box 97-50136
Hospital Building
Kakamega Webuye Highway
Kakamega, KENYA

(g) Entity Contacts

Telephone: (+254) 0701806132
E-mail: Matetehealthcentre@gmail.com
Website: www.kakamega.go.ke

(h) Entity Bankers

KCB BANK KENYA LIMITED KAKAMEGA BRANCH

1. Matete Sub County Hospital Imprest account NO: 1152419188
2. Matete Free Maternity Account NO: 1164567012
3. Matete Hospital Revenue Account NO: 1297961277
4. Matete Health Centre NHIF Account NO: 1297961196

EQUITY BANK

1. CGK Matete Sub County Hospital Revenue Account: 0500284354600

Matete Level 4 Hospital County Government of Kakamega
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(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. 36-50100
Kakamega, Kenya

**Matete Level 4 Hospital County Government of Kakamega
Annual Report and Financial Statements for The Year Ended 30th June 2025**

3. The Board of Management




Ref	Directors	Details
1.	<p align="center">Board of Management Chairperson</p>  <p align="center">Mrs Beatrice Marani</p>	<p>Qualification Diploma in Education Sub county KEPSHA (Kenya Primary school Head Teachers Association</p> <p>Experience 30 Years' experience Head teachers Over 20 Years' experience in Management.</p>
2.	<p align="center">Board Member</p>  <p align="center">Mr Alfred Simea</p>	<p>Qualification O Level Certificate Education Senior Management course Kenya School of Government</p> <p>Experience 10 Years' Experience as Hospital Administrator 10 Years' experience in Management</p>
3.	<p align="center">Board Member</p>  <p align="center">Mrs .Linnet Mukopi</p>	<p>Qualification Master Degree in Science Community Health and Development</p> <p>Experience 20 Years' experience Health Management</p>

**Matete Level 4 Hospital County Government of Kakamega
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<p>4.</p>	<p>Board Member</p>  <p>Mr Evans Museswa Mutama</p>	<p>Qualification Diploma in Human Resources Management Kaimosi Technical College</p> <p>Experience Over 5 Years in Management</p>
<p>5.</p>	<p>Medical Superintendent Secretary of the Board of Management</p>  <p>Mr Samson Kauru Maina</p>	<p>Qualification He is a registered clinical officer. Holds a diploma in Clinical medicine and surgery from Egerton University. Certificate in O level –KCSE (B)</p> <p>Experience 10 Years' Experience in Management</p>

**Matete Level 4 Hospital County Government of Kakamega
Annual Report and Financial Statements for The Year Ended 30th June 2025**

4. Key Management Team

Ref	Management	Details
1.	<p>Medical superitendant</p>  <p>Mr Samson Kairu Maina</p>	<p>Qualification He is a registered clinical officer. Holds a diploma in Clinical medicine and surgery from Egerton University. Certificate in O level –KCSE (B)</p> <p>Experience 10 Years’ Experience in Management</p>
2.	<p>Nurse In charge</p>  <p>Mrs Victoria Magoma Omwega</p>	<p>Qualification Diploma in nursing Nurse in charge of the Hospital</p> <p>Experience Over 10 Years’ experience in Nursing</p>
3.	<p>Head of Finance</p>  <p>CPA Elizabeth Mumia Anzelimo</p>	<p>Qualification Certified Public Accountant (CPA) KCSE Certificate</p> <p>Experience Over Ten Years’ experience as Accountant</p>

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5. Chairman's Statement

On behalf of the Board of Management of Matete Level 4 Hospital, I am pleased to present the Chairman's Statement for the year ended June 2025.

Introduction

Matete County Hospital is a Level 4 Hospital located along Kakamega- Webuye and Eldoret road within Cheyawa Ward, Lugari Sub County in Kakamega County.

The facility started its operation in 1959 under Chief Philip Soita as a dispensary; in 1985 it was elevated to a Health Centre under Chief Moses Wamocha and was gazetted as a Level 4 hospital in 2022. The hospital's catchment population is 31,037, whereas comprises of male populations as 15,394 and female population as 15,642. Matete Level 4 Hospitals boarder Malava Subcounty Hospital and Navakholo Sub County Hospital.

This year has been one of resilience, growth, and renewed commitment to our mission of delivering quality, accessible, and affordable healthcare services to the citizens of our county and beyond. As a Level 4 referral hospital, we remain guided by the Constitution of Kenya (Article 43) which enshrines the right to the highest attainable standard of health, and by our shared vision of achieving Universal Health Coverage (UHC) in line with the Kenya Vision 2030 and Sustainable Development Goals.

Performance and Service Delivery

This year, we achieved significant milestones in patient care. We expanded maternity and child health services, strengthened specialized clinics such as dialysis and oncology, and adopted digital health systems to improve efficiency and patient satisfaction. These achievements were made possible through the dedication of our staff and support from the County Government, NHIF/SHA, and partners.

Governance and Financial Stewardship

The Board has continued to provide oversight in line with good governance principles, ensuring accountability and prudent use of resources. With funding from the County Government, NHIF/SHA reimbursements and FIF disbursement. Matete Level 4 Hospital has sustained its operations and invested

Matete Level 4 Hospital County Government of Kakamega Annual Report and Financial Statements for The Year Ended 30th June 2025

in critical infrastructure. We continue to strengthen our internal controls and procurement systems to guarantee transparency and value for money.

Human Resource and Capacity Development

Our staff remain the backbone of our success. During the year, we prioritized capacity building through continuous professional development, mentorship, and training. The hospital also implemented staff welfare programs and adhered to the Occupational Safety and Health Act (2007) to safeguard the well-being of employees. We deeply appreciate their resilience, especially in the face of increasing workload and public health emergencies.

Community Engagement and CSR

We extended our services beyond the hospital walls through community outreach programs, including immunization drives, health education campaigns, and free medical camps. We maintained close collaboration with community health volunteers, schools, and local organizations to promote preventive healthcare. Our environmental sustainability efforts included hospital waste management improvements.

Challenges and Opportunities

Despite our progress, we continue to face challenges such as inadequate staffing, supply chain disruptions for essential medicines, and growing demand for specialized services. However, these challenges present opportunities to innovate, form new partnerships, and embrace digital health technologies.

Future Outlook

Looking ahead, the hospital will prioritize infrastructure modernization, expand specialist services, and strengthen collaborations with public and private stakeholders. We are committed to deepening our role in the implementation of Universal Health Coverage, contributing to the health and well-being of our community, and aligning our efforts with national development goals.

Matete Level 4 Hospital County Government of Kakamega
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Appreciation

I wish to express my sincere gratitude to the County Government of Kakamega, the Ministry of Health, our partners, donors, staff, and the community we serve. Your support and collaboration have been invaluable in enabling us to achieve our goals.

Together, we shall continue to uphold our responsibility of providing quality healthcare services and safeguarding the health rights of our people.



.....
Name Mrs. Beatrice Marani

Chairman to the Board

Matete Level 4 Hospital County Government of Kakamega Annual Report and Financial Statements for The Year Ended 30th June 2025

6. Report of The Medical Superintendent

I am honoured to present the Medical Superintendent's report for the year ended June 2025. This report highlights our hospital's performance in clinical services, operational improvements, and our commitment to delivering quality healthcare to the community.

