***Revised September 2025***

|  |  |  |
| --- | --- | --- |
|  |  | *(Add your Entity Logo)* |

**XXX LEVEL 4/5 HOSPITAL**

**(COUNTY GOVERNMENT OF XX)**

QUARTERLY REPORT AND FINANCIAL STATEMENTS

**FOR THE PERIOD ENDED**

**SEPTEMBER/DECEMBER /MARCH/JUNE XX, 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 & Definition of Key Terms ii](#_Toc178165518)

[2. Key Entity Information and Management iii](#_Toc178165519)

[3. The Board of Directors v](#_Toc178165520)

[4. Key Management Team vi](#_Toc178165521)

[5. Management Discussion and Analysis vii](#_Toc178165522)

[6. Statement of The Board of Directors’ Responsibilities viii](#_Toc178165523)

[7. Statement of Financial Performance for the Period Ended xx, 20xx 1](#_Toc178165524)

[8. Statement of Financial Position As At xx, 20xx 3](#_Toc178165525)

[9. Statement of Changes in Net Assets for the Period Ended xx, 20xx 5](#_Toc178165526)

[10. Statement Of Cash Flows for The Period Ended xx, 20xx 6](#_Toc178165527)

[11. Statement Of Comparison Of Budget And Actual Amounts For The Period Ended xx, 20xx 8](#_Toc178165528)

[12. Notes to the Financial Statements 10](#_Toc178165529)

[13. Appendices 48](#_Toc178165530)

# Acronyms & Definition of Key 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 had financial responsibility in the entity.*

# Key Entity Information and Management

1. **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 period ended xx 20xx and who had direct fiduciary responsibility were:

| **SN** | **Designation** | **Name** |
| --- | --- | --- |
| 1. | Medical Superintendent/CEO | **-** |
| 2. | Head of finance | **-** |
| 3. | Head of supply chain | **-** |
| 4. | xxx | **-** |
| 5. | xxx |  |

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

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
* 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

# The Board of Directors

|  |  |
| --- | --- |
| **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 |  |
| MEDSUPP |  |
| Entity Secretary | Indicate whether the secretary is a member of ICS as required under the Mwongozo code in addition to their other details. |

# Key Management Team

|  |  |
| --- | --- |
| **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’.)* | |

# Management Discussion and Analysis

**Section A**

***The entity’s operational and financial performance***

*(Per period the entity should provide an overview of performance as per its mandate in tandem with the National Government strategic objectives and policies. These include key performance indicators, observations with respect to the financial statements, profits, earnings, cash flows and whether or not past performance may be indicative of future results) (In addition, under this section the entity should capture information pertaining to growth & strategy touching on industry trends, financial flexibility, sources of revenue in summary differentiating between any funds from the government and from the patients and donors if any; challenges and opportunities – touching on key events, demands on the entity’s principal activities etc).*

**Section B**

**Entity’s compliance with statutory requirements**

*(An entity should clearly indicate the extent of compliance and whether there are any major non-compliance that may expose the entity to potential contingent liabilities. Ongoing or potential court cases and defaults should be summarized here clearly indicating the total exposure).*

**Section C**

**Key projects and investment decisions the entity is planning/implementing.**

*(The entity should include here in the viability of such projects and how they are facilitating the entity in delivery of its mandate in line with the National Government’s strategic objectives and policies). (The entity should also indicate how the projects and investments decisions are being financed ie are they being financed by equity/debt internally generated revenue, grants from Government and Development partners, borrowings. A statement on sustainability of the same should be included).*

**Section D**

**Major risks facing the entity.**

*(The entity should include under this section the key risks facing the entity ranging from Operational Risks, Market Risks, Capital Risk, Credit risks, Liquidity risks etc). This should be emanating from the entity’s risk management framework.*

**Section E**

**Material arrears in statutory/financial obligations**

*(This should include but not limited to items such as loan default, pending bills, tax default, outstanding staff & pension obligations/actuarial deficit on pension schemes, non- payment of dividends & loan redemption to the National Exchequer etc).*

**Section F**

**The entity’s financial probity and serious governance issues**

# Statement of The Board of Directors’ Responsibilities

Section 166 of the Public Finance Management Act, 2012 require the Directors to prepare quarterly 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 period and the operating results of the *entity* for that period. The Directors are also required to ensure that the *entity* keeps proper accounting records which disclose with reasonable accuracy the financial position of the *entity*. The Directors are also responsible for safeguarding the assets of the *entity*.

