***Revised 30th June 2023***

A picture containing text

Description automatically generated

*(Add your Hospital’s Logo)*

**XXX Level 4/5 HOSPITAL**

**(xx County Government)**

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 30TH JUNE 20XX**

**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](#_Toc133770336)

[2. Key Entity Information and Management iii](#_Toc133770337)

[3. The Board of Management v](#_Toc133770338)

[4. Key Management Team vi](#_Toc133770339)

[5. Chairman’s Statement vii](#_Toc133770340)

[6. Report of The Medical Superintendent viii](#_Toc133770341)

[7. Statement of Performance Against Predetermined Objectives ix](#_Toc133770342)

[8. Corporate Governance Statement x](#_Toc133770343)

[9. Management Discussion and Analysis xi](#_Toc133770344)

[10. Environmental And Sustainability Reporting xii](#_Toc133770345)

[11. Report of The Board of Management xiv](#_Toc133770346)

[12. Statement of Board of Management’s Responsibilities xv](#_Toc133770347)

[13. Report of the Independent Auditor (specify entity name) xvi](#_Toc133770348)

[14. Statement of Financial Performance for The Year Ended 30 June 20XX 1](#_Toc133770349)

[15. Statement of Financial Position As At 30th June 20XX 3](#_Toc133770350)

[16. Statement of Changes in Net Asset for The Year Ended 30 June 20XX 5](#_Toc133770351)

[17. Statement of Cash Flows for The Year Ended 30 June 20XX 6](#_Toc133770352)

[18. Statement of Comparison of Budget and Actual Amounts for Year Ended 30 Jun 20XX 8](#_Toc133770353)

[19. Notes to the Financial Statements 10](#_Toc133770354)

[20. Appendices 55](#_Toc133770355)

1. **Acronyms & Glossary of Terms**

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

CSR Corporate Social Responsibility

OSHA Occupational Health & Safety Act

PFMA Public Financial Management Act

MED SUP Medical Superintendent

Fiduciary Management Key management personnel who have financial responsibility in the entity.

*(This list is an indication of the common acronyms and glossary of terms; the entity should include all from the annual report and financial statements prepared)*

1. **Key Entity Information and Management**
2. **Background information**

XXX Hospital is a level (4/5) hospital established under gazette notice number xxx and is domiciled in xxx County under the xx Department. The hospital is governed by a Board of Management.

1. **Principal Activities**

The principal activity/mission/ mandate of the hospital is to …

(Under this section you may also include the entity’s vision, mission and core objectives)

1. **Key Management**

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

* County department of health
* Board of Management
* Accounting Officer/ Medical Superintendent
* Management
* Others (*specify)*

1. **Fiduciary Management**

The key management personnel who held office during the financial year ended 30th June 20XX and who had direct fiduciary responsibility were:

| **No.** | **Designation** | **Name** |
| --- | --- | --- |
| 1. | Medical Superintendent | **-** |
| 2. | Head of finance | **-** |
| 3. | Head of supply chain | **-** |
| 4. | xxx | **-** |
| 5. | xxx |  |

*(Include all positions regarded as top management in your hospital).*

1. **Fiduciary Oversight Arrangements**

*[Here, provide a high-level description of the key fiduciary oversight arrangements covering (say])*

* Clinical Research and Standards Committee.
* Audit committee
* Risk Committee
* County Assembly
* Parliamentary committees
  + - Other oversight committees

**Key Entity Information and Management (continued)**

1. **Entity Headquarters**

P.O. Box XXXXX

XXX Building/House/Plaza

XXX Avenue/Road/Highway

XXXXXXX, KENYA

1. **Entity Contacts**

Telephone: (+254) XXXXXXXX

E-mail: XXXXXXX.go.ke

Website: www.go.ke

1. **Entity Bankers**

Commercial Banks *(include all your bankers)*

1. **Independent Auditors**

Auditor General

Office of Auditor General

Anniversary Towers, Institute Way

P.O. Box 30084

GPO 00100

Nairobi, Kenya

1. **Principal Legal Adviser**

The Attorney General

State Law Office

Harambee Avenue

P.O. Box 40112

City Square 00200

Nairobi, Kenya

1. **County Attorney**

P.O. Box. Xxx

xxx, Kenya

1. **The Board of Management**

|  |  |  |
| --- | --- | --- |
| **Ref** | **Directors** | **Details** |
|  | Director 1  (*Insert each Director’s passport-size photo and name, and key profession/academic qualifications*) | Provide a concise description of each Director’s age, key qualifications, and work experience. Indicate whether the director is independent or an executive director and which committee of the Board the director chairs where applicable. Indicate whether the director is independent and or whether alternate. |
|  | Director 2 |  |
|  | Director 3 |  |
|  | Director 4/Alternate |  |
|  | MED SUP |  |
|  | Entity Secretary | Indicate whether the secretary is a member of ICS as required under the Mwongozo code in addition to their other details. |

1. **Key Management Team**

|  |  |  |
| --- | --- | --- |
| **Ref** | **Management** | **Details** |
|  | Manager 1  *(Insert each key manager’s passport-size photo and name, and key profession/academic qualifications*) | Indicate the main area of responsibility – without details |
|  | Manager 2 |  |
|  | Manager 3 |  |
|  | Manager 4 |  |
|  | Etc. |  |

*(Note: The Med sup and the Entity Secretary will feature both under the ‘Board’ and ‘Management’.)*

1. **Chairman’s Statement**

**One – two pages**

*(Under this section, the Chairman of the Board of Management will give a brief highlight of the key activities during the year, successes consolidated, challenges being faced, and the way forward or future outlook for the hospital). (The report should be signed by the chairman of the governing body.)*

|  |
| --- |
| **………………………………………….** |
| **Name** |
| **Chairman to the Board** |

1. **Report of The Medical Superintendent**

**(Two-to-three pages**)

*(Under this section, the Medical Superintendent will give his report which highlights the same issues as the Chairman in a more detailed format. The Medical Superintendent may also mention at a high level the financial performance of the organisation).* *(The report should be signed by the Medical Superintendent.)*

|  |
| --- |
| **………………………………………….** |
| **Name** |
| **Secretary to the Board** |

1. **Statement of Performance Against Predetermined Objectives**

**(*Two-to-three pages*)**

*Section 164 Subsection 2 (f) of the Public Finance Management Act, 2012 requires the accounting officer to include in the financial statement, a statement of the County Government entity’s performance against predetermined objectives*. *(This guidance statement should be removed in the final set of financial statements).*

*XXX* has *X* strategic pillars/ themes/issues and objectives within the current Strategic Plan for the FY xx- FY xx. These strategic pillars/ themes/ issues are as follows:

Pillar /theme/issue 1:

Pillar/theme/issue 2:

*XXX* develops its annual work plans based on the above *X* pillars/Themes/Issues. Assessment of the Board’s performance against its annual work plan is done on a quarterly basis. The *XXX* achieved its performance targets set for the FY 20xx/20xx period for its xx strategic pillars, as indicated in the diagram below:

*(NB: Entities can prepare this performance information as per the table below or in a more relevant format suitable for the nature of its activities)*

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Strategic Pillar/Theme/Issues** | **Objective** | **Key Performance Indicators** | **Activities** | **Achievements** |
| Pillar/ theme/ issue 1: |  |  |  |  |
| Pillar/ theme/ issue 1: |  |  |  |  |

*(Under this section therefore, the management should include performance against the strategic objectives of the organisation. The management should outline the strategic Pillars, activities towards their achievement and outputs under each strategic pillar. The organisation should also briefly outline how they have tied achievements to performance contracts)*

1. **Corporate Governance Statement**

**Two-to-three pages**

*(Under this section, include the number of Board meetings held and the attendance to those meetings by members, succession plan, existence of a Board charter, process of appointment and removal of Board members, roles and functions of the Board, induction, and training, Board and member performance, conflict of interest, board remuneration, ethics, and conduct as well as governance audit.)*

1. **Management Discussion and Analysis**

**Two- to-four pages**

*(Under this section, the management gives a report on the operational and financial performance of the organisation during the period, entity’s key projects or investments decision implemented or ongoing, entity’s compliance with statutory requirements, major risks facing the organisation, material arrears in statutory and other financial obligations, and any other information considered relevant to the users of the financial statements.)*

*The management should make use of tables, graphs, pie charts and other descriptive tools to make the information as understandable as possible. The information should show a trend for the last there years.*

*Some of the details to be included under this section are;*

**Clinical/****operational performance**

* + *Bed capacity of the hospital.*
  + *Overall patient attendance during the year for both inpatient and outpatient.*
  + *Accident and Emergency attendance*
  + *Specialised clinic attendance*
  + *Average length of stay for in patient.*
  + *Bed occupancy rate*
  + *Mortality rate*
  + *Surgical theatre utilisation (number of operations over a period of time)*
  + *Sponsorships and partnerships*