Introduction

Matete County Hospital is a Level 4 Hospital located along Kakamega- Webuye and Eldoret road within Chevaywa Ward, Lugari Sub County in Kakamega County.

The facility was gazetted as a level 4 hospital in February 2022, FML Code is 16005. Matete level 4 hospital has a population catchment of 31,037 thus being from Chevaywa – Lwandeti and parts of Malava ward. It has title deed N/Kabras/Kivaywa/582, coverage acreage is 0.92 ha.

The facility has a bed capacity of 38 with an occupation rate of two days, the bed space is divided as Maternity 14 beds, Male wards 12 beds and 12 beds for female wards.

Service Delivery

During the year, the hospital served 32,895 overall patients both inpatient and outpatient. with notable improvements in maternal and child health, dialysis, and oncology services. Emergency and critical care capacity was enhanced, allowing us to respond more effectively to urgent cases.

The facility offers the following service, Out-patient Services, In patient Services, Maternity Services, Laboratory Services, Mother Child Health services, Comprehensive Care Clinic services, Health Record Services, Public Health, Services, Pharmacy Services, Nutrition Services, Immunization Services

These services are provided by a competent and dedicated team of staff whom despite a persistent staff shortage strive to provide quality services in the facility.

Infrastructure and Technology

Key investments were made in diagnostic services, including acquiring new laboratory equipment.

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Human Resources and Training

The hospital remains committed to building the capacity of our staff. Continuous medical education (CME), mentorship programs, and specialized training were provided to doctors, nurses, and allied staff. Staff welfare and compliance with the Occupational Safety and Health Act (2007) remained a priority.

Community Engagement and Preventive Health

We reached out to the community through immunization drives, public health sensitization, and free medical camps. Partnerships with schools, NGOs, and community health volunteers helped to strengthen preventive and promotive healthcare.

Challenges

Despite progress, the hospital faced the following challenges: -

Inadequate Funding

The facility has experienced inadequate funding from County Government of Kakamega only depending on FIF this caused an increase in pending bills and utility stock-outs. The stock outs lead to poor patient turn-up and a reflective revenue drop.

Staff Shortage

The facility experiences an acute shortage of staff to man the various departments; this has forced certain departments to be unable to offer comprehensive services on a 24hr basis as stated below

S/NO	CADRE	CURRENT NO.	NO. REQUIRED
1.	Medical officer	0	4
2,	Nurses –CGK	10	26
3.	Laboratory technologists – CGK	1	6

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4.	Pharmaceutical technologists –Contract	1	4
5.	Nutritionist – CGK	1	3
6.	Clinical officers – CGK	3	8
7.	HRIO – CGK	1	4
8.	Revenue clerks – agents	4	4
9.	PHO	1	2
10.	Radiology	0	2
11.	Orthopaedic technologist	0	2
12.	Plaster technician	0	2
13.	Physiotherapist	0	2

Inadequate Bed Capacity

Matete Level 4 Hospital has a bed capacity of 38 with a Male ward bed capacity of 12 beds, female ward 12 beds and maternity ward 14 beds, this has forced patients that needed admission to be referred to other facilities hence reducing revenue collection.

Lack of X-ray services

This has resulted to referrals which in turn affects service delivery to the community and leads to loss in revenue.

Lack of space

This has denied expansion of the facility to the required standards of Level 4 hospital and therefore denying services that could be offered to clients.

Limited access to technology

Lack of essentials equipment and technology, such as electronic health records, can impede efficiency and patient care.

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Political interference

Interference from local politicians who complains during funerals and public campaign against capacity of facility to serve community in terms of drugs and equipment.

Future Outlook

Looking ahead, we will focus on expanding infrastructure, scaling up specialized services, and embracing digital health innovations to improve service delivery and align with the Universal Health Coverage (UHC) agenda.

Appreciation

I take this opportunity to sincerely thank our dedicated staff, the County Government, the Ministry of Health, our partners, and the community for their continued support. Together, we will sustain our mission of providing quality, accessible, and affordable healthcare for all.



.....
Name **Mr. Samson Kairu Maina**

Secretary to the Board

**Matete Level 4 Hospital County Government of Kakamega
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7. Statement of Performance Against Predetermined Objectives

Matete Level 4 Hospital has derived its strategic goals from the Kakamega county CIDP. The department is mandated to ensure access to affordable and quality medical services to all the citizens. The strategic pillars and objectives within the current Strategic Plan for the FY 2023- FY 2027 are as follows:

Pillar 1: Ensure access to quality and affordable healthcare services

Pillar 2: To reduce morbidity and mortality due to preventable causes

Pillar 3: To improve sanitation and hygiene

Matete Level 4 Hospital develops its annual work plans based on the above pillars. Assessment of the Board's performance against its annual work plan is done on a quarterly basis. The Hospital achieved its performance targets set for the F/Y 2024/2025 period for its strategic pillars, as indicated in the diagram below:

Strategic pillars, as indicated in the table below:

Strategic Pillar/Theme/Issues	Objective	Key Performance Indicators	Activities	Achievements
Pillar/ theme/ issue 1: To Improve access to quality and affordable health services	To Reduce preventable mortalities	Reduction of preventable mortalities	Number of specialised clinic done	426
			Number of surgical theatre utilization	0
			Number of overall patients per Year	32,895
			Percentage of clients counselled and tested for HIV	78
			Percentage of HIV positive Clients linked to care	72
			Percentage of Clients with a viral load of <200cp	85

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			Number of Women of reproductive age screened for Ca Cervix	362
			Number of stake holders meeting by MOH/partner	0
	To provide accessible and appropriate curative and diagnostic services	Increased number of diagnostic tests carried out by the facility	Number of new diagnostic tests done	578
		Introduction of specialized clinic	Number of Clinics done	52

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8. Corporate Governance Statement

The Matete Level 4 Hospital Management Committee was gazetted on 18th February, 2022 via Kenya Gazette Vol CXXIV- No. 31. The members were as listed belows:

1. Beatrice Makhungu- ChairPerson
2. Medical Superintendent- Secretary
3. Alfred Jamin-Member (Representing special group youth and people with disability)
4. Evans Mutama-Member
5. Pst Moses Biketi- Member
6. Linet Mukopi-Member (Representing Women)
7. Wycliffe Kisenya- Member
8. Alex Goricho- Memeber

Due to the late gazetting of the members of the board was unable to have a sitting in the first quarter, the previous board members continued with the scheduled meetings for the second quarter while awaiting gazetting. The HMC had two full board meeting in second quarter one covering first quarter.

The board is on a three-year appointment and members are eligible to vie for two terms, at the end of their term a new board is elected and a handing over is done for continuity of the office.

The facility has an organogram depicting the role of the board in managing the facility but no official charter other than the inherited from the national government under the Mwongozo Code of governance is used, the code's core values are: Transparency, Accountability, Integrity, professionalism, innovativeness and customer focus.