The Board of Directors 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 period ended on XXX/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 Directors 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, 2xxx, 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.

Nothing has come to the attention of the Board of Directors 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 Directors** |  |
|  |  |

# Statement of Financial Performance for the Period Ended xx, 20xx

| **Description** | **Notes** | **Period ended**  **Sep\*/Dec\*/**  **Mar\*/June\*** | **Comparative Period prior year** |
| --- | --- | --- | --- |
| **Kshs** | **Kshs** |
| **Revenue** **from** **non-exchange** **transactions** |  |  |  |
| Transfers from the County Government | 5 | xxx | xxx |
| In- kind contributions from the County Government | 6 | xxx | xxx |
| Grants from donors and development partners | 7 | xxx | xxx |
| Transfers from other Government entities | 8 | xxx | xxx |
| Public contributions and donations | 9 | xxx | xxx |
| **Total Revenue from non- exchange transactions** |  | **xxx** | **xxx** |
|  |  |  |  |
| **Revenue** **from** **exchange** **transactions** |  |  |  |
| Rendering of services- Medical Service Income | 10 | xxx | xxx |
| Revenue from rent of facilities | 11 | xxx | xxx |
| Finance /Interest Income | 12 | xxx | xxx |
| Miscellaneous income (*specify*) | 13 | xxx | xxx |
| **Revenue** **from** **exchange** **transactions** |  | **xxx** | **xxx** |
| **Total** **revenue** |  | **xxx** | **xxx** |
|  |  |  |  |
| **Expenses** |  |  |  |
| Medical/Clinical costs | 14 | xxx | xxx |
| Employee costs | 15 | xxx | xxx |
| Board of Management Expenses | 16 | xxx | xxx |
| Depreciation and amortization expense | 17 | xxx | xxx |
| Repairs and maintenance | 18 | xxx | xxx |
| Grants and subsidies | 19 | xxx | xxx |
| General expenses | 20 | xxx | xxx |
| Finance costs | 21 | xxx | xxx |
| **Total** **expenses** |  | **xxx** | **xxx** |
|  |  |  |  |
| **Other** **gains/(losses)** |  |  |  |
| Gain on disposal of non-Current assets | 22 | xxx | xxx |
| Unrealized gain on fair value of investments | 23 | xxx | xxx |
| Medical services contracts Gains/Losses | 24 | xxx | xxx |
| Impairment loss | 25 | (xxx) | xxx |
| Gain on foreign exchange transactions |  | xxx | xxx |
| **Total other** **gains/(losses)** |  | **xxx** | **xxx** |
| **Net Surplus for the year** |  | **xxx** | **xxx** |

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

|  |  |  |
| --- | --- | --- |
| **………………………………** | **……………………………….** | **……………………………….** |
| **Chairman** | **Med Sup/CEO** | **Head of Finance** |
| **Board of Directors** |  | **ICPAK No:** |

*Sep\* -This relates to transactions undertaken from 1st July to 30th September.*

*Dec\* - This relates to transactions undertaken from 1st July to 31st December.*

