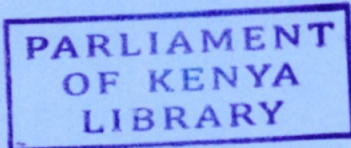


REPUBLIC OF KENYA



**REPORT**




**OF**

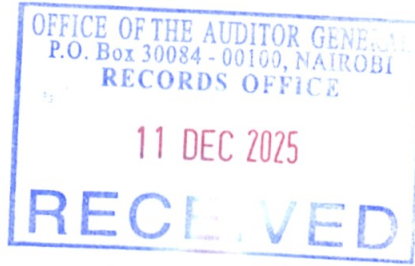
**THE AUDITOR-GENERAL**

**ON**

**NATIONAL CANCER INSTITUTE OF KENYA**

**FOR THE YEAR ENDED  
30 JUNE, 2025**

 <b>THE NATIONAL ASSEMBLY PAPERS LAID</b>	
<b>DATE:</b> 04 MAR 2026	<b>DAY:</b> WED
<b>TABLED BY:</b>	DEPUTY LEADER OF THE MAJORITY PARTY
<b>CLERK-AT THE-TABLE:</b>	Y. WAMBUI



*Revised 30<sup>th</sup> June 2025*



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**NATIONAL CANCER INSTITUTE OF KENYA**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED**

**30<sup>TH</sup> JUNE 2025**

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

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(National Cancer Institute of Kenya)  
**Annual Report and Financial Statements**  
**for the year ended June 30, 2025.**

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## **1. Acronyms and Definition of Key Terms**

### **A: Acronyms**

CEO	Chief Executive Officer
CBK	Central Bank of Kenya
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
NT	National Treasury
OCOB	Office of the Controller of Budget
OAG	Office of the Auditor General
OSHA	Occupational Safety and Health Act of 2007
PFM	Public Finance Management
PPE	Property Plant & Equipment
PSASB	Public Sector Accounting Standards Board
SAGAs	Semi-Autonomous Government Agencies
SC	State Corporations
WB	World Bank
CHMT	County Health Management Team
MDA's	Ministries, Departments, and Agencies
NCI-K	National Cancer Institute of Kenya
MOH	Ministry of Health
NCD	Non-Communicable Diseases
NGAO	National Government Administration Officers
MTEF	Medium-Term Expenditure Framework,
CHP	Community Health Promoters

**B: Definition of Key Terms**

**Fiduciary Management-** Members of Management directly entrusted with the responsibility of financial resources of the organization.

**Comparative Year-** Means the prior period.

## **2. Key National Cancer Institute Information and Management**

### **(a) Background information**

The NCI-K was incorporated/ established under Cancer Prevention and Control Act (No.15 of 2012). The National Cancer Institute is domiciled in Kenya.

The Constitution of Kenya (2010) provides a legal framework for the right to health. Article 43 guarantees every Kenyan the right to the highest attainable standard of health, including reproductive health care. Its emphasis on health rights provides a legal foundation for comprehensive cancer care strategies. The Cancer Prevention and Control Act (No.15 of 2012) was enacted to integrate and utilize health and medical care resources for the effective promotion of cancer prevention and to protect the health of the population and to alleviate the threat of cancer. This was in recognition of the need for a much more coordinated multisectoral response to the growing cancer burden in the Country. The ACT establishes the Institute as a fully-fledged Semi-Autonomous Government Agency within the Ministry of Health, State Department of Medical Services and is driven by the mission to provide leadership and coordinate all stakeholders in the prevention and control of cancer to reduce the incidence, mortality, and burden of the disease in the country as well as emphasizing a commitment to ethical practices, fairness in access to cancer care, high standards of performance, and prioritizing the needs and dignity of patients.

### **(b)Principal Activities**

#### **Vision**

A World Class Authority in Cancer Prevention and Control

#### **Mission**

To provide leadership, oversight and coordination of rights-centred cancer prevention and control through resource mobilization, regulation of practice, policy advisory, research, capacity building, public education and maintaining the national cancer registry

The mandate of the National Cancer Institute of Kenya as provided for in the Cancer Prevention and Control Act is to:

- i. **Provide policy Advisory in Cancer Prevention and Control:** The Institute is required to advise the Cabinet Secretary of Health on matters relating to the financing, treatment and care of persons with cancer and the relative priorities to be given to the implementation of specific measures.
- ii. **Regulate and Enhance Access to Quality Cancer Care:** The National Cancer Institute of Kenya is vested with the overall responsibility to establish & improve the standards of cancer care and reduce discrimination against people living with cancer through; i) Standardization

of cancer services in the continuum of care and institutions that provide cancer diagnosis and care; ii) Certification and registration of all cancer centres; iii) Compilation and maintenance of registers and records related to cancer; and iv) Facilitation of access to diagnostic, treatment, rehabilitation, vocational guidance, counselling, and other medical care for the welfare of persons with cancer in all counties

- iii. **Mobilize resources for Cancer Prevention and Control** through all means permitted by law with a view to supporting nationwide cancer prevention and control
- iv. **Research and Data Informatics:** The Institute is required to conduct, facilitate or collaborate with other Institutions for the purpose of collecting for the register and cataloguing, storing and disseminating the results of cancer research undertaken in any country in cancer related research and at the same time support the large-scale production or distribution of specialized biological materials and other therapeutic substances for research and set standards of safety and care for persons using such materials.
- v. **Public Education, Awareness Creation:** The Institute is mandated to ensure sustained public education and improved general public awareness on cancer prevention and control nationally by ensuring there is access to information and technical assistance in all institutions, associations and organizations concerned with the welfare and treatment of persons with cancer, including those controlled and managed by the Government;
- vi. **Rights Based Approach to Cancer Care:** NCI Kenya is required to encourage and secure the care of persons with cancer within their communities and social environment; recommend measures to prevent discrimination against persons with cancer; and carry out measures for public information on the rights of persons with cancer and the provisions of the Cancer Prevention and Control Act (2012).
- vii. **Capacity Development:** The Institute is expected to build the capacity and provide technical assistance to all institutions, associations and organizations, including public, private and faith-based that provide care and treatment services for cancer patients.
- viii. **Map out the areas for discrimination for persons with cancer.** The Institute works with various agencies to come up with measures to deal with discriminatory activities through develop policies and guidelines to prevent discrimination of persons with cancer as well as creating awareness and support advocacy against discrimination of persons with cancer by ensuring they are supported to access health services, employment, education, credit, justice by persons with cancer

**(c) Key Management**

The NCI-K day-to-day management is under the following key organs:

No.	Designation	Name
1.	Chair Board of Trustees	Dr. Timothy Olweny
2.	Accounting officer (Ag. CEO)	Dr. Elias Melly
3.	Head, Strategy and Planning	Ms. Emily Barsito
4.	Head, Standard and Quality Assurance	Mr. Joel Owino
5.	Head, Cancer Prevention and Control	Dr. Nashat Noor
6.	Head, Human Resource	Ms Ruth Grahams
7.	Head, Administration	Mr. Cicinatos Birir

**(d) Fiduciary Management**

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

No.	Designation	Name
1.	CEO	Dr. Elias Melly
2.	Head of Accounting Unit	CPA Geoffrey Mutai
3.	Head of Finance	CPA Joan M Ndirangu
4.	Head of Procurement	Mr. Dennis Limo

**(e) Fiduciary Oversight Arrangements**

The financial oversight for the organization is provided by the Finance and General Administration Committee of the Board whose functions include:

- Ensure maintenance of proper books and records of accounts of the income, expenditure and assets of the Institute
- Review draft/interim financial reports and make appropriate recommendations to the Board
- Advise the Board on all matters relating to establishment of appropriate organizational structures such as directorates, departments and regional centres of the Institute
- Guide the Board on the provisions to be made for capital and recurrent expenditure and for the reserves of the Institute
- Review and recommend for Board approval fees to be charged for services rendered by the Institute

- Guide the Board on the appropriate strategies for resource mobilization and investment for the funds of the organization
- Monitor the assets of the organization
- Advise the Board on appropriate short, medium and long-term strategies for the Institution
- Review, assess and advice on the Institute's medium- and long-term business strategies
- Approve remuneration, benefits and other terms and conditions of the staff of the Institute

***Audit and Compliance subcommittee function.***

- The Board has an operational Audit and Compliance Committee since the Institute now has an Internal Auditor among the staff deployed to the Institute.
- Obtain assurance from management that all financial and non-financial internal control and risk management functions are operating effectively and reliably.
- Provide an independent review of NCI-K 's reporting functions to ensure the integrity of financial reports.
- Monitor the effectiveness of NCI-K performance management and performance information.
- Provide strong and effective oversight of NCI-K internal audit function.
- Provide effective liaison and facilitate communication between management and external audit.
- Provide oversight of the implementation of accepted audit recommendations.
- Ensure the NCI-K effectively monitors compliance with legislative and regulatory requirements and promotes a culture committed to lawful and ethical behaviour.

**Key National Cancer Institute Information and Management (continued)**

**(f) National Cancer Institute Headquarters**

The Institute is currently domiciled the SHA Parking Complex on:

5th Floor Parking Complex

P.O Box 27437 - 00100

Nairobi, KENYA

**(g) National Cancer Institute Contacts**

Telephone: (0113 900000)

E-mail: [ceonci-k@ncikenya.go.ke](mailto:ceonci-k@ncikenya.go.ke)

Website: [www.ncikenya.go.ke](http://www.ncikenya.go.ke)

**(h) National Cancer Institute Bankers**

- a) Kenya Commercial Bank

*National Cancer Institute of Kenya*  
**Annual Report and Financial Statements for the year ended June 30, 2025.**

Milimani Branch (NSSF Building)

P.O. Box 69695-00400

**NAIROBI, KENYA**

b) ABC Bank.

Greenhouse Mall

P.O BOX 13889-00800

Nairobi

**(i) Independent Auditor**

Auditor-General

Office of the Auditor General

Anniversary Towers, University Way

P.O. Box 30084

GPO 00100

Nairobi, Kenya

**(j) Principal Legal Adviser**

The Attorney General



State Law Office and Department of Justice

Harambee Avenue

P.O. Box 40112

Nairobi, Kenya

**3. The Board of Trustees.**

Trustees	DETAILS
 <p data-bbox="97 916 480 1003">Dr. Timothy Olweny' Chairperson, Board of Trustees</p>	<p data-bbox="560 461 1437 703">Dr. Timothy Olweny born on <b>07 February 1972</b> is a Medical Doctor (M.B.Ch.B) experienced healthcare, leadership, and management professional with academic qualifications in the medical, business and leadership fields and a career spanning over 25 years in the public, private, and not-for-profit health sectors.</p> <p data-bbox="560 723 1437 1279">Over the years he has been a consumer of healthcare services, delivered clinical care as an individual and institutional healthcare provider, and occupied leadership positions in health institutions, professional and other membership organizations. Consequently, he has actively engaged with the Ministry of Health, its regulatory bodies, semi-autonomous government agencies, and parastatals, and the legislative arms of the Kenyan government. This interaction has shaped his understanding of the demand and supply ends of the Kenyan Healthcare system, the organization and functions of government, and the policy and implementation shortcomings that hinder the realization of Kenya's national health goals, policies, and development objectives</p>
 <p data-bbox="97 1615 445 1749">Dr. Elias Melly Ag. Chief Executive Officer MBCbB, Mmed</p>	<p data-bbox="560 1299 1437 1854">Dr. Elias Melly born on <b>7 February 1983</b> is a Medical Doctor (M.B.Ch.B) and Cancer Expert, Dr. Elias Melly a Medical Doctor, Medical and Radiation Oncologist with huge experience in patient care, research, training and policy. I graduated with Bachelors of Medicine and Surgery from Moi University, Masters in Medicine in Clinical Oncology and Nuclear Medicine from Alexandria University, Egypt. Dr. Melly is highly skilled and knowledgeable with experience at the local, regional, and global levels in clinical care, training, research, and program development and growth, He believes in value-based, transformative leadership and governance. He has a wealth of knowledge, skills and experience in navigating the terrain in addressing</p>