The facility has board members committees which cover the following functions;

1. Governance
2. Risk
3. Finance
4. Technical Matters
5. Strategy

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6. Human Resource

A board member may be removed from office if they:

1. Violate the Constitution or any other law (e.g., conflict of interest, breach of Chapter Six on leadership and integrity).
2. Misconduct or abuse of office (corruption, misuse of hospital resources).
3. Incompetence or negligence in performance of duties.
4. Bankruptcy or criminal conviction involving moral turpitude.
5. Prolonged absenteeism from board meetings without reasonable cause.
6. Physical or mental incapacity preventing them from performing duties.
7. Loss of representation (e.g., if nominated by a professional body/community group and later withdrawn).

The Board further has the following roles and functions:

- (a) Determine the facility's mission, vision, purpose and core values.
- (b) Review, evaluate and approve, on a regular basis, long-term plans for the facility.
- (c) Review, evaluate and approve the facility's budget and financial forecasts.
- (d) Review, evaluate and approve major resource allocations and capital investments.
- (e) Ensure that the procurement process is cost-effective and delivers value for money.
- (f) Review and approve the operating and financial results of the organization.
- (g) Ensure effective, accurate, timely and transparent disclosure of pertinent information on the facility's operations and performance.
- (h) Ensure that effective processes and systems of risk management and internal controls are in place.
- (i) Review and evaluate the overall facility structure, the assignment of Senior management responsibilities and plans for senior management development and Succession.

i. Induction, training, and development

Following the handing over, the current board has never been formally inducted but on job trainings have been conducted within the facility.

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Each individual Board member shall be expected to:

- a) Exercise the highest degree of care, skill and diligence in discharging their duties
- b) Act in the best interest of the facility and not for any other purpose
- c) Act honestly at all times and must not place themselves in a situation where their personal Interests conflict with those of the facility.
- d) Exercise independent judgment
- e) Devote sufficient time to carry out their responsibilities, regularly update their knowledge
- f) and enhance their skills
- g) Promote and protect the image of the facility.
- h) Owe their duty to the facility and not to the nominating or appointing authority
- i) Owe the facility the duty to hold in confidence all information available to them by virtue of their position as a Board member.

- j) Adopt, implement and monitor compliance with the Code of Conduct and
- k) Ethics.
- l) Review on a quarterly basis the attainment of targets and objectives set out in the agreed
- m) Performance measurement framework with the County Government of Kakamega.
- n) Review periodically the facility's strategic objectives and policies relating to
- o) Sustainability and social responsibility.
- p) Protect the rights of patients and optimize value of care;
- q) Enhance the facility's public image and ensure engagement with the community
- r) through effective communication.
- s) Monitor compliance with the Constitution, all applicable laws, regulations and standards
- t) Review, monitor and ensure that the facility is effectively and consistently delivering on its mandate.

ii. Succession plan

Matete Level 4 Hospital has a succession plan to ensure leadership continuity and sustained institutional performance when key management or board roles become vacant due to retirement, transfer, promotion, resignation, or other unexpected events.

iii Policy to manage conflict of interest.

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Currently Matete Level 4 Hospital does not have policy to manage conflict of interest but it shall be guided by the Conflict of Interest Bill 2023 once enacted. This legislation aims to enhance transparency and accountability, particularly in areas such as procurement and financial management within healthcare.

iii. Board remuneration

Matete Level 4 Hospital board members were not remunerated during financial year, they were given sitting allowance as shown below: -

- i. Chairman – 4,000 Ksh
- ii. All other Members – 2500 Ksh
- iii. Meal allowance 500 ksh

iv. Ethics and Conduct

Matete Level 4 hospital board members are guided by Kenya's general public service Code of Conduct and Ethics such as providing honest, efficient service; acting with integrity; performing duties in line with the law; and avoiding misuse of office.

v. Governance audit

Internal Audit department oversees financial reporting, governance, internal controls, risk management and audit processes.

vi. Communication policy

Matete level 4 Hospital board of management promotes transparency by sharing timely, relevant facility information with all stakeholders. Engage the community by clarifying committee roles and inviting input and feedback. Strengthen accountability through consistent and responsive communication channels.

vii. Terms of Reference of Committees

These Terms of Reference define the purpose, structure, responsibilities, and procedures of the committees established by the Board of Matete Level 4 Hospital. The committees are formed to enhance governance, accountability, and effective oversight in accordance with the Facility Improvement Financing Act (2023) and Public Finance Management Act (2012).

viii. Policy on related party transactions.

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Matete Level 4 Hospital using Related Party Transaction (RPT) policy framework of Kenya by ensuring transparency, accountability, and alignment with legal and regulatory requirements

9. Management Discussion and Analysis

a) The Entity's Operational and Financial Performance

The Hospital's operational and financial performance

During the reporting period, the hospital continued to implement its mandate in alignment with national government strategic objectives and sectoral policy frameworks. These objectives include the enhancement of healthcare access, improved service delivery, and the sustainable management of financial and human resources Operational Performance Overview

The Hospital recorded notable progress in delivering its core services, with key performance indicators reflecting improved efficiency and service reach. Patient intake rose by 30% compared to the previous period, driven by increased community outreach programs and expanded clinical capacity. Service delivery turnaround times improved by 2 days reflecting operational enhancements and the integration of digital health systems.

Financial Performance Overview

The Hospitals' financial results for the period demonstrated resilience amid a challenging economic environment. Total revenue amounted to **ksh. 23,152,522 for the year ended 30th June 2025**

Clinical/operational performance

- Bed capacity of the hospital. -38 Beds
- Overall patient attendance during the financial year for both inpatient and outpatient.
Inpatient= 32,895
- Accident and Emergency attendance

- Specialised clinic attendance
32,823 patients
- Average length of stay for in patient.
2 days
- Bed occupancy rate= 50 %

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- Mortality rate= 1%

Financial performance that includes: -

- Revenue sources,

The facility's main source of revenue is collection from medical services that is through cash collection and NHIF/SHA

- Utilisation of funds etc

The funds are collected into two accounts, one collects revenue received from NHIF/SHA and cash based collection, the funds are then swiped to The County Revenue Account. The facility then receives allocated funds from disbursements and spends using Impress Accounts after acquisition of AIE from Chief Officer Medical Services.

**Matete Level 4 Hospital County Government of Kakamega
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10. Environmental And Sustainability Reporting

i) Sustainability strategy and profile

Matete Level 4 hospital maintains its mission to promote and participate in provision of an integrated quality curative to all Kenyans. This is a continuous objective that needs to be sustained over time, to achieve this. Matete Level 4 Hospital has identified the following sustainability priorities; consultative planning and budgeting process, improving revenue collection and lobbying for staff deployment.

In consultative planning and budgeting, the facility has brought together the county health management, hospital management committee, sub county health management team, hospital management team and various stakeholders in order to achieve the facility's mandate. This has directly affected the budgeting process where apart from the in house priorities, program based targets are given a say in the budgets. This has greatly influenced indicators of the facility on the positive side.

On matters of improving revenue the Hospital management team in line with the gazetted County charges for level four have sealed loopholes that led to revenue loss. This together with encouraging the local populous on NHIF/SHA uptake has led to tremendous revenue increase.

