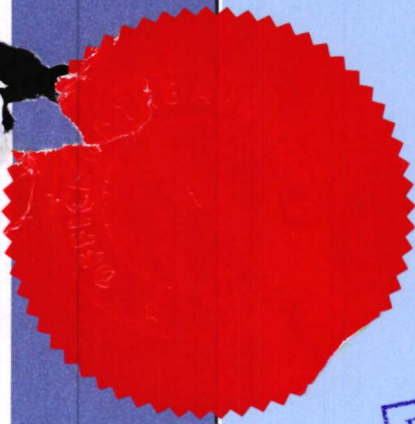


REPUBLIC OF KENYA



REPORT

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KIAMBU LEVEL 5 HOSPITAL

FOR THE YEAR ENDED

30 JUNE, 2025

COUNTY GOVERNMENT OF KIAMBU

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KIAMBU LEVEL 5 HOSPITAL
(Kiambu County Government)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2025

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

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Table of Contents

1. Acronyms & Glossary of Terms	ii
2. Key Entity Information and Management.....	iii
3. The Board of Management.....	vii
4. Key Management Team.....	ix
5. Chairman’s Statement.....	xv
6. Report of The Medical Superintendent.....	xvi
7. Statement of Performance Against Predetermined Objectives	xx
8. Corporate Governance Statement.....	xxi
9. Management Discussion and Analysis	xxii
10. Report of The Board of Management	xxxiii
11. Statement of Board of Management’s Responsibilities	xxxiv
12. Report of the Independent Auditor (<i>specify entity name</i>).....	xxxvi
13. Statement of Financial Performance for The Year Ended 30 June 2025	37
14. Statement of Financial Position as at 30 th June 2025	39
15. Statement of Changes in Net Assets for The Year Ended 30 June 2025	41
16. Statement of Cash Flows for The Year Ended 30 June 2025	42
17. Statement of Comparison of Budget and Actual Amounts for Year Ended 30 Jun 2025 43	
18. Notes to the Financial Statements	45
Kiambu level 5 hospital applies the straight-line method of depreciation, using the generally accepted depreciation rates as shown below.	68
19. Appendices	71

1. Acronyms & Glossary of Terms

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

SR	Corporate Social Responsibility
OSHA	Occupational Health & Safety Act
PFMA	Public Financial Management Act
MED SUP	Medical Superintendent
FIF	Facility Improvement Fund
NHIF	National Hospital Insurance Fund
IPSAS	International public Sector Accounting Standards
AGPO	Access To Government Procurement Opportunities
UNFPA	United Nations Fund for Population Activities
CHMT	County Health Management Team
WIBA	Working Injury Benefit Act
PPE	Property, Plant and Equipment
KLH5	Kiambu Level 5 Hospital
CCC	Comprehensive Care centre
CWC	Child Welfare Clinic
ANC	Ante Natal Clinic
PNC	Post Natal Clinic
FP	Family Planning
NBU	Newborn Unit
ICU	Intensive Care Unit
SHA	Social Health Authority

2. Key Entity Information and Management

(a) Background information

Kiambu Hospital is a Level 5 Hospital established under gazette notice number 23906 of 2017 and is domiciled in Kiambu County under the Health Department. The hospital is governed by a Board of Management, and is situated in Kiambu Sub-County, Kiambu Township. The hospital was started in the early 1920's as a smallpox vaccination centre. After independence, the Government of Kenya took over its management. The hospital has since then grown to its status as county referral hospital with bed space capacity of 426 beds and solely under the management of Kiambu County Government.

The hospital serves a primary catchment population of about 165,000 persons from Kiambu Sub County. It serves as a referral for approximately 1 million people from the larger Kiambu County, Nairobi Metropolis and the neighbouring counties. The Master Facility Code for the hospital is 10539.

Kiambu Sub-County has six (6) public health facilities namely: Kiambu Level 5 Hospital, Ting'ang'a Dispensary, Riabai Dispensary, Anmer Dispensary, St. Anns Lioki Dispensary, and GK Prison (Kiambu) Dispensary. Kiambu level 5 acts as referral hospital to all these primary health care facilities.

The hospital is governed by a Hospital Management Board, whose roles includes:

1. To provide general oversight over the hospital's operations,
2. Promote the development of the hospital,
3. Recommend plans and programs for implementing the county health strategies in the hospital;
4. Recommend budget estimates,
5. Establishing a hospital-community participation and feedback platform,
6. Assessing the delivery of services at the hospital,
7. Monitoring the hospitals performance against set targets and advice the Executive Member.

The Hospital's day-to-day management is under the following key organs:

1. Executive expenditure Committee
2. The Hospital Management Team,
3. The Medical Superintendent (Accounting Officer/CEO), and
4. Management Committees

(b) Principal Activities

The principal activity/mission/ mandate of Kiambu Level 5 is to provide affordable general and specialized outpatients and inpatient services to the resident of Kiambu and its environs. It provides curative and rehabilitative services, promotive and preventive services, primary health care services, including specialized services. These include outpatient general and specialized consultation services, laboratory services, dental, radiology, physiotherapy and occupational therapy services, orthopaedic/trauma services, palliative care, Ear Nose and Throat department, ophthalmology services, Maternal Child Health , Integrated Management of Childhood illness , casualty and emergency, Intensive Care Unit, Medical and surgical inpatient services, Paediatrics and New Born Unit services, maternity and postnatal services, Obstetrics and Gynaecology inpatient services, and funeral home services.

The hospital’s Vision is “An efficient, effective and high-quality healthcare service provider that is accessible, equitable and affordable for everyone.” Our Mission is “to provide health services that are equitable, accessible and accountable to the patients.’ Our core values include efficiency, integrity, timeliness, transparency, confidentiality, and professionalism

(c) Key Management

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

- County department of health
- Board of Management
- Accounting Officer/ Medical Superintendent
- Executive Expenditure Committee Members
- Hospital Management Team

(d) Fiduciary Management

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

SN	Designation	Name
1.	Medical Superintendent	Dr Penina Makau
2.	Head of finance	Lydia Karanja
3.	Head of supply chain	Ann Gichini
4.	Hospital Administrator	John Kariuki
5.	Nursing Services Manager	David Kamotho

(e) Fiduciary Oversight Arrangements

Fiduciary oversight over the hospital's operations both financial and general activities are provided as below,

1. Department of County Health Management team and Kiambu county treasury.
The above provides general audit oversight/activities for the hospital's financial commitments and all other hospital operations in terms of service delivery.
2. Hospital management board.
This committee provides general guidance on the hospital's revenue targets, budgets and expenditure propose as well as advising on introduction of new services.
3. Hospital management team
The team provided guidance on hospital financial needs and strategies for improved and sustainable financial performance of the hospital.
4. Executive expenditure committee
This is the senior most and very critical committee with primary responsibility of assessing and improving hospital performance, reviewing hospital revenue collections, developing all budget proposals, and expenditure oversight.

Key Entity Information and Management (continued)

(f) Entity Headquarters

P.O. Box 39
Biashara Street
Kiambu, KENYA

(g) Entity Contacts

Telephone: (+254) 721864258
E-mail: Kiambudistricthospital@gmail.com

(h) Entity Bankers

- (i) Kiambu Hospital FIF Bank Account
Kenya commercial bank
Kiambu Branch

(ii) Kiambu Level 5 Conditional grant Account
Family Bank
Kiambu Branch

(iii) Kiambu Level 5 NHIF Collections A/C
Kenya Commercial bank
Kiambu Branch

(iv) Kiambu Level 5 Hospital Revenue A/C
Co- operative Bank
Kiambu Branch

(a) Independent Auditors

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




(b) County Attorney

P.O. Box. 2344
00900,
Kiambu, Kenya




(j) Independent Auditors

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

3. The Board of Management


Directors	Details
 <p>Mr. Joseph Mwangi - Chairman Diploma in Discipleship</p>	<p>The Chairman of the Hospital Board. Mr. Joseph was born in 1973 and is an ordained Bishop from 2023, Prior to this he has served as a Pastor since 1999.</p>
 <p>Mr. Josephat Wainaina Waiti Ndungu - Member Date of Birth- 1st January 1971</p>	<p>Mr. Josephat is a member of the hospital board.</p>
 <p>Prof. Kefah M. Njenga - Date of Birth 1970 Qualifications: B.com, M.com, PhD.</p>	<p>Prof. Kefah is a member of the board. He is 55yrs old, he has 30 years' experience in administration and teaching.</p>

Kiambu Hospital (Kiambu County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025



 <p>Mrs Hannah Wanderi - Member Date of Sept, 1964 Certified Public Accountant (CPA K)</p>	<p>Board member Certified Public Accountant (CPA K) Works in the ministry of information and communication and technology</p>
 <p>Ms Mohe Mary Nungari - Member Lawyer Date of birth 18th November 1999 Bachelor Of Law (African Nazarene University)</p>	<p>Mohe Mary Nungari is a Member of the Hospital Board. She is 24 years Her work experience includes A) Litigation (holding over) - Gikenye, Mugo and Rienye Advocates(2024-present) B) legal intern-Waithera Thuo & company Advocates.(September - December 2022) C) Court Assistant - Ruiru Law Courts(2021-January 2022)</p>
 <p>Dr. Peninnah Mwikali Makau – Secretary. Date of Birth: 17th January 1983 Bachelor of Medicine and Bachelor of Surgery (MBChB, KIU, 2010) MMed Obstetrics and Gynaecology (UON 2023)</p>	<p>Dr. Makau has 15 years’ experience working as a Medical doctor. She has worked at Malindi Sub County Hospital, Tigoni Level Hospital, AIC-Kijabe Hospital, Kenyatta National Hospital and now Kiambu County Referral Hospital. Currently, an obstetrician and gynaecologist and the Mmedical superintendent at Kiambu County Referral Hospital and serves as the secretary to the Hospital Management Board.</p>