	<p>challenges in health care both from technical and strategic leadership and governance issues guided by relevant legal framework.</p>
 <p>Ms. Agnes Kaleyke Nguna Trustee Representing Media Owners Associations</p>	<p>Ms. Agnes born on <b>7 February 1978</b>, is an accomplished business leader with over 18 years' experience driving growth and profitability in leading companies across the East African region. Currently she serves as the Chief Operating Officer at the Star Newspaper in Kenya where she is in charge of providing strategic leadership and management to the Media House. Agnes also sits on various local and global boards. She is the Chair of the Media Owners Association, an umbrella body drawing membership from leading media houses in the country. She sits on the supervisory board of the World Association of Newspapers (WAN - INFRA) a global organisation of the world presses whose mission is to protect the rights of journalists and publishers across the world to protect independent media. 1978</p>
 <p>Ms. Catherine Wachira Trustee Representing Registered Cancer Associations</p>	<p>Catherine Wachira born on <b>7 February 1970</b>, is a legal practitioner of over 23 years standing and a passionate cancer patient rights advocate for over 10 years, pushed by the call that a unified approach to cancer control will help in the fight against cancer in Kenya. In the past six years Catherine has served as Vice-Chair and Board Chair respectively of Kenyan Network of Cancer Organizations, the national umbrella body of cancer civil society organizations active in various aspects of cancer control. Catherine's dream is a Kenya where quality cancer treatment is accessible and affordable to every Kenyan irrespective of their financial circumstances. 1970</p>



Dr. Samuel Gatherer  
Representing Institutions that  
conduct medical research

Dr Samuel Gatherer born on 24th December 1968 is a consultant ENT (Otolaryngologist) Surgeon and Senior Clinical Research Scientist at KEMRI.

He has interests in various facets of Cancer Research.

He is currently the focal person of the African Cancer Caribbean Consortium (AC3) that focuses on disparity in Cancer research.

He is also a trained ENT and Head and Neck Surgeon.

Dr. Gatherer is registered with the Kenya Medical and Dentist Practitioners Board (KMDPB) as an ENT Specialist. He is also a Board member of the Kenya Ear, Nose and Throat Society.

He has undergone training, locally and abroad in various aspects of ENT specialty including, rhinology, head and neck, otology and laryngology.



Dr. Gatherer practices General Otolaryngology and has a special interest and training in rhinology (includes allergy), tinnitus management and reflux disease management among others.


Dr. Gatherer also works as a Senior Research Officer at Kenya Medical Research Institute (KEMRI). He is a former Head of Non-Communicable Diseases Research Programme at KEMRI.1968



Dr. Franscisca Ongecha  
Trustee Representing Universities  
Teaching Medicine

Dr. Francisca A. Ongecha born on 1969, is a consultant psychiatrist, lecturer in the department of Psychiatry & Mental Health and Ag. Dean School of Medicine, Kenyatta University. She worked with the Ministry of Health for 12 years. She is a Fogarty International Clinical Research Fellow having spent four years engaged in clinical research through National Institutes of Health (NIH) before joining Kenyatta University. She's done extensive work in the area of substance use with UNODC spanning over 15 years. Her other areas of research/program interests are in psychological trauma following sexual and gender-based violence, chronic/terminal illness, genocide/war/disaster trauma, mental health and HIV& AIDS, Medical education, Policy and Ethics. She's been a member of several committees including the university Ethical Review committee among other responsibilities.

 <p>Prof. Walter Oyawa                  Trustee Representing the National                  Council for Science and                  Technology</p>	<p>Prof. Oyawa, born on <b>23rd August 1972</b>, is currently the Director General of the National Commission for Science, Technology &amp; Innovation (NACOSTI). He is a Professor of Civil Engineering, a holder of a PhD in Civil Engineering and a holder of Executive MBA. He is a Registered Professional Engineer, a Lead Expert-NEMA and a reviewer of several international journals.</p> <p>1972-02-07</p>
 <p>Dr. Kenrick Ayot                  Alt. Trustee Representing Principal                  Secretary, The National Treasury</p>	<p>Dr. Kenrick Ayot born on <b>23rd At 1972</b> is an economist at the National Treasury with over 15 years of experience in the field of Economic Policy and Public Finance Management. He has experience among others in forecasting both domestic and external resource inflow in the annual national budget, providing technical support to MTEF Sector Working Groups in preparation of Medium-Term Budget Proposals, developing resource mobilization policies and strategies from the developing partners. Dr. Ayot holds a PhD in Economics from the University of Cape Town and a Masters and Bachelor Degree in Economics both from the University of Nairobi.</p>
	<p>Mary-Ann Musangi is a highly experienced General Manager who has strong technical and business qualifications with an impressive track record of more than 25 years of hands-on experience in strategic planning and business development. She has demonstrated the ability to lead diverse teams of professionals to new levels of success in a variety of highly competitive industries, cutting-edge African markets, and fast-paced environments. Her experience spans advertising, pharmaceuticals, financial services, hospitality and FMCG Industries.</p>

<p>Ms. Mary-Anne Musangi Independent Trustee/Industrialist</p>	<p>She has a proven ability to successfully analyse an organization’s critical business requirements, identify deficiencies and potential opportunities, whilst also developing innovative cost-effective solutions to enhance brand equity, increase revenues, and improve customer service offerings. Mary-Ann’s ambition is to see Africa prosper and with this belief, she advocates for the companies that she works with to drive “Sustainable African operations championed by Africans to offer Africa superior and affordable products and services.”</p> <p>She graduated from the University of Surrey in the United Kingdom with a degree of Bachelor of Business Administration. She followed that with a Master's Degree in Management from the same university</p>
 <p>Dr. Joan-Paula Bor-Maleny Alt. Trustee Representing Principal Secretary, Medical Services, Ministry of Health</p>	<p>Dr. Malenya is a Public Health Specialist with a special interest in non-communicable diseases (NCDs) and 15 years professional experience in the Kenyan public health sector, including over 10 years in clinical care and hospital management. She is currently the Lead for the Cancer Prevention, Early Detection &amp; Screening Pillar in the NCCP. Her role involves developing and implementing policies and programs towards the achievement of the National Cancer Control Strategy. She coordinated the development of the National Cancer Screening Guidelines in 2018, and is keen to see through the advancement of a harmonized cancer screening program nationwide. She also coordinates the National Technical Working Group on Cancer Prevention; Early Detection &amp; Screening sustainable health systems change to ensure that Universal Health Coverage is realized.</p> <p>Dr Bor holds a Master of Science in Global Health &amp; Non-Communicable Diseases from University of Edinburgh.</p>

#### 4. Key Management Team

	MANAGEMENT	DETAILS
1.	<p>Dr. Elias Melly Ag. Chief Executive Officer</p> 	<p>Providing overall strategic leadership; spearheading execution of annual operational plans and budgets and overall implementation of the Board's decisions.</p>
2.	<p>Ms Emily Barsito Ag. Strategy, Partnership and Resource Mobilization</p> 	<p>Head of Strategy Planning Partnerships and Resource Mobilization. Providing technical and professional guidance to administrative functions of the Institute; ensuring effective execution of the organization's mandate; ensuring optimal utilization of resources as well as responsible for planning, coordination and implementation of human resource and administration policies, procedures and processes towards enhancing the human capacity and enhance optimal utilization of resources in the Institute.</p>
3.	<p>Mr. Joel Owino Ag Head, Head Compliance and Standards</p> 	<p>Senior Principal Registration &amp; Accreditation Officer and serving as the Head of Standards &amp; Quality Assurance Directorate at the National Cancer Institute of Kenya (NCI-K). Providing leadership in the execution of the technical functions of the Institute; ensuring effective cancer prevention and control; ensuring optimal utilization of resources</p> <p>He holds a <b>Bachelor of Science degree in Microbiology</b> obtained from Moi University in 2008, and a <b>Master of Science degree in Microbiology</b>, awarded by Moi University in 2012. He is currently pursuing a <b>Doctor of Philosophy in Public Health</b> at Jaramogi Oginga Odinga University of Science and Technology, where his PhD studies are ongoing</p>

4.	<p>Dr. Joan Simam Ag. Head, Monitoring, Evaluation and Research Department</p> 	<p><b>Dr. Joan Simam</b> is the <b>Head of the Research and Data Informatics Directorate</b> at the National Cancer Institute of Kenya (NCI-K), where she leads the Research and Clinical Trials and also Cancer Registry Departments. In this role, she oversees research collaborations, supports NCI-K projects, and manages the NCI-K Cancer Research Grants Award.</p> <p>She holds a <b>Ph.D. in Genomic Epidemiology</b> from <b>The Open University (UK)</b> and a <b>B.A. in Biochemical Sciences</b> from <b>Harvard University (USA)</b>. She is currently a <b>MPH Biostatistics and Epidemiology</b> candidate at <b>University of Nairobi</b>. Dr. Simam has over 15 years of research experience, including postdoctoral work at the <b>African Orphan Crops Consortium Genomics Lab</b>, in the World Agroforestry Centre, where she contributed to genome resequencing projects aimed at improving food security through crop improvement. Her doctoral research at <b>KEMRI-Wellcome Trust Research Programme</b> focused on genomic adaptations of the malaria parasite, leading to publications in high-impact journals such as <i>Nature Ecology &amp; Evolution</i> and <i>BMC Genomics</i>. She has served, over 7 years, as an <b>Adjunct Lecturer at Meru University of Science and Technology</b>, mentoring and supervising students' research projects, and supporting the operationalization of the Molecular Biology Research Laboratory. She has also worked as a <b>Scientific Advisor at Villgro Africa</b>, providing expertise on genomic sequencing and guiding the development of</p>
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		<p>regional biobanking and genomics resources for Africa.</p>
<p>5.</p>	<p>Dr. Nashat Noor Ag. Head, Cancer Awareness and Care Spectrum Department</p> 	<p>Dr. Nashat Fadhlooon Noor a Clinical Oncologist. Holds an undergraduate degree in Medicine and Surgery from Lugansk State Medical University and a masters degree in Clinical Oncology and Nuclear Medicine from Alexandria University, Egypt. Currently Director of Strategy, Partnerships and Resource Mobilisation at the National Cancer Institute of Kenya Dr. Nashat is passionate about Global Oncology and Transformative Leadership in Oncology administrative oncology and precision Oncology.</p> <p>She is responsible for Providing leadership on matters relating to the treatment and care of persons with cancer; oversee the development and implementation of policies on Cancer Prevention and Care</p>
<p>8.</p>	<p>Ms Ruth Grahams, Head, Human Resource</p> 	<p>Human Resource Management and Administration professional with over 10 years with award winning companies, experienced in end to end recruitment, training and development, performance management, job analysis and evaluation, HR policy development, organization design and restructuring, remote management, mentor, coach, and naturally born people's person. Currently serving as a Principal Human Resource Officer at National Cancer Institute of Kenya, with previous roles in banking, pharmaceuticals, and commercial sectors, including</p>

		<p>experience in both local and international environments.</p> <p>Holds a Master of Business Administration (MBA) Human Resource Management option and a Bachelor of Arts degree, both from the University Of Nairobi (UON), as well as a Diploma in Human Resource Management from Kenya Institute of Management (KIM). An Associate Member of the Institute of Human Resource Management (IHRM), with sound knowledge of labour laws and HR best practices.</p>
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**5. Chairman’s Statement**

On behalf of the Institute Board of Trustees and management. I would like to take this opportunity to thank the Government of Kenya for its unequivocal support during the year under review. I also appreciate the support of our strategic partners, collaborators and friends during the year. The Institute is mandated to steer cancer priorities through policies, programmes and reforms and align stakeholders to ensure implementation of national cancer plans across all the four seven (47) counties as well as establish mechanisms for monitoring, evaluation and revision.