Staff numbers and appropriate deployment is key to quality service provision which is in line with the facility's core mandate, this has put to task the Medical Superintendent and the Board to lobby for deployment of staff to Matete level 4 Hospital.

However, in the course of implementation of the above mentioned, there are challenges experienced in the facility. They include; effects of Covid-19 which saw the facility scale down most of its operations while maintaining the same recurrent expenditure and Inadequate staffing, inadequate funding and del

ays in disbursement also had a derail in implementation of the facility annual work plan.

ii) Environmental performance

Matete Level 4 Hospital is yet to establish an environmental policy guideline; however, the facility uses established National Guidelines on environmental issues as its guiding principles in the matter.

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Some of the environmental issues experienced in the facility include; waste generation, waste segregation, waste disposal and management, these still remain a challenge for the facility and more engagements are needed.

iii) Employee welfare

The Majority of employees within the facility are County Government of Kakamega employees, followed by UHC engaged staff. Despite the effort the facility has a massive shortage of staff, that gap is plugged by Casual staff engaged by the board.

To improve staff performance, Matete Level 4 Hospital has initiated capacity building programmes to staffs through on-job trainings, continuous medical education, workshops and conference attendance that is supported. Furthermore, the facility management conducts staff appraisal performance which is coordinated from the County department of health and the Human Resource Department.

The facility has complied to Occupational Safety and Health Act of 2007, (OSHA) by providing adequate office space that is regularly cleaned, providing sanitation facilities, regular trainings on drug and substance abuse and providing PPEs to all staff.

iv) Market place practices-

The organisation should outline its efforts to:

a) Responsible competition practice.

The following are Responsible competition practised by Matete Level 4 Hospital: -

- Ensuring Quality of Care and Patient Safety by adhering to Kenya Quality Model for Health (KQMH) standards.
- Ensuring fair access and equity by implementing Universal Health Coverage (UHC) initiatives so services remain affordable and accessible and voiding discrimination based on income, gender, disability, or geography. Participating in Linda Mama (NHIF/SHA maternal cover) and other NHIF/SHA programs to give equitable service.
- Ensuring transparent pricing and financial integrity by charging standardized fees as approved by the county health department, avoiding hidden costs.
- Ensuring ethical marketing and public communication by participating in public awareness campaigns on health education and not aggressive advertising.

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

- Ensuring human resource fairness by complying with labour laws in recruitment, training, and promotion.
- By introducing innovation and service differentiation like specialized clinics (e.g., diabetes, responsibly to complement, not undermine, other facilities.

b) Responsible Supply chain and supplier relations

The following are responsible supply chain and supply relations practiced by Matete Level 4 Hospital: -

- Ensuring procurement officer adhere to Public Procurement and Asset Disposal Act (2015), promote competitive bidding, fair pricing and quality supplies.
- Ensuring Quality Assurance of Supplies-by adhering to Procurement of Kenya Bureau of Standards (KEBS)-certified medical products, Verification of supplier credentials by the Pharmacy and Poisons Board (PPB) and Use of standardized product lists aligned with Kenya Essential Medicines List (KEML).
- Promoting ethical Supplier Relations whereby suppliers are treated equally in terms of awarding tenders and making payments hence building long term trust.
- Ensuring efficient Supply Chain Management by Collaboration with Kenya Medical Supplies Authority (KEMSA) for drugs, vaccines, and equipment.
- Risk Management & Resilience- Supplier diversification to avoid over-reliance on a single vendor and building buffer stock for essential medicines and emergency kits.
- Promoting stakeholder engagement by collaboration with NGOs and donor partners (e.g., USAID, UNICEF, Global Fund) for specialized supplies like HIV/AIDS kits or vaccines.

c) Responsible marketing and advertisement or Responsible engagement with citizens

The following are responsible marketing and advertisement engagement with citizens practiced by Matete Level 4 Hospital: -

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1. Adherence to Ethical Standards- Marketing must comply with the Kenya Medical Practitioners and Dentists Council (KMPDC) Code of Professional Conduct and Discipline, which prohibits false or misleading health claims.
2. Health Education & Public Awareness Campaigns- Using hospital platforms to educate communities on preventive care (e.g., immunization, maternal health, hygiene). Disseminating information on epidemics, nutrition, reproductive health, and chronic diseases.
3. Transparency in Service Delivery Information- Clearly communicating available services (e.g., maternity, dialysis, theatre, specialized clinics). Displaying service charters and patient rights within hospital premises and Sharing NHIF/UHC coverage information so patients understand financial options.
4. Community-Centred Messaging-Tailoring communication to local languages and cultural contexts and involving community health volunteers (CHVs) to spread accurate information.
5. Promoting Responsible Health-Seeking Behaviour- Encouraging early diagnosis, screenings, and follow-up care rather than over-promising cures.

d) Product stewardship or Awareness Creation

Matete Level 4 Hospital uses the following effort to safeguard product stewardship and consumer rights

Pharmaceutical Stewardship

- Ensuring Safe Procurement & Dispensing of Medicines are sourced through KEMSA and regulated by the Pharmacy and Poisons Board (PPB). Strict adherence to Kenya Essential Medicines List (KEML) to prevent overstocking or unsafe drugs.
- Promoting patient education by Counseling patients on correct drug use, dosage, and side effects. Campaigns against antibiotic misuse to combat antimicrobial resistance (AMR).

Medical Waste Stewardship

- Segregation & Disposal- Color-coded waste bins for sharps, infectious waste, plastics, and general waste.
- Environmental Compliance- Guided by Environmental Management and Coordination Act (EMCA, 1999) and Waste Management Regulations (2006).

Matete Level 4 Hospital County Government of Kakamega
Annual Report and Financial Statements for The Year Ended 30th June 2025

Awareness Creation for Communities

- Health Literacy Campaigns- Outreach on maternal and child health, vaccination, hygiene, HIV/TB awareness, lifestyle diseases (diabetes, hypertension). Education on dangers of self-medication and counterfeit drugs.
- Environmental Awareness- Educating communities on proper disposal of expired drugs and medical waste at home.

Staff Awareness & Training

- Continuous capacity building for health workers on patient safety, infection control, and waste management.
- Training on Occupational Safety and Health Act (OSHA, 2007) for safe workplace practices.
- Regular workshops on patient-centered care, customer service, and ethics

v) Corporate Social Responsibility / Community Engagements

Matete Level 4 Hospital practice Corporate Social Responsibility in the following ways: -

- Promoting Community Health Outreach & Education by Organizing medical camps (screening for diabetes, hypertension). Immunization drives in collaboration with Community Health Volunteers (CHVs) and Public health education campaigns on hygiene, nutrition, reproductive health, HIV/AIDS, TB.
- Supporting Vulnerable Groups by Offering maternal and child health services under SHA & UHC.
- Promoting Environmental Responsibility Implementation of hospital waste management systems (segregation, safe disposal)
- Ensuring capacity building and training by developing skills for health workers. Partnerships with medical training colleges and universities for attachment. Training of CHVs to support primary health interventions at the community level.