***Financial performance that includes: -***

* + *Revenue sources,*
  + *Utilisation of funds etc*

*(The management discussion and analysis should be signed by the Chief Executive Officer/Medical Superintendent)*

|  |
| --- |
| **………………………………………….** |
| **Name** |
| **Secretary to the Board** |

1. **Environmental And Sustainability Reporting**

**Two-to-three pages)**

1. ***Sustainability strategy and profile***

*Include an Introductory paragraph on the main mandate of the organization and its strategy on sustainability. Sustainability being the ability to maintain or continue offering services to the citizens of the country over the long- term. The top management especially the accounting officer should refer to sustainable efforts, broad trends in political and macroeconomic affecting sustainability priorities, reference to international best practices and key achievements and failure.*

1. ***Environmental performance***

*Outline clearly, environmental policy guiding the organisation, provide evidence of the policy. Outline successes, shortcomings, efforts to manage biodiversity, waste management policy and efforts to reduce environmental impact of the organisation’s products.*

1. ***Employee welfare***

*Give account of the policies guiding the hiring process and whether they take into account the gender ratio, whether they take in stakeholder engagements and how often they are improved. Explain efforts made in improving skills and managing careers, appraisal and reward systems. The organisation should also disclose their policy on safety and compliance with Occupational Safety and Health Act of 2007, (OSHA.)*

1. ***Market place practices-***

*The organisation should outline its efforts to:*

1. ***Responsible competition practice.***

*Explain how the organisation ensures responsible competition practices with issues like anti-corruption, responsible political involvement, fair competition, and respect for competitors.*

1. ***Responsible Supply chain and supplier relations***

*Explain how the organisation maintains good business practices, and treats its own suppliers responsibly by honouring contracts and respecting payment practices.*

1. ***Responsible marketing and advertisement***

*Outline efforts to maintain ethical marketing practices.*

1. ***Product stewardship***

*Outline efforts to safeguard consumer rights and interests.*

1. ***Corporate Social Responsibility / Community Engagements***

*The organisation gives details of CSR activities carried out in the year and the impact to the society. Give evidence of community engagement including charitable giving (cash and material), Corporate Social Investment and other forms of community engagements.*

1. **Report of The Board of Management**

The Board members submit their report together with the Audited Financial Statements for the year ended June 30, 20XX, which show the state of the *hospital’s* affairs.

**Principal activities**

The principal activities of the entity are (continue to be) ….

**Results**

The results of the entity for the year ended June 30 20XX are set out on pages …. to …..

**Board of Management**

The members of the Board who served during the year are shown on page xxx. During the year, xxx director(s) retired/ resigned, and xxx director (s)was appointed with effect from xxxx 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.

*OR*

*XYZ Certified Public Accountants were nominated by the Auditor General to carry out the audit of the entity for the year/period ended June 30, xxx in accordance with section 23 of the Public Audit Act, 2015 which empowers the Auditor General to appoint an auditor to audit on his behalf.*

By Order of the Board

|  |
| --- |
| **………………………………………….** |
| **Name** |
| **Secretary to the Board** |

*(To be signed by the Secretary of the Board)*

1. **Statement of Board of Management’s Responsibilities**

Section 164 of the Public Finance Management Act, 2012 (*entities should quote the applicable legislation under which they are regulated))* requires the Board of Management to prepare financial statements in respect of that *entity*, which give a true and fair view of the state of affairs of the *entity* at the end of the financial year/period and the operating results of the *entity* for that year/period. The Board of Management is also required to ensure that the *entity* keeps proper accounting records which disclose with reasonable accuracy the financial position of the *entity*. The council members are also responsible for safeguarding the assets of the *entity*.

The Board of Management is responsible for the preparation and presentation of the *entity’s* financial statements, which give a true and fair view of the state of affairs of the *entity* for and as at the end of the financial year (period) ended on June 30, 20XX. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period, (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity, (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud, (iv) safeguarding the assets of the *entity*; (v) selecting and applying appropriate accounting policies, and (vi) making accounting estimates that are reasonable in the circumstances.

The Board of Management accepts responsibility for the *entity’s* financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and (– *entities should quote applicable legislation as indicated under)*. The Board members are of the opinion that the *entity’s* financial statements give a true and fair view of the state of *entity’s* transactions during the financial year ended June 30, 20xx, and of the *entity’s* financial position as at that date. The Board members further confirm the completeness of the accounting records maintained for the *entity*, which have been relied upon in the preparation of the *entity’s* financial statements as well as the adequacy of the systems of internal financial control.

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

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

**Approval of the financial statements**

The Hospital’s financial statements were approved by the Board on \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ and signed on its behalf by:

|  |  |
| --- | --- |
| **……………………………………………** | **………………………………………….** |
| **Name:** | **Name:** |
| **Chairperson** | **Accounting Officer** |
| **Board of Management** |  |

1. **Report of the Independent Auditor *(specify entity name)***
2. **Statement of Financial Performance for The Year Ended 30 June 20XX**

| **Description** | **Note** | **Insert Current FY** | **Insert Comparative FY** |
| --- | --- | --- | --- |
| **Kshs** | **Kshs** |
| **Revenue** **from** **non-exchange** **transactions** |  |  |  |
| Transfers from the County Government | 6 | xxx | xxx |
| In- kind contributions from the County Government | 7 | xxx | xxx |
| Grants from donors and development partners | 8 | xxx | xxx |
| Transfers from other Government entities | 9 | xxx | xxx |
| Public contributions and donations | 10 | xxx | xxx |
|  |  | **xxx** | **xxx** |
| **Revenue** **from** **exchange** **transactions** |  |  |  |
| Rendering of services- Medical Service Income | 11 | xxx | xxx |
| Revenue from rent of facilities | 12 | xxx | xxx |
| Finance /Interest Income | 13 | xxx | xxx |
| Miscellaneous Income | 14 | xxx | xxx |
| **Revenue** **from** **exchange** **transactions** |  | **xxx** | **xxx** |
| **Total** **revenue** |  | **xxx** | **xxx** |
|  |  |  |  |
| **Expenses** |  |  |  |
| Medical/Clinical costs | 15 | xxx | xxx |
| Employee costs | 16 | xxx | xxx |
| Board of Management Expenses | 17 | xxx | xxx |
| Depreciation and amortization expense | 18 | xxx | xxx |
| Repairs and maintenance | 19 | xxx | xxx |
| Grants and subsidies | 20 | xxx | xxx |
| General expenses | 21 | xxx | xxx |
| Finance costs | 22 | xxx | xxx |
| **Total** **expenses** |  | **xxx** | **xxx** |
| **Other** **gains/(losses)** |  |  |  |
| Gain/Loss on disposal of non-Current assets | 23 | xxx | xxx |
| Unrealized gain on fair value of investments | 24 | xxx | xxx |
| Medical services contracts Gains/Losses | 25 | xxx | xxx |
| Impairment loss | 26 | (xxx) | xxx |
| Gain on foreign exchange transactions |  | xxx | xxx |
| **Total other** **gains/(losses)** |  | **xxx** | **xxx** |
| **Net Surplus / (Deficit) for the year** |  | **xxx** | **xxx** |

*(The notes set out on pages x to xx form an integral part of the Annual Financial Statements*.)