	<p>The Medical Superintendent of the facility serves as the entity secretary.</p> <p>The secretary is not a member of ICS</p>
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4. Key Management Team



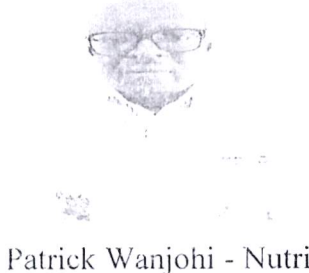


Ref	Management	Details
1.	 <p>Dr. Peninnah Makau – Medical Superintendent MBcHB, MMED.Obs/Gyn</p>	<p>Medical Superintendent</p> <p>Medical services and Accounting Officer</p> <p>Directs, supervises and evaluates the medical, nursing, technical, administrative, maintenance and other personnel.</p> <p>Monitors use of diagnostic services, inpatient and outpatient facilities.</p> <p>Enhances efficacy in management of patients</p> <p>Establishes work schedules and assignments for staff.</p> <p>Provides leadership</p> <p>Oversees in preparation and implementation of financial budget.</p>

Kiambu Hospital (Kiambu County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025




2	 <p>Dr. Muchunu – Deputy Medical Superintendent MBChB, MMED. General Surgery</p>	<p>Deputy Medical Superintendent</p> <p>Assists the medical superintendent in the responsibilities outlined.</p> <p>Directs, supervises and evaluates the medical, nursing, technical, administrative, maintenance and other personnel.</p> <p>Monitors use of diagnostic services, inpatient and outpatient facilities.</p> <p>Enhances efficacy in management of patients</p> <p>Establishes work schedules and assignments for staff.</p> <p>Provides leadership</p> <p>Assists in preparation and implementation of financial budget</p>
3.	 <p>John Kariuki Gitau - HAO</p>	<p>Hospital Administrative Officer</p> <p>Direct, supervise and evaluate work activities of medical nursing, technical, clerical service, maintenance and other staff.</p> <p>Plan, implement and administer programs and services including human resource, administration.</p>

			<p>training and coordination of medical, nursing and physical plant staff.</p> <p>Establish objectives and evaluative or operational criteria for managed departments.</p>
4.	 <p>David Kamotho - Nursing Service Manager</p>		<p>Responsible for the overall management of nursing staff and patient care within a healthcare setting. Key roles include supervising staff, developing protocols, coordinating care, ensuring compliance, managing resources, and fostering a positive work environment. Play a crucial role in quality improvement, staff development, and communication within the nursing team and with other departments.</p>
5.	 <p>Lydia Karanja - Senior Accountant</p>		<p>Heads the finance department. oversees Oversees financial operations i.e revenue and expenditure in the hospital. She ensures accuracy and compliance with financial regulations. Responsible for managing the general ledger, preparing financial</p>

		<p>statements, handling payroll, and conducting audits.</p> <p>Play a key role in budgeting, cost control, and financial analysis to support strategic decision-making. CPA K ,BCOM Finance Option</p>
6.	 <p>Dr.Rita Muthami – Pharmacist i/c</p>	<p>Pharmacist in charge.</p> <p>Responsible for the overall operation of a pharmacy, ensuring compliance with regulations, managing staff, and maintaining inventory. They also play a key role in medication management, patient care, and financial aspects of the pharmacy</p>
7.	 <p>Dr Samuel Misango – urologist</p>	<p>MM.Urology Surgery MBChB. HOD Surgery departments. Oversees all the consultants and in charge of all the medical interns. Medical specialist (Urologist)</p>

8.	 Anthony Kariuki – Public Health Officer	Diploma in public health Public. Public Health Officer in charge of hygiene and cleanliness in the hospital
9.	 Dr Ruth Irungu - Dentist	BSc. Dental Surgery In charge of dental department Born in 1980 Dental officer
10.	 Patrick Wanjohi - Nutritionist	BSc. Nutrition and Dietetics, Diploma in Nutrition and Dietetics In charge of nutrition services
11.	 Boniface Mwangi – Lab Technologist	Diploma in Medical Laboratory Science Heads the laboratory department as the in charge in terms of lab reagents control and monitoring
12.	 (Name not explicitly stated in the caption area)	BSc. Clinical Medicine, Diploma in Clinical Medicine In charge of Clinicians and outpatient department

Kiambu Hospital (Kiambu County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

	Alice Njenga – Clinical Officer	
13.	 Erastus Wainaina - Physiotherapist	Diploma in Physiotherapy Physiotherapist in charge. Uncharged of physiotherapy
14	 Margaret Waweru - HRIO	BSc. Health Records and Information, Diploma in Health Records, and Information In charge of all hospitals data and patients' information
15.	 Esther Njoroge – Medical Engineer	Diploma in Biomedical Engineering HOD biomedical Engineering department. In - charge all equipment in terms of installation and maintenance

5. Chairman's Statement

The appointment of the current hospital board was done in February; it constitutes of 5 members who have met severally to understand the hospital and to discuss the future plans for the hospital.

The successes entail;

1. The facility's ability to offer services in both outpatient and inpatient even a midst the doctors industrial action.
2. Another success is in the ability to foster collaborations with partners at the facility to actualize the hospital's vision.
3. The establishment of an X-ray machine and ultrasound machines.
4. The establishment of the Hospitals healing gardens.

Challenges faced;

1. The hospital is challenged in the fact that it is limited in space and some structures are old and require refurbishment to offer optimal services.

The way forward

1. To spearhead the hospital to maximize its potential in provision of services that currently are not offered like Dialysis and CT scan.
2. Explore future collaborations with county administration and private public partnership to actualize the expansion of the physical infrastructure of the hospital).

Further, the secretary of the board has captured the key outcomes in the past financial year in the medical superintendent's report.

Name: Joseph Mwangi

Chairman to the Board

6. Report of The Medical Superintendent

The hospital continues to provide a wide array of general and specialised medical services. We pride ourselves in the continued collaborations with various partners supporting our healthcare system, for improved outcomes. These include the Ministry of Health, County Department of Health Services, Christian Blind Mission, LVCT Health Thibiti Program, Operating Theatre Practitioners of Kenya, Kenyatta University, National Council of Churches of Kenya, Centre for Public Health and Development (CPHD) among others.

Some of the key areas of support we have received during this year, from these partners, included:

1. Renovation of eye and ENT unit. Formerly a condemned building, this timely intervention has enabled the hospital to enhance its reputation as a preferred care centre.
2. Prevention, screening, diagnosis, care and treatment of TB and HIV services, which includes provision of actual services, human resourcing, and provision of medical products and technologies.
3. Donation of medical equipment for the primary usage of training of residents in gasless laparoscopy with view to establishing a sustainable long term laparoscopy program at KL5H
4. General and specialized medical care under the Urban Refugees Assistance Programme
5. Training hospital for Kenyatta University School of medicine
6. Newborn essentials solutions and technologies (NEST) program, for improving neonatal care.

As it is evidenced above, these partnerships have been instrumental in ensuring that the hospital continuously improve the quality of care to its clients through direct support to wards service delivery, human resourcing, and infrastructure development in the hospital.

Key challenges facing the hospital throughout the financial year included:

1. Inadequate human resources for health in key general areas of medicine, nursing, and diagnostic services. This is aggravated by high turnover due to retirement, brain-drain, and specialization of Medical Officers. See annexure for detailed HRH profile.
2. High demand and preference for services in Kiambu Hospital, leading to high workload and congestion in key outpatient and inpatient services, against the limited infrastructural and human resources capacity.
3. Limited space for Accidents and Emergencies, and surgical services, leading to congestion and limited specialized inpatient services. The facility has only two theatre rooms in the main theatre.

one for emergencies, and another one for elective cases. 16 surgeons compete for this one elective theatre. This is a gross underutilization of costly medical workers.

4. The maternity theatre is also limited to only one room. A second room available is not resourced with the requisite medical equipment and human resources. The theatre conducts between 180-200 surgeries every month.
5. Other infrastructural issues include inadequate waiting areas for pharmacy and laboratory.
6. The funeral home has a limited capacity of 30 bodies and lacks refrigeration facilities. It also lacks appropriate and adequate parking areas for our clients. Its access road is not well maintained yet crowded by traders.
7. Inadequate ablution facilities for our clients.
8. The hospital's supplies gate and driveway are in a poor state. A situation made worse during the rainy seasons.

It is very evident that the hospital has an arduous task in investing more in the above highlighted areas, especially human resources and health infrastructure.

One of the key challenges we faced was labour withdrawal by a section of healthcare workers. The negative impact of this is manifested in our operations data, where our services scope dropped by 60% and 40% in the year 2024/25. Our revenues also dropped by the same proportion, negatively impacting the hospital's revenue targets.

The hospital continues to experience great inadequacies in infrastructural capacity, especially those supporting theatre services. With only two rooms in the main theatre, and one room in the maternity theatre, the hospital is incapable of efficiently handling its surgical workload, leading to long booking lists, long waiting periods/hospital stays, as well as delays in service delivery, all of these often leading to poor patient outcomes. It is imperative that we prioritize capital investments to alleviate this critical challenge, and to make the effective and efficient use of the available medical specialists.