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11. Report of The Board of Management

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

Principal activities

The principal activities of the entity are to ensure access to quality and affordable healthcare services, to reduce morbidity and mortality due to preventable causes and to improve sanitation and hygiene

Results

The results of the entity for the year ended June 30 2025 are set out on pages 1 to 6 Board of Management

The members of the Board who served during the year are shown on page VI to VII.

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 Board



.....
Name **Mr. Samson Kairu Maina**
Secretary to the Board

Matete Level 4 Hospital County Government of Kakamega
Annual Report and Financial Statements for The Year Ended 30th June 2025

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 entity, which give a true and fair view of the state of affairs of the 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 the entity keeps proper accounting records which disclose with reasonable accuracy the financial position of the entity. The council members are also responsible for safeguarding the assets of the entity.

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

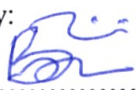
The Board of Management accepts responsibility for the entity's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner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

In preparing the financial statements, the Directors have assessed the Fund's ability to continue as a going concern (disclosed, as applicable, matters relating to the use of going concern basis of preparation of the financial statements) OR

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

Approval of the financial statements

The Hospital's financial statements were approved by the Board on 25/11/2025 and signed on its behalf by:


.....
Name: Mrs. Beatrice Marani
Chairperson
Board of Management


.....
Name: Mr. Samson Kairu Maina
Accounting Officer

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON MATETE LEVEL 4 HOSPITAL FOR THE YEAR ENDED 30 JUNE, 2025 – COUNTY GOVERNMENT OF KAKAMEGA

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 Matete Level 4 Hospital – County Government of Kakamega set out on pages 1 to 36, 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

Report of the Auditor-General on Matete Level 4 Hospital for the year ended 30 June, 2025 – County Government of Kakamega

of comparison of budget and actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Matete Level 4 Hospital 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 Health Act, 2017 and the Kakamega County Health Service Act, 2022.

Basis for Qualified Opinion

1. Unsupported Receivables from Exchange Transactions

The statement of financial position reflects receivables from exchange transactions balance of Kshs.6,363,080 as disclosed in Note 17 to the financial statements. Included in this balance are receivables of Kshs.3,838,080 and Kshs.2,525,000 which were due from the defunct National Hospital Insurance Fund (NHIF) and the Social Health Authority (SHA) respectively. However, the amounts had been outstanding for more than ninety (90) days. Further, Debtors' Management Policy and ageing analysis in support of the receivables were not provided for audit review.

In the circumstances, the accuracy, completeness and full recoverability of receivables from exchange transactions balance of Kshs.6,363,080 could not be confirmed.

2. Unvalued Property, Plant and Equipment

The statement of financial position reflects property, plant and equipment balance of Kshs.545,997 as disclosed in Note 20 to the financial statements. However, review of the Hospital records and physical inspection revealed that the Hospital owned plant, property and equipment in the nature of freehold land, capital work in progress, ICT equipment, furniture and fittings and buildings, that were not valued for inclusion in the financial statements.

Further, the Hospital did not have an updated asset register in the format prescribed by the Guidelines from The National Treasury.

In the circumstances, the accuracy and completeness of the property, plant and equipment balance of Kshs.545,997 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Matete Level 4 Hospital 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 page iii to xxx which comprise of Key Entity Information and Management, the Board of Management, Key Management Team, Chairperson's Statement, Report of the Medical Superintendent, Statement of Performance Against Predetermined Objectives, Corporate Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting, Report of the Board of Management and Statement of Board of Management Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Failure to Meet Level 4 Hospital Requirements

Review of records maintained by the Hospital and analysis of healthcare staffing, and physical verification of medical equipment provided at the Facility revealed the following

shortfalls against what was required by the Kenya Quality Model for Health Policy Guideline of a Level 4 Facility.

Medical/ Specialists

Category	Level 4 Standard	Number in Hospital	Variance	Variance in Percentage (%)
Medical officers	16	0	16	100
General Surgeons	2	0	2	100
Paediatrics	2	0	2	100
Kenya Registered Community Health Nurses	75	10	65	87
Radiologists	2	0	2	100
Anesthesiologists	2	0	2	100
Gynaecologists	2	0	2	100
Total	101	10	91	90

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

Item	Level 4 Standard	Actual in Hospital	Variance	Variance in Percentage (%)
Bed Capacity	150	38	112	75
Incubators (New Born)	5	0	5	100
High Dependency Unit Beds	6	0	6	100
Renal Unit with Dialysis Machines	5	0	5	100
Radiology and Imaging (X-Ray, Ultrasound Services)	1	0	1	100
Mortuary and Autopsy Services	1	0	1	100
Referral Protocols (Ambulance)	1	0	1	100
Total	169	38	131	78

The absence of these essential components implies that the Hospital was operating below the prescribed standards for a Level 4 Hospital.

In the circumstances, the public may not efficiently get the required medical services that are expected to be offered by a Level 4 Hospital.

2. Non-Compliance with the Facilities Improvement Financing Act, 2023

The statement of cash flows reflects transfers from other Government entities in respect to Facility Improvement Fund (FIF) amounting to Kshs.14,683,050. Further, the statement includes transfers to FIF amounting to Kshs.16,759,172 which relates to transfer to

Facility Improvement Fund. However, a balance of Kshs.2,076,122 was retained at FIF account and not remitted to the Hospital or any other health facility. This was contrary to Section 5(1) of the Facilities Improvement Financing Act, 2023 which provides that there shall be retention of all monies raised or received by or on behalf of all public health facilities.

Review of the bank accounts documents revealed that the hospital had not opened a facility improvement bank account. This was contrary to Section 5(2) of the Facilities Improvement Financing Act, 2023 which provides that there shall be opened a facility improvement financing account for each public health facility into which shall be paid all monies received by or on behalf of the respective public health facility.

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

3. Failure to Gazette Hospital Board Members

Review of records provided for audit revealed that the Hospital Board of Management Members had not been formally gazetted and their appointment letters were not provided for audit review. This was contrary to Part 1.11 of Mwongozo Code of Governance, 2015 which provides that each Board Member shall be formally appointed to the Board through a Gazette Notice and thereafter an appointment letter.

In the circumstances, the regularity of appointment of Board members could not be confirmed.

4. Operating without Approved Strategic Plan

During the year under review, the Hospital did not have a strategic plan. This was contrary to Section 149(2)(g) of the Public Finance Management Act, 2012 which states that an Accounting Officer designated for a County Government entity shall prepare a strategic plan for the entity in conformity with the medium-term fiscal framework and financial objectives of the County Government.

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

5. Failure to Open Facility Improvement Financing Bank Account

Review of the bank accounts documents revealed that the Hospital had not opened a special purpose Facility Improvement Financing bank account. This was contrary to Section 5(2) of the Facilities Improvement Financing Act, 2023 which provides that there shall be opened a facility improvement financing account for each public health facility into which shall be paid all monies received by or on behalf of the respective public health facility.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

1. Lack of Risk Management Policy and Risk Registers

Review of documents provided for audit revealed that the Hospital did not have a Risk Management Policy and risk registers. This was contrary to Regulation 158 of the Public Finance Management (County Governments) Regulations, 2015, which states that, the Accounting Officer shall ensure that the County Government entity develops risk management strategies, which include fraud prevention mechanism and that the entity develops a system of risk management and internal control that builds robust business operations.