The Hospital’s financial statements were approved by the Board on \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ and signed on its behalf by:

|  |  |  |
| --- | --- | --- |
| **……………………………..** | **……………………………..** | **……………………………..** |
| **Chairman** | **Head of Finance** | **Medical Superintendent** |
| **Board of Management** | **ICPAK No:** |  |

*Comparative FY refers to the financial year preceding the current year.*

1. **Statement of Financial Position As At 30th June 20XX**

| **Description** | **Note** | **Insert Current FY** | **Insert Comparative FY** |
| --- | --- | --- | --- |
| **Kshs** | **Kshs** |
| **Assets** |  |  |  |
| **Current** **assets** |  |  |  |
| Cash and cash equivalents | 27 | xxx | xxx |
| Receivables from exchange transactions | 28 | xxx | xxx |
| Receivables from non-exchange transactions | 29 | xxx | xxx |
| Inventories | 30 | xxx | xxx |
| **Total Current Assets** |  | **xxx** | **xxx** |
|  |  |  |  |
| **Non-current** **assets** |  |  |  |
| Property, plant, and equipment | 31 | xxx | xxx |
| Intangible assets | 32 | xxx | xxx |
| Investment property | 33 | xxx | xxx |
| **Total Non-current Assets** |  | **xxx** | **xxx** |
| **Total** **assets** |  | **xxx** | **xxx** |
|  |  |  |  |
| **Liabilities** |  |  |  |
| **Current** **liabilities** |  |  |  |
| Trade and other payables | 34 | xxx | xxx |
| Refundable deposits from customers/Patients | 35 | xxx | xxx |
| Provisions | 36 | xxx | xxx |
| Finance lease obligation | 37 | xxx | xxx |
| Current portion of deferred income | 38 | xxx | xxx |
| Current portion of borrowings | 39 | xxx | xxx |
| Social Benefits | 41 | **xxx** | **xxx** |
| **Total Current Liabilities** |  | **xxx** | **xxx** |
|  |  |  |  |
| **Non-current** **liabilities** |  |  |  |
| Provisions | 36 | xxx | xxx |
| Non-Current Finance lease obligation | 37 | xxx | xxx |
| Non-Current portion of deferred income | 38 | xxx | xxx |
| Non - Current portion of borrowings | 39 | xxx | xxx |
| Service concession liability | 40 | **xxx** | **xxx** |
| Social Benefits | 41 | **xxx** | **xxx** |
| **Total** **Non-current** **liabilities** |  | **xxx** | **xxx** |
| **Total Liabilities** |  | **xxx** | **xxx** |
|  |  |  |  |
| **Net** **assets** |  |  |  |
| Revaluation reserve |  | xxx | xxx |
| Accumulated surplus/Deficit |  | xxx | xxx |
| Capital Fund |  | xxx | xxx |
|  |  | **xxx** | **xxx** |
| **Total** N**et** A**ssets** **and** L**iabilities** |  | **xxx** | **xxx** |

(*The notes set out on pages x to xx form an integral part of the Annual Financial Statements*.)

The Hospital’s financial statements were approved by the Board on \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ and signed on its behalf by:

|  |  |  |
| --- | --- | --- |
| **……………………………** | **……………………………….** | **……………………………….** |
| **Chairman** | **Head of Finance** | **Medical Superintendent** |
| **Board of Management** | **ICPAK No:** |  |

*Comparative FY refers to the financial year preceding the current year.*

1. **Statement of Changes in Net Asset for The Year Ended 30 June 20XX**

| **Description** | **Revaluation reserve** | **Accumulated surplus/Deficit** | **Capital**  **Fund** | **Total** |
| --- | --- | --- | --- | --- |
| **As at July 1, 20xx (previous year)** | **xxx** | **xxx** | **xxx** | **xxx** |
| Revaluation gain | xxx | - | - | xxx |
| Surplus*/(deficit)* for the year | - | xxx | - | xxx |
| Capital/Development grants | - | - | xxx | xxx |
| **As at June 30, 20xx (previous year)** | **xxx** | **xxx** | **xxx** | **xxx** |
|  |  |  |  |  |
| **At July 1, 20xx (current year)** | **xxx** | **xxx** | **xxx** | **xxx** |
| Revaluation gain | xxx | - | - | xxx |
| Surplus/(deficit) for the year | - | xxx | - | xxx |
| Capital/Development grants | - | - | xxx | xxx |
| **At June 30, 20xx (current year)** | **xxx** | **xxx** | **xxx** | **xxx** |

*(Note:*

1. *For items that are not common in the financial statements, the entity should include a note on what they relate to – either on the face of the statement of changes in equity/net assets or among the notes to the financial statements.*
2. *Prior year adjustments should have an elaborate note describing what the amounts relate to. In such instances, a restatement of the opening balances needs to be done.)*

1. **Statement of Cash Flows** **for The Year Ended 30 June 20XX**

| **Description** | **Note** | **Insert Current FY** | **Insert Comparative FY** |
| --- | --- | --- | --- |
| **Kshs** | **Kshs** |
| **Cash** **flows** **from** **operating** **activities** |  |  |  |
| **Receipts** |  |  |  |
| Transfers from the County Government |  | xxx | xxx |
| Grants from donors and development partners |  | xxx | xxx |
| Transfers from other Government entities |  | xxx | xxx |
| Public contributions and donations |  | xxx | xxx |
| Rendering of services- Medical Service Income |  | xxx | xxx |
| Revenue from rent of facilities |  | xxx | xxx |
| Finance / interest income |  | xxx | xxx |
| Miscellaneous receipts(*specify)* |  | xxx | xxx |
| **Total Receipts** |  | **xxx** | **xxx** |
|  |  |  |  |
| **Payments** |  |  |  |
| Medical/Clinical costs |  | xxx | xxx |
| Employee costs |  | xxx | xxx |
| Board of Management Expenses |  | xxx | xxx |
| Repairs and maintenance |  | xxx | xxx |
| Grants and subsidies |  | xxx | xxx |
| General expenses |  | xxx | xxx |
| Finance costs |  | xxx | xxx |
| Refunds paid out |  | xxx | xxx |
| **Total Payments** |  | **xxx** | **xxx** |
| **Net** **cash** **flows** **from** **operating** **activities** | 42 | **xxx** | **xxx** |
| **Cash flows from investing activities** |  |  |  |
| Purchase of property, plant, equipment & intangible assets |  | (xxx) | (xxx) |
| Proceeds from the sale of property, plant, and equipment |  | xxx | xxx |
| Acquisition of investments |  | (xxx) | (xxx) |
| **Net** **cash** **flows** **used** **in** **investing** **activities** |  | **(xxx)** | **(xxx)** |
| **Cash** **flows** **from** **financing** **activities** |  |  |  |
| Proceeds from borrowings |  | xxx | xxx |
| Repayment of borrowings |  | (xxx) | (xxx) |
| Capital grants received |  | xxx | xxx |
| **Net** **cash** **flows** **used** **in** **financing** **activities** |  | **(xxx)** | **(xxx)** |
| **Net** **increase/(decrease)** **in** **cash** **and** **cash equivalents** |  | **xxx** | **(xxx)** |
| Cash and cash equivalents as at 1 July | 27 | xxx | xxx |
| **Cash** **and** **cash** **equivalents** **as** **at** **30 June** | 27 | **xxx** | **xxx** |

*(PSASB has now prescribed the direct method of cashflow presentation for all entities under the IPSAS Accrual basis of accounting).*

*Comparative FY refers to the financial year preceding the current year.*

1. **Statement of Comparison of Budget and Actual Amounts for Year Ended 30 Jun 20XX**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Description** | **Original** **budget** | **Adjustments** | **Final** **budget** | **Actual** **on comparable basis** | **Performance difference** | **% of utilisation** |
|  | **a** | **b** | **c=(a+b)** | **d** | **e=(c-d)** | **f=d/c%** |
|  | **Kshs** | **Kshs** | **Kshs** | **Kshs** | **Kshs** |  |
| **Revenue** |  |  |  |  |  |  |
| Transfers from the County Government | xxx | xxx | xxx | xxx | xxx | % |
| Grants from donors and development partners | xxx | xxx | xxx | xxx | xxx | % |
| Transfers from other Government entities | xxx | xxx | xxx | xxx | xxx | % |
| Public contributions and donations | xxx | xxx | xxx | xxx | xxx | % |
| Rendering of services- Medical Service Income | xxx | xxx | xxx | xxx | xxx | % |
| Revenue from rent of facilities | xxx | xxx | xxx | xxx | xxx | % |
| Finance / interest income | xxx | xxx | xxx | xxx | xxx | % |
| Miscellaneous receipts (*specify)* | xxx | xxx | xxx | xxx | xxx | % |
| **Total** **income** | **xxx** | xxx | **xxx** | **xxx** | **xxx** | % |
| **Expenses** |  |  |  |  |  |  |
| Medical/Clinical costs | xxx | xxx | xxx | xxx | xxx | % |
| Employee costs | xxx | xxx | xxx | xxx | xxx | % |
| Remuneration of directors | xxx | xxx | xxx | xxx | xxx | % |
| Repairs and maintenance | xxx | xxx | xxx | xxx | xxx | % |
| Grants and subsidies | xxx | xxx | xxx | xxx | xxx | % |
| General expenses | xxx | xxx | xxx | xxx | xxx | % |
| Finance costs | xxx | xxx | xxx | xxx | xxx | % |
| Refunds | xxx | xxx | xxx | xxx | xxx | % |
| **Surplus** **for** **the** **period** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** | % |
| **Capital expenditure** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** | % |

***Budget notes***

*1. Provide an explanation of differences between actual and budgeted amounts (any over/ 90% under) IPSAS 24.14*

*2. Provide an explanation of changes between the original and final budget indicating whether the difference is due to reallocations or other causes. (IPSAS 24.29)*

*3. Where the total of actual on comparable basis does not tie to the statement of financial performance totals due to differences in accounting basis (budget is cash basis, statement of financial performance is accrual) provide a reconciliation.)*

:

1. **Notes to the Financial Statements**
2. **General Information**

xxx entity is established by and derives its authority and accountability from xxx Act. The entity is wholly owned by the xxx County Government and is domiciled in xxx County in Kenya. The entity’s principal activity is xxx.