This will promote investment in cancer care, research and development in areas of technology and knowledge transfer to support existing and novel research in cancer areas that are relevant to national and regional issues. The Institute will create opportunities for investment in cancer prevention and control as well as novel research around cancer. During the FY2024/25 financial year the Institute has made significant progress in core operational areas which provides a robust framework for accountability and strategic decision-making. The Institute initiated the resource mobilization & Partnerships by Initiating and advancing high-level engagements with potential partners, both within Kenya and globally. These efforts are essential to rally coordinated action and secure the investment needed for cancer prevention and control.

The foundational work completed this year has positioned NCI-Kenya for a period of accelerated cancer impact. With a functional governance board and a dedicated team in place, the Institute is equipped to drive the implementation of National Cancer Control Plans across all 47 counties as well as establishing robust monitoring and evaluation systems. The Institute also formalized partnerships to promote investment in cancer research, technology, and knowledge transfer.

On behalf of the Board and the entire Institute, I extend our deepest gratitude to the Government of Kenya for its unwavering support. We also sincerely appreciate the financial, material, and moral support provided by our strategic partners, collaborators, and well-wishers throughout the year.

Name


Signature

Date

11/12/25

**Dr. Timothy Olweny MBS**

Chairman of the Board of Trustees

.....  


## **6. Report of the Chief Executive Officer**

The National Cancer Institute of Kenya (NCI-K), established under the Cancer Prevention and Control Act No. 15 of 2012, was established as a government agency responsible for providing strategic leadership, coordination, and oversight of the national cancer response. Its mandate is to reduce the growing cancer burden in Kenya through a multi-faceted approach encompassing policy, research, prevention, treatment, and palliation, in alignment with the National Cancer Control Strategy 2023-2027.

In response to crippling challenges in cancer control, such as late-stage diagnosis, limited access to care, high costs, and a personnel shortage, the institute was operationalized to directly tackle and coordinate its response. It has since evolved into Kenya's leading government agency for overseeing and coordinating all cancer prevention and control activities.

Over the years, the NCI-K has evolved to become the leading government agency in Kenya responsible for overseeing and coordinating all activities related to cancer prevention and control. It plays a critical role in advising the Ministry of Health on cancer-related policy matters, coordinating research, and facilitating public awareness initiatives aimed at reducing cancer incidence and mortality. NCI-K's responsibilities include implementation of the national cancer guidelines, establishing a national cancer registry, and promoting access to quality cancer care. The Institute has also been instrumental in building partnerships with both local and international stakeholders to enhance cancer prevention and treatment efforts in Kenya. The NCI-Kenya has a broad mandate to provide leadership and coordination of the country's cancer response by convening stakeholders to synergize efforts and resources towards reducing the cancer burden in Kenya. In particular, the Institute has identified four critical areas that are essential towards achieving its mandate namely:

### **a) Research and Clinical Trials**

The NCI-K stimulated and coordinated cancer research that directly addresses national priorities by National Call for Cancer Research. The Institute announced a national research grant that is designed to fund robust scientific research addressing the specific challenges and priority areas outlined in the National Cancer Control Strategy 2023-2027. This call aims to generate locally relevant evidence to inform policy, improve treatment protocols, and understand the unique epidemiological aspects of cancer in the Kenyan population.

### **b) Cancer Prevention and Control: Awareness and Capacity Building**

A significant portion of the Institute's efforts has been dedicated to public education and strengthening the healthcare system's capacity. Mass Media Awareness Campaigns through mainstream and vernacular TV and radio stations, producing and broadcasting educational features on cancer risk factors, prevention, and

early signs. The Institute developed a sensitization package for cancer prevention and control programs in collaboration with stakeholders, aimed at integrating cancer awareness into corporate wellness initiatives. The institute trained cancer registrars across the country on cancer surveillance to improve data quality and completeness. It provided technical assistance to facilities to ensure compliance with national guidelines for cancer service delivery, directly impacting the quality of care.

In the year under review, fulfilling its core mandate to ensure access to quality, standardized cancer care, the National Cancer Institute of Kenya (NCI-K) actively collaborated with relevant agencies to conduct inspections of over 90 facilities offering cancer services. This activity was essential to assess compliance with defined national guidelines for establishment of cancer centres and to begin the formal process of certifying that cancer care delivered across the country meets the highest attainable quality and safety benchmarks for all Kenyans.

#### **c) National Cancer Registry and Data Management**

In the year under review the Institute has made progress in fulfilling its legal mandate to maintain a comprehensive national cancer database. It significantly expanded the central repository for the National Cancer Registry and established new county cancer registries. This decentralizes data collection, strengthens its accuracy, and provides crucial localized data to inform county-specific interventions. It also worked to fulfil the legal requirement (mandated by the Act) for all medical institutions to notify the registry upon a cancer diagnosis, which is key to achieving a complete national dataset.

#### **d) Stakeholder Engagement and County Integration**

The NCI-K convened stakeholders to foster a unified national response. This was done with County Health Management Teams (CHMTs) The institute conducted intensive sensitization forums with 31 CHMTs (including Turkana, Homa Bay, Samburu,) to discuss County Cancer Policies, legal frameworks, and operational guidelines. The goal is to integrate cancer control seamlessly into county health plans. The Institute engaged all 47 county health assemblies to advocate for increased budgetary allocation and resource prioritization for cancer prevention and control at the devolved level. The Institute provided support to counties (including Mombasa, Machakos, Nakuru, Turkana, and Nyeri) to develop their own county-specific cancer control frameworks, ensuring strategies are tailored to local needs and resources.

**e) Focus on Underserved Regions**

The Institute has deliberately targeted regions with limited access to cancer information and services, such as Samburu, Turkana, and Homa Bay, through integration of cancer awareness into community health strategies via collaboration with CHPs and NGAOs. Including these counties in the CHMT sensitization forums and supporting the development of their local cancer control frameworks. Utilizing vernacular radio stations to break down cultural and linguistic barriers to cancer education.

On behalf of the Institute Board and Management, I would like to take this opportunity to thank the Government of Kenya for its unequivocal support during the year under review. I also appreciate the financial, and moral support of our strategic partners, collaborators and friends during the year. And it is because of the understanding and guidance of the Chairman of the Board of Trustees as well as the cooperation of the entire staff that we have ended the year with success.

I look forward to the coming financial year and the years ahead.

**Name**

**Signature**

**Date**

**Dr. Elias Melly**

Ag. Chief Executive Officer



11/12/2025

## 7. Statement of Performance against Predetermined Objectives for FY 2024/2025

NCI-K has 4 strategic pillars/ themes/issues and four strategic objectives within the current Strategic Plan for the FY 2024/2025. This statement outlines the performance of the National Cancer Institute of Kenya (NCI-K) against its predetermined objectives for the Financial Year 2024/2025, as derived from the Institute's five strategic pillars.

- Under Strategic Pillar 1: **Insufficient Institutional Capacity**, significant progress was made towards building an efficient NCI-K with improved governance. The Institute successfully developed all four of its key internal policies for Finance, HR, Procurement, and Risk management policies. A major achievement was the growth of the Institute's human resource capacity; staff numbers increased by 12. Furthermore, three capacity-building workshops for the Board and senior management were conducted.
- Regarding Strategic Pillar 2: **Limited Access to Cancer Prevention and Control Services**, the NCI-K advanced its goal of equitable service distribution. The Institute expanded its reach to underserved counties with cancer outreach programs on early detection and referrals. To improve care in underserved regions, two new palliative care hubs were operationalized in the North Eastern and Turkana regions as well as launching an oncology unit in those regions. Public screening efforts were notably successful.
- In the area of Strategic Pillar 3: **Limited Cancer Research Capacity and Innovation**, the Institute fostered a more dynamic research ecosystem. It approved and funded 11 local cancer research projects and established a national research collaborative network with six partner institutions. NCI-K-affiliated researchers seek to publish peer-reviewed articles in indexed journals. A key innovation was piloted through EMPOWER PROGRAM partnership with partners to upscale follow up and referrals across three counties.
- For Strategic Pillar 4: **Inadequate Cancer Data Collection and Utilization**, the National Cancer Registry was strengthened. Reporting compliance from health facilities improved. To enhance data utility, the Institute trained 80 county health records officers through two dedicated workshops.
- Finally, under Strategic Pillar 5: **Over-Reliance on Government Funding**, A comprehensive resource mobilization strategy was also developed, identifying clear priority areas for future funding.

NCI-K develops its annual work plans based on the above 4 pillars/Themes/Issues. Assessment of the Board's performance against its annual work plan that is done on a quarterly basis. The NCI-K achieved its performance targets set for the FY 2024/25 period for its strategic pillars, as indicated in the table below:

Strategic Issue	Goal	KRAS
Insufficient institutional capacity	An efficient NCI-K with improved governance, leadership, and organizational structures, enabling effective coordination and management of national cancer prevention, treatment, and control efforts.	KRA 1: Public Awareness and Education on Cancer Prevention
Limited Access to Cancer prevention and control Services	Equitable distribution of high-quality cancer prevention, diagnosis, treatment, and palliative care services across all regions, particularly in underserved areas.	KRA 2: Equitable Access to Cancer Care and Treatment Services
Limited Cancer Research Capacity and Innovation	A dynamic and sustainable cancer research ecosystem that drives innovation in biomedical technologies and treatment methodologies, improving cancer outcomes and care.	KRA 3: Research and Development for Cancer Prevention and Control
Inadequate Cancer Data Collection and Utilization	An efficient National Cancer Registry that collects, analyses, and utilizes comprehensive cancer data to inform policy, research, and care interventions.	KRA 4: Cancer data Collection and Cancer Registry Management
Over-Reliance on Government Funding	Sustainable and diversified long-term funding streams, alongside strong partnerships, to ensure sustained support for cancer prevention, research, and treatment initiatives.	KRA 5: Sustainable financing for cancer prevention and control

## **8. Corporate Governance Statement**

Good corporate governance is the foundation upon which sustainable public institutions are built. For the National Cancer Institute of Kenya (NCI–Kenya), strong governance is essential to ensuring accountability, transparency, and integrity in the execution of its mandate to coordinate and strengthen cancer prevention and control nationwide. It provides confidence to government, partners, and stakeholders that public resources are managed responsibly and that all decisions are guided by the best interests of the Kenyan people. The Board of Trustees remains firmly committed to the highest standards of corporate governance and ethical leadership, recognizing their importance to the Institute’s long-term effectiveness, credibility, and service delivery.

The National Cancer Institute of Kenya is established under Section 4 of the Cancer Prevention and Control Act, No. 15 of 2012. The Institute is governed by a Board of Trustees, which serves as the decision-making organ providing strategic leadership, policy direction, and oversight. While the Board delegates day-to-day administration to the Chief Executive Officer, it retains full responsibility for safeguarding the Institute’s financial integrity, ensuring compliance with applicable laws and regulations, monitoring

### **i) The composition of the board of trustees**

The Board consisted of the Chairperson, 9 Board of trustees Members and the CEO/ as ex-officio, by the period ending 30 June 2025. The Board is composed of an appropriate balance of knowledge, skills, experience, diversity and independence for it to discharge its governance role and responsibilities objectively and effectively. Members are principally free from any business relationship that could hamper their objectivity or judgment in terms of the business and activities of the organization. The roles of the Chairperson and the Chief Executive Officer are separate and as guided in the Mwongozo, with their individual responsibilities clearly defined. The Chairperson is an independent nonexecutive Board member and is responsible for leading the Board and ensuring its effectiveness. The Chief Executive is responsible for the execution of the NCI Kenya strategy, and the day-to-day operations of the Institute.