Nevertheless, the facility continues to deliver the best and preferred healthcare services

In the coming year Kiambu County Referral Hospital hopes to increase the range of services offered to include dialysis, CT scan services and additional theatres through collaboration with the county government and the private – public partnerships.

The hospital also hopes to improve service delivery by improving lab services.

Way forward for improved outlook and outcomes:

1. Equipping of the second maternity theatre, and completion of stalled project on expansion of main theatre, which stalled in the year 2022.
2. Repair of the external waiting area for laboratory, pharmacy, and psychiatry units as well as equipping with appropriate seat, in all waiting areas.
3. Construction of an ablution block with adequate facilities.
4. Equip with modern cooling chambers, to expand the funeral home capacity to 60 bodies. Repair its external access road and renovate the provided parking space for its clients.
5. Installation of a new supplies Gate C and repair its external and internal driveways.
6. Construction of a new and separate Accidents and Emergency unit.

We feel that these interventions shall bear the greatest impact in our quality of services, through improved healthcare outcomes, and general impact to the society. We continue to be keen and hopeful at accessing and lobbying for the necessary investments, as a strategy towards achieving our specific health goals.

We are also engaging the relevant internal and external stakeholders, with an aim of establishing more healthcare services such as renal, paediatrics intensive care services, neurology surgical services, computer topography, and dental radiology services, and a refurbishment and newly equipped dental unit.

We believe that through the continued partnerships, collaborations, and commitments from the key stakeholders, we shall take this preferred hospital to a higher pedestal in delivery of specialised healthcare services in the region.



Name: Penina Mwikali Makau
Secretary to the Board

7. Statement of Performance Against Predetermined Objectives

Kiambu level 5 is guided by the six pillars of health in developing the annual workplan and annual procurement plan. The two plans outline all the activities including development to be undertaken within an year and its mode of payment plus budget requirements.

Kiambu Level 5 has 6 strategic pillars/ themes/issues and objectives within the current Strategic Plan for the FY 2024- FY 2025. These strategic pillars/ themes/ issues are as follows.

1. Service delivery
2. Human resource
3. Health information
4. Health products, vaccines and technology
5. Health infrastructure
6. Leadership and governance

Kiambu Level 5 develops its annual work plans based on the above 6 pillars/Themes/Issues. Assessment of the Board’s performance against its annual work plan is done on a quarterly basis. Kiambu hospital achieved its performance targets set for the FY 2024/2025 period for its 6 strategic pillars, as indicated in the diagram below:

Strategic Pillar/Theme/Issues	Objective	Key Performance Indicators	Activities	Achievements
Service delivery	To offer quality services to all our clients	Service charters	Monitoring and evaluation	Reduced patients waiting and turnaround time
Human resource	Increase efficiency and effectiveness	Great output	Job description, job specifications and on job training	Enhanced skills and increased output
Health information	Provision of data and promote technology	Elimination of communicable diseases.	Timely reporting and data collection	Helped in making informed decisions.

Health products	Provide essential medical products	Increase workload and customer satisfaction	Lobby for more products in terms of pharmaceuticals and non-pharmaceuticals	Less stock outs
Leadership and governance	Provide guidance and direction	Increased morale	Strengthen collaboration between KISH and key partners	More partners and donors
Health infrastructure	To provide conducive working environment	Improved appearance	To put up modern buildings and refurbish the old ones	More output and greater customer satisfaction

8. Corporate Governance Statement

The Members of the Board, were appointed on 14th February 2025 under gazette notice 3368 and Vol. CXXVII-No 31 by the County Executive Committee Member in – charge of Health Services Kiambu County to serve for a period of 3 years.

The Board undertakes the following governance responsibilities:

1. Provide oversight over the general administration of the hospital.
2. Promote the development of the hospital.
3. Recommend to the Executive Member plans and programs for implementing the county health strategies in the hospital.
4. Recommend to the Executive Member budget estimates.
5. Establishing a hospital-community participation and feedback platform.
6. Assessing the delivery of services at the hospital and advice the Executive Member.

7. Monitoring the hospitals performance against set targets and advice the Executive Member; and
8. Carrying out any other function that may assigned by the Executive Member.

The County Executive Committee Member for Health Services is obligated by the Kiambu County Health services Act no. 2 of 2019, to remove from office any member of the Board who:

1. has been absent for three consecutive meetings of the Board without the permission of the Chairperson.
2. is adjudged bankrupt.
3. is unable to discharge his or her duties due to physical or mental incapacity.
4. violates or is suspected of violating the provisions of Chapter six of the Constitution; or
5. is charged with a criminal offence in court of law or a traffic offence attracting an imprisonment term of a minimum of six months.

During the financial year ended 30th June 2025, the hospital management board members held 3 meetings. The hospital spent KES 85,000 in board remuneration in form of sitting allowances.

9. Management Discussion and Analysis

Kiambu level 5 hospital has a bed capacity of 426 with bed occupancy rate of 110%. The average length stay of 14 days and a mortality rate of 10% during the year ended 30th June 2025, Kiambu Level 5 Hospital attended to both outpatient and inpatient in different departments e.g., Laboratory, maternity both in MCH and Inpatient. It also attended to patients in specialised clinics as is the primary mandate to offer care to the patients. The patients' data for the past 3 years is as tabulated below

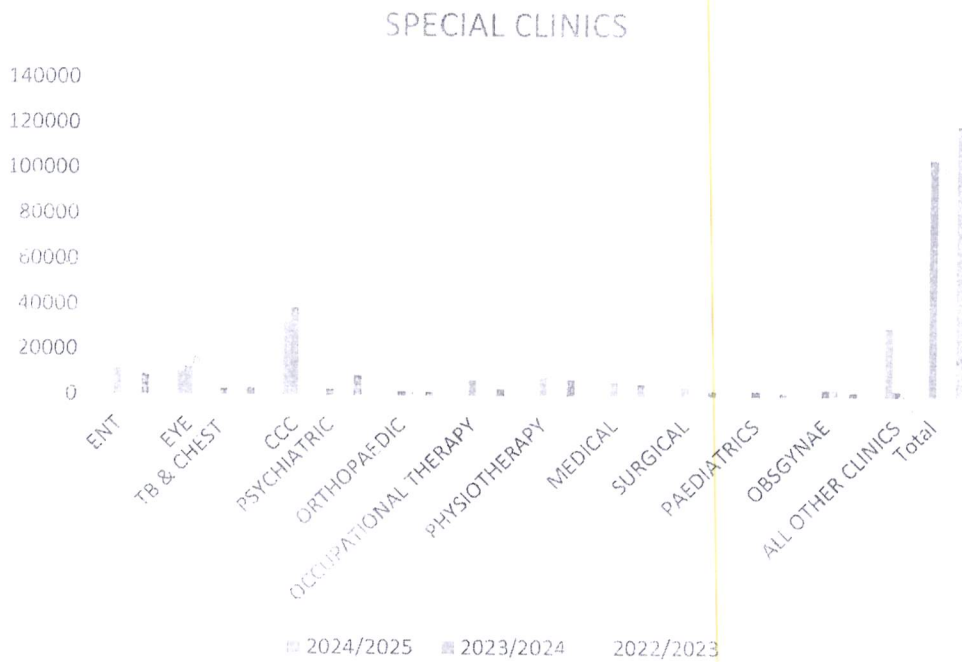
		2024/2025	2023/2024	2022/2023
1	OPD - OVER 5	159,505	182,784	207,254
2	OPD - UNDER 5	38,757	31,094	33,585
TOTAL GENERAL OPD		198,262	213,878	240,839
SPECIAL CLINICS				
		2024/2025	2023/2024	2022/2023
1	ENT	9,243	11,817	14,663
2	EYE	10,389	12,441	16,737
3	TB & CHEST	3,266	2,789	8,423
4	CCC	32,638	38,799	21,501
5	PSYCHIATRIC	9,146	2,744	3,338
6	ORTHOPAEDIC	1,754	2,049	3,124
7	OCCUPATIONAL THERAPY	3,180	7,108	8,728
8	PHYSIOTHERAPY	7,444	8,317	8,867
9	MEDICAL	5,480	6,265	6,917
10	SURGICAL	2,686	4,181	4,734
11	PAEDIATRICS	1,832	2,567	2,522
12	OBSGYNAE	2,218	3,206	3,277
13	ALL OTHER CLINICS	30,772	2,722	1,513
	Total	120,048	105,005	104,344
		2024/2025	2023/2024	2022/2023
1	MCH	12,806	31,040	36,757
2	CWC	13,006	15,328	23,118
3	ANC	9,222	9,955	10,948
3	PNC	896	939	845
4	FP	1,930	1,867	1,846

Kiambu Hospital (Kiambu County Government)