*March\*- This relates to transactions undertaken from 1st July to 31st March.*

*June\* - This relates to transactions undertaken from 1st July to 30th June.*

*\*Comparative period relates to prior year same period*

# Statement of Financial Position As At xx, 20xx

| **Description** | **Notes** | **Period ended Sep/Dec/Mar/Jun** | **Audited**  **Prior year** |
| --- | --- | --- | --- |
| **Kshs** | **Kshs** |
| **Assets** |  |  |  |
| **Current** **assets** |  |  |  |
| Cash and cash equivalents | 26 | xxx | xxx |
| Receivables from exchange transactions | 27 | xxx | xxx |
| Receivables from non-exchange transactions | 28 | xxx | xxx |
| Inventories | 29 | xxx | xxx |
| Prepayments | 30 |  |  |
| Non-Current Assets Held for Sale | 31 |  |  |
| **Total Current Assets** |  | **xxx** | **xxx** |
|  |  |  |  |
| **Non-current** **assets** |  |  |  |
| Property, plant, and equipment | 32 | xxx | xxx |
| Right of use assets | 33 | xxx | xxx |
| Intangible assets | 34 | xxx | xxx |
| Investment property | 35 | xxx | xxx |
| Biological assets | 36 | xxx | xxx |
| **Total Non-current Assets** |  | **xxx** | **xxx** |
|  |  |  |  |
| **Total** **assets (A)** |  | **xxx** | **xxx** |
|  |  |  |  |
| **Liabilities** |  |  |  |
| **Current** **liabilities** |  |  |  |
| Trade and other payables | 37 | xxx | xxx |
| Refundable deposits from customers/Patients | 38 | xxx | xxx |
| Provisions | 39 | xxx | xxx |
| Current lease liability | 40 | xxx | xxx |
| Current portion of deferred income | 41 | xxx | xxx |
| Current portion of borrowings | 42 | xxx | xxx |
| Current Service concession liability | 43 | xxx | xxx |
| Current Social Benefits | 44 | xxx | xxx |
| **Total Current Liabilities** |  | **xxx** | **xxx** |
|  |  |  |  |
| **Non-current** **liabilities** |  |  |  |
| Provisions | 39 | xxx | xxx |
| Non-Current Lease Liability | 40 | xxx | xxx |
| Non-Current portion of deferred income | 41 | xxx | xxx |
| Non - Current portion of borrowings | 42 | xxx | xxx |
| Non-Current Service concession liability | 43 | xxx | xxx |
| Non-Current Social Benefits | 44 | xxx | xxx |
| **Total** **non-current** **liabilities** |  | **xxx** | **xxx** |
|  |  |  |  |
| **Total Liabilities (B)** |  | **xxx** | **xxx** |
|  |  |  |  |
| **Net** **assets (A-B)** |  | **xxx** | **xxx** |
|  |  |  |  |
| **Represented By:** |  |  |  |
| Revaluation reserve |  | xxx | xxx |
| Accumulated surplus/Deficit |  | xxx | xxx |
| Capital Fund |  | xxx | xxx |
| **Total** N**et** A**ssets** |  | **xxx** | **xxx** |

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

|  |  |  |
| --- | --- | --- |
| **………………………………** | **……………………………….** | **……………………………….** |
| **Chairman** | **Med Sup/CEO** | **Head of Finance** |
| **Board of Directors** |  | **ICPAK No:** |

# Statement of Changes in Net Assets for the Period Ended xx, 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 period | - | xxx | - | xxx |
| Capital/Development grants | - | - | xxx | xxx |
| **At xx Sep/Dec/March/Jun, 20xx (current year)** | **xxx** | **xxx** | **xxx** | **xxx** |

# Statement Of Cash Flows for The Period Ended xx, 20xx

| **Description** | **Note** | **Period ended Sep/Dec/Mar/Jun** | **Comparative**  **Period prior year** |
| --- | --- | --- | --- |
| **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/(used in)** **operating** **activities** | 45 | **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 from /(used in) investing activities** |  | **(xxx)** | **(xxx)** |
| **Cash** **flows** **from** **financing** **activities** |  |  |  |
| Proceeds from borrowings |  | xxx | xxx |
| Repayment of borrowings |  | (xxx) | (xxx) |
| Payment of Lease (Principal) |  | (xxx) | (xxx) |
| **Net cash flows from /(used in) financing activities** |  | **(xxx)** | **(xxx)** |
| **Net** **increase/(decrease)** **in** **cash** **and** **cash equivalents** |  | **xxx** | **xxx** |
| Cash and cash equivalents at 1 July | 26 | xxx | xxx |
| **Cash** **and** **cash** **equivalents** **at** **Sep/Dec/Mar/Jun xx** | 26 | **xxx** | **xxx** |

*(*PSASB has prescribed the direct method of cash flow preparation/ presentation for all entities under the IPSAS accrual basis of accounting.)