Some of the roles that the Board of Trustees undertook during the period ending 30 June 2025 included the following

- Set and oversaw the overall strategy and approve significant policies of the organization;
- Ensured that the strategy was aligned with the purpose and the long-term goals of the organization on sustainability:

- National Cancer Institute Annual Report and Financial Statements for the year ended June 30, 2025
- Engaged with relevant Government Agencies to expedite approval of recruitment processes;
- Approved the annual budget for the Institute;
- Monitored the organization's performance and ensured sustainability;
- Ensured availability of adequate resources for the achievement of the organization's objectives,
- Oversaw the hiring of new staff on such terms and conditions of service as were approved by the relevant government organ(s)
- Spearheaded the development of the 2024-2027 Strategic plan for the Institute

**ii) Board charter**

The Board of charter for the National Cancer Institute was drafted for consideration and subsequent enactment by the Board of Trustees. Once adopted, it will clearly state the respective roles, responsibilities and the authorities of the Board and its Committees. The Mwongozo Code of Governance for State Corporations guided the Board's operations.

**(iii) Process of appointment and removal of Board of Trustee Member**

The appointments to the Board, and removal from the Board, were in accordance with the Prevention and Control Act No 15 of 2012. The Chairperson and Board of Trustee Members were appointed by the Cabinet Secretary, as guided by the Cancer Prevention and control Act No 15 of 2012 for the time being responsible for health, to serve for a term of 3 years each from the date of appointment and may, subject to performance evaluation, be appointed for a further and last term of 3 years.

**(iv) The Roles of the Board**

The Board of Trustees provides leadership and strategic direction of the Institute. Its key responsibilities include:

- (i) Development and oversight in the implementation of the Institute's strategic plan.
- (ii) Review and approval of annual budgets.
- (iii) Risk management and compliance by ensuring adequate systems of internal controls are in place.
- (iv) Review of financial performance, expenditure, and commitments.
- (v) Setting and periodically reviewing organizational key performance indicators as well as management performance; and
- (vi) Supporting management to enhance stakeholder value.

To effectively discharge this role, the Board of Trustees has full access to the Chief Executive Officer and key members of the Institute's management team.

**(v) Board Meetings**

The Full Board convenes at least once every quarter, or more frequently as business needs arise, and operates in accordance with the annual Board Almanac. Board members are provided with timely notice and comprehensive documentation to support informed deliberation and effective decision-making. During the financial year 2024/2025, the number of board meetings held exceeded the scheduled sessions. This deviation was necessary to enable the Institute to respond promptly to emerging and urgent matters aligned with its mandate, and to ensure that the Board continued to offer robust oversight and strategic direction. The Board consistently fosters an environment that encourages innovative thinking, constructive consultation, cordial working relationships, information sharing, and open communication across all levels of governance.

## SUMMARY OF BOARD AND BOARD MEETINGS FOR THE FINANCIAL YEAR 2024/2025

The following is a summary of the meetings of the board and committees that took place during the financial year under review.

S/N	BOARD / Committee meeting	No of Meetings
1	Full Board Meetings	5 meetings
2	Finance and Administration Committee	6 meetings
3	Human Resource Committee	4 meetings
4	Technical Committee	5 meetings
4	Audit Committee	4 meetings
5	AD-HOC Committee	2 meetings

### vi) Succession plan

The Board operates under an approved Board Charter and a Governance Framework, which articulate the principles, roles, responsibilities, and conduct expected of Trustees in the execution of their oversight functions. These instruments provide clear guidance to the Board in discharging its duties effectively—ranging from policy formulation and fiduciary oversight to monitoring performance and ensuring accountability in line with the Cancer Prevention and Control Act, the State Corporations Act, Mwongozo Code of Governance, and other applicable public sector governance standards. Through these structures, NCI–Kenya ensures continuity, stability, and effective governance while strengthening leadership capacity to deliver on its national mandate for cancer prevention, control, and coordination.

### Board Performance Evaluation

In line with the Cancer Prevention and Control Act (2012) and the Mwongozo Code of Governance for State Corporations, the Board of Trustees of the National Cancer Institute of Kenya (NCI–K) conducts an annual performance evaluation to enhance accountability, strengthen leadership, and improve the effectiveness of its oversight role. Each year, the Board formulates and approves an annual work plan that guides the activities of the Board and its Committees, ensuring alignment with the Institute’s mandate of coordinating cancer prevention, diagnosis, treatment, research, and surveillance nationwide.

For the year under review, the Board performance evaluation—covering the Board as a whole, the Chairperson, individual Trustees, the Chief Executive Officer, the Corporation Secretary, and the Internal Auditor—was conducted on 27th August 2025 with technical support from the State Corporations Advisory Committee (SCAC).

**(vii) Policy to manage conflicts of interest.**

Given NCI-K's mandate to coordinate cancer control efforts and maintain public trust, rigorous conflict-of-interest safeguards are essential. The Institute has a policy prohibiting Trustees and staff from conducting business with the Institute.

Where a potential conflict arises, established procedures ensure transparency and integrity. Trustees and staff must declare the conflict and recuse themselves from any discussions or decisions on the affected matter. This is reinforced by obligations under the Leadership and Integrity Act, Public Officers Ethics Act, and MWONGOZO guidelines. Staff are further required to avoid engagement in private business during official working hours to safeguard impartiality and the credibility of the Institute.

**(vii) Board remuneration**

The remuneration of the Board of Trustees is as per Laws of Kenya

**(viii) Ethics and Conduct**

NCI-K operates under Code of Conduct and Ethics, which sets standards of professionalism, integrity, and ethical behaviour for Trustees and staff. The Code reinforces compliance with constitutional values, public service ethics, and the Cancer Prevention and Control Act.

To promote a culture of integrity, the Institute has established an Ethics and Integrity function responsible for monitoring adherence to ethical standards, offering continuous sensitization, and coordinating integrity champions across departments. These mechanisms ensure that the Institute maintains impartiality and public confidence in the execution of its national cancer control mandate

**Governance audit**

To ensure continuous improvement in governance, NCI-K applies an internal governance audit mechanism to track the implementation of governance frameworks, policies, and Mwongozo requirements. For the

2024/2025 financial year, the Institute has scheduled a comprehensive external governance audit to strengthen compliance, transparency, and institutional accountability.

Through its Audit and Risk Committee, the Board exercises oversight of audit processes, internal controls, enterprise risk management, and investigations relating to allegations of misconduct. The Committee reviews internal and external audit reports, oversees implementation of recommendations, and ensures risk mitigation measures are continually updated to support effective delivery of NCI-K's mandate.

#### **Vi. Communication policy**

NCI-K Communication Policy designed to ensure accurate, timely, and consistent dissemination of information to stakeholders and the public. The policy supports the Institute's mandate to promote cancer awareness, education, and advocacy by guiding both internal and external communication processes.

It establishes clear channels of communication, outlines responsibilities for official communication, and ensures compliance with government communication protocols.

The policy also safeguards the integrity of information shared, promotes transparency in public engagements, and strengthens stakeholder confidence in the Institute's leadership and national cancer control initiatives

#### **vii. Terms of Reference of Committees**

To enhance efficiency, strengthen oversight, and support effective delivery of its national mandate, the Board of Trustees of the National Cancer Institute of Kenya (NCI-K) has established four committees. Each committee operates under a formally approved Terms of Reference (ToR), which clearly define its mandate, authority, responsibilities, reporting structure, and scope of operations.

These ToRs guide how each committee conducts its business thus ensuring adherence to governance frameworks, legal requirements, and best practices in public sector oversight. Committees cover key functional areas including audit and risk management, finance, human resources, technical operations, and research and innovation. Through these committees, NCI-K ensures informed decision-making, streamlined processes, and strengthened accountability in delivering national cancer prevention and control priorities.

**viii. Policy on related party transactions**

To uphold transparency, accountability, and public trust, NCI-K adheres to a Policy on Related Party Transactions that governs interactions involving Trustees, management, staff, and any entities with which they are associated. The policy ensures that all related party transactions are disclosed, reviewed, and approved in accordance with established procedures, the Public Finance Management Act, and the Leadership and Integrity Act. It prohibits any arrangements that may result in undue influence, conflict of interest, or preferential treatment. The policy further outlines mechanisms for declaration, documentation, and oversight of such transactions, ensuring that all dealings are conducted ethically, transparently, and in the best interest of the Institute and the public it serves.

## **9. Management Discussion and Analysis**

During the financial year 2024/25, the Institute made significant strides in operationalizing its mandate and delivering on its core functions, our activities were strategically aligned with the National Cancer Control Strategy 2023-2027, focusing on awareness creation, quality assurance of cancer services, research coordination, and robust stakeholder engagement to forge a unified national response to the cancer burden.

- **Enhanced Public Awareness and Education:** To combat low public awareness, the Institute launched a platform for a national education campaign on cancer. This included leveraging the mainstream and vernacular television and radio stations, which successfully reached over 15 million Kenyans with critical messages on cancer risk factors, prevention, and early detection.
- **Quality Assurance and Standardization of Cancer Care:** In a major step towards ensuring quality care, the Institute initiated its inspection mandate, conducting quality assurance assessments at over 90 facilities offering cancer services across the country. This effort is foundational to our mission of certifying that all Kenyans have access to safe, effective, and standardized oncology care. Furthermore, we provided ongoing technical assistance to facilities to ensure compliance with national cancer care guidelines.
- **Strengthening Cancer Data and Research:** Institute prioritized evidence-based action through the significant expansion of the National Cancer Registry. We established new county cancer registries and enhanced the central data repository. To build capacity, we trained cancer registrars on advanced surveillance to improve the tracking of incidence, survival, and mortality. In a landmark move to spur local solutions, announced a National Call for Cancer Research to address priority areas of the national strategy.
- **Deepening Stakeholder Engagement and County Integration:** Recognizing that cancer is a multi-sectoral challenge, we developed a formal Partnership and Resource Mobilization Policy. We achieved unprecedented engagement at the devolved level, conducting sensitization forums with 31 County Health Management Teams (CHMTs) and advocating for increased resource allocation with all 47 county health assemblies. We provided direct technical support to 31 counties, including Mombasa, Machakos, Nakuru, Turkana, and Nyeri, to develop their own county-specific cancer control frameworks, ensuring local ownership and relevance.
- **Institutional Development and Governance;** To ensure long-term sustainability, we focused on institutional strengthening. This included developing a stakeholder coordination framework, automating key processes such as the website and data hosting, and developing the human resource capital necessary to deliver on our expanding mandate. We also developed and disseminated a

comprehensive sensitization package for cancer prevention and control workplace programs across various Ministries, Departments, and Agencies (MDAs)

- These achievements underscore our commitment to transitioning from establishment to impactful execution. We remain dedicated to building on this momentum, overcoming existing challenges, and leading a coordinated, national effort to reduce the cancer burden for all Kenyans.
- **Conducted Sensitization Forums:** Conducted forums with 31 County Health Management Teams (CHMTs) to discuss policy, legal frameworks, and operational guidelines for cancer prevention and control.
- **Engagement with County Health Assemblies:** Engaged with all 47 county health assemblies to advocate for increased resource allocation toward cancer prevention and control efforts.
- **Support for County-Specific Frameworks:** Assisted 31 counties, including Mombasa, Machakos, Nakuru, Turkana, and Nyeri, in developing county-specific cancer control frameworks to enhance localized cancer management and prevention strategies. These activities aim to strengthen the national response to cancer by empowering local health entities to implement effective prevention and control measures.
- As the lead agency in cancer prevention and control, the Institute has an obligation to engage all relevant stakeholders and provide the necessary coordination and oversight of all involved actors. Further, the Institute is expected to continually mobilize resources for cancer response both within Government and among non- state actors. The institute established a stakeholder coordination framework and mobilised additional resources required to respond to the rising cancer burden. It also developed a partnership and resource mobilization policy.
- Developed the human resource capital in the institute to ensure delivery of its mandate
- Stakeholder engagement to enhance resource allocation and prioritization of cancer activities.