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

2. Inadequate Controls in Revenue Collection System

Review of the Billing System at the Hospital revealed significant weaknesses in the internal control environment. The Hospital operated under a partially automated billing system, which lacked essential safeguards necessary for effective revenue management. Staff roles within the revenue collection process were not properly segregated, increasing the risk of manipulation. The System was unable to capture all relevant event logs, failed to adequately bill for some services rendered, and allowed for unauthorized bill reversals. Further, the system lacked the functionality to generate comprehensive user activity reports, thereby hindering the ability to monitor and audit user actions within the system.

In the circumstances, there is risk of the revenue collection system being manipulated and may not deliver the intended correct output reports.

3. Weaknesses in Information Communication Technology (ICT) Internal Control Environment

Review of the ICT internal controls revealed that the Hospital did not have an approved ICT Policy, ICT Security Policy, Policy on Physical Access to ICT Environment and ICT Continuity and Disaster Recovery Plan to guide ICT operations. During a site visit on 11 October, 2025, it was observed that a simple storage device served as the main server, with no backup. This exposed the Hospital to the risk of complete data loss in the event of a disaster. In addition, the ICT Department had one casual employee managing the entire Hospital's ICT needs across more than eleven (11) departments. However, The

employee did not have a reliever, off-days, and was not on permanent or pensionable terms, therefore, increasing operational risk.

Further, the Hospital did not have an approved ICT Strategic Committee and Steering Committee, which are important in performing the oversight function and formulation of policies to ensure that ICT department functions properly to assist in achievement of organizational objectives in an economic, efficient and effective way.

In the circumstances, the ICT environment internal controls are ineffective and there is risk of data and information loss in the event of a disaster.

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

Responsibilities of the Management and the Board of Management

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi


16 December, 2025


**Matete Level 4 Hospital County Government of Kakamega
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	FY 2024-2025	FY 2023-2024
		Kshs	Kshs
Revenue from non-exchange transactions			
Transfers from the County Government	6	2,975,784	0
Transfers from other Government entities-FIF	7	16,256,396	0
		19,232,180	0
Revenue from exchange transactions			
Rendering of services- Medical Service Income	8	23,152,522	0
Revenue from exchange transactions		23,152,522	0
Total revenue		42,384,702	0
Expenses			
Medical/Clinical costs	9	12,621,389	0
Employee costs	10	2,782,469	0
Board of Management Expenses	11	60,000	0
Depreciation and amortization expense	12	341,129	0
Repairs and maintenance	13	756,732	0
Transfer	14	16,759,172	0
General expenses	15	5,931,160	0
Total expenses		39,252,051	0
Net Surplus / (Deficit) for the year		3,132,651	0

The Hospital's financial statements were approved by the Board on 25/11/2025 and signed on its behalf by:


.....
Chairman
Board of Management


.....
Head of Finance
ICPAK No: 19204
Name: Elizabeth Mumia Anzelimo


.....
Medical Superintendent

**Matete Level 4 Hospital County Government of Kakamega
Annual Report and Financial Statements for The Year Ended 30th June 2025**

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

Description	Note	FY 2024-2025	FY 2023-2024
		Kshs	Kshs
Assets			
Current assets			
Cash and cash equivalents	16	235,986	0
Receivables from exchange transactions	17	6,363,080	0
Receivables from non-exchange transactions	18	1,573,346	0
Inventories	19	5,754,502	0
Total Current Assets		13,926,914	0
Non-current assets			
Property, plant, and equipment	20	545,997	0
Total Non-current Assets		545,997	0
Total assets (A)		14,472,911	0
Liabilities			
Current liabilities			
Trade and other payables	21	5,585,758	0
Total Current Liabilities		5,585,758	0
Non-current liabilities			
Provisions	22	0	0
Total non-current liabilities		0	0
Total Liabilities (B)		5,585,758	0
Net assets (A-B)		8,887,153	0
Represented by:			
Reserve-Inventories		5,754,502	0
Accumulated surplus/Deficit		3,132,651	0
Capital Fund		0	0
Net Assets		8,887,153	0

The Hospital's financial statements were approved by the Board on 25/11/2025 and signed on its behalf by:

.....
Chairman
Board of Management

.....
Head of Finance
ICPAK No: 19204
Name: Elizabeth Anzelimo

.....
Medical Superintendent

**Matete Level 4 Hospital County Government of Kakamega
Annual Report and Financial Statements for The Year Ended 30th June 2025**

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 (previous year)	0	0	0	0
Revaluation gain	0	-	-	0
Surplus/(deficit) for the year	-	0	-	0
Capital/Development grants	-	-	0	0
As at June 30, 2024 (previous year)	0	0	0	0
At July 1, 2024 (current year)	0	0	0	0
Reserve-Inventories	5,754,502	-	-	5,754,502
Surplus/(deficit) for the year	-	3,132,651	-	3,132,651
Capital/Development grants	-	-	0	0
At June 30, 2025 (current year)	5,754,502	3,132,651	0	8,887,153

**Matete Level 4 Hospital County Government of Kakamega
Annual Report and Financial Statements for The Year Ended 30th June 2025**

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

Description	Note	FY 2024-	FY 2023-
		2025	2024
		Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from the County Government	6	2,975,784	0
Transfers from other Government entities- FIF	7(a)	14,683,050	0
Rendering of services- Medical Service Income	8(a)	16,789,442	0
Total Receipts		34,448,276	0
Payments			
Medical/Clinical costs	9(a)	9,099,397	0
Employee costs	10(a)	2,126,329	0
Board of Management Expenses	11	60,000	0
Repairs and maintenance	13(a)	567,782	0
Transfer to FIF	14	16,759,172	0
General expenses	15(a)	4,712,484	0
Total Payments		33,325,164	0
Net cash flows from operating activities	23	1,123,112	0
Cash flows from investing activities			
Purchase of property, plant, equipment		(887,126)	0
Purchase of intangible assets		0	0
Proceeds from the sale of PPE		0	0
Acquisition of investments		0	0
Net cash flows used in investing activities		(887,126)	0
Cash flows from financing activities			0
Proceeds from borrowings		0	0
Repayment of borrowings		0	0
Capital grants received		0	0
Net cash flows used in financing activities		0	0
Net increase/(decrease) in cash and cash equivalents		235,986	
Cash and cash equivalents as at 1 July	16	0	0
Cash and cash equivalents as at 30 June	16	235,986	0