# Statement Of Comparison Of Budget And Actual Amounts For The Period Ended xx, 20xx

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Description** | **Original** **budget** | **Adjustments** | **Final** **budget** | **Actual**  **Cumulative to date** | **% of utilization** |
|  | **a** | **b** | **c=(a+b)** | **d** | **e=d/c %** |
|  | **Kshs** | **Kshs** | **Kshs** | **Kshs** | **Kshs** |
| *Budget Carry Over from Period* |  | xxx | xxx | xxx |  |
| **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 | - |
| Repairs and maintenance | xxx | xxx | xxx | xxx | (xxx) |
| Grants and subsidies | xxx | xxx | xxx | xxx | - |
| General expenses | xxx | xxx | xxx | xxx | (xxx) |
| Finance costs | xxx | xxx | xxx | xxx | (xxx) |
| Refunds | **xxx** | **xxx** | **xxx** | **xxx** | (xxx) |
| **Total** **expenditure** | **xxx** | **(xxx)** | **xxx** | **xxx** | **(xxx)** |
|  |  |  |  |  |  |
| **Surplus** **for** **the** **period** | **xxx** | **xxx** | **xxx** | **A** | **xxx** |

***(Budget carryovers****\* This is for entities whose budget lapses at year-end, but the surpluses are not legally required to be remitted to the Exchequer.. Budget carryovers should not include third-party funds such as contractors’ retention.)*

*(Entities can present the Statement of Comparison of Budget & Actual amounts in a different format/categorization as approved by the governing body.)*

**Budget notes**

*1. Provide explanation of differences between actual and budgeted amounts for significant under/ overutilisations IPSAS 24.14*

*2. Provide an explanation of changes between 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.*

**Budget Reconciliation**

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

# Notes to the Financial Statements

1. **General Information**

xxx entity is established by and derives its authority and accountability from xxx Act. The entity is wholly owned by the Government of Kenya and is domiciled 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. **Summary Of Significant Accounting Policies**
2. **Revenue recognition**

**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.

**Significant Accounting Policies continued**

**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.

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.

**Significant Accounting Policies continued**

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 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.

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.

**Significant Accounting Policies continued**

1. **Property, plant and equipment**

**Recognition and Measurement**

The Entity’s Property, Plant, and Equipment (PPE) are tangible items held for use in the production or supply of goods and services, for rental to others, or for administrative purposes, and are expected to be used for more than one reporting period.

An item of PPE is recognized as an asset if, and only if:

* It's **probable** that the future economic benefits or service potential associated with the item will flow to the ministry.
* The cost or fair value of the item can be measured **reliably**.

Items acquired through non-exchange transactions (e.g., donations) are measured at their **deemed cost**, which is the fair value at the date of acquisition. For all other acquisitions, initial measurement is at **cost**, which includes all expenses directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The entity has adopted the **Historical cost model** for the subsequent measurement of its PPE. Under this model, after initial recognition, an asset is carried at its cost less any accumulated depreciation and accumulated impairment losses.