## 10. Environmental and Sustainability Reporting

The National Cancer Institute of Kenya exists to transform lives. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy, putting the Citizen first, delivering relevant goods and services, and improving operational excellence. Below is an outline of the organisation's policies and activities that promote sustainability.

### i) *Sustainability strategy and profile*

The National Cancer Institute has prioritized the establishment of partnerships and collaborations with various stakeholders as a critical strategy for sustainable service delivery. Within its organizational structure, there is a fully-fledged Department on Partnerships that is charged with the responsibility of creating collaborations with public, private and civil-society entities. In addition, the Institute has identified different platforms for additional income generation to supplement the conditional grant allocations from Exchequer. This includes levying fees for registration of cancer centres as well as writing grant proposals for additional funding towards programmatic activities as well as research.

### ii) *Environmental performance*

The Institute is yet to operationalize an organizational environmental policy. However, the Institute is keen in ensuring that its activities will be continued and do not tamper with the environment. The Institute entails fulfilling presidential directives as well as societal expectations as far as environmental and sustainability requirements are concerned.

During the 2024/25 Financial year, the National Cancer Institute undertook tree planting at county where NCI-K staff planted 20,000 trees by participated in the 9th Edition of the Kaptagat Integrated Conservation Programme. The Institute was able to plant 20,000 tree seedlings at Elgeiyo Community Forest, on a 9-hectare piece of land in Elgeiyo Marakwet County.



***(iii) Employee welfare***

Recognizing that a skilled and dedicated workforce is fundamental to achieving its strategic objectives, the Institute has made significant investments in building its internal capacity to optimize service delivery and effectively execute its mandate. Training and development being an integral part of the Human resource development activity in all organisations. NCI-K has strived in improving the skills of its employees by ensuring staff are trained in their areas of specialisation as well as in advancement of their professionalism. In the FY 2024/2025 staff received training in operational management processes and conduct of civil servants

***(iv) Market place practices-***

*The organisation should outline its efforts to:*

***a) Responsible competition practice.***

The Institute is in the service sector with its main mandate being coordination of cancer prevention and control activities. While playing this regulatory role, NCI has adopted a consultative and collaborative approach working closely with other regulatory agencies within the health sector and has been actively involved in joint health inspection activities.

***b) Responsible Supply chain and supplier relations***

The institute engages suppliers using open tender and request for qualifications. Suppliers are paid upon delivery of goods and services; commissioning and inspection certificates are issued. In the year under Review, NCI Kenya became independent from the parent Ministry of Health. The Institute endeavours to process and avail all the relevant documentation as required to enable efficient payment to suppliers for all goods and services supplied

***c) Responsible marketing and advertisement***

The Institute has been involved in direct advertisement campaigns to enhance awareness and advocacy activities to enhance its visibility.

***d) Product stewardship***

NCI has been keen on protecting consumer rights and has worked directly with cancer patients and survivors during the development of various policy documents including the Cancer Policy 2019-2030 and the Institute's own Strategic Plan 2024-2027.

***(v) Corporate Social Responsibility / Community Engagements***

During the 2024/25 financial year, the Institute donated IEC to service providers and cancer survivors who were at a high risk of contracting the infection during outreaches. This also provided an opportunity

to educate the survivors on how to protect themselves and supported screening for HIV NCDs and cancers during communities' outreaches in various counties.

### **11. Report of the Trustees**

The Board of Trustees submit their report together with the audited financial statements for the year ended June 30, 2025, which show the state of the NCI-K affairs.

#### **i) Principal activities**

The principal activities of the NCI-K are;

- i. To strengthen governance, oversight and coordination of cancer response in Kenya to ensure effective partnerships and coordination mechanisms
- ii. To develop and manage an integrated cancer data surveillance system and promote cancer research to inform policy and practice
- iii. To promote a multi sectoral and innovative approach in public education and awareness creation on cancer prevention and control
- iv. To strengthen the NCI-Kenya institutional capacity to deliver on its mandate

#### **ii) Results**

The results of the NCI-Kenya financial performance for the year ended June 30, 2025, are set out on pages 1-5.

#### **iii) Board of Trustees**

The current Board inaugurated in July 2022 comprises nine [9] members; the Chairperson, four [4] independent members and four [4] members representing various governmental agencies as per the Cancer Prevention and Control Act of 2012 where the Ag. The Chief Executive Officer serves as the Secretary to the Board. The current board served during the year under review. The details of the current Board are shown on page vii-x.

#### **iii) Surplus remission**

In accordance with Regulation 219 (2) of the Public Financial Management (National Government) Regulations, regulatory entities shall remit into the Consolidated Fund, ninety per cent of its surplus funds reported in the audited financial statements after the end of each financial year. However, Cancer Prevention and Control Act guides that the surplus is carried forward to the next financial year,

*National Cancer Institute of Kenya*  
**Annual Report and Financial Statements for the year ended June 30, 2025.**

**iv) Auditors**

The Auditor-General is responsible for the statutory audit of the *NCI-K* in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015. The office of the Auditor General will carry out the audit of the *NCI-K* for the year/period ended June 30, 2025, in accordance with section 23 of the Public Audit Act, 2015.

By Order of the Board



.....  
**Name : Dr. Elias Melly**

## **12. Statement of Trustees Responsibilities**

Section 81 of the Public Finance Management Act, 2012 and (section 14 of the State Corporations Act, and all other applicable public sector financial regulations, requires the Board of Trustees of the National Cancer Institute of Kenya (NCI-K) to prepare financial statements in respect of the Institute which give a true and fair view of the state of affairs of the Institute at the end of the financial year/period. The Trustees are also required to ensure that the Institute keeps proper accounting records which disclose with reasonable accuracy the financial position of the Institute. The Trustees are also responsible for safeguarding the assets of the Institute. The Trustees are responsible for the preparation and presentation of the Institute's financial statements, which give a true and fair view of the state of affairs of the Institute 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 Directors accept responsibility for the Institute financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and (the State Corporations Act). The Trustees are of the opinion that the Institute's financial statements give a true and fair view of the state of National Cancer Institute's transactions during the financial year ended June 30, 2025, and of its financial position as at that date. The Trustees further confirms the completeness of the accounting records maintained for the Institute which have been relied upon in the preparation of the Institute's financial statements as well as the adequacy of the systems of internal financial control.


*National Cancer Institute of Kenya*  
**Annual Report and Financial Statements for the year ended June 30, 2025.**

Nothing has come to the attention of the Trustee members to indicate that the National Cancer Institute will not remain a going concern for at least the next twelve months from the date of this statement.

.....  
**Name: Dr. Timothy Olweny**  
**Chairperson of the Board**

**Approval of the financial statements**

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

  
.....  
**Name Dr. Timothy Olweny**  
**Chairperson of the Board/Council**

  
.....  
**Name Dr. Elias Melly**  
**Accounting Officer**

# REPUBLIC OF KENYA



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## **REPORT OF THE AUDITOR-GENERAL ON NATIONAL CANCER INSTITUTE OF KENYA FOR THE YEAR ENDED 30 JUNE, 2025**

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### **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 National Cancer Institute of Kenya 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 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 National Cancer Institute of Kenya 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 Cancer Prevention and Control Act No.15 of 2012 and the Public Finance Management Act, 2012.

### **Basis for Qualified Opinion**

#### **1. None Preparation of the statement of Reconciliation of Budget and Actual Amounts and the Statement of Cash Flow Balances**

The Public Sector Accounting Standards Board Template Prescribes a reconciliation statement of the surplus amount in the statement of Budget and actual amounts. However, no reconciliation statement to reconcile the two-balances was prepared to reconcile the two balances contrary to the provisions of the public sector accounting Standards Board template.

In the circumstances the accuracy of the statement of comparison of budget and actual amounts could not be confirmed.

#### **2. Variances in the Statement of Cash Flows and the Statement of Comparison of Budget and Actual Amounts.**

The statement of cash flows reflects surplus payments of Kshs.85,510,040. However, the following variances were noted in the balances as reported in the statement of cash flows as compared to the statement of comparison of budget and actual amounts;

	<b>Statement of Cash Flows (Kshs)</b>	<b>Statement of Comparison of Budget and Actual Amounts (Kshs)</b>	<b>Variance (Kshs)</b>
Surplus for the year	85,510,040	28,086,865	57,423,175
Use of Goods and Services	170,122,428	168,744,468	1,377,960

#### **3. Long Outstanding and Unconfirmed Trade Payables**

The statement of financial position reflects trade and other payables of Kshs.1,842,002 as disclosed in Note 19 to the financial statements. This includes Kshs.1,807,699 which relates to services provided from five suppliers. However, the following observations were made;

- i. There were no payment vouchers, invoices, purchase orders and procurement details on how the suppliers were engaged.

- ii. These payables have been outstanding for a period of more than 3 years contrary to the requirements of the National Treasury Circular No.10/2020 Reference No. DGIPE/A/1/80 dated 16 June, 2020 which requires that payables should form first charge on an entity's expenditure for the year.

In the circumstances, the accuracy and completeness of year trade and other payables balance of Kshs.1,842,002 could not be confirmed.

#### 4. Unsupported Adjustment of Financial Statements

The Institute's financial statements as prepared and submitted for audit, had balances as tabulated below. However, subsequent amendments were made in the revised financial statements without appropriate journal entries in the ledgers to support the amendments.

	Submitted Financial Statement Figure (Kshs)	Revised Financial Statements (Kshs)	Variance (Kshs)
Use of Goods and Services	212,657,422.07	168,744,468	43,912,954.07
Depreciation and Amortization	8,164,102.99	17,842,159	9,678,056.01
Property Plant and Equipment-Additions	9,948,752	30,302,168	20,353,416
Intangible Assets	13,916,436	14,698,502	782,066
Property Plant and Equipment	46,569,358.82	35,675,530	10,893,828.82

#### 5. Errors, Omissions and Lack of Adequate Disclosure in the Financial Statements

The following errors, omissions and lack of adequate disclosure were identified in the financial statements submitted for audit:

- i. There is no description of the Board members as to whether they are independent or alternate board members.
- ii. Key qualification for Board member number.1,3,4,5,6,9, and 11 has not been disclosed.
- iii. The statement of performance against predetermined objectives has no quantifiable performance targets and achievements.
- iv. Item on Board expenses as disclosed in the statement of cash flows reads Directors Remuneration in the Statement of Comparison of Budget and Actual. There should be a uniformity in description of items across the financial statements

In the circumstances, the financial statements did not comply with the financial reporting template provides by Public Sector Accounting Standard Board.

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

### **Emphasis of Matter**

#### **Budgetary Control and Performance**

The statement of comparison of budget and actual amounts reflects final receipts budget of Kshs.306,000,000 and actual receipts of Kshs.253,015,169 resulting to a shortfall of Kshs.52,984,831 or 17.3%. Further the Institute reported actual receipts on a comparable basis of Kshs.253,015,169 and total actual payments of Kshs.336,608,200 resulting to overutilization of Kshs.83,593,031.

In the circumstances, the budgetary shortfall may have affected implementation of planned activities and service delivery to the citizens.

My opinion is not modified in respect of this matter.

### **Key Audit Matters**

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

### **Other Matter**

#### **Unresolved Prior Year Audit Matters**

In the prior year's audit report, several issues were raised under Emphasis of Matter, and Effectiveness of Internal Controls, Risk Management and Governance, respectively. Review of the status during audit of the Institute in 2024/2025 revealed that the following matters remained unresolved as shown in Appendix 1.