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

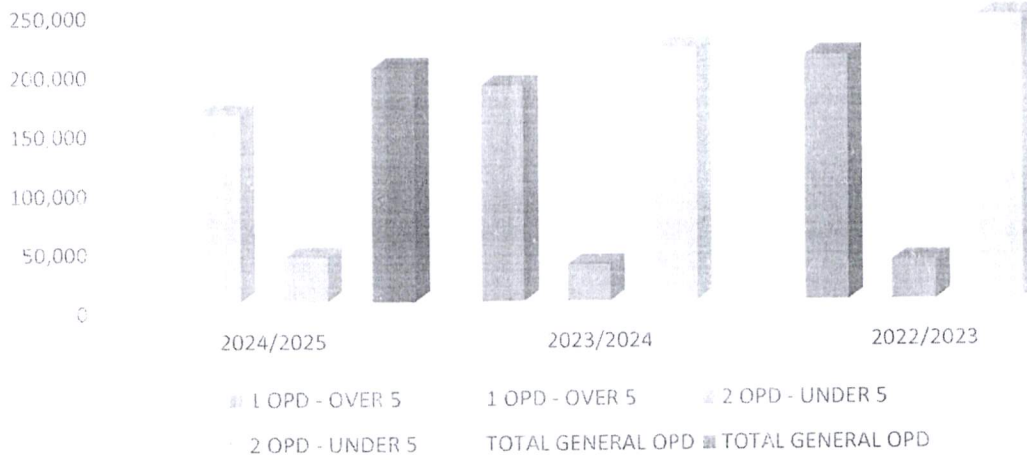
		2024/2025	2023/2024	2022/2023
	ADMISSIONS			
WARDS	FEMALE SURGICAL	573	710	995
	FEMALE MEDICAL	939	1,015	1,396
	MALE MEDICAL	1,007	1,118	1,614
	MALE SURGICAL	724	887	1,150
	GYNAECOLOGY	1,421	1,689	2,210
	PEADS	1,276	1,536	2,153
	MAT. A	6,800	6,527	8,697
	NBU	2,152	1,852	2,578
	ICU	36.00	41	43
	TOTAL	14,928	15,375	20,836
	SURGERIES			
	MINOR SURGERIES OPERATED	1,343	827	1,280
	EMERGENCIES OPERATED	2,793	2,771	3,590
	COLD SURGICAL CASES	845	371	559
	MAJOR SURGERIES OPERATED	2,441	2,502	3,069
	TOTAL SURGERIES OPERATED	7,425	6,471	8,506
	DELIVERIES			
	NORMAL DELIVERIES	4,244	4,399	6,262
	CAESAREAN SECTION	2,059	1,732	2,103
	TOTAL DELIVERIES	6,303	6,131	8,365

*Kiambu Hospital (Kiambu County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025*

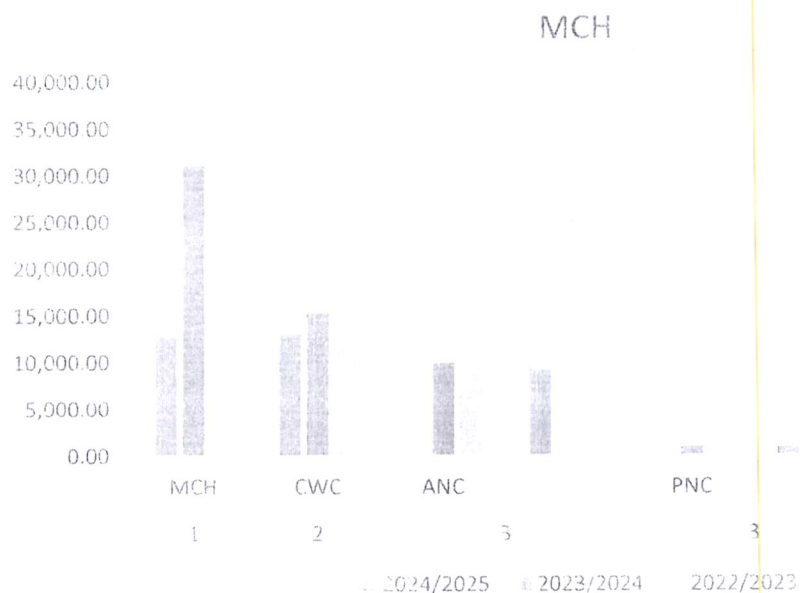


The total number of patients attending our specialized services had been at the highest this financial year. This is in spite of the industrial action experienced in the fourth quarter. This shows that clients are aware that these services are available and the hospital should seek to avoid interruption in these service provision.

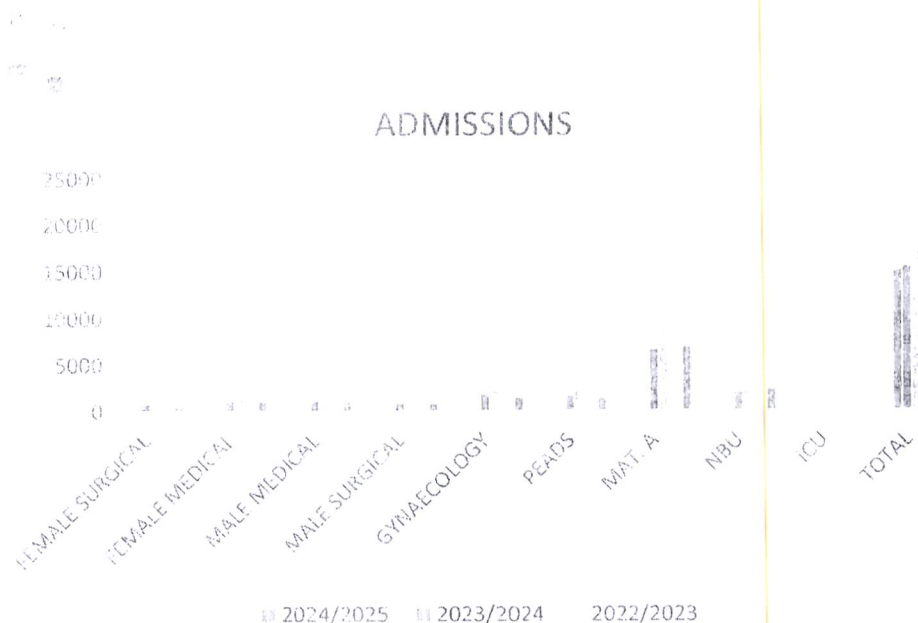
OPD ATTENDANCE



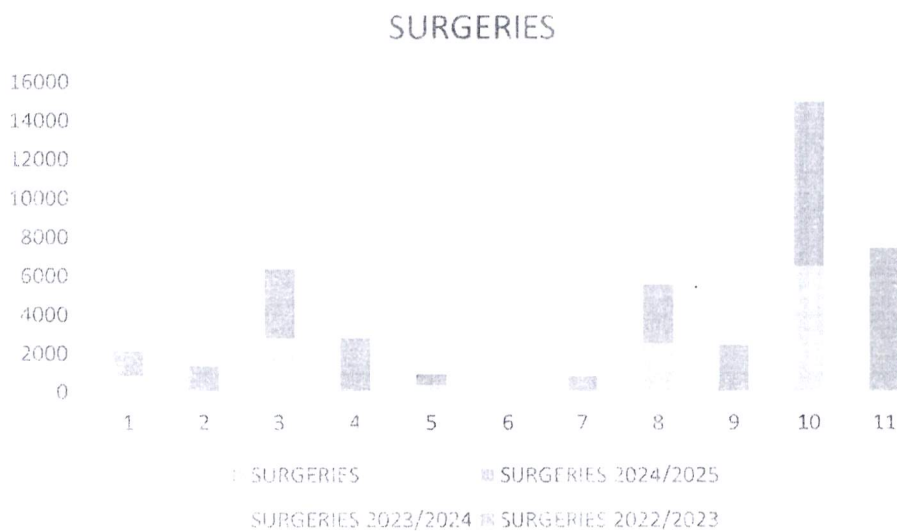
The outpatient services have generally had a good population seeking our services. Of note the number of under 5 years seeking health has generally increased over the years. This could be attributed to improved health seeking behavior and identification of danger signs by the caretakers.



Mother Child Health (MCH) services had a major drop this financial year. The uptake was due to many factors including the end of Linda mama cover which ensured that services would be rendered to mums and their neonates. Time taken as the clients and facilities took to understand SHA coverage and its use. This dilemma in payments of services led to poor uptake of most services.



Overall, our admissions have remained comparable over the years with generally a high population in the maternity units. This is because maternity has a high turnaround time of patients. A lot can be done to increase our capacity in all the wards by improving and increasing the infrastructure



Our surgeries have notably reduced compared to earlier years, The increase of the number of emergency surgeries have interfered with the consistency in doing elective surgeries. Further with Maternity’s second theatre not in use has reduced capacity for surgeries.



Deliveries have generally reduced over the years. This could be attributed to the increase and improvement of health centers in conducting deliveries and as such our numbers seemingly have reduced. Overall the number of deliveries in comparison to staff numbers and infrastructure is high and therefore an expansion in the infrastructure would ensure we offer a comfortable environment for our mums and newborn.

Revenue Analysis

All the revenue was collected via Mpesa through pay bill number 411335 and the hospital's HMIS system Q-Afya. The revenue is later swiped to Kiambu County FIF Fund weekly. The hospital prepares an expenditure plan guided by the approved annual budget which provided the ceiling for all the expenditure items. During the year ending 30th June 2025 Kiambu level 5 hospital collected Ksh 192,031,527. only as FIF and all the revenue was deposited in the family bank account.