**Depreciation and Impairment**

The entity applies the **straight-line method** of depreciation, as it best reflects the pattern of the asset's consumption of its future economic benefits or service potential. Depreciation begins when the asset is available for use and ceases at the earlier of the date the asset is classified as held for sale or the date of derecognition.The depreciable amount is the cost of the asset less its residual value. The residual value and the useful life of an asset are reviewed at least at each annual reporting date. The table below indicates the various classes of assets and the depreciation rates.

|  |  |
| --- | --- |
| **PPE Item** | **Depreciation Rate** |
| **Land** |  |
| **Buildings** | **2-10%** |
| **Motor vehicles** | **10-16.67%** |
| **Infrastructure assets** | **2-20%** |
| **Furniture and fittings** | **12.5%** |
| **Computers & ICT Equipment** | **33.3%** |
| **Heritage Assets** | **x%** |
| **Work in progress (WIP)** |  |
| **Service concession assets** |  |

**Impairment** The entity assesses at each reporting date whether there is any indication that an asset may be impaired. If an indication exists, the recoverable amount of the asset is estimated. An impairment loss is recognized immediately in the statement of financial performance.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in statement of financial performance.

1. **Leases**

**Right-of-Use (ROU) Assets**

A right-of-use asset represents the entity’s right to use an underlying leased asset over the lease term. At the commencement date of a lease, the entity recognises a right-of-use asset and a lease liability, except for short-term leases and leases of low-value assets as allowed under IPSAS 45.

**Recognition**

The entity recognises a right-of-use asset at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises:

* The amount of the initial lease liability;
* Any lease payments made at or before the commencement date, less any lease incentives received;
* Any initial direct costs incurred; and
* An estimate of the costs to be incurred in dismantling and removing the underlying asset or restoring the site.

**Measurement**

Right-of-use assets are initially measured at cost. After initial recognition, right-of-use assets are measured using the cost model, where the asset is carried at:Cost less accumulated depreciation, and Any accumulated impairment losses. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term or the useful life of the underlying asset.

Depreciation of right-of-use assets is charged to expenditure in accordance with the entity’s depreciation policy applicable to owned assets of the same class.Right-of-use assets are assessed for impairment in accordance with IPSAS 21 – Impairment of Non-Cash-Generating Assets or IPSAS 26 – Impairment of Cash-Generating Assets, as applicable.

**Leases Liability**

The lease liability is measured at the present value of lease payments that are not paid at that date. The lease payments have been discounted using the interest rate implicit in the lease, and the rate can be readily determined. If the rate cannot be readily determined, the entity uses the incremental borrowing rate.

Subsequently, the lease liability is measured at amortized cost using the effective interest method and reduced by lease payments. Interest expense is recognized in the statement of financial performance.

1. **Tangible Natural Resources**

The *Hospital* recognises a tangible natural resource if, and only if: It is probable that service potential associated with the natural resource will flow to the *Hospital;* the Hospital controls the tangible natural resource as a result of past events; and The tangible natural resource can be measured reliably. Where these criteria are not met, the *Hospital* discloses the tangible natural resource in the notes to the financial statements. Where a tangible natural resource is recognized as an asset as the result of an event that is not a transaction in an orderly market, including non-exchange transactions, the asset shall be measured initially at its deemed cost. A h*ospital* shall apply IPSAS 46, Measurement, when calculating the deemed cost of such a recognized tangible natural resource. A recognized tangible natural resource acquired through an exchange transaction shall be measured at its cost. The historical cost model is applied after initial recognition less any depreciation and impairment losses.

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.

1. **Non-Current Assets Held for Sale and Discontinued Operations**

Non-current assets or disposal groups are classified as held for sale when their carrying amount is expected to be recovered through sale rather than continued use. They are measured at the lower of carrying amount and fair value less costs to sell and have been presented separately in the Statement of Financial Position. Depreciation has ceased for the assets classified as held for sale.

The assets classified as held for sale have met the following required criteria: management has made a commitment to sell, the asset is actively being marketed for sale at a reasonable price, the sale will be completed within one year of the classification date, an active program to find a buyer has been initiated, and there are no significant changes to the plan that might impact the sale.