### **Other Information**

The Board is responsible for the Other Information set out on page v to xxxix which comprise of Key Entity Information and Management, The Board of Trustees, Chairman's Statement, Report of the Chief Executive Officer, Statement of Performance Against Predetermined Objectives, Corporate Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting, Statement of Board of Trustee Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the Institute 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 effects of the matter 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**

#### **Payment of Acting Allowance for more than Six (6) Months**

The statement financial performance and as disclosed in Note 10 to the financial statements reflects employee costs of Kshs.38,830,544 which includes salaries and wages of Kshs.19,341,853. A review of the payroll and other human resource documents revealed that during the year under review, the acting Chief Executive Officer who was deployed to the National Cancer Institute on 19 April, 2023 (Ref.MOH/HR/4/1/3) was paid a monthly acting duty allowance of Kshs.220,000 for more than 6 months contrary to the provisions of Paragraph C14(1) of the Human Resource Policies and Procedures Manual, 2016 which states that acting allowances will not be payable to an officer for more than six (6) months.

In the circumstances, Management was in breach of law.

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

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

### **Conclusion**

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, 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. Failure to Approve and Authenticate Bank Reconciliation Statements**

The statement of financial position reflects cash and cash equivalents balance of Kshs.85,510,040 as disclosed in Note 14 to the financial statements. However, Management did not approve and authorize monthly Bank reconciliations for ABC Bank account for the year under review.

In the circumstances, the effectiveness of internal controls could not be confirmed.

### **2. Weaknesses in Human Resource Management**

The statement financial performance and as disclosed in Note 10 to the financial statements. reflects employee costs of Kshs.38,830,504 which includes salaries and wages of Kshs.19,341,853. National Cancer Institute (NCI) has an approved staff establishment of 247 employees whereas the current staff in post stands is 41 resulting to a variance of 206. This may hinder the efficiency and effectiveness of the Institute to fulfill its mandate.

In the circumstances, the inadequacies in staffing levels may have affected the effectiveness of achieving the Institute's mandate.

### **3. Delayed Office Renovation Works**

The statement of financial performance and as disclosed in Note 13 to the financial statements reflects repairs and maintenance expenses of Kshs.7,379,379 out of which Kshs.5,571,374 were expenses on alterations and renovation of office space. Analysis of the procurement documents revealed that the contract was awarded to a company on 3 April, 2025 valued at Kshs.9,524,543. Further, the project was due for completion in 8 weeks from the date of the contract. However, as at the time of audit on 24 November, 2025 the project was still incomplete twenty-two (22) weeks past the agreed project completion date. A Project implementation status report provided by Ministry of Lands, Public Works, Housing and Urban Development signed on 25 November, 2025 highlighted several pending works as listed below;

- i. Floor and finishes including tiles and carpet tiles in the boardroom, Chairs office and CEOs office.
- ii. Fabrication and installation of reception desk.
- iii. Fabrication and installation of custom display cabinetry in the boardroom, chairs office, CEOs office and Executive waiting area.

In the circumstances, the value for money for expenditure of Kshs.5,304,848 has not been realized and the uncompleted project is not benefitting the institute.

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal controls, risk management and overall governance were operating effectively in all material respects. I believe that the audit

evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

### **Responsibilities of the Management and Board of Trustees**

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 Institute's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management is aware of the intention to cease operations.

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

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

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

### **Auditor-General's Responsibilities for the Audit**

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

In conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance

with the authorities that govern them and that public resources are applied in an effective way. In addition, I consider the entity's control environment in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015.

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

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

  
FCPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

Nairobi

11 December, 2025

## Appendices

### Appendix1: Unresolved Prior Year Audit Matters

No.	Audit issue
1	Budgetary control and performance
2	Unresolved prior year matters
3	Excess Board membership
4	Noncompliance with guidelines on persons with disabilities
5	Inadequate staffing levels
6	Lack of Risk Management Policy, finance and accounting manual, assets management policy, transport management policy, information technology plan and disaster recovery plan. Further, the audit committee and internal audit charters were not approved and operationalized.

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**14. Statement of Financial Performance for the year ended 30 June 2025**

	Notes	2024/2025	2023/2024
		Kshs	Kshs
<b>Revenue from non-exchange transactions</b>			
Transfers from other governments entities	6	247,500,000	200,000,000
Public contributions and donations	7	5,515,169	14,856,410
<b>Total Revenue from non-exchange transactions</b>		<b>253,015,169</b>	<b>214,856,410</b>
<b>Total revenue</b>		<b>253,015,169</b>	<b>214,856,410</b>
<b>Expenses</b>			
Use of goods and services	8	168,744,468	128,953,896
Construction of Cancer Bunkers	9	66,679,226	-
Employee costs	10	38,830,544	2,830,002
Board Expenses	11	9,973,913	8,276,950
Depreciation and amortization expense	12	17,842,159	7,506,353
Repairs and maintenance	13	7,379,379	2,356,340
<b>Total expenses</b>		<b>309,449,689</b>	<b>149,923,541</b>
<b>Surplus/ (deficit) before tax</b>		<b>(56,434,520)</b>	<b>64,932,869</b>
<b>Surplus/(deficit) for the period/year</b>		<b>(56,434,520)</b>	<b>64,932,869</b>

The notes set out on pages 6 to 29 form an integral part of these Financial Statements. The Financial Statements set out on pages 1 to 6 were signed on behalf of the Board of Trustees by:



Name: Dr. Elias Melly  
 Accounting Officer

Date 11/12/2025



Name: Geoffrey Mutai  
 Head of Accounting Unit

ICPAK M/No: 349887  
 Date 11/12/2025



Name: Dr. Timothy Olweny  
 Chairman of the Board

Date 11/12/25

## 15. Statement of Financial Position as at 30 June 2025

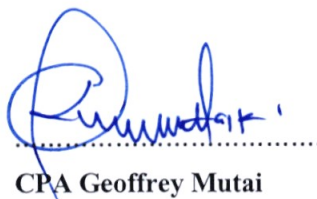
	Notes	2024/2025 FY	2023/2024 FY
		Kshs	Kshs
<b>Assets</b>			
<b>Current Assets</b>			
Cash and Cash equivalents	14	85,510,040	170,481,085
Receivables from Non-Exchange Transactions	15	22,500,000	16,666,666
Inventories	16	723,604	3,646,024
<b>Total Current Assets</b>		<b>108,733,644</b>	<b>190,793,775</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipment	17	35,675,530	20,275,821
Intangible Assets	18	11,758,802	-
<b>Total Non- Current Assets</b>		<b>47,434,332</b>	<b>20,275,821</b>
<b>Total Assets (A)</b>		<b>156,167,976</b>	<b>211,069,596</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and Other Payables	19	1,842,002	3,945,683
Provision for Audit fees	20	928,000	464,000
Retention on Contractual works	21	3,172,581	-
<b>Total Current Liabilities</b>		<b>5,942,583</b>	<b>4,409,683</b>
<b>Total Liabilities (B)</b>		<b>5,942,583</b>	<b>4,409,683</b>
<b>Net Assets (A-B)</b>		<b>150,225,393</b>	<b>206,659,913</b>
<b>Represented by:</b>			
Accumulated Surplus		150,225,393	206,659,913
<b>Net Asset</b>		<b>150,225,393</b>	<b>206,659,913</b>

The financial statements set out on pages 1 to 5 were signed on behalf of the Board of Trustees by:




Dr. Elias Melly  
Ag. Chief Executive Officer.

Date



CPA Geoffrey Mutai  
Head of Accounting Unit.  
ICPAK Member Number: 37881

Date 11/12/2025



Dr. Timothy Olweny  
Chairman of the Board

Date

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**16. Statement of Changes in Net Assets for the year ended 30 June 2025.**

<b>Description</b>	<b>Retained earnings</b>	<b>Capital/ Development Grants/Fund</b>	<b>Total</b>
	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>
<b>As at July 1, 2023</b>	<b>141,727,044</b>	-	<b>141,727,044</b>
Surplus/ deficit for the year	64,932,869	-	64,932,869
Capital/development grants received during the year	-	-	-
<b>As at June 30, 2024</b>	<b>206,659,913</b>	-	<b>206,659,913</b>
<b>As at July 1, 2024</b>	<b>206,659,913</b>	<b>0.00</b>	<b>206,659,913</b>
Surplus/ (deficit) for the year	(56,434,520)	0.00	(56,434,520)
<b>As at June 30,2025</b>	<b>150,225,393</b>	<b>0.00</b>	<b>150,225,393</b>

(Indicate actual name of the National Cancer Institute)  
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**17. Statement of Cash Flows for the year ended 30 June 2025**

	Notes	2024/2025FY	2023/2024 FY
		Kshs	Kshs
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Transfers from other governments entities	6	247,500,000	307,833,334
Public contributions and donations	7	5,515,169	14,856,410
<b>Total receipts</b>		<b>253,015,169</b>	<b>322,689,744</b>
<b>Payments</b>			
Use of goods and services	8	170,122,428	150,684,180
Employee costs	10	38,830,544	2,830,002
Board Expenses	11	9,973,913	8,276,950
Repairs and maintenance	13	7,379,379	2,356,340
Construction of cancer bunkers)	9	66,679,226	0
<b>Total payments</b>		<b>292,985,544</b>	<b>164,147,472</b>
<b>Net cash flows from/(used in) operating activities</b>	22	<b>(39,970,375)</b>	<b>158,542,272</b>
<b>Cash flows from investing activities</b>			
Purchase of PPE and Intangible assets	17&18	(45,000,670)	(15,433,479)
<b>Net cash flows from/(used in) investing activities</b>		<b>(45,000,670)</b>	<b>(15,433,479)</b>
<b>Cash flows from financing activities</b>			
<b>Net cash flows from financing Activities</b>		<b>0.00</b>	<b>0.00</b>
<b>Net increase/(decrease) in cash &amp; Cash equivalents</b>		<b>(84,971,044)</b>	<b>143,108,793</b>
Cash and cash equivalents at 1 July 2024		170,481,085	27,372,292
<b>Cash and cash equivalents at 30 June 2025</b>	14	<b>85,510,040</b>	<b>170,481,085</b>

(Indicate actual name of the National Cancer Institute)

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**18.Statement of Comparison of Budget and Actual amounts for the year ended 30 June 2025**

	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% of Utilization
		a	b	c=(a+b)	d	
	2024-2025	2024-2025	2024-2025	2024-2025	2024-2025	
<b>Receipts</b>	a	b	c=(a+b)	d	e=(c-d)	f=d/c*100
Budget carryovers from the previous year	-	36,000,000	36,000,000		36,000,000	
Government grants and subsidies	270,000,000	-	270,000,000	247,500,000	22,500,000	91.67%
Public contributions and donations				5,515,169	-5,515,169	
<b>Total income</b>	<b>270,000,000</b>	<b>36,000,000</b>	<b>306,000,000</b>	<b>253,015,169</b>	<b>52,984,831</b>	<b>82.68%</b>
<b>Expenses</b>						
Use of Goods and Services	134,438,309	-	134,438,309	168,744,468	-34,306,159	125.52%
Employee costs	51,000,000	-	51,000,000	38,830,544	12,169,456	76.14%
Administrative expenses	35,190,000	-	35,190,000		35,190,000	0.00%
Remuneration of Directors	12,469,000	-	12,469,000	9,973,913	2,495,087	79.99%
Repairs and Maintenance	2,750,000	-	2,750,000	7,379,379	-4,629,379	268.34%
<b>Total expenditure</b>	<b>235,847,309</b>	<b>0</b>	<b>235,847,309</b>	<b>224,928,304</b>	<b>10,919,005</b>	<b>95.37%</b>
<b>Surplus for the year</b>				<b>28,086,865</b>		
<b>Purchase of PPE&amp;Intangible assets</b>	34,152,691		34,152,691	<b>45,000,670</b>	(10,847,979)	131.76%
<b>Construction of Cancer Bunkers</b>	164,000,000	(50,000,000)	<b>114,000,000</b>	<b>66,679,226</b>	47,320,774	58.49%

Budget notes

1. The absorption in employee cost fell below 90% due to delayed approvals of salary scales from SRC, capital expenditure since the balance was insufficient to kick start the Meru Cancer Bunker. The schedules of the trustees were so fixed that it did not allow them to participate in the planned board activities.