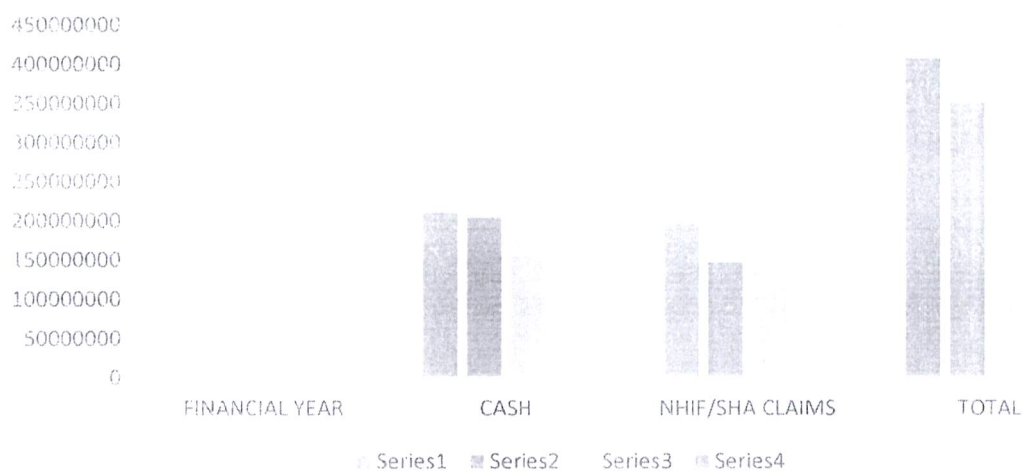
During the same period, claims submitted to the NHIF and SHA amounted to ksh253,826,049 only. As at 30th June 2025 Kiambu level 5 hospital had not received back FIF revenue amounting to ksh 57,271,617.2 being 80% of ksh 71,589,521.50 swiped to the Kiambu county FIF Fund. During the same period NHIF and SHA amounting to ksh 227,483,245.00 had not been re-imbursed back to the hospital.

Kiambu Hospital (Kiambu County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

REVENUES ANALYSIS			
FINANCIAL YEAR	CASH	NHIF/SHA CLAIMS	TOTAL
2022/2023	210,132,884	195,634,357	405,767,241
2023/2024	203,956,481.50	146,170,880	350,127,361.5
2024/2025	192,031,527	253,826,049	445,857,576

The hospital generally has improved in revenue generation, albeit there has been a challenge in the Country's insurance in reimbursing on time claims for services rendered.

REVENUE 2024/2025



As at 30th June 2025 amount re imbursed back to the hospital in form of AIES amounted to ksh 236,144,579.20 only. This is the FIF and NIIIF /SHA revenue swiped to the Kiambu county fund account. Ksh 221,091 only was the vote book balance as at 30th June 2025.

Environmental And Sustainability Reporting

i) Sustainability strategy and profile

Kiambu Level 5 Hospital exists to transform lives. It's what guides us to deliver our strategy, putting the client/Citizen first, delivering health services, and improving operational excellence. Below is an outline of the organisation's policies and activities that promote sustainability

ii) Environmental performance

Kiambu level 5 hospital with the help of the Public Health department has policies laid down and procedures on waste disposals and segregation. All the medical wastes are properly handled to avoid contamination. Incinerator is handled by trained personnel and the facility is strategically located to avoid air pollution to the surrounding neighbourhood and all other expired pharmaceuticals are disposed following public procurement and disposal act of 2015.

iii) Employee welfare

Most of the hospital staffs were seconded from the national government and others hired by the county through the county public service board being an essential service provider, the hospital was forced to hire some staffs to fill the gap since the number of the posted staff is way much below the required bare minimum to match the growing workload all staffs are appraised annually.

iv) Market place practices-

The organisation should outline its efforts to:

a) Responsible competition practice.

All the procurement is done through and open tender and request for quotations from the prequalified suppliers. The tendering process is competitive and open to all. in order to cater for the youth and women 30% is set aside for them through AGPO. in order to avoid price inflation, thorough market survey is done before awarding of the tenders.

b) Responsible Supply chain and supplier relations

Explain how the organisation maintains good business practices, treats its own suppliers responsibly by honouring contracts, respecting payment practices and allowing competitive procurement of services

c) Responsible marketing and advertisement or Responsible engagement with citizens

All the procurement is done through and open tender and request for quotations from the prequalified suppliers. The tendering process is competitive and open to all. In order to cater for the youth and women 30% is set aside for them through AGPO. In order to avoid price inflation through market survey is done before awarding of the tenders.

d) Product stewardship or Awareness Creation

The hospital makes sure that pharmaceuticals and non-pharmaceuticals supplied to the facility are of good quality and can cause no harm to the patients. Quality assurance committee ensures all goods supplied are of good quality through the inspection and acceptance committee members.

v) Corporate Social Responsibility / Community Engagements

Being a public institution and non-profit making organization, the hospital only assists patients by waiving hospital bills. This relieves the burden of re-infection as well as long stay in the hospital. Due diligence is done to the patient to identify the neediest cases with the help of the social workers who even conduct home visits.

10. Report of The Board of Management

The Board members submit their report together with the Audited Financial Statements for the year ended June 30, 2025, which show the state of Kiambu Level 5 affairs.

Principal activities

The principal activity/mission/ mandate of Kiambu Level 5 Hospital is to provide affordable general and specialized outpatients and inpatient services to the resident of Kiambu and its environs. The hospital provides curative and rehabilitative services, promotion and preventive services, primary health care services, including specialized services. These include outpatient general and specialized consultation services, laboratory services, dental, radiology, physiotherapy and occupational therapy services, orthopaedic/trauma services, palliative care, Ear Nose and Throat Department, ophthalmology services, Maternal Child Health Department, Integrated Management of Child illnesses' Department, casualty and emergency, Intensive Care Unit Department, Medical and surgical inpatient services, Paediatrics and New Born Unit services, maternity and postnatal services, Obstetrics and Gynaecology inpatient services, and funeral home services.

Results

The results of Kiambu Level 5 Hospital for the year ended June 30, 2025, are set out on pages 1 to 8

Board of Management

The members of the Board who served during the year are shown on page vii. During the year, no director retired/ resigned, and no director (s) was appointed with effect from 17th February 2025 to date.

Auditors

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



Name: Penina Mwikali Makau

Secretary to the Board

11. Statement of Board of Management's Responsibilities

Section 166 of the Public Finance Management Act, 2012 and Kiambu county health services Act 2019 requires the Board of Management to prepare financial statements in respect of Kiambu Level 5 Hospital, which give a true and fair view of the situation of Kiambu Level 5 Hospital at the end of the financial year and the operating results of Kiambu Level 5 Hospital for that period. The Board of Management is also required to ensure that Kiambu Level 5 Hospital keeps proper accounting records which disclose with reasonable accuracy the financial position of Kiambu Level 5 Hospital. The council members are also responsible for safeguarding the assets of Kiambu Level 5 Hospital.

The Board of Management is responsible for the preparation and presentation of Kiambu Level 5 Hospital financial statements, which give a true and fair view of the state of affairs of Kiambu Level 5 Hospital for the year ended on 30th June 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 Kiambu Level 5 Hospital, (v) selecting and applying appropriate accounting policies, and (vi) making accounting estimates that are reasonable in the circumstances.

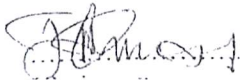
The Board of Management accepts responsibility for Kiambu Level 5 Hospital financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and Kiambu county health services Act 2019 Kiambu county health services bill 2019. The Board members are of the opinion that the financial statements give a true and fair view of the state Kiambu Level 5 Hospital transactions during the year ended 30th June 2025 and of Kiambu Level 5 Hospital financial position as at that date. The Board members further confirm the completeness of the accounting records maintained for Kiambu Level 5 Hospital which have been relied upon in the

preparation of Kiambu Level 5 Hospital financial statements as well as the adequacy of the systems of internal financial control.

In preparing the financial statements, the Directors have assessed the Fund's ability to continue as a going concern and Nothing has come to the attention of the Board of management to indicate that Kiambu Level 5 Hospital will not remain a going concern for at least the next twelve months from the date of this statement.

Approval of the financial statements

The Hospital's financial statements were approved by the Board on 26th August 2025 and signed on its behalf by:



**Name: Joseph Mwangi
Chairperson
Board of Management**



**Name: Penina Mwikali
Accounting Officer**

REPUBLIC OF KENYA



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Website: www.oagkenya.go.ke

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

REPORT OF THE AUDITOR-GENERAL ON KIAMBU LEVEL 5 HOSPITAL FOR THE YEAR ENDED 30 JUNE, 2025 - COUNTY GOVERNMENT OF KIAMBU

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 Kiambu Level 5 Hospital -County Government of Kiambu set out on pages 1 to 37 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 Kiambu Level 5 Hospital -County Government Kiambu as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Public Finance Management Act, 2012, the County Government Act, 2012 and the Health Act, 2017.

Basis for Qualified Opinion

1. Long Outstanding Receivables from Exchange Transactions

The statement of financial position reflects accounts receivables from exchange transactions balance of Kshs.759,176,533 as disclosed in Note 14 to the financial statements. However, included in the balance are receivables amounting to Kshs.519,918,319 which had been outstanding for more than three (3) years.

In the circumstances, the completeness, accuracy and recoverability of the receivables from exchange transactions balance totaling Kshs.519,918,319 could not be confirmed.

2. Lack of Land Ownership Documents

The statement of financial position and Note 16 to the financial statements reflects property, plant and equipment balance of Kshs.49,694,554. However, review of documents and physical verification revealed that the Hospital have approximately 6 acres of land whose ownership documents were not provided for audit

In the circumstances, the completeness, accuracy and ownership of the property, plant and equipment balance of Kshs.49,694,554 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Kiambu Level 5 Hospital – County Government of Kiambu 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 budget and actual amounts reflects final receipts budget and on actual and comparable basis of Kshs.558,856,000 and Kshs.445,857,576 respectively, resulting to an underfunding of Kshs.112,998,424 or 20% of the approved budget. Similarly, the Hospital spent an amount of Kshs.295,172,573 against the actual receipts of Kshs.445,857,576 resulting to an under expenditure of Kshs.150,685,003 or 34% the approved budget.