Discontinued operations are the major components that have been disposed of or are held for sale. Their results have been presented separately in the Statement of Financial Performance

**Significant Accounting Policies 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.

**Significant Accounting Policies 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.

**Significant Accounting Policies 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.

**Significant Accounting Policies 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.

**l)** **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.

**Significant Accounting Policies continued**

**m) 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.

**n) 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.

**0) 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.)*

**p) 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.

**q) 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.

**Significant Accounting Policies continued**

**r) 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.

**s) 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.

**t) 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.

**u) 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.

**Significant Accounting Policies continued**

**v) 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. **Biological Assets**

All biological assets (including those acquired biological assets through a non-exchange transaction) are measured at fair value less costs to sell unless fair value cannot be measured reliably. Agricultural produce is measured at fair value at the point of harvest less costs to sell. Any change in the fair value of biological assets during a period is reported in surplus or deficit.

**w) Comparative figures**

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

**x) Subsequent events**

There have been no events subsequent to the financial period end with a significant impact on the financial statements for the period ended xx, 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 the Financial Statements**

1. **Transfers From the County Government**

|  |  |  |
| --- | --- | --- |
| **Description** | **Period ended Sep/Dec/March/June**  **20xx** | **Comparative Period prior year** |
| **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** |

**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 period** | **Comparative period prior year** |
|  |  |  |
| **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 acknowledgment 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 the Financial Statements (Continued)**

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

|  |  |  |
| --- | --- | --- |
| **Description** | **Period ended Sep/Dec/**  **Mar/Jun**  **20xx** | **Comparative**  **Period prior year** |
| **Kshs** | **Kshs** |
| Salaries and wages | xxx | xxx |
| Pharmaceutical and Non-Pharmaceutical Supplies | xxx | xxx |
| Medical supplies-Drawings Rights (KEMSA) | 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** | **Period ended Sep/Dec**  **/March/June 20xx** | **Comparative**  **Period prior year** |
| **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)*

**7 (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 period** | **Comparative period prior year** |
| **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 the Financial Statements (Continued)**

1. **Transfers From Other Government Entities**

|  |  |  |
| --- | --- | --- |
| **Description** | **Period ended Sep/Dec/March/June 20xx** | **Comparative Period prior year** |
| **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** | **Period ended Sep/Dec/March/June 20xx** | **Comparative Period prior year** |
| **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*)

**9(b)Reconciliations of amortised grants**

|  |  |  |
| --- | --- | --- |
| **Description** | **Period ended Sep/Dec/March/June 20xx** | **Comparative Period** |
| **Kshs** | **Kshs** |
| **Balance unspent at beginning of year** | **xxx** | **xxx** |
| Current period receipts | xxx | xxx |
| Amortised and transferred to revenue | xxx | xxx |
| **Conditions to be met – remain liabilities** | **xxx** | **xxx** |

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

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

|  |  |  |
| --- | --- | --- |
| **Description** | **Period ended**  **Sep/Dec/March/June 20xx** | **Comparative**  **Period** |
| **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 | xxx | xxx |
| **Total** **revenue** **from** **the** **rendering** **of** **services** | **xxx** | **xxx** |

***(****Other medical services fee relates to other charges not listed above)*

1. **Revenue From Rent of Facilities**

|  |  |  |
| --- | --- | --- |
| **Description** | **Period ended Sep/Dec/March/June 20xx** | **Comparative Period** |
| **Kshs** | **Kshs** |
| Residential property | xxx | xxx |
| Commercial property | xxx | xxx |
| **Total** Revenue from rent of facilities | **xxx** | **xxx** |

(*Provide brief explanation for this revenue)*

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

1. **Finance /Interest Income**

|  |  |  |
| --- | --- | --- |
| **Description** | **Period ended**  **Sep/Dec/March/June 20xx** | **Comparative**  **Period** |
| **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** | **Period ended**  **Sep/Dec/March/June 20xx** | **Comparative**  **Period** |
| **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 |
| **Total** **miscellaneous** **income** | **xxx** | **xxx** |