2. The absorption of the development fund was below 90% because the balance was insufficient to start a new project for full absorption of the fund.

4. Board of Trustees budget was underutilized due to their schedules that did not allow them to engage in the planned activities.

## **19. Notes to the Financial Statements**

### **General Information**

The National Cancer Institute of Kenya National Cancer Institute is established by and derives its authority and accountability from Cancer Prevention Act of 2014. The National Cancer Institute is wholly owned by the Government of Kenya and is domiciled in Kenya. The National Cancer Institute's principal activity is Cancer Prevention and Control.

### **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 *National Cancer Institute's* accounting policies. The areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note 5 of these financial statements.

The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the *National Cancer Institute*. The financial statements have been prepared in accordance with the PFM Act, the State Corporations Act (*including 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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**Notes to the Financial Statements (Continued)**

**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*

<b>Standard</b>	<b>Effective date and impact:</b>
IPSAS 43: Leases	<b><i>Applicable 1<sup>st</sup> January 2025</i></b> 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 National Cancer Institute. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<b><i>Applicable 1<sup>st</sup> January 2025</i></b> The Standard requires, 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: 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.
IPSAS 45: Property Plant and Equipment	<b><i>Applicable 1<sup>st</sup> January 2025</i></b> The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.
IPSAS 46: Measurement	<b><i>Applicable 1<sup>st</sup> January 2025</i></b>

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	<p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ol style="list-style-type: none"><li>i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used.</li><li>ii. Clarifying transaction costs guidance to enhance consistency across IPSAS.</li><li>iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures.</li></ol> <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p>
IPSAS 47: Revenue	<p><b><i>Applicable 1<sup>st</sup> January 2026</i></b></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 National Cancer Institute 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>
IPSAS 48: Transfer Expenses	<p><b><i>Applicable 1<sup>st</sup> January 2026</i></b></p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p>
IPSAS 49: Retirement Benefit Plans	<p><b><i>Applicable 1<sup>st</sup> January 2026</i></b></p> <p>The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.</p>
IPSAS 50: Exploration For & Evaluation of Mineral Resources	<p><b><i>Applicable 1<sup>st</sup> January 2027</i></b></p> <p>The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires:</p> <ol style="list-style-type: none"><li>i. Limited improvements to existing accounting practices for exploration and evaluation expenditures.</li></ol>

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	<ul style="list-style-type: none"><li>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.</li><li>iii. Disclosures that identify and explain the amounts in the National Cancer Institute'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.</li></ul>
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**iii. Early adoption of standards**

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

**Notes to the financial statements (continued)**

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

**b) Budget information**

The original budget for the Current FY was approved by the National Assembly on *26th June 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 National Cancer Institute upon receiving the respective approvals in order to conclude the final budget.

**Budget information (continued)**

The *NCI-K budget* is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis

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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.

**Notes to the Financial Statements (Continued)**

**Summary of Significant Accounting Policies (Continued)**

**c) Property, plant and equipment**

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the National Cancer Institute 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.

**d) Intangible assets**

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

**e) Research and development costs**

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

- i) The technical feasibility of completing the asset so that the asset will be available for use or sale.
- ii) Its intention to complete and its ability to use or sell the asset.

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- iii) How the asset will generate future economic benefits or service potential
- iv) The availability of resources to complete the asset.
- v) The ability to measure reliably the expenditure during development.

**Notes to the Financial Statements (Continued)**

**Summary of Significant Accounting Policies (Continued)**

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.

**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.

**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 National Cancer Institute 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.

**Financial liabilities**

**Classification**

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

**f) 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:

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

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

**Notes to the Financial Statements (Continued)**

**Summary of Significant Accounting Policies (Continued)**

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 *National Cancer Institute*.

**g) Provisions**

Provisions are recognized when the *National Cancer Institute* 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 *National Cancer Institute* 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.

**h) 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 National Cancer Institute 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

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payments) that the National Cancer Institute will incur in fulfilling the present obligations represented by the liability.

**i) Changes in accounting policies and estimates**

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

**j) 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

**Notes to the Financial Statements (Continued)**

**Summary of Significant Accounting Policies (Continued)**

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.

**k) 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.

**l) Comparative figures**

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

**m) Subsequent events**

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

**Notes to the Financial Statements (Continued)**

**Summary of Significant Accounting Policies (Continued)**

**5. Significant Judgments and Sources of Estimation Uncertainty**

The preparation of the *National Cancer Institute'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. State all judgements, estimates and assumptions made:

**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 National Cancer Institute 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 National Cancer Institute. Such changes are reflected in the assumptions when they occur. IPSAS 1.140

**Useful lives and residual value**

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

- a) The condition of the asset based on the assessment of experts employed by the National Cancer Institute.
- b) The nature of the asset, its susceptibility and adaptability to changes in technology and processes.
- c) The nature of the processes in which the asset is deployed.
- d) Availability of funding to replace the asset.
- e) Changes in the market in relation to the asset

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**Provisions**

Provisions were raised and management determined an estimate based on the information available.

**Notes to the Financial Statements (Continued)**

**6. Transfers from Other Government entities**

**a) Transfers from Ministries, Departments and Agencies (MDAs)**

Name of The National Cancer Institute Sending The Grant	Amount recognized to of Financial performance. *	Amount deferred under deferred income.	Amount recognised in capital fund.	Total transfers (2024-2025 FY)	2023/2024 FY
	KShs	KShs	KShs	KShs	KShs
Ministry of Health	247,500,000	0.00	0.00	247,500,000	200,000,000
<b>Total</b>	<b>247,500,000</b>	<b>0.00</b>	<b>0.00</b>	<b>247,500,000</b>	<b>200,000,000</b>

**7. Public Contributions and Donations**

Description	2024/2025 FY	2023/2024 FY
	Kshs	Kshs
Savannah Informatics	5,515,169	14,856,410
<b>Total Transfers and Sponsorships</b>	<b>5,515,169</b>	<b>14,856,410</b>
<b>Reconciliation Of Public Contributions and Donations</b>		
Balance Unspent at Beginning of The Year	-	-
Current Year Receipts	5,515,169	<b>14,856,410</b>
Conditions Met - Transferred to Revenue	5,515,169	<b>14,856,410</b>
Conditions To Be Met - Remain Liabilities	<b>0.00</b>	<b>0.00</b>

*(These were no unconditional donations from Partners to undertake various cancer awareness campaign)*

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**Notes to the Financial Statements (Continued)**

**8. Use of Goods and Services**

Description	2024/2025	2023/2024
	Kshs	Kshs
Advertisement	2,823,807	22,705,446
Printing and branding	5,868,449	2,372,960
Airtime/Telecommunication	1,009,264	636,000
Rent	11,647,114	11,329,271
Conference facilitation	9,031,643	7,266,680
Catering	548,311	2,574,700
DSA	21,010,112	60,666,108
Bank charges	227,878	101,708
Stationery	1,357,300	4,343,000
Audit fees	1,856,000	464,000
motor vehicle repairs	-	2,356,340
consultancy	8,664,939	4,782,000
Advocacy	91,046,891	2,600,000

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Donation	-	200,000
Office Admin	1,461,875	797,611
Training	10,190,886	1,794,572
Fuel	2,000,000	3,963,500
<b>Total</b>	<b>168,744,469</b>	<b>128,953,896</b>

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**9. Cancer Bunkers**

SN	Project	Total project Cost
	<b>Construction of Cancer Bunkers</b>	<b>Cost</b>
1	Mombasa (Coast General Hospital)	47,882,283
2	Nakuru (Nakuru Level 6)	18,796,942
	<b>Total cost</b>	<b>66,679,226</b>

**10. Employee Costs**

Description	2024/2025 FY	2023/2024 FY
	Kshs	Kshs
Salaries and wages	19,341,853	2,819,922
Transport/Commuter Allowance	2,499,500	0.00
Employer contribution to pension schemes (NSSF)	2,568,278	0.00
Housing Levy Employer contribution	494,118	0.00
Housing benefits and allowances	10,952,583	0.00
Hardship allowance	21,800	0.00
NITA Employer contribution	19,400	10,080
Leave allowance	292,972	0.00
Ag.CEO Acting allowance	2,640,000	0.00
<b>Employee costs</b>	<b>38,830,504</b>	<b>2,830,002</b>

**11. Board Expenses**

Description	2024/2025 FY	2023/2024 FY
	Kshs	Kshs
Chairman/Directors' Honoraria	1,020,000	1,020,000
Sitting Allowances	6,549,800	5,704,950
Induction and Training	1,440,400	920,000
Travel and Accommodation	780,713	530,000
Internet/airtime	183,000	102,000
<b>Total</b>	<b>9,973,913</b>	<b>8,276,950</b>

*(The board expense increased slightly due to more board activities but the expenditure remains within budget)*

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**Notes to the Financial Statements (Continued)**

**12. Depreciation and Amortization Expense**

<b>Description</b>	<b>2024/2025 FY</b>	<b>2023/2024 FY</b>
	<b>Kshs</b>	<b>Kshs</b>
Property, plant and equipment	14,902,459	7,506,354
Intangible assets (Computer software)	2,939,700	0.00
<b>Total depreciation and amortization</b>	<b>17,842,159</b>	<b>7,506,354</b>

**13. Repairs and Maintenance**

<b>Description</b>	<b>2024/2025 FY</b>	<b>2023/2024 FY</b>
	<b>Kshs</b>	<b>Kshs</b>
Equipment and Machinery	1,808,503	2,356,340
Office Renovation	5,571,374	0.00
<b>Total Repairs and Maintenance</b>	<b>7,379,379</b>	<b>2,356,340</b>

*(The cost increased due to the renovations that were done on the office space)*

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**14. Cash and Cash Equivalents**

Description	2024/2025 FY	2023/2024 FY
	Kshs	Kshs
Current Account	85,510,040	170,481,085
<b>Total Cash and Cash Equivalents</b>	<b>85,510,040</b>	<b>170,481,085</b>

**Detailed Analysis of the Cash and Cash Equivalents**

Financial Institution	Account number	2024/2025 FY	2023/2024 FY
		Kshs	Kshs
a) <b>Current Account</b>			
Kenya Commercial Bank		68,829,805	154,581,403
African Banking Corporation		16,680,235	15,899,682
<b>Sub- Total</b>		<b>85,510,040</b>	<b>170,481,085</b>
<b>Grand Total</b>		<b>85,510,040</b>	<b>170,481,085</b>

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**Notes to the Financial Statements (Continued)**

**15.Receivables from Non-Exchange Transactions**

Description	2024/2025 FY		2023/2024 FY	
	Kshs		Kshs	
Recurrent Grants	22,500,000		16,666,666	
<b>Total receivables from non- exchange transactions (GoK)</b>	<b>22,500,000</b>		<b>16,666,666</b>	
<b>Ageing Analysis- Receivables from non-exchange transactions</b>	<b>Current FY</b>	<b>% of the total</b>	<b>Comparative FY</b>	<b>% of the total</b>
Less than 1 year	22,500,000	%	100	%
<b>Total</b>	<b>22,500,000</b>	<b>%</b>	<b>16,666,666</b>	<b>%</b>

**16.Inventories**

Description	2024/2025	2023/2024 FY
	FY	FY
	Kshs	Kshs
Office Stationery	723,604	3,650,024
<b>Total inventories at the lower of cost and net realizable value</b>	<b>723,604</b>	<b>3,646,024</b>

**17.Property, Plant and Equipment.**

Property, Plant & Equipment -30th June 2025	Motor vehicle	Furniture and Fittings	Computer	Totals
	Kshs	Kshs	Kshs	Kshs
	25.00%	12.50%	33%	
<b>COST</b>				
1st July 2023	5,407,421	3,146,600	10,125,550	18,679,571
Additions	9,910,579	-	5,522,900	15,433,479
30th June 2024	15,318,000	3,146,600	15,648,450	34,113,050

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1st July 2024	15,318, 000	3,146, 600	15,648 ,450	34,113, 050
Additions		2,693, 300	27,608 ,868	30,302, 168
30th June 2025	15,318, 000	5,839, 900	43,257 ,318	64,415, 218
DEPRECIATION				
1st July 2023	-	1,246, 967	5,083, 909	6,330,8 76
Depreciation	3,829,5 00	246,95 2	3,429, 901	7,506,3 53
30th June 2024	3,829,5 00	1,493, 919	8,513, 810	13,837, 229
1st July 2024	3,829,5 00	1,493, 919	8,513, 810	13,837, 229
Depreciation	2,872,1 25	564,97 7	11,465 ,357	14,902, 459
30th June 2025	6,701,6 25	2,058, 896	19,979 ,167	28,739, 688
NET BOOK VALUES				
30th June 2025	8,616,3 75	3,781, 004	23,278 ,151	35,675, 530
30th June 2024	11,488, 500	1,652, 681	7,134, 640	20,275, 821

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18. Intangible Assets.