1. **Statement of Compliance and Basis of Preparation**

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

1. **Adoption of New and Revised Standards**
2. **New and amended standards and interpretations in issue effective in the year ended 30 June 20XX.**

| **Standard** | **Effective date and impact** |
| --- | --- |
| **IPSAS 41:** Financial Instruments | **Applicable: 1st January 2023**  The objective of IPSAS 41 is to establish principles for the financial reporting of financial assets and liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of an Entity’s future cash flows.  IPSAS 41 provides users of financial statements with more useful information than IPSAS 29, by:  • Applying a single classification and measurement model for financial assets that considers the characteristics of the asset’s cash flows and the objective for which the asset is held;  • Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and  • Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between an Entity’s risk management strategies and the accounting treatment for instruments held as part of the risk management strategy.  ***(State the impact of the standard to the Entity if relevant)*** |
| **IPSAS 42:** Social Benefits | **Applicable: 1st January 2023**  The objective of this Standard is to improve the relevance, faithful representativeness and comparability of the information that a reporting Entity provides in its financial statements about social benefits. The information provided should help users of the financial statements and general-purpose financial reports assess:  (a) The nature of such social benefits provided by the Entity.  (b) The key features of the operation of those social benefit schemes; and  (c) The impact of such social benefits provided on the Entity’s financial performance, financial position and cash flows.  ***(State the impact of the standard to the Entity if relevant)*** |
| Amendments to Other IPSAS resulting from IPSAS 41, Financial Instruments | **Applicable: 1st January 2023**   1. Amendments to IPSAS 5, to update the guidance related to the components of borrowing costs which were inadvertently omitted when IPSAS 41 was issued. 2. Amendments to IPSAS 30, regarding illustrative examples on hedging and credit risk which were inadvertently omitted when IPSAS 41 was issued. 3. Amendments to IPSAS 30, to update the guidance for accounting for financial guarantee contracts which were inadvertently omitted when IPSAS 41 was issued.   Amendments to IPSAS 33, to update the guidance on classifying financial instruments on initial adoption of accrual basis IPSAS which were inadvertently omitted when IPSAS 41 was issued.  ***(State the impact of the standard to the Entity if relevant)*** |
| Other improvements to IPSAS | ***Applicable 1st January 2023***   * *IPSAS 22 Disclosure of Financial Information about the General Government Sector****.***   Amendments to refer to the latest System of National Accounts (SNA 2008).   * *IPSAS 39: Employee Benefits*   Now deletes the term composite social security benefits as it is no longer defined in IPSAS.   * *IPSAS 29: Financial instruments: Recognition and Measurement*   Standard no longer included in the 2023 IPSAS handbook as it is now superseded by IPSAS 41 which is applicable from 1st January 2023.  ***State the impact of the standard to the Entity if relevant*** |

***ii) New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2023****.*

| **Standard** | **Effective date and impact** |
| --- | --- |
| IPSAS 43 | ***Applicable 1st January 2025***  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.  The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.  ***State the expected impact of the standard to the Entity if relevant*** |
| IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations | ***Applicable 1st January 2025***  The Standard requires:-   1. Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: 2. Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.   ***State the expected impact of the standard to the Entity if relevant*** |

***iii) Early adoption of standards***

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

1. **Summary of Significant Accounting Policies**
2. **Revenue recognition**
3. **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.

1. **Revenue from exchange transactions**

**Rendering of services**

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

**Sale of goods**

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

**Interest income**

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

**Rental income**

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

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

1. **Budget information**

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

A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented on page ***xxx*** under section ***xxx*** of these financial statements.

1. **Taxes**

**Sales tax/ Value Added Tax**

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

* When the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the sales tax is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
* When receivables and payables are stated with the amount of sales tax included. The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

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

1. **Investment property**

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

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

1. **Property, plant and equipment**

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

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

1. **Leases**

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

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

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

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

1. **Intangible assets**

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

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

1. **Research and development costs**

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

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

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

1. **Financial instruments**

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

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

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

**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.

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

**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**

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

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

1. **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.

1. **Provisions**

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

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

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

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

1. **Social Benefits**

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

1. **Contingent liabilities**

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

1. **Contingent assets**

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

1. **Nature and purpose of reserves**

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

1. **Changes in accounting policies and estimates**

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

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

1. **Employee benefits**

**Retirement benefit plans**

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

1. **Foreign currency transactions**

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction. Trade creditors or debtors denominated in foreign currency are reported at the statement of financial position reporting date by applying the exchange rate on that date. Exchange differences arising from the settlement of creditors, or from the reporting of creditors at rates different from those at which they were initially recorded during the period, are recognized as income or expenses in the period in which they arise.

1. **Borrowing costs**

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

1. **Related parties**

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

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

1. **Service concession arrangements**

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

1. **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.

1. **Comparative figures**

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

1. **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, 20XX.

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

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

**Estimates and assumptions.**

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

**Useful lives and residual values**

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

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

**Provisions**

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

*(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**

1. **Transfers from the County Government**

|  |  |  |
| --- | --- | --- |
| **Description** | **Insert Current FY** | **Insert Comparative FY** |
| **KShs** | **KShs** |
| **Unconditional** **grants** |  |  |
| Operational grant | xxx | xxx |
| Level 5 grants | xxx | xxx |
| Unconditional development grants | xxx | xxx |
| Other grants | xxx | xxx |
|  | **xxx** | **xxx** |
| **Conditional** **grants** |  |  |
| User fee forgone | xxx | xxx |
| Transforming health services for Universal care project (THUCP) | xxx | xxx |
| DANIDA | xxx | xxx |
| Wards Development grant | xxx | xxx |
| Paediatric block grant | xxx | xxx |
| Administration block grant | xxx | xxx |
| Laboratory grant | xxx | xxx |
| **Total** **government** **grants** **and** **subsidies** | **xxx** | **xxx** |

**6 b Transfers from The County Government**

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

*(Ensure that the amount recorded above as having been received from the County fully reconciles to the amount recorded by the amount recorded as transferred by the County. An acknowledgement note/receipt should be raised in favour of the sending County Government. The details of the reconciliation have been included under appendix xxx).*

*\*Amount recognised in the statement of financial performance should be the recurrent grant and the development grant to the extent that there are no conditions attached. Total of column 1 should tie to note 6(the part on unconditional grants).*

**Notes to Financial Statements Continued**

1. **In Kind Contributions from The County Government**

|  |  |  |
| --- | --- | --- |
| **Description** | **Insert Current FY** | **Insert Comparative FY** |
| **KShs** | **KShs** |
| Salaries and wages | xxx | xxx |
| Medical supplies-Drawings Rights (KEMSA) | xxx | xxx |
| Pharmaceuticals and Non-Pharmaceutical Supplies (other suppliers) | xxx | xxx |
| Utility bills | xxx | xxx |
| **Total grants in kind** | **xxx** | **xxx** |

*(These include payments made directly by the County Governments for staff salaries and medical drugs. These should be recorded both as income and expense for completeness of financial statements*)

1. **Grants From Donors and Development Partners**

|  |  |  |
| --- | --- | --- |
| **Description** | **Insert Current FY** | **Insert Comparative FY** |
| **KShs** | **KShs** |
| Cancer Centre grant- DANIDA | xxx | xxx |
| World Bank grants | xxx | xxx |
| Paediatric ward grant- JICA | xxx | xxx |
| Research grants | xxx | xxx |
| Other grants (*specify)* | xxx | xxx |
| **Total grants from development partners** | **xxx** | **xxx** |

*(Provide brief explanation for this revenue)*

1. **(a)****Grants from donors and development partners (Classification)**

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

**Notes to Financial Statements Continued**

1. **Transfers From Other Government Entities**

|  |  |  |
| --- | --- | --- |
| **Description** | **Insert Current FY** | **Insert Comparative FY** |
| **KShs** | **KShs** |
| Transfer from National Government (Ministry of Health) | xxx | xxx |
| Transfer from xxx National Hospital | xxx | xxx |
| Transfer from xxx Institute | xxx | xxx |
| **Total Transfers** | **xxx** | **xxx** |