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

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

1. **Medical/ Clinical Costs**

|  |  |  |
| --- | --- | --- |
| **Description** | **Period ended Sep/Dec/March/June 20xx** | **Comparative**  **Period** |
| **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** | **Period ended Sep/Dec/March/June 20xx** | **Comparative Period** |
| **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** | **Period ended Sep/Dec/March/**  **June 20xx** | **Comparative**  **Period** |
| **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** | **Period ended Sep/**  **Dec/March/June 20xx** | **Comparative Period** |
| **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** | **Period ended Sep/Dec/March/June 20xx** | **Comparative Period**  **prior year** |
| **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** | **Period ended Sep**  **/Dec/March/June 20xx** | **Comparative Period**  **prior year** |
| **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.*

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

1. **General Expenses**

| **Description** | **Period ended Sep/Dec/March/June 20xx** | **Comparative Period**  **prior year** |
| --- | --- | --- |
| **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 |
| 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** |

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

1. **Finance Costs**

|  |  |  |
| --- | --- | --- |
| **Description** | **Period ended Sep/**  **Dec/March/June 20xx** | **Comparative Period**  **prior year** |
| **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** | **Period ended Sep/**  **Dec/March/June 20xx** | **Comparative Period**  **prior year** |
| **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** | **Period ended Sep/Dec/March/June 20xx** | **Comparative Period**  **prior year** |
| **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** | **Period ended Sep/Dec/March/June 20xx** | **Comparative Period**  **prior year** |
| **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** | **Period ended Sep/**  **Dec/March/June 20xx** | **Comparative Period**  **prior year** |
| **Kshs** | **Kshs** |
| Property, plant, and equipment | xxx | xxx |
| Intangible assets | xxx | xxx |
| **Total** **impairment** **loss** | **xxx** | **xxx** |

1. **Cash and Cash Equivalents**

|  |  |  |  |
| --- | --- | --- | --- |
| **Description** | **Period ended Sep/Dec/March/June 20xx** | **Comparative prior period** | **Prior Year**  **audited** |
| **Kshs** | **Kshs** | **Kshs** |
| Current accounts | xxx | xxx | xxx |
| On - call deposits | xxx | xxx | xxx |
| Fixed deposits accounts | xxx | xxx | xxx |
| Cash in hand | xxx | xxx | xxx |
| Others(*specify*)- Mobile money | xxx | xxx | xxx |
| **Total** **cash** **and** **cash** **equivalents** | **xxx** | **xxx** | **xxx** |

*(The amounts both year- end and comparative should agree with the closing and opening balances as included in the statement of cash flows)*

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

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

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Description** |  | **Period ended Sep/Dec/March/June 20xx** | **Comparative prior period** | **Prior Year audited** |
| **Financial institution** | **Account number** | **Kshs** | **Kshs** | **Kshs** |
| 1. **Current account** |  |  |  |  |
| Kenya Commercial bank |  | xxx | xxx | xxx |
| Equity Bank, etc |  | xxx | xxx | xxx |
|  |  |  |  |  |
| **Sub- total** |  | **xxx** | **xxx** | **xxx** |
| 1. **On - call deposits** |  |  |  |  |
| Kenya Commercial bank |  | xxx | xxx | xxx |
|  |  |  |  |  |
| Equity Bank – etc |  | xxx | xxx | xxx |
| **Sub- total** |  | **xxx** | **xxx** | **xxx** |
| 1. **Fixed deposits account** |  |  |  |  |
| Bank Name |  | xxx | xxx | xxx |
|  |  |  |  |  |
| **Sub- total** |  | **xxx** | **xxx** | **xxx** |
| 1. **Others(*specify)*** |  | xxx | xxx | xxx |
| cash in hand |  | xxx | xxx | xxx |
| Mobile money- Mpesa, Airtel money |  | xxx | xxx | xxx |
|  |  |  |  |  |
| **Sub- total** |  | **xxx** | **xxx** | **xxx** |
| **Grand total** |  | **xxx** | **xxx** | **xxx** |

1. **Receivables From Exchange Transactions**

|  |  |  |
| --- | --- | --- |
| **Description** | **Period ended Sep/Dec/March/June 20xx** | **Prior year audited** |
| **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** |

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

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

|  |  |  |
| --- | --- | --- |
| **Description** | **Period ended Sep/Dec/March/June 20xx** | **Prior year audited** |
| **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)*