Description	2024-2025	2023-2024
	Kshs	Kshs
Cost		
At beginning of the year	-	-
Additions for the year	14,698,502	-
At end of the year	14,698,502	-
Amortization		
At beginning of the year	-	-
Amortization for the year	2,939,700	-
At end of the year	2,939,700	-
NBV	11,758,802	-

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Notes to the Financial Statements (Continued)

19. Trade and Other Payables

Description	2024/2025 FY		2023/2024 FY	
	Kshs		Kshs	
Trade payables	1,842,002		3,945,683	
Other payables-Audit fees	0.00		464,000	
<b>Total trade and other payables</b>	<b>1,842,002</b>		<b>4,409,683</b>	
<b>Ageing analysis: (Trade and other payables)</b>	<b>Current FY</b>	<b>% of the Total</b>	<b>2023/2024 FY</b>	<b>% of the Total</b>
Under one year	0.00	%	3,945,683	100%
1-2 years	0.00	%	0	%
2-3 years	0.00	%	0	%
Over 3 years	1,842,002	100%	0	%
<b>Total (tie to above total)</b>	<b>1,842,002</b>		<b>3,945,683</b>	

(These are historical payables that have no LSP/LPO attached, hence remain unpaid.)

20. Provisions

Description	2024-2025	2023-2024
	Kshs	Kshs
Audit fees provision	928,000	464,000
<b>Total audit fee provision</b>	<b>928,000</b>	<b>464,000</b>

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**21. Retention on works**

Description	Retention held
	Kshs
Seven Pillars Construction	1,971,684
Orex Company	248,443
Ciron Construction	952,454
<b>Total</b>	<b>3,172,581</b>

**22. Cash Generated from Operations**

Description	2024-2025	2023-2024
	Kshs	Kshs
Surplus for the year before tax	-56,434,520	64,932,869
<b>Adjusted for:</b>		
Depreciation	17,842,159	7,506,353
<b>Working Capital adjustments</b>		
Increase in receivables non exchange	-5,833,334	107,833,334
Increase in inventories	2,922,420	-3,646,024
Increase in payables	1,532,900	-18,084,260
<b>Net cash flow from operating activities</b>	<b>-39,970,375</b>	<b>158,542,272</b>

**23. Financial Risk Management**

The National Cancer Institute's activities expose it to a variety of financial risks including credit and liquidity risks and effects of changes in foreign currency. The National Cancer Institute's overall risk management programme focuses on 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 National Cancer Institute does not hedge any risks and has in place policies to ensure that credit is only extended to

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customers with an established credit history. The National Cancer Institute's financial risk management objectives and policies are detailed below:

**i) Credit risk**

The National Cancer Institute 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 National Cancer Institute's management based on prior experience and their assessment of the current economic environment.

**24. Related Party Disclosures**

**Nature of related party relationships**

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

**Government of Kenya**

The Government of Kenya is the principal shareholder of the Institute, holding 100% of the NCI-K's equity interest. The Government of Kenya has provided full guarantees to all long-term lenders of the entity, both domestic and external. Other related parties include;

1. The National Government;
2. The Parent Ministry of Health;
3. Key management;
4. Board of directors;

**25. Events after the Reporting Period**

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

**26. Ultimate and Holding National Cancer Institute**

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The National Cancer Institute is a State Corporation/ or a Semi-Autonomous Government Agency under the Ministry of Health. Its ultimate parent is the Government of Kenya.

**27. Currency**

The financial statements are presented in Kenya Shillings (Kshs) rounded to the nearest Kshs

**20. Appendices**

Appendix 1: Implementation Status of Auditor-General’s Recommendations

The following is the summary of issues raised by the external auditor and the management wishes to respond as follows;

<b>Reference No. on the external audit Report</b>	<b>Issue / Observations from Auditor</b>	<b>Management comments</b>	<b>Status: (Resolved / Not Resolved)</b>	<b>Timeframe: (Put a date when you expect the issue to be resolved)</b>
1.Budgetary Control and Performance	The statement of comparison of budget and actual amounts reflects actual expenditure of Kshs. 149,923,541 against actual revenue of Kshs.214,856,410 resulting in under expenditure of Kshs.64,923,869 or 30% of the actual revenue.  The under expenditure may have negatively impacted on execution of the planned activities and the achievement of the	The financial statement was restated	Not yet resolved	We are waiting for parliamentary recommendation to resolve the issue

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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)
	Institute's objectives.			
2)Unresolved prior year matters.		The institute appeared before the PIC of the National Assembly and presented responses to resolve the issue.	Not yet resolved	We are waiting for parliamentary recommendation to resolve the issue
3.Excess board membership	The Institute had ten board members contrary to Section 1.1.3 of Mwongozo Code of Governance for State Corporation,2015 which requires board membership of all state corporations of between 7 and 9 members. In the circumstances, management was in breach of Mwongozo Code of Governance for State Corporations	<i>A letter was written to the appointing authority for action and we expect this issue to be resolved.</i>  The institute appeared before the PIC of the National Assembly and presented responses to resolve the issue.	Not yet resolved	We are waiting for parliamentary recommendation to resolve the issue
4. Non-compliance with Guidelines on Persons	Analysis of staff records showed that only 3% of the total staff was listed as people living with	The Institute will continue encouraging people living with disability to apply for jobs in the Institute	Not yet resolved	We are waiting for parliamentary recommendation

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<b>Reference No. on the external audit Report</b>	<b>Issue / Observations from Auditor</b>	<b>Management comments</b>	<b>Status: (Resolved / Not Resolved)</b>	<b>Timeframe: (Put a date when you expect the issue to be resolved)</b>
with Disabilities	disabilities which is less than the required minimum of 5%. Contrary to Section B23(2) of the Public Service Commission Human Resource Policies and Procedure Manual, 2016.	when advertised and work towards achievement of the required 5% minimum threshold. In the previous recruitment the Institute received only one application from PWDs.		on to resolve the issue
5. Inadequate staffing levels.	Review of the Institute's staff establishment revealed approved staff establishment of two hundred and forty-seven (247) positions while current staff in post stood at thirty-three (33) as at 30 June, 2024 resulting in unfilled positions of two hundred and fourteen (214). In the circumstances, the inadequate staffing levels may have affected the effectiveness of achieving the Institute's principal activities	The Institute carried out the first phase of recruitment in June 2024, however approval is being sought with regard to the second phase considering the austerity measures in place on recruitment by the government.	Not yet resolved	We are waiting for parliamentary recommendation to resolve the issue

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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)
6. Weaknesses in internal controls and risk management.	<p>The Institute did not establish risk management policy, finance and accounting manual, assets management policy, transport management policy, information technology (IT) plan and disaster recovery plan. Further, the audit committee and internal audit charters were not approved and operationalized.</p> <p>In the circumstances, the effectiveness of internal controls and risk management could not be confirmed.</p>	<p>The Institute is in the process of formulating these imperative policies for the smooth running of operations and also to tighten the Institute's internal control. This work is in progress and will be completed soon for implementation.</p>	Not yet resolved	We are waiting for parliamentary recommendation to resolve the issue

**Guidance Notes:**

- (i) Use the same reference numbers as contained in the external audit report;
- (ii) Obtain the "Issue/Observation" and "management comments", required above, from the final external audit report that is signed by Management.
- (iii) Before approving the report, discuss the timeframe with the appointed Focal Point persons within your National Cancer Institute responsible for the implementation of each issue.

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(iv) Indicate the status of “Resolved” or “Not Resolved” by the date of submitting this report to the National Treasury.



.....  
Dr. Elias Melly.

Ag. Chief Executive Officer

Date: 11/42/2025

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**Appendix II: Projects implemented by (National Cancer Institute of Kenya)**

Projects implemented by the State Corporation/ SAGA Funded by development partners and/ or the Government.

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)
Nakuru Cancer Bunker	MOH/SDMS/NCCP/ONT/OO1/2023-2024	GoK	33 WEEKS	N/A	NO	YES
Mombasa Cancer Bunker	MOH/SDMS/NCCP/ONT/002/2023-2024	GoK	28 WEEKS	N/A	NO	YES

**Status of Projects completion**

SN	Project	Total project Cost	Total expended to date	Completion % to date	Budget	Actual	Sources of funds
	Nakuru Cancer Bunker	37,371,365	18,796,942.24	80%	38,000,000	18,796,942.24	GoK
	Mombasa cancer Bunker	44,407,040	42,415,253.00	100%	45,000,000	43,513,282.80	GoK

**Appendix III- Inter-National Cancer Institute Confirmation Letter**

**Name of transferring National Cancer Institute: State Department for Medical Service**

**Name of Beneficiary National Cancer Institute: National Cancer Institute of Kenya**

(National Cancer Institute of Kenya)  
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Confirmation of amounts received by [National Cancer Institute of Kenya] as at 30 <sup>th</sup> June 2025					
Reference Number	Date Disbursed	Recurrent (A)	Development (B)	Total (C)=(A+B)	Remarks
FT2422723Q2Y	14.08.2024	22,500,000	0.00	22,500,000	
FT24260GHYQ C	16.09.2024	22,500,000	0.00	22,500,000	
FT242891GK48	15.10.2024	22,500,000	0.00	22,500,000	
FT243171B2FB	12.11.2024	22,500,000	0.00	22,500,000	
FT24348380QQ	13.12.2024	22,500,000	0.00	22,500,000	
FT25008S5D8Z	08.01.2025	22,500,000	0.00	22,500,000	
FT25043XFT9 K	12.02.2025	22,500,000	0.00	22,500,000	
FT25076XR5K L	17.03.2025	22,500,000	0.00	22,500,000	
FT25105HM64 S	15.04.2025	22,500,000	0.00	22,500,000	
FT251322MSX G	12.05.2025	22,500,000	0.00	22,500,000	
FT25168FRD5Z	17.6.2025	22,500,000	0.00	22,500,000	
FT25182ILJ IF	1.7.2025	22,500,000	0.00	22,500,000	
Total		270,000,000	0.00	270,000,000	

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

**Head of Accounts Department - Disbursing National Cancer Institute:**

Name Geoffrey Munda Sign [Signature] Date 11/12/2025

**Head of Accounts Department - Beneficiary National Cancer Institute**

Name: Dr Elias Melly

Sign [Signature] Date 11/12/2025

Appendix iv

Accounts Payables	
Hotel Waterbuck	316,200.00
KISE	209,999.00
Sawela Lodges	454,500.00
Grand Winston	369,000.00
Wiskim Investment	458,000.00
PPRA	34,303.27
<b>Total</b>	<b>1,842,002.27</b>