1. **Public Contributions and Donations**

|  |  |  |
| --- | --- | --- |
| **Description** | **Insert Current FY** | **Insert Comparative FY** |
| **KShs** | **KShs** |
| Public donations | xxx | xxx |
| Donations from local leadership | xxx | xxx |
| Donations from religious institutions | xxx | xxx |
| Donations from other international organisations and individuals | xxx | xxx |
| Other donations(*specify)* | xxx | xxx |
| Donations in kind-amortised | xxx | xxx |
| **Total donations and sponsorships** | **xxx** | **xxx** |

(*Provide brief explanation for this revenue*)

**10 (a)Reconciliations of amortised grants**

|  |  |  |
| --- | --- | --- |
| **Description** | **Insert Current FY** | **Insert Comparative FY** |
| **Kshs** | **Kshs** |
| **Balance unspent at beginning of year** | **xxx** | **xxx** |
| Current year receipts | xxx | xxx |
| Amortised and transferred to revenue | xxx | xxx |
| **Conditions to be met – remain liabilities** | **xxx** | **xxx** |

**Notes to Financial Statements Continued**

1. **Rendering of Services-Medical Service Income**

|  |  |  |
| --- | --- | --- |
| **Description** | **Insert Current FY** | **Insert Comparative FY** |
| **Kshs** | **Kshs** |
| Pharmaceuticals | xxx | xxx |
| Non-Pharmaceuticals | xxx | xxx |
| Laboratory | xxx | xxx |
| Radiology | xxx | xxx |
| Orthopedic and Trauma Technology | xxx | xxx |
| Theatre | xxx | xxx |
| Accident and Emergency Service | xxx | xxx |
| Anesthesia Service | xxx | xxx |
| Ear Nose and Throat service | xxx | xxx |
| Nutrition service | xxx | xxx |
| Cancer centre service | xxx | xxx |
| Dental services | xxx | xxx |
| Reproductive health | xxx | xxx |
| Paediatrics services | xxx | xxx |
| Farewell home services | xxx | xxx |
| Other medical services income *(specify)* | xxx | xxx |
| **Total** **revenue** **from** **the** **rendering** **of** **services** | **xxx** | **xxx** |

***(****Other medical services fee relates to other charges not listed above and should be specified)*

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

1. **Revenue From Rent of Facilities**

|  |  |  |
| --- | --- | --- |
| **Description** | **Insert Current FY** | **Insert Comparative FY** |
| **Kshs** | **Kshs** |
| Residential property | xxx | xxx |
| Commercial property | xxx | xxx |
| **Total** Revenue from rent of facilities | **xxx** | **xxx** |

(*Provide brief explanation for this revenue)*

1. **Finance /Interest Income**

|  |  |  |
| --- | --- | --- |
| **Description** | **Insert Current FY** | **Insert Comparative FY** |
| **Kshs** | **Kshs** |
| Cash investments and fixed deposits | xxx | xxx |
| Interest income from short- term/ current deposits | xxx | xxx |
| Interest income from Treasury Bills | xxx | xxx |
| Interest income from Treasury Bonds | xxx | xxx |
| Interest from outstanding debtors | xxx | xxx |
| **Total** **finance** **income** | **xxx** | **xxx** |

*(Provide brief explanation for this revenue)*

1. **Miscellaneous Income**

|  |  |  |
| --- | --- | --- |
| **Description** | **Insert Current FY** | **Insert Comparative FY** |
| **KShs** | **KShs** |
| Insurance recoveries | xxx | xxx |
| Income from sale of tender | xxx | xxx |
| Services concession income | xxx | xxx |
| Sale of goods (water, publications, containers etc) | xxx | xxx |
| Write backs (Deposits, payments in advance etc) | xxx | xxx |
| Bad debts recovered | xxx | xxx |
| *Others (Specify)* | xxx | xxx |
| **Total** **Miscellaneous** **income** | **xxx** | **xxx** |

*(NB: All income should be classified as far as possible in the relevant classes and miscellaneous income should be used to recognise income not elsewhere classified).*

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

1. **Medical/ Clinical Costs**

|  |  |  |
| --- | --- | --- |
| **Description** | **Insert Current FY** | **Insert Comparative FY** |
| **Kshs** | **Kshs** |
| Dental costs/ materials | xxx | xxx |
| Laboratory chemicals and reagents | xxx | xxx |
| Public health activities | xxx | xxx |
| Food and Ration | xxx | xxx |
| Uniform, clothing, and linen | xxx | xxx |
| Dressing and Non-Pharmaceuticals | xxx | xxx |
| Pharmaceutical supplies | xxx | xxx |
| Health information stationery | xxx | xxx |
| Reproductive health materials | xxx | xxx |
| Sanitary and cleansing Materials | xxx | xxx |
| Purchase of Medical gases | xxx | xxx |
| X-Ray/Radiology supplies | xxx | xxx |
| Other medical related clinical costs (*specify*) | xxx | xxx |
| **Total medical/ clinical costs** | **xxx** | **xxx** |

**(***Other medical/clinical related costs refers to all other costs involved in management of the patients directly not analysed above.)*

1. **Employee Costs**

|  |  |  |
| --- | --- | --- |
| **Description** | **Insert Current FY** | **Insert Comparative FY** |
| **Kshs** | **Kshs** |
| Salaries, wages, and allowances | xxx | xxx |
| Contributions to pension schemes | xxx | xxx |
| Service gratuity | xxx | xx |
| Performance and other bonuses | xxx | xxx |
| Staff medical expenses and Insurance cover | xxx | xxx |
| Group personal accident insurance and WIBA | xxx | xxx |
| Social contribution | xxx | xxx |
| Other employee costs *(specify*) | xxx | xxx |
| **Employee** **costs** | **xxx** | **xxx** |

*(Social contribution relates to expenses incurred by the employer towards social welfare of Employees)*

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

1. **Board of Management Expenses**

|  |  |  |
| --- | --- | --- |
| **Description** | **Insert Current FY** | **Insert Comparative FY** |
| **Kshs** | **Kshs** |
| Chairman's Honoraria | xxx | xxx |
| Sitting allowance | xxx | xxx |
| Mileage | xxx | xxx |
| Insurance expenses | xxx | xxx |
| Induction and training | xxx | xxx |
| Travel and accommodation allowance | xxx | xxx |
| Airtime allowances | xxx | xxx |
| **Total** | **xxx** | **xxx** |

1. **Depreciation and Amortization Expense**

|  |  |  |
| --- | --- | --- |
| **Description** | **Insert Current FY** | **Insert Comparative FY** |
| **Kshs** | **Kshs** |
| Property, plant and equipment | xxx | xxx |
| Intangible assets | xxx | xxx |
| Investment property carried at cost | xxx | xxx |
| **Total** **depreciation** **and** **amortization** | **xxx** | **xxx** |

1. **Repairs And Maintenance**

|  |  |  |
| --- | --- | --- |
| **Description** | **Insert Current FY** | **Insert Comparative FY** |
| **Kshs** | **Kshs** |
| Property- Buildings | xxx | xxx |
| Medical equipment | xxx | xxx |
| Office equipment | xxx | xxx |
| Furniture and fittings | xxx | xxx |
| Computers and accessories | xxx | xxx |
| Motor vehicle expenses | xxx | xxx |
| Maintenance of civil works | xxx | xxx |
| **Total** **repairs** **and** **maintenance** | **xxx** | **xxx** |

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

1. **Grants And Subsidies**

|  |  |  |
| --- | --- | --- |
| **Description** | **Insert**  **Current FY** | **Insert**  **Comparative FY** |
| **Kshs** | **Kshs** |
| Community development and social work | xxx | xxx |
| Education initiatives and programs | xxx | xxx |
| Free/ subsidised medical camp | xxx | xxx |
| Disability programs | xxx | xxx |
| Free cancer screening | xxx | xxx |
| Social benefit expenses | xxx | xxx |
| Other grants and subsidies(*specify*) | xxx | xxx |
| **Total** **grants** **and** **subsidies** | **xxx** | **xxx** |

*Social benefit schemes include benefits such as cash transfers for unemployment or elderly in line with IPSAS 42.*