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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	
Receipt						
Transfers from the County Government	4,800,000	(1,800,000)	3,000,000	2,975,784	24,216	99%
Rendering of services- Medical Service Income	16,788,697	211,303	17,000,000	16,789,442	210,558	99%
Total receipts	21,588,697	(1,588,697)	20,000,000	19,765,226	234,774	99%
Payments						
Medical/Clinical costs	9,300,000	700,000	10,000,000	9,099,397	900,603	91%
Employee costs	2,200,000	300,000	2,500,000	2,126,329	373,671	85%
Remuneration of directors	100,000	-	100,000	60,000	40,000	60%
Repairs and maintenance	560,000	40,000	600,000	567,782	32,218	95%
General expenses	7,428,697	(2,628,697)	4,800,000	4,712,484	87,516	98%
Total Operational Expenditure paid	19,588,697	(1,588,697)	18,000,000	16,565,992	1,434,008	92%
Capital Expenditure paid	2,000,000	-	2,000,000	887,126		
Surplus				2,312,108		

Budget Reconciliation

	Description of Particulars	Amount in Kshs
	Actual Surplus Amounts as per the statement of Budget	2,312,108
1	Transfers from FIF	14,683,050
2	Transfers to FIF	(16,759,172)
	Closing Cash and Cash Equivalent as per the statement of Cash flows	235,986

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19. Notes to the Financial Statements

1. General Information

Matete Level 4 Hospital is established by and derives its authority and accountability from FML Code is 16005 Act. The entity is wholly owned by the County Government of Kakamega and is domiciled in Kakamega County in Kenya. The entity's principal activity is to provide diagnostics, curative and referrals services as per the Ministry of health guidelines to the citizen.

2. Statement of Compliance and Basis of Preparation

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

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3. Adoption of New and Revised Standards

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

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

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

Standard	Effective date and impact:
IPSAS 43	<p><i>Applicable 1st January 2025</i></p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p>
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<p><i>Applicable 1st January 2025</i></p> <p>The Standard requires,</p> <p>Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and:</p> <p>Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.</p>
IPSAS 45- Property Plant and Equipment	<p><i>Applicable 1st January 2025</i></p> <p>The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the</p>

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Standard	Effective date and impact:
	<p>criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.</p>
<p>IPSAS 46 Measurement</p>	<p><i>Applicable 1st January 2025</i></p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ul style="list-style-type: none"> i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS; iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p>
<p>IPSAS 47- Revenue</p>	<p><i>Applicable 1st January 2026</i></p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non-exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p>
<p>IPSAS 48- Transfer Expenses</p>	<p><i>Applicable 1st January 2026</i></p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial</p>

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

iii) Early adoption of standards

The Entity did not early – adopt any new or amended standards in the financial year or *the entity adopted the following standards early (state the standards, reason for early adoption and impact on entity's financial statements.)*

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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.

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Notes to the Financial Statements (Continued)

b. Budget information

The original budget for FY 2024/2025 was approved by Board on 11/09/2024. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the entity upon receiving the respective approvals in order to conclude the final budget.

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.

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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 1 year. 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.

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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.

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Notes to the Financial Statements (Continued)

h. Biological Assets

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

i. Research and development costs

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

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

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

j. Financial instruments

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

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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

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is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in profit or loss when the asset is de-recognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair value through net assets/ equity

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

Fair value through surplus or deficit

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

Trade and other receivables

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

Impairment

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

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Financial liabilities

Classification

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

k. Inventories

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

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

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

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

l. Provisions

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

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

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

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Notes to the Financial Statements (Continued)

m. Social Benefits

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

n. Contingent liabilities

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

o. Contingent assets

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

p. Nature and purpose of reserves

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

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Notes to the Financial Statements (Continued)

r. Employee benefits

Retirement benefit plans

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

s. Foreign currency transactions

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

t. Borrowing costs

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

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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

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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.

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Notes to Financial Statements Continued

6. Transfers from the County Government

Description	FY 2024-2025	FY 2023-2024
	KShs	KShs
Unconditional grants		
Operational grant	400,000	0
Other grants	2,575,784	0
	2,975,784	0
Conditional grants		
DANIDA	0	0
Total government grants and subsidies	2,975,784	0

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
County Government of Kakamega	2,975,784	0	0	2,975,784	0
Total	2,975,784	0	0	2,975,784	0

7. Transfers From Other Government Entities

Description	FY 2024-2025	FY 2023-2024
	KShs	KShs
Transfer from -FIF	16,256,396	0
Total Transfers	16,256,396	0

7(a) Transfers From Other Government Entities-Schedule supporting Cashflow statement

Description	FY 2024-2025	FY 2023-2024
	KShs	KShs
Transfer from –Facility Improvement Fund	14,683,050	0
Total Transfers	14,683,050	0

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8. Rendering of Services-Medical Service Income

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Pharmaceuticals	11,569,646	0
Non-Pharmaceuticals	5,980,576	0
Laboratory	2,456,700	0
Accident and Emergency Service	0	0
Paediatrics services	3,145,600	0
Total revenue from the rendering of services	23,152,522	0

8(Rendering of Services-Medical Service Income-Schedule supporting Cash flow statement

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Pharmaceuticals	9,569,646	0
Non-Pharmaceuticals	3,980,576	0
Laboratory	1,456,700	0
Accident and Emergency Service	0	0
Paediatrics services	1,782,520	0
Total revenue from the rendering of services	16,789,442	0

9. Medical/ Clinical Costs

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Laboratory chemicals and reagents	896,610	0
Food and Ration	1,277,376	0
Uniform, clothing, and linen	132,500	0
Dressing and Non-Pharmaceuticals	1,064,780	0
Pharmaceutical supplies	8,587,395	0
Health information stationery	543,532	0
Sanitary and cleansing Materials	95,196	0
Purchase of Medical gases	24,000	0
Total medical/ clinical costs	12,621,389	0

9(a) Medical/ Clinical Costs-Schedule supporting Cashflow statement

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Laboratory chemicals and reagents	634,618	0
Food and Ration	717,376	0

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Uniform, clothing, and linen	132,500	0
Dressing and Non-Pharmaceuticals	864,780	0
Pharmaceutical supplies	6,087,395	0
Health information stationery	543,532	0
Sanitary and cleansing Materials	95,196	0
Purchase of Medical gases	24,000	0
Total medical/ clinical costs	9,099,397	0

10. Employee Costs

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Salaries, wages, and allowances	2,126,329	0
Other employee costs -NSSF	656,140	0
Employee costs	2,782,469	0

10(a) Employee Costs-Schedule supporting Cashflow statement

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Salaries, wages, and allowances	2,126,329	0
Employee costs	2,126,329	0

11. Board of Management Expenses

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Sitting allowance	60,000	0
Total	60,000	0

12. Depreciation and Amortization Expense

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Property, plant and equipment	341,129	0
Total depreciation and amortization	341,129	0

13. Repairs And Maintenance

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Property- Buildings	709,932	0
Furniture and fittings	46,800	0
Total repairs and maintenance	756,732	0

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13(a) Repairs And Maintenance-Schedule supporting Cashflow statement

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Property- Buildings	520,982	0
Furniture and fittings	46,800	0
Total repairs and maintenance	567,782	0

14. Transfer

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Transfer to FIF	16,759,172	0
Total	16,759,172	0