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

My opinion is not modified in respect of the 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 section, I have determined that there are no other key audit matters to communicate in my report.

Other Matter

Unresolved Prior Year Matters

In the audit report of the previous year, a number of paragraphs were raised. However, Management has not resolved the prior year matters and has not explained the delay in resolving the issues as at 30 June, 2025.

Other Information

The Management is responsible for the Other Information set out on page ii to xxxv which comprise of Key Entity Information and Overall Performance, Statement of Governance, Statement of the Chairperson, Statement of the Medical Superintendent, Management Discussion and Analysis, Statement of Performance Against Predetermined Objectives, Environmental and Sustainability Reporting and Statement of Management Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the Kiambu Level 5 Hospital – County Government of Kiambu financial statements, my responsibility is to read the Other Information and in doing so, consider whether the Other Information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work I have performed, I conclude that there is a material misstatement of this Other Information, I am required to report that fact. I have nothing to report in this regard.

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Failure to Retain Facilities Improvement Funds (FIF) at the Hospital

Review of revenue records obtained from Kiambu Level 5 Hospital – County Government of Kiambu revealed that the Hospital collected a total of Kshs.192,031,527 towards the health facilities improvement which was all transferred to Kiambu County Health Services Fund Account. However, the Management reimbursed a total of Kshs.123,881,674 to Kiambu Level 5 Hospital – County Government of Kiambu and Kshs.30,970,418 for support supervision resulting to a total of Kshs.154,852,092 as sum of total reimbursed funds from Management with Kshs.37,179,435 as pending amount as at 30 June, 2025. This was contrary to section 5(1) of the facilities Improvement Financing Act, 2023 which requires that all monies raised or received by or on behalf of all public health facilities be retained in the Hospital Facilities Improvement Financing Account.

In additional, failure to reimburse the total amount transferred by the facilities negatively impacted on the service delivery by the health facilities.

In, the circumstance, Management of the Kiambu County Health Services Fund was in breach of the law.

2. Long Outstanding Trade and Other Payables

The statement of financial position and Note 17 to the financial statements reflects trade and other payables balance of Kshs.585,952,480. Included in this balance was Kshs.246,916,962 which has been outstanding for more than three (3) years. This was contrary to Section 53(8) of the Public Procurement and Disposal Act, 2015 which states that an Accounting Officer shall not commence any procurement proceedings until satisfied that sufficient funds to meet the obligations of the resulting contract(s) are reflected in approved budget estimates.

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

3. Delay in Completion of Main Theatre Project

Review of documents revealed that the County Government of Kiambu had contracted a Contactor for the extension of the main Theatre at Kiambu Level 5 Hospital – County Government of Kiambu. However, the physical inspection done on November, 2025 revealed the project had stalled and the Contractor was not on site citing the delay in payments.

In the circumstances, the regularity and value for money to be realized from the project could not be confirmed.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

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

Responsibilities of Management and those Charged with Governance

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

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

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

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

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


Auditor-General's Responsibilities for the Audit

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

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

17 December, 2025

Kiambu Level 5 Hospital (Kiambu County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

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

Description	Note	30 th June 2025	30 th June 2024
		Kshs	Kshs
Revenue from non-exchange transactions			
In-kind contributions from the County Government	2	466,410,591.00	663,172,542
		466,410,591.00	663,172,542
Revenue from exchange transactions			
Rendering of services- Medical Service Income	3	192,031,527.00	203,956,482
SHA Income	4	253,826,049.00	146,170,880
Revenue from exchange transactions		445,857,576.00	350,127,362
Total revenue		912,268,167.00	1,013,299,904
Expenses			
Medical/Clinical costs	5	199,897,962.00	272,387,443
Employee costs	6	431,114,858.00	642,370,927
Board of Management Expenses	7	85,000.00	147,500
Depreciation and amortization expense	8	18,154,341.00	9,639,365.00
Repairs and maintenance	9	7,071,030.00	4,172,245
General expenses	10	38,307,000.00	41,995,554
Finance costs	11	89,171,515.00	70,025,472
Total expenses		783,801,706.00	1,040,738,506
Other gains/(losses)			
Waiver and exemptions	12	(13,312,266.00)	16,738,750
Net Surplus / (Deficit) for the year		115,154,195.00	-44,177,352.40


(The notes set out on pages 53 to 86 form an integral part of the Annual Financial Statements.)

The Hospital's financial statements were approved by the Board on 26th August 2025 and signed on its behalf by:

1

87

Kiambu Level 5 Hospital (Kiambu County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025



Chairman
Board of Management



Head of Finance
ICPAK No:20684



Medical Superintendent

*Kiambu Level 5 Hospital (Kiambu County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025*

14. Statement of Financial Position as at 30th June 2025

Description	Note	30 th June 2025	30 th June 2024
		Kshs	Kshs
Assets			
Current assets			
Cash and cash equivalents	13	9,282,473	1,777,161
Receivables from exchange transactions	14	759,176,533	466,387,403
Inventories	15	27,861,809	47,994,917
Total Current Assets		796,320,815	516,159,481
Non-current assets			
Property, plant, and equipment	16	49,694,554	27,998,954
Total Non-current Assets		49,694,554	27,998,954
Total assets (A)		846,015,369	544,158,435
Liabilities			
Current liabilities			
Trade and other payables	17	585,952,480	556,754,982
Total Current Liabilities		585,952,480	556,754,982
Total Liabilities (B)		585,952,480	556,754,982
Net assets (A-B)		585,952,480	556,754,982
Represented by:			
Accumulated surplus/Deficit		260,062,889	(12,596,546)
Net Assets		846,015,369	544,158,435


(The notes on pages 53 to 86 form an integral part of the Annual Financial Statements.)

The Hospital's financial statements were approved by the Board on 26th August 2025 and signed on its behalf by:

3

3

Kiambu Level 5 Hospital (Kiambu County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025



Chairman
Board of Management



Head of Finance
ICPAK No:20684



Medical Superintendent

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

Description	Accumulated surplus/Deficit	Total
As at July 1, 2024 (previous year)	31,580,806	31,580,806
Surplus/(deficit) for the year	-44,177,352	-44,177,352
As at June 30, 2024 (previous year)	-12,596,546	31,580,806
At July 1, 2024 (current year)	-12,596,546	31,580,806
Surplus/(deficit) for the year	115,154,194.52	-44,177,352.40
Prior Years adjustments	157,505,240.00	-
At June 30, 2025 (current year)	260,062,889.00	-12,596,546

Prior year adjustment relates to revenue and grant owned by the county government of Kiambu. This revenue was not recognized in the prior years.

*Kiambu Level 5 Hospital (Kiambu County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025*

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

Description	Note	Period ended 30th June 2025	30th June 2024
		Kshs	Kshs
Cash flows from operating activities			
Receipts			
Rendering of services- Medical Service Income		236,052,649.00	223,716,878
Family bank grant account		295,551.00	262,082
FIF revenue		190,885,060.00	203,956,481.50
NHIF income		185,962,844.00	117,785,870.50
Total Receipts		613,196,104.00	545,721,312.5
Payments			
Medical/Clinical costs		144,177,441.00	154,683,078
Employee costs		49,177,335.00	36,758,466
Board of Management Expenses		85,000.00	147,500
Repairs and maintenance		7,469,635.00	3,371,785
Grants payments		0	10,200
Prior year balances		553,367.68	22,127,459
General expenses		35,250,000	28,198,694
NHIF Transfer – FIF fund		178,527,068.00	117,389,636
Revenue to FIF fund		190,315,692.00	204,212,267
Total Payments		605,690,792.00	566,899,803.5
Net cash flows from/(used in) operating activities	18	7,505,312.00	-21,177,803.5
Cash flows from investing activities			
Purchase of property, plant, equipment, & intangible assets		(0)	0
Proceeds from the sale of property, plant, and equipment		0	
Acquisition of investments		(0)	
Net cash flows from /(used in) investing activities		(0)	0
Cash flows from financing activities			0
Proceeds from borrowings		0	0

*Kiambu Level 5 Hospital (Kiambu County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025*

Description	Note	Period ended 30th June 2025	30th June 2024
		Kshs	Kshs
Repayment of borrowings		(0)	0
Net cash flows from / (used in) financing activities		7,505,312.76	-21,177,804
Net increase/(decrease) in cash and cash equivalents		1,77,160.54	22,954,965
Cash and cash equivalents at 1 July	13	9,82,473.30	1,777,160.54

All the computers, printers and X- Ray Machine were donations from the County government of Kiambu and hence did not affect the hospitals cashflow movement.