1. **General Expenses**

| **Description** | **Insert Current FY** | **Insert**  **Comparative FY** |
| --- | --- | --- |
| **Kshs** | **Kshs** |
| Advertising and publicity expenses | xxx | xxx |
| Catering expenses | xxx | xxx |
| Waste management expenses | xxx | xxx |
| Insecticides and rodenticides | xxx | xxx |
| Audit fees | xxx | xxx |
| Bank charges | xxx | xxx |
| Conferences and delegations | xxx | xxx |
| Consultancy fees | xxx | xxx |
| Contracted services | xxx | xxx |
| Electricity expenses | xxx | xxx |
| Fuel and Lubricants | xxx | xx |
| Insurance | xxx | xxx |
| Research and development expenses | xxx | xxx |
| Travel and accommodation allowance | xxx | xxx |
| Legal expenses | xxx | xxx |
| Licenses and permits | xxx | xxx |
| Courier and postal services | xxx | xxx |
| Printing and stationery | xxx | xxx |
| Hire charges | xxx | xxx |
| Rent expenses | xxx | xxx |
| Water and sewerage costs | xxx | xxx |
| Skills development levies | xxx | xxx |
| Telephone and mobile phone services | xxx | xxx |
| Internet expenses | xxx | xxx |
| Staff training and development | xxx | xxx |
| Subscriptions to professional bodies | xxx | xxx |
| Subscriptions to newspapers periodical,  magazines, and gazette notices | xxx | xxx |
| Library books/Materials | xxx | xxx |
| Parking charges | xxx | xxx |
| **Total** G**eneral** E**xpenses** | **xxx** | **xxx** |

1. **Finance Costs**

|  |  |  |
| --- | --- | --- |
| **Description** | **Insert**  **Current FY** | **Insert**  **Comparative FY** |
| **KShs** | **KShs** |
| Borrowings (amortized cost) \* | xxx | xxx |
| Finance leases (amortized cost) | xxx | xxx |
| Interest on Bank overdrafts/Guarantees | xxx | xxx |
| Interest on loans from commercial banks | xxx | xxx |
| **Total** **finance** **costs** | **xxx** | **xxx** |

**(***Borrowing costs that relate to interest expense on acquisition of non- current assets and do not qualify for Capitalisation as per IPSAS 5: on borrowing costs should be included under this note.)*

1. **Gain/Loss on Disposal of Non-Current Assets**

|  |  |  |
| --- | --- | --- |
| **Description** | **Insert**  **Current FY** | **Insert**  **Comparative FY** |
| **KShs** | **KShs** |
| Property, plant, and equipment | xxx | xxx |
| Intangible assets | xxx | xxx |
| Other assets not capitalised (*specify*) | xxx | xxx |
| **Total** **gain** **on** **sale** **of** **assets** | **xxx** | **xxx** |

1. **Unrealized Gain On Fair Value Investments**

|  |  |  |
| --- | --- | --- |
| **Description** | **Insert Current FY** | **Insert**  **Comparative FY** |
| **KShs** | **KShs** |
| Investments at fair value | xxx | xxx |
| **Total** **gain** | **xxx** | **xxx** |

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

1. **Medical Services Contracts Gains /Losses**

|  |  |  |
| --- | --- | --- |
| **Description** | **Insert Current FY** | **Insert Comparative FY** |
| **KShs** | **KShs** |
| Comprehensive care contracts with NHIF | xxx | xxx |
| Non- Comprehensive contracts care with NHIF | xxx | xxx |
| Linda Mama Program | xxx | xxx |
| Waivers and Exemptions | xxx | xxx |
| **Total** G**ain/Loss** | **xxx** | **xxx** |

1. **Impairment Loss**

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

1. **Cash And Cash Equivalents**

|  |  |  |
| --- | --- | --- |
| **Description** | **Insert Current FY** | **Insert Comparative FY** |
| **KShs** | **KShs** |
| Current accounts | xxx | xxx |
| On - call deposits | xxx | xxx |
| Fixed deposits accounts | xxx | xxx |
| Cash in hand | xxx | xxx |
| Others(*specify*)- Mobile money | xxx | xxx |
| **Total** **cash** **and** **cash** **equivalents** | **xxx** | **xxx** |

*(The amount should agree with the closing and opening balances as included in the statement of cash flows)*

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

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

|  |  |  |  |
| --- | --- | --- | --- |
| **Description** |  | **Insert Current FY** | **Insert Comparative FY** |
| **Financial institution** | **Account number** | **KShs** | **KShs** |
| 1. **Current account** |  |  |  |
| Kenya Commercial bank |  | xxx | xxx |
| Equity Bank, etc |  | xxx | xxx |
|  |  |  |  |
| **Sub- total** |  | **xxx** | **xxx** |
| 1. **On - call deposits** |  |  |  |
| Kenya Commercial bank |  | xxx | xxx |
|  |  |  |  |
| Equity Bank – etc |  | xxx | xxx |
| **Sub- total** |  | **xxx** | **xxx** |
| 1. **Fixed deposits account** |  |  |  |
| Bank Name |  | xxx | xxx |
|  |  |  |  |
| **Sub- total** |  | **xxx** | **xxx** |
| 1. **Others(*specify)*** |  | xxx | xxx |
| cash in hand |  | xxx | xxx |
| Mobile money- Mpesa, Airtel money |  | xxx | xxx |
|  |  |  |  |
| **Sub- total** |  | **xxx** | **xxx** |
| **Grand total** |  | **xxx** | **xxx** |

1. **Receivables From Exchange Transactions**

|  |  |  |
| --- | --- | --- |
| **Description** | **Insert Current FY** | **Insert Comparative FY** |
| **KShs** | **KShs** |
| Medical services receivables | xxx | xxx |
| Rent receivables | xxx | xxx |
| Other exchange debtors | xxx | xxx |
| Less: impairment allowance | (xxx) | (xxx) |
| **Total** **receivables** | **xxx** | **xxx** |

*(Entity to state the expected credit loss rates for various categories of its receivables. The entity should also disclose how ECL was arrived at in line with provisions of IPSAS 41.)*

**Analysis of Receivables From Exchange Transactions**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Description** | **Insert Current FY** | | **Insert**  **Comparative FY** | |
| **Kshs** | | **Kshs** | |
|  | **Current FY** | **% of the total** | **Comparative**  **FY** | **% of the total** |
| Less than 1 year | xxx | % | xxx | % |
| Between 1- 2 years | xxx | % | xxx | % |
| Between 2-3 years | xxx | % | xxx | % |
| Over 3 years | xxx | % | xxx | % |
| **Total (a+b)** | **xxx** | **%** | **xxx** | **%** |

1. **Receivables From Non-Exchange Transactions**

|  |  |  |
| --- | --- | --- |
| **Description** | **Insert Current FY** | **Insert Comparative FY** |
| **KShs** | **KShs** |
| Transfers from the County Government | xxx | xxx |
| Undisbursed donor funds | xxx | xxx |
| Other debtors (*non-exchange transactions*) | xxx | xxx |
| Less: impairment allowance | (xxx) | (xxx) |
| **Total** | **xxx** | **xxx** |

*(Undisbursed donor funds refer to funds expected where conditions for disbursements have been met by the recipient as at the reporting date)*

**Analysis of Receivables From Non-Exchange Transactions**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Description** | **Insert Current FY** | | **Insert**  **Comparative FY** | |
| **Kshs** | | **Kshs** | |
|  | **Current FY** | **% of the total** | **Comparative**  **FY** | **% of the total** |
| Less than 1 year | xxx | % | xxx | % |
| Between 1- 2 years | xxx | % | xxx | % |
| Between 2-3 years | xxx | % | xxx | % |
| Over 3 years | xxx | % | xxx | % |
| **Total (a+b)** | **xxx** | **%** | **xxx** | **%** |

1. **Inventories**

|  |  |  |
| --- | --- | --- |
| **Description** | **Insert Current FY** | **Insert Comparative FY** |
| **KShs** | **KShs** |
| Pharmaceutical supplies | xxx | xxx |
| Maintenance supplies | xxx | xxx |
| Food supplies | xxx | xxx |
| Linen and clothing supplies | xxx | xxx |
| Cleaning materials supplies | xxx | xxx |
| General supplies | xxx | xxx |
| Less: provision for impairment of stocks | (xxx) | (xxx) |
| **Total** | **xxx** | **xxx** |