15. General Expenses

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Catering expenses	119,000	0
Insecticides and rodenticides	23,586	0
Bank charges	115,905	0
Conferences and delegations	59,000	0
Contracted services	2,266,064	0
Electricity expenses	371,997	0
Fuel and Lubricants	564,031	0
Travel and accommodation allowance	723,400	0
Licenses and permits	36,000	0
Printing and stationery	1,383,166	0
Telephone and mobile phone services	200,711	0
Internet expenses	68,300	0
Total General Expenses	5,931,160	0

15(a) General Expenses-Schedule supporting Cashflow statement

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Catering expenses	119,000	0
Insecticides and rodenticides	23,586	0
Bank charges	115,905	0
Conferences and delegations	59,000	0
Contracted services	1,766,064	0

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Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Electricity expenses	371,997	0
Fuel and Lubricants	564,031	0
Travel and accommodation allowance	723,400	0
Licenses and permits	36,000	0
Printing and stationery	664,490	0
Telephone and mobile phone services	200,711	0
Internet expenses	68,300	0
Total General Expenses	4,712,484	0

16. Cash And Cash Equivalents

Description	FY 2024-2025	FY 2023-2024
	KShs	KShs
Current accounts	235,986	
Total cash and cash equivalents	235,986	0

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

Description		FY 2024-2025	FY 2023-2024
Financial institution	Account number	KShs	KShs
a) Current account			
Matete Health Centre Imprest Account	1152419188	179,816	0
Matete H C Free Maternity Account	1164567012	0.80	0
Matete Health Centre Cash Collection Account	1297961277	55,569	0
CGK Matete Sub County Hospital Revenue A/C	0500284354600	600	0
Matete Health Center NHIF Account	1297961196	0.50	0
Sub- total		235,986	0

17. Receivables From Exchange Transactions

Description	FY 2024-2025	FY 2023-2024
	KShs	KShs
Medical services receivables- NHIF	3,838,080	0
Medical services receivables- SHA	2,525,000	0
Total receivables	6,363,080	0

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Analysis of Receivables From Exchange Transactions

Description	FY 2024-2025		FY 2023-2024	
	Kshs		Kshs	
	FY 2024/2025	% of the total	FY 2023/2024	% of the total
Less than 1 year	6,363,080	100 %	0	%
Total (a+b)	6,363,080	100%	0	%

18. Receivables From Non-Exchange Transactions

Description	FY 2024-2025	FY 2023-2024
	KShs	KShs
Transfers from the County Government- Medical Drugs	1,573,346	0
Total	1,573,346	0

Analysis of Receivables From Non-Exchange Transactions

Description	FY 2024-2025		FY 2023-2024	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	1,573,346	100 %	0	%
Total (a+b)	1,573,346	%	0	%

19. Inventories

Description	FY 2024-2025	FY 2023-2024
	KShs	KShs
Pharmaceutical supplies	4,502,464	0
Maintenance supplies	246,190	0
Non-Pharmaceutical Supplies	919,798	
Food supplies	17,200	0
Cleaning materials supplies	10,500	0
General supplies	58,350	0
Total	5,754,502	0

Detailed disclosure on inventories

	FY 2024-2025	FY 2023-2024
Additional Inventory in the year	5,754,502	0
Closing balance	5,754,502	0

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Notes to the Financial Statements (Continued)

20. Property, Plant and Equipment

Description	Land	Buildings and Civil works	Motor vehicles	Furniture, fittings, and office equipment	ICT Equipment	Plant and medical equipment	Other Assets Computer	Capital Work in progress	Total
	Ksh	Ksh	Ksh	Ksh	Ksh	Ksh		Ksh	Ksh
Cost									
At 1 July 2023(previous year)	0	0	0	0	0	0	0	0	0
Additions	0	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	0	0	0
Transfers/adjustments	0	0	0	0	0	0	0	0	0
Revaluation Adjustments	0	0	0	0	0	0	0	0	0
At 30th Jun 2024	0	0	0	0	0	0	0	0	0
At 1 July 2024 (current year)	0	0	0	0	0	0	0	0	0
Additions	0	0	0	0	49,100	838,026	0	0	838,026
Disposals	0	0	0	0	0	0	0	0	0
Transfer/adjustments	0	0	0	0	0	0	0	0	0
Revaluation Adjustments	0	0	0	0	0	0	0	0	0
At 30th Jun 2025	0	0	0	0	49,100	838,026	0	0	838,026
Depreciation and impairment									
At 1 July 2023 (previous year)	0	0	0	0	0	0	0	-	0

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Description	Land	Buildings and Civil works	Motor vehicles	Furniture, fittings, and office equipment	ICT Equipment	Plant and medical equipment	Other Assets Computer	Capital Work in progress	Total
	Ksh	Ksh	Ksh	Ksh	Ksh	Ksh		Ksh	Ksh
Depreciation for the year		0	0	0	0	0	0	-	0
Disposals		0	0	0	0	0	0	-	0
Impairment		0	0	0	0	0	0	-	0
At 30 June 2024		0	0	0	0	0	0	-	0
At July 2024 (current year)		0	0	0	0	0	0	-	0
Depreciation		0	0	0	5,919	335,210	0	-	341,129
Disposals		0	0	0	0	0	0	-	0
Impairment		0	0	0	0	0	0	-	0
Transfer/adjustment		0	-	0	0	-	0		0
At 30th June 2025		0	0	0	5,919	335,210	0	-	341,129
Net book values									
At 30 th Jun 2024 (previous)	0	0	0	0	0	0	-	0	0
At 30 th Jun 2025 (current)	0	0	0	0	43,181	502,816	0	0	545,997

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Notes to the Financial Statements (Continued)

21. Trade and other Payables

Description	FY 2024-2025		FY 2023-2024	
	KShs		KShs	
Trade payables	5,585,758		0	
Total trade and other payables	5,585,758		0	
Ageing analysis:	Current FY	% of the Total	Compa rative FY	% of the total
Under one year	5,585,758	100%	0	0 %
Total	5,585,758	100 %	0	0 %

22. Provision

Description	FY 2024-2025	FY 2023-2024
	2,638,096	KShs
Provision	0	0
Total provisions	0	0

23. Cash Generated from Operations

Description	FY 2024-2025	FY 2023-2024
	Kshs.	KShs
Surplus for the year before tax	3,132,651	0
Adjusted for:		
Depreciation	341,129	0
Working Capital adjustments		
Increase in receivables	(7,936,426)	0
Increase in payables	5,585,758	0
Net cash flow from operating activities	1,123,112	0

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Notes to the Financial Statements (Continued)

24. 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:

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 xxxx. 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.

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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:

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.

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.

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.

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Management of interest rate risk

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

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.

iv) Capital Risk Management

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

25. 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.

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

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

26. Segment Information

(Where an organisation 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)

27. Contingent Liabilities

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Contingent liabilities	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Court case xxx against the hospital	0	0
Bank guarantees in favour of subsidiary	0	0
Total	0	0

28. Capital Commitments

Capital Commitments	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Authorised For	0	0
Authorised And Contracted For	0	0
Total	0	0

29. Events after the Reporting Period

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

30. Ultimate and Holding Entity

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

31. Currency

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

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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)

The hospital has never been audited before



.....
Accounting Officer

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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							

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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.....

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Appendix IV Reporting of Climate Relevant Expenditures

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

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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