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

Description	Original budget	Adjustments	Final budget	Actual	% of utilization
				Cumulative to date	
	a	b	c=(a+b)	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Revenue					
In Kind Contribution from the county government					
Rendering of services- Medical Service Income	272,456,000.00	0	272,456,000.00	192,031,527	70
NHIF	286,400,000.00	0	286,400,000.00	253,826,049	89
Total income	558,856,000.00	0	558,856,000.00	445,857,576	80
Expenses					
Medical/Clinical costs	317,463,200.00	0	317,463,200.00	144,177,441	45
Employee costs	54,000,000.00	0	54,000,000.00	49,177,335	91

Kiambu Level 5 Hospital (Kiambu County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Remuneration of directors	200,000.00	0	200,000.00	85,000	43
Repairs and maintenance	25,281,600.00	0	25,281,600.00	7,469,635	30
General expenses	50,140,000.00	0	50,140,000.00	35,250,000	70
Finance costs – 20% support Supervision	111,771,200.00	0	111,771,200.00	59,013.162	53
Total expenditure	558,856,000.00	0	558,856,000.00	295,172,573.25	53

Kiambu level 5 Hospital Did not have any budget carryovers.

Budget notes

- ❖ Kiambu hospital received donation in kind from the county government of Kiambu in terms of salaries, pharmaceuticals and non-pharmaceuticals. these donations were recognized in the financial position as revenue and also expensed fully. Hence did not affect the projected revenue in the budget.
- ❖ Due to doctor's industrial strike, most of the services e.g. surgeries, special clinics were halted, hence revenue reduction.
- ❖ The hospital has a huge balance pending from the Social Health Authority hence could not pay most of its creditors this has also resulted to increase in payables

18. Notes to the Financial Statements

1. General Information

Kiambu level 5 Hospital is established by and derives its authority and accountability from PFM Act. Kiambu Hospital is wholly owned by the Kiambu County Government and is domiciled in Kiambu County in Kenya. Kiambu Hospital's principal activity is to provide affordable general and specialized outpatients and inpatient services to the resident of Kiambu and its environs.

2. Statement of Compliance and Basis of Preparation

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant, and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts and actuarially determined liabilities at their present value. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgement in the process of applying the Hospital's accounting policies. The areas involving a higher degree of judgment or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Notes. The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the Kiambu Hospital. The financial statements have been prepared in accordance with the PFM Act, and Kiambu County Health Services ACT 2019 and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

Adoption of New and Revised Standards

(When an IPSAS becomes effective on 1st January 2025, it is applicable in Kenya from 1st July 2025)

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.

*Kiambu Level 5 Hospital (Kiambu County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025*

Standard	Effective date and impact:
IPSAS 43	<p><i>Applicable 1st January 2025</i></p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p> <p><i>State the expected impact of the standard to the Entity if relevant</i></p>
IPSAS 45- Property Plant and Equipment	<p><i>Applicable 1st January 2025</i></p> <p>The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.</p>
IPSAS 47- Revenue	<p><i>Applicable 1st January 2026</i></p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non-exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p>

iii) Early adoption of standards

Kiambu Hospital did not early – adopt any new or amended standards in the financial year ending 30th June 2025.

1. Summary of Significant Accounting Policies

i) Revenue from non-exchange transactions

Transfers from other Government entities

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

ii) Revenue from exchange transactions

Rendering of services

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

Notes to the Financial Statements (Continued)

a. Budget information

The original budget for FY 2024/2025 was approved by Board on 21/03/2024. *There were no* 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 Hospital upon receiving the respective approvals in order to conclude the final budget. Accordingly, Kiambu Level 5 Hospital did not record additional appropriations on the FY 2024/2025. The hospital's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget.

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

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

Notes to the Financial Statements (Continued)

d. Financial instruments

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. Kiambu Level 5 Hospital *does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the hospital's financial statements. (amend as appropriate).*

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. At initial recognition, the entity measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Financial assets

Classification of financial assets

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

Subsequent measurement

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

Amortized cost

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

Fair value through net assets/ equity

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

Fair value through surplus or deficit

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

Trade and other receivables

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

Impairment

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

Financial liabilities

Classification

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

e. Inventories

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

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

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

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

f. Changes in accounting policies and estimates

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

Notes to the Financial Statements (Continued)

g. **Related parties**

Kiambu Hospital regards a related party as a person or an entity with the ability to exert control individually or jointly, or to exercise significant influence over the hospital, or vice versa. Kiambu county government is regarded as the related party.

h. **Service concession arrangements**

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

i. **Cash and cash equivalents**

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

j. **Comparative figures**

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

k. 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.

Useful lives and residual values

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

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

Provisions

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

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

Notes to Financial Statements Continued

Notes to Financial Statements Continued

2. In Kind Contributions from The County Government

Description	30 th June 2025	30 th June 2024
	KShs	KShs
Salaries and wages	385,689,252.00	598,001,156
Pharmaceuticals and Non-Pharmaceutical Supplies (other suppliers)	40,871,398	65,171,386
Computers	12,849,941	0
Digital X-Ray Machine	27,000,000	
Total grants in kind	466,410,590.87	663,172,542

Notes to Financial Statements Continued

3. Rendering of Services-Medical Service Income

Description	30 th June 2025	30 th June 2024
	KShs	KShs
Pharmaceuticals	38,692,702	44,589,952
Non-Pharmaceuticals	4,717,330	4,533,380
Laboratory	46,025,391	46,667,313
Radiology	17,716,711	27,153,380
Orthopedic and Trauma Technology	152,650	180,900
Theatre	4,502,052	8,390,837
Accident and Emergency Service	93,750	150,810
Ear Nose and Throat service	1,093,910	746,000
Nutrition service	419,035	431,550
Inpatients	18,917,723	29,386,027
Dental services	808,410	867,050
Reproductive health	10,923,376	3,602,310
Paediatrics services	2,738,733	6,584,446
Farewell home services	6,246,124	7,705,725
Ambulance services	29,000	389,000
Other medical services income ((attachments, implants, psychiatry, medical, occupational therapy, icu, eye, physiotherapy, records)	38,954,630	22,577,802
Total revenue from the rendering of services	192,031,527	203,956,482

Notes to the Financial Statements (Continued)

4. Miscellaneous Income

Description	30 th June 2025	30 th June 2024
	KShs	KShs
<i>SHA/NHIF INCOME</i>	253,826,049.00	146,170,880
Total Miscellaneous income	253,826,049.00	146,170,880

Notes to the Financial Statements (Continued)

5. Medical/ Clinical Costs

Description	30 th June 2025	30 th June 2024
	Kshs	Kshs
Dental costs/ materials	4,674,640	4,289,050
Laboratory chemicals and reagents	15,862,395	44,305,833
Food and Ration	18,479,395	15,060,379
Dressing and non-pharmaceuticals	50,733,250	84,401,222
Pharmaceutical supplies	29,960,060	94,689,289
Health information stationery	7,389,739	4,209,870
Sanitary and cleansing Materials	6,222,697	6,002,070.00
Purchase of Medical gases	17,429,829.00	5,748,400.53
X-Ray/Radiology supplies	7,153,500	6,028,800.00
Other medical related clinical costs (other fuel, refined fuel, computers)	2,073,768	7,652,529
In Kind Donations from the County Government	39,918,689	
Total medical/ clinical costs	199,897,962	272,387,443

6. Employee Costs

Description	30 th June 2025	30 th June 2024
	Kshs	Kshs
Salaries, wages, and allowances	45,425,606	642,370,927
Other employee costs (<i>P & P County Employees</i>)	385,689,252	0
Employee costs	431,114,858	642,370,927

Included are the permanent and pensionable employees working in Kiambu level 5 hospital but paid directly by the county. This figure has been recognized as a donation in kind in the financial performance and expensed.

Notes to the Financial Statements (Continued)

7. Board of Management Expenses

Description	30 th June 2025	30 th June 2024
	Kshs	Kshs
Sitting allowance	85,000	147,000
Total	85,000	147,000

8. Depreciation and Amortization Expense

Description	30 th June 2025	30 th June 2024
	Kshs	Kshs
Property, plant and equipment	18,154,341.00	9,983,226.13
Total depreciation and amortization	18,154,341.00	9,639,365.00

9. Repairs And Maintenance

Description	30 th June 2025	30 th June 2024
	Kshs	Kshs
Property- Buildings	2,270,160	2,426,475
Medical equipment	3,042,220	1,745,770
Motor vehicle expenses	219,300	0
Total repairs and maintenance	7,071,030	4,172,245

Notes to the Financial Statements (Continued)

10. General Expenses

Description	30 th June 2025	30 th June 2024
	Kshs	Kshs
Catering expenses	378,245	200,000
Contracted services	13,980,000	13,980,000
Electricity expenses	13,496,858	16,512,178
Printing and stationery	8,670,000	8,490,550
Water and sewerage costs	968,477	2,365,306.
Telephone and mobile phone services	813,420	447,520
Total General Expenses	38,307,000	41,995,554

11. Finance Costs

Description	30 th June 2025	30 th June 2024
	KShs	KShs
20 % SUPPORT SUPERVISION	89,171,515.20	70,025,472
Total finance costs	89,171,515.20	70,025,472

Notes to the Financial Statements (Continued)

12. Medical Services Contracts Gains /Losses

Description	30 th June 2025	30 th June 2024
	KShs	KShs
Waivers and Exemptions	13,312,266.00	16,738,750
Total Gain/Loss	13,312,266.00	16,738,750

13. Cash And Cash Equivalents

Description	30 th June 2025	30 th June 2024
	KShs	KShs
Current accounts	9,282,473	1,777,161
Total cash and cash equivalents	9,282,473	1,777,161

Notes to the Financial Statements (Continued)