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

1. **Property, Plant and Equipment**

| **Description** | **Land** | **Buildings and Civil works** | **Motor vehicles** | **Furniture, fittings, and office equipment** | **ICT Equipment** | **Plant and medical**  **equipment** | **Capital**  **Work in progress** | **Total** |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Ksh** | **Ksh** | **Ksh** | **Ksh** | **Ksh** | **Ksh** | **Ksh** | **Ksh** |
| **Cost** |  |  |  |  |  |  |  |  |
| At 1 July 20XX (previous year) | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** |
| Additions | xxx | xxx | xxx | xxx | **-** | **-** | **xxx** | **xxx** |
| Disposals | (xxx) | (xxx) | (xxx) | (xxx) | (xxx) | (xxx) | (xxx) | (xxx) |
| Transfers/adjustments | xxx | xxx | (xxx) | **xxx** |  |  | **xxx** | **(xxx)** |
| **At 30th Jun 20XX** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** |
|  |  |  |  |  |  |  |  |  |
| At 1 July 20XX (current year) | xxx | xxx | xxx | xxx | xxx | xxx | xxx | **xxx** |
| Additions | xxx | xxx | xxx | xxx | xxx | xxx | xxx | **xxx** |
| Disposals | (xxx) | (xxx) | (xxx) | (xxx) | (xxx) | (xxx) | (xxx) | **(xxx)** |
| Transfer/adjustments |  | xxx |  | xxx |  |  | (xxx) | **-** |
| **At 30th Jun 20XX** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** |
| **Depreciation and impairment** |  |  |  |  |  |  |  |  |
| At 1 July 20XX (previous year) |  | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** |  | **xxx** |
| Depreciation for the year |  | xxx | xxx | xxx | xxx | xxx |  | **xxx** |
| Disposals |  | (xxx) | (xxx) | (xxx) | (xxx) | (xxx) |  | (xxx) |
| Impairment |  | (xxx) | (xxx) | (xxx) | (xxx) | (xxx) |  | **(xxx)** |
| **At 30 June 20XX** |  | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** |  | **xxx** |
| At July 20XX (current year) |  | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** |  | **xxx** |
| Depreciation |  | xxx | xxx | xxx | xxx | xxx |  | **xxx** |
| Disposals |  | (xxx) | (xxx) | (xxx) | (xxx) | (xxx) |  | (xxx) |
| Impairment |  | (xxx) | (xxx) | (xxx) | (xxx) | (xxx) |  | **(xxx)** |
| Transfer/adjustment |  | **xxx** | - | **xxx** | - | **-** | (xxx) | **(xxx)** |
| **At 30th June 20XX** |  | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** |
|  |  |  |  |  |  |  |  |  |
| **Net book values** |  |  |  |  |  |  |  |  |
| At 30th Jun 20XX (previous) | xxx | xxx | xxx | xxx | xxx | xxx | xxx | xxx |
| At 30th Jun 20XX (current) | xxx | xxx | xxx | xxx | xxx | xxx | xxx | xxx |

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

1. **Intangible Assets-Software**

|  |  |  |
| --- | --- | --- |
| **Description** | **Insert Current FY** | **Insert Comparative FY** |
| **KShs** | **KShs** |
| **Cost** |  |  |
| **At beginning of the year** | xxx | xxx |
| Additions | xxx | xxx |
| Additions–Internal development | xxx | xxx |
| Disposal | (xxx) | (xxx) |
| **At end of the year** | **xxx** | **xxx** |
|  |  |  |
| **Amortization and impairment** |  |  |
| **At beginning of the year** | xxx | xxx |
| Amortization for the period | xxx | xxx |
| Impairment loss | xxx | xxx |
| **At end of the year** | xxx | xxx |
| **NBV** | **xxx** | **xxx** |

1. **Investment Property**

|  |  |  |
| --- | --- | --- |
| **Description** | **Insert Current FY** | **Insert Comparative FY** |
| **KShs** | **KShs** |
| **At beginning of the year** | **xxx** | **xxx** |
| Additions | xxx | xxx |
| Disposals during the year | (xxx) | (xxx) |
| Fair value gain | xxx | xxx |
| Depreciation (*where investment property is at cost*) | (xxx) | (xxx) |
| Impairment | (xxx) | (xxx) |
| **At end of the year** | **xxx** | **xxx** |

*(For investment property held at fair value, changes in fair value should go through the statement of financial performance. Where cost model is elected, deprecation and impairment should not be charged. Investment measured at fair value should be evaluated at the end of the reporting period for changes in fair value.). Entity should disclose the independent valuers, rental income from the investment property if any and the direct costs attributed to the investment property. Any charges on the investment property as well as any difficulty in classifying this asset as an investment property.*

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

1. **Trade and other Payables**

| **Description** | **Insert Current FY** | | **Insert Comparative FY** | |
| --- | --- | --- | --- | --- |
| **KShs** | | **KShs** | |
| Trade payables | xxx | | xxx | |
| Employee dues | xxx | | xxx | |
| Third-party payments *(e.g.* *unremitted payroll deductions*) | xxx | | xxx | |
| Audit fee | xxx | | xxx | |
| Doctors’ fee | xxx | | xxx | |
| **Total** **trade** **and** **other** **payables** | **xxx** | | **xxx** | |
| **Ageing analysis:** | **Current FY** | **% of the Total** | **Comparative FY** | **% of the total** |
| Under one year | xxx | % | xxx | % |
| 1-2 years | xxx | % | xxx | % |
| 2-3 years | xxx | % | xxx | % |
| Over 3 years | xxx | % | xxx | % |
| **Total** | **xxx** | **%** | **xxx** | **%** |

1. **Refundable Deposits from Customers/Patients**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Description** | **Insert Current FY** | | **Insert Comparative FY** | |
| **KShs** | | **KShs** | |
| Medical fees paid in advance | xxx | | xxx | |
| Credit facility deposit | xxx | | xxx | |
| Rent deposits | xxx | | xxx | |
| Others (*specify*) | xxx | | xxx | |
| **Total** **deposits** | **xxx** | | **xxx** | |
|  |  | |  | |
| **Ageing analysis:** | **Current FY** | **% of the Total** | **Comparative FY** | **% of the Total** |
| Under one year | xxx | % | xxx | % |
| 1-2 years | xxx | % | xxx | % |
| 2-3 years | xxx | % | xxx | % |
| Over 3 years | xxx | % | xxx | % |
| **Total** | **xxx** | **%** | **xxx** | **%** |

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

1. **Provisions**

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

1. **Finance Lease Obligation**

|  |  |  |
| --- | --- | --- |
| **Description** | **Insert Current FY** | **Insert Comparative FY** |
|  | **Kshs** | **Kshs** |
| Current Lease obligation | xxx | xxx |
| Long term lease obligation | xxx | xxx |
| **Total** | **Xxx** | **xxx** |

1. **Deferred Income**

|  |  |  |
| --- | --- | --- |
| **Description** | **Insert Current FY** | **Insert Comparative FY** |
| **KShs** | **KShs** |
| Current Portion | xxx | xxx |
| Non-Current Portion | xxx | xxx |
| **Total** | **xxx** | **xxx** |

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

**38 (a) The deferred income movement is as follows:**

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

1. **Borrowings**

|  |  |  |
| --- | --- | --- |
| **Description** | **Insert Current FY** | **Insert Comparative FY** |
| **KShs** | **KShs** |
| **Balance at beginning of the period** | **xxx** | **xxx** |
| External borrowings during the year | xxx | xxx |
| Domestic borrowings during the year | xxx | xxx |
| Repayments of external borrowings during the year | (xxx) | (xxx) |
| Repayments of domestic borrowings during the year | (xxx) | (xxx) |
| **Balance at end of the period** | **xxx** | **xxx** |

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

|  |  |  |
| --- | --- | --- |
| **Description** | **Insert Current FY** | **Insert Comparative FY** |
| **KShs** | **KShs** |
| Current Obligation | xxx | xxx |
| Non-Current Obligation | xxx | xxx |
| **Total** | **xxx** | **xxx** |

*(Current portion of borrowings are those borrowings that are payable within one year or the next financial year. Additional disclosures on terms of borrowings, nature of borrowings, security and interest rates should be disclosed).*

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

1. **Service Concession Arrangements**

|  |  |  |
| --- | --- | --- |
| **Description** | **Insert Current FY** | **Insert Comparative FY** |
| **KShs** | **KShs** |
| Fair value of service concession assets recognized under PPE | xxx | xxx |
| Accumulated depreciation to date | (xxx) | xxx |
| Net carrying amount | **xxx** | **xxx** |
| Service concession liability at beginning of the year | xxx | xxx |
| Service concession revenue recognized | (xxx) | (xxx) |
| Service concession liability at end of the year | **xxx** | **xxx** |

1. **Social Benefit Liabilities**

|  |  |  |
| --- | --- | --- |
| **Description** | **Insert Current FY** | **Insert previous FY** |
| **Kshs** | **Kshs** |
| Health social benefit scheme | xxx | xxx |
| Unemployment social benefit scheme | xxx | xxx |
| Orphaned and vulnerable benefit scheme | xxx | xxx |
| People Living with Disabilities benefit Scheme | xxx | xxx |
| Elderly social benefit scheme | xxx | xxx |
| Bursary social benefits | xxx | xxx |
| **Total** | **xxx** | **xxx** |
|  |  |  |
| Current social benefits | xxx | xxx |
| Non- current social benefits | xxx | xxx |
| **Total (tie to totals above)** | **xxx** | **xxx** |

*Social benefit schemes include benefits such as cash transfers for unemployment or elderly in line with IPSAS 42. They are incurred to mitigate against a certain social risk e.g poverty, age, unemployment among others.*