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

Description		30 th June 2025	30 th June 2024
Financial institution	Account number	KShs	KShs
a) Current account			
Kenya Commercial bank- FIF	1156959950	222,091	557,374.65
Kenya Commercial bank - NHIF	1256260770	7,833,382	397,606
Family bank (Grant Account)	001000046394	1,211,000	284,802.89
Family bank. (Revenue Account)	001000053765	16,000	537,377
Grand total		9,282,473	1,777,161

14. Receivables From Exchange Transactions

Description	30 th June 2025	30 th June 2024
	KShs	KShs
Medical services receivables	759,176,533	466,387,403
Total receivables	759,176,533	466,387,403

Analysis of Receivables from Exchange Transactions

Description	30 th June 2025		30 th June 2024	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	0	0%	103,974,324	22%
Between 1- 2 years	239,258,213.60	30%	23,436,429	5%
Between 2-3 years	0	%	161,139,013	35%
Over 3 years	519,918,319.40	70%	177,837.637	38%
Total (a+b)	759,176,533	100%	466,387,403	100%

15. Inventories

Description	30 th June 2025	30 th June 2024
	KShs	KShs
Pharmaceutical supplies	15,193,328	14,905,795
Food supplies	26,416	52,057
Linen and clothing supplies	0	1,701,900
Cleaning materials supplies	0	706,136
General supplies	12,642,064.79	30,629,029
Total	27,861,809.00	47,994,917

Kiambu Level 5 Hospital (Kiambu County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Detailed disclosure on inventories

	30 th June 2025	30 th June 2024
Opening balance	47,994,917	0
Additional Inventory in the year	166,654,187.7	0
Inventory expensed in the year	186,787,295.88	0
Closing balance	27,861,808.79	47,994,917

Notes to the Financial Statements (Continued)

16. Property, Plant and Equipment

Description	Furniture, fittings, and office equipment	ICT Equipment	Plant and medical equipment	Total
	Ksh	Ksh	Ksh	Ksh
Cost				
At 1 July 2024 (previous year)	16,641,381	12,374,420	20,875,395	49,891,196
Additions	0	12,849,941	27,000,000	39,827,099
At 30th Jun 2025	16,641,381	25,224,361	47,875,395	89,718,295
Depreciation and impairment				
At 1 July 2024 (previous year)	6,240,517.89	8,177,576.00	7,474,148.14	21,892,242
Depreciation for the year	2,080,173.00	10,089,744.00	5,984,424.00	18,154,341
At 30th June 2025	8,320,690.89	18,267,320.00	13,458,572.14	40,694,554
Net book values				
At 30 th Jun 2024 (previous)	10,400,863.12	4,196,844.00	13,401,247	27,998,954
At 30 th Jun 2025 (current)	8,320,690.49	6,957,040.60	34,416,822.49	49,694,554

Kiambu Level 5 Hospital (Kiambu County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Kiambu level 5 hospital applies the **straight-line method** of depreciation, using the generally accepted depreciation rates as shown below.

PPE Item	Depreciation Rate
Plant and Medical Equipment	12.5%
Furniture and fittings	12.5%
Computers & ICT Equipment	40%

Notes to the Financial Statements (Continued)

Notes to the Financial Statements (Continued)

17. Trade and other Payables

Description	30 th June 2025		30 th June 2024	
	KShs		KShs	
Trade payables	578,248,480.13		542,305,956	
Employee dues	3,698,556		7,611,505	
utilities	4,005,708		6,837,527	
Total trade and other payables	585,952,480.13		556,754,981.54	
Ageing analysis:	Current FY	% of the Total	Comparative FY	% of the total
Under one year	140,909,739.70	24%	111,836,666	17%
1-2 years	86,685,644.51	15%	83,545,223	16%
2-3 years	171,009,765.27	29%	170,660,317	33%
Over 3 years	187,347,330.65	32%	190,712,776	34%
Total	585,952,480.13	100%	556,754,981.54	100%

18. Cash Generated from Operations

Description	30 th June 2025	30 th June 2024
	KShs	KShs
Surplus for the year before tax	115,154,194.52	-44,177,352.40
Adjusted for:		
Depreciation	18,154,341.40	9,639,365
Non-cash grants received	-39,849,941.00	0
Working Capital adjustments		
Increase in inventory	20,133,108.21	-9,914,784
Increase in receivables	-135,283,889.60	-56,408,493
Increase in payables	29,197,498.13	87,399,361
Net cash flow from operating activities	-7,505,311.45	-13,461,903.86

Notes to the Financial Statements (Continued)

19. Related Party Balances

Nature of related party relationships

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

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

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

20. Segment Information

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

21. Ultimate and Holding Entity

Kiambu Level 5 Hospital is a County Hospital owned by the Kiambu County Government. Under the department of Health Services.

22. Currency

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

19. Appendices

Appendix 1: Progress on Follow Up of Auditor Recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
FIN YR 22/23				
1	Misstatement of Cash and Cash Equivalents	All stale Cheques Replaced, KRA Pin Obtained and PAYE being submitted	Resolved	Resolved
2	Long Outstanding Receivables	The Hospital Management following on the receivables	In progress	Not Resolved
3	Understated PPE	Hospital awaiting valuation of Land, Building and Assets Acquired before 2019	In progress	Not Resolved
4	Non-Disclosure of Donated Drugs	These are ARVS and TB Drugs from Kensa and Test Kits	Resolved	Resolved
5& 6	Variances on Receivable from Exchange Transactions	Reconciled	Reconciled	Resolved
7	Variance in Trade and other Payables	Kemsa debts Reconciled	Reconciled	Resolved
8	Long Outstanding Pending bills	Awaiting Verification by the County pending bills committee	On going	Not Resolved
9	Lack of Management Policy	Management working on it	In progress	In progress

*Kiambu Level 5 Hospital (Kiambu County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025*

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	Non-Disposal of Expired Drugs	Committee already set	Resolved	Resolved
	In complete Assets Register	Hospital is in the process of tagging its Assets	On going	On going
FIN YR 22/23				
1	Misstatement of Cash and Cash Equivalents	All stale Cheques Replaced, KRA Pin Obtained and PAYE being submitted	Resolved	resolved
2	Long Outstanding Receivables	The Hospital Management following on the receivables	In progress	Not Resolved
3	Understated PPE	Hospital awaiting valuation of Land, Building and Assets Acquired before 2019	In progress	Not Resolved
4	Non-Disclosure of Donated Drugs	These are ARVS and TB Drugs from Kensa and Test Kits	Resolved	Resolved
FN YR 23/24				
1.	Unsupported Property, Plant and Equipment			
	i. The supporting schedules were not provided for audit	Assets Schedule provided during Audit Response	Resolved	Resolved
	ii. The asset register provided for audit did not disclose the land owned and the ownership document for the land were not provided for audit.	Hospital following up with the Ministry of Lands	In Progress	In Progress
	iii. Some asset recorded in the register provided lacked the	All assets with Monetary values update	Resolved	Resolved

Kiambu Level 5 Hospital (Kiambu County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	monetary values for the listed asset items, which impedes accurate valuation.			
	iv. The asset register lacked details which include, the make of the asset, depreciation rate, serial numbers of the assets, date of purchase and the location of the assets.	The Asset register includes all the queried details	Resolved	Resolved
	v. The assets were also not tagged.	Work in Progress	Partially Resolved	
	vi. The Hospital Management purchased additional equipment's, printers and computers amounting to Kshs.7,715,900 during the year under review. However, the property, plant and equipment movement schedule did not include these additions.	All additions included in the assets schedule	Resolved	Resolved
	vii. Details on intangible assets including the health management system were not provided	The HMIS is fully owned and acquired by the county government of Kiambu	Resolved	Resolved

Kiambu Level 5 Hospital (Kiambu County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	or recognized in the financial statements.			
	viii. Certain items on the Asset register did not specify location of the assets, assets serial number and date of purchase leading to incomplete data that may result in misstatements in Asset register.	All the Details included	Resolved	Resolved
2.	Long outstanding Payables			
3.	3.1 Unsupported Receivables	Supporting Documents provided	resolved	Resolved
	3.2 Long Outstanding Receivables	Hospital following with the County department of health and a confirmation letter issued	Partially Resolved	
4.	Misstatement of Employee Cost	These were permanent and pensionable employees paid by the county. The figure was reconciled,	resolved	Resolved
FY YR 24/25				
1.	Lack of Risk Management Policy	Work in progress	Work in progress	
2.	Non-Disposal of Expired Drugs	Work in Progress	Work in Progress	

Kiambu Level 5 Hospital (Kiambu County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Guidance Notes:

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



Accounting Officer

Appendix III: Inter-Entity Confirmation Letter


Name of Transferring entity: KIAMBU COUNTY GOVERNMENT

Name of Beneficiary entity: KIAMBU LEVEL 5 HOSPITAL

Confirmation of amounts received by [Insert name of beneficiary Entity] as at 30 th June (Current FY)					
Reference Number	Date Disbursed	Recurrent (A)	Development (B)	Total (C)=(A+B)	Remarks
	12/07/2024	38,382,924.4		38,382,924.4	
	18/10/2024	10,929,880		10,929,880	
	06/11/2024	53,474,880.80		53,474,880.80	
	06/02/2025	75,078,992.00		75,078,992.00	
	19/05/2025	58,277,902.00		58,277,902.00	
Total		236,144,579.20		236,144,579.20	

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

Head of Accounts Department - Disbursing Entity:

Name: Lydia Karanja Sign  Date: 20/08/2025

Head of Accounts Department - Beneficiary Entity:

Name Alex Weru Sign: _____ Date: 20/8/2025