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

1. **Cash Generated from Operations**

|  |  |  |
| --- | --- | --- |
| **Description** | **Insert Current FY** | **Insert**  **Comparative FY** |
| **KShs** | **KShs** |
| Surplus for the year before tax | xxx | xxx |
| **Adjusted for:** |  |  |
| Depreciation | xxx | xxx |
| Non-cash grants received | (xxx) | (xxx) |
| Impairment | xxx | xxx |
| Gains and losses on disposal of assets | (xxx) | (xxx) |
| Contribution to provisions | xxx | xxx |
| Contribution to impairment allowance | xxx | xxx |
| **Working Capital adjustments** |  |  |
| Increase in inventory | (xxx) | (xxx) |
| Increase in receivables | (xxx) | (xxx) |
| Increase in deferred income | xxx | xxx |
| Increase in payables | xxx | xxx |
| Increase in payments received in advance | xxx | xxx |
| **Net cash flow from operating activities** | **xxx** | **xxx** |

*(The total of this statement should tie to the cash flow section on net cash flows from/ used in operations*

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

1. **Financial Risk Management**

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

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

1. **Credit risk**

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

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Description** | **Total amount** | **Fully performing** | **Past due** | **Impaired** |
| Kshs | Kshs | Kshs | Kshs |
| At 30 June 20XX (previous year) |  |  |  |  |
| Receivables from exchange transactions | xxx | xxx | xxx | xxx |
| Receivables from –non-exchange transactions | xxx | xxx | xxx | xxx |
| Bank balances | xxx | xxx | xxx | xxx |
| **Total** | **xxx** | **xxx** | **xxx** | **xxx** |
| **At 30 June 20XX (current year)** |  |  |  |  |
| Receivables from exchange transactions | xxx | xxx | xxx | xxx |
| Receivables from –non-exchange transactions | xxx | xxx | xxx | xxx |
| Bank balances | xxx | xxx | xxx | xxx |
| **Total** | **xxx** | **xxx** | **xxx** | **xxx** |

*(NB: The totals column should tie to the individual elements of credit risk disclosed in the entity’s statement of financial position)*

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

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

**(ii) Liquidity risk management**

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

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

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Description | **Less than 1 month** | **Between 1-3 months** | **Over 5 months** | **Total** |
| **Kshs** | **Kshs** | **Kshs** | **Kshs** |
| **At 30 June 20xx** |  |  |  |  |
| Trade payables | xxx | xxx | xxx | xxx |
| Current portion of borrowings | xxx | xxx | xxx | xxx |
| Provisions | xxx | xxx | xxx | xxx |
| Deferred income | xxx | xxx | xxx | xxx |
| Employee benefit obligation | xxx | xxx | xxx | xxx |
| **Total** | **xxx** | **xxx** | **xxx** | **xxx** |
| **At 30 June 20xx** |  |  |  |  |
| Trade payables | xxx | xxx | xxx | xxx |
| Current portion of borrowings | xxx | xxx | xxx | xxx |
| Provisions | xxx | xxx | xxx | xxx |
| Deferred income | xxx | xxx | xxx | xxx |
| Employee benefit obligation | xxx | xxx | xxx | xxx |
| **Total** | **xxx** | **xxx** | **xxx** | **xxx** |

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

**(iii) Market risk**

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

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

1. **Foreign currency risk**

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

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

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

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

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

**Foreign currency sensitivity analysis**

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

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

**b) Interest rate risk**

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

**Management of interest rate risk**

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

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

**Sensitivity analysis**

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

Using the end of the year figures, the sensitivity analysis indicates the impact on the statement of financial performance if current floating interest rates increase/decrease by one percentage point as a decrease/increase of KShs xxx (20xx: KShs xxx). A rate increase/decrease of 5% would result in a decrease/increase in surplus of KShs xxx (20xx – KShs xxx).

**iv) Capital Risk Management**

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

|  |  |  |
| --- | --- | --- |
| **Description** | **Current Period** | **Comparative Period** |
| Kshs | Kshs |
| Revaluation reserve | xxx | xxx |
| Retained earnings | xxx | xxx |
| Capital reserve | xxx | xxx |
| **Total funds** | xxx | xxx |
|  |  |  |
| Total borrowings | xxx | xxx |
| Less: cash and bank balances | (xxx) | (xxx) |
| Net debt/ (*excess cash and cash equivalents*) | xxx | xxx |
| **Gearing** | xx% | xx% |

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

1. **Related Party Balances**

**Nature of related party relationships**

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

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

1. The National Government;
2. The County Government;
3. Board of Directors;
4. Key Management

| **Description** | **Insert Current FY** | **Insert Comparative FY** |
| --- | --- | --- |
| **Kshs** | **Kshs** |
| **Transactions with related parties** |  |  |
|  |  |  |
| 1. **Services offered to related parties** |  |  |
| Services to xxx | xxx | xxx |
| Sales of services to xxx | xxx | xxx |
| **Total** | **xxx** | **xxx** |
|  |  |  |
| 1. **Grants from the Government** |  |  |
| Grants from County Government | xxx | xxx |
| Grants from the National Government Entities | xxx | xxx |
| Donations in kind | xxx | xxx |
| **Total** | **xxx** | **xxx** |
|  |  |  |
| 1. **Expenses incurred on behalf of related party** |  |  |
| Payments of salaries and wages for xxx employees | xxx | xxx |
| Payments for goods and services for xxx | xxx | xxx |
| **Total** | **xxx** | **xxx** |
|  |  |  |
| 1. **Key management compensation** |  |  |
| Directors’ emoluments | xxx | xxx |
| Compensation to the medical Sup | xxx | xxx |
| Compensation to key management | xxx | xxx |
|  |  |  |
| **Total** | **xxx** | **xxx** |

1. **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)*

1. **Contingent Liabilities**

|  |  |  |
| --- | --- | --- |
| **Contingent liabilities** | **Insert Current FY** | **Insert Comparative FY** |
| **Kshs** | **Kshs** |
| Court case xxx against the company | xxx | xxx |
| Bank guarantees in favour of subsidiary | xxx | xxx |
| **Total** | **xxx** | **xxx** |

*(Give details)*

1. **Capital Commitments**

|  |  |  |
| --- | --- | --- |
| **Capital Commitments** | **Insert Current FY** | **Insert Comparative FY** |
|  | **Kshs** | **Kshs** |
| Authorised For | xxx | xxx |
| Authorised And Contracted For | xxx | xxx |
| **Total** | **xxx** | **xxx** |

*(NB: Capital commitments are commitments to be carried out in the next financial year and are disclosed in accordance with IPSAS 17. Capital commitments may be those that have been authorised by the board but at the end of the year had not been contracted or those already contracted for and ongoing)*

1. **Events after the Reporting Period**

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

1. **Ultimate and Holding Entity**

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

1. **Currency**

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

2. **Appendices**

**Appendix 1: Progress on Follow Up of Auditor Recommendations**

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

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

**Guidance Notes:**

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

**……………………………….**

**Accounting Officer**

**Appendix II: Projects Implemented by The Entity**

**Projects**

Projects implemented by the Hospital Funded by development partners

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

**Status of Projects completion**

*(Summarise the status of project completion at the end of each quarter, i.e. total costs incurred, stage which the project is etc)*

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

**Appendix III: Inter-Entity Confirmation Letter**

***[Insert your Letterhead]***

*[Insert name of beneficiary entity]*

*[Insert Address]*

The *[insert SC/SAGA/Fund name here]* wishes to confirm the amounts disbursed to you as at 30th June 20XX as indicated in the table below. Please compare the amounts disbursed to you with the amounts you received and populate the column E in the table below Please sign and stamp this request in the space provided and return it to us.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Confirmation of amounts received by [Insert name of beneficiary entity] as at 30th June 20XX** | | | | | | | |
|  |  | Amounts Disbursed by [SC/SAGA/Fund] (KShs) as at 30th June 20XX | | | | Amount Received by [beneficiary entity]  (KShs) as at 30th June 20XX (E) | Differences (KShs)  (F)=(D-E) |
| Reference Number | Date Disbursed | Recurrent (A) | Development (B) | Inter–Ministerial (C) | Total  (D)=(A+B+C) |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
| Total |  |  |  |  |  |  |  |
| In confirm that the amounts shown above are correct as of the date indicated.  **Head of Accounts Department of the beneficiary entity:**  **Name ………………………………………….. Sign …………………………….Date** **………………\_**\_\_\_\_\_\_\_\_\_\_ | | | | | | | |

**Appendix IV Reporting of Climate Relevant Expenditures**

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

**Appendix V: Disaster Expenditure Reporting Template**

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