1. **Inventories**

|  |  |  |
| --- | --- | --- |
| **Description** | **Period ended Sep/Dec/March/June 20xx** | **Prior year audited** |
| **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** |

Detailed disclosure on inventories

|  |  |  |
| --- | --- | --- |
|  | **Period ended Sep\*/Dec\*/Mar\*/June\* 20xx** | ***Prior Audited***  ***Year*** |
| **Opening balance** | **xxx** | **xxx** |
| Additional Inventory in the period | xxx | xxx |
| Inventory expensed in the period | xxx | xxx |
| Write-downs in the period | xxx | xxx |
| Others specify | xxx | xxx |
| **Closing balance** | **xxx** | **xxx** |

1. **Prepayments**

|  |  |  |
| --- | --- | --- |
| **Description** | **Period ended Sep/Dec/March/June 20xx** | **Prior year audited** |
|  | Kshs | ***Year*** |
| Insurance | xxx | xxx |
| Water | xxx | xxx |
| Internet | xxx | xxx |
| Others specify | xxx | xxx |
| Total | xxx | xxx |

1. **Non-Current Assets Held for Sale**

|  |  |  |
| --- | --- | --- |
| Description | **Insert Current FY** | **Insert**  **Comparative FY** |
|  | **Kshs** | **Kshs** |
| Motor Vehicles | xxx | xxx |
| Furniture | xxx | xxx |
| Office Equipment | xxx | xxx |
| ICT Equipment | 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 and Fittings** | **ICT Equipment** | **Plant and medical**  **equipment** | **Capital**  **Work in progress** | **Total** |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | **x%** | **x%** | **x%** | **x%** | **x%** |  |  |
| **Kshs** | **Kshs** | **Kshs** | **Kshs** | **Kshs** | **Kshs** | **Kshs** | **Kshs** |
| **Cost** |  |  |  |  |  |  |  |  |
| **As at dd mm 20xx**  ***beginning of the previous year*** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** |
| Additions during the year | xxx | xxx | xxx | xxx | **-** | **-** | **xxx** | **xxx** |
| Disposals during the year | (xxx) | (xxx) | (xxx) | (xxx) | (xxx) | (xxx) | (xxx) | (xxx) |
| Transfers/adjustments during the year | xxx | xxx | (xxx) | **xxx** |  |  | **xxx** | **(xxx)** |
| **As at dd mm 20xx (*close of the previous year)*** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** |
|  |  |  |  |  |  |  |  |  |
| **As at dd mm 20xx (*beginning of the year*** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** |
| Additions during the period | xxx | xxx | xxx | xxx | xxx | xxx | xxx | **xxx** |
| Disposals during the period | (xxx) | (xxx) | (xxx) | (xxx) | (xxx) | (xxx) | (xxx) | **(xxx)** |
| Transfer/adjustments during the period |  | xxx |  | xxx |  |  | (xxx) | **-** |
| **As at dd mm 20xx (close *of the current period)*** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** |
|  |  |  |  |  |  |  |  |  |
| **Depreciation and impairment** |  |  |  |  |  |  |  |  |
| As at dd mm 20xx (*beginning of the 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)** |
| **As at dd mm 20xx *(close of the previous year)*** |  | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** |  | **xxx** |
| As at dd mm 20xx (*beginning of the year* |  | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** |  | **xxx** |
| Depreciation for the period |  | xxx | xxx | xxx | xxx | xxx |  | **xxx** |
| Disposals for the period |  | (xxx) | (xxx) | (xxx) | (xxx) | (xxx) |  | (xxx) |
| Impairment for the period |  | (xxx) | (xxx) | (xxx) | (xxx) | (xxx) |  | **(xxx)** |
| Transfer/adjustment during the period |  | **xxx** | - | **xxx** | - | **-** |  | **(xxx)** |
| **As at dd mm 20xx (close *of the current period)*** |  | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** |  | **xxx** |
|  |  |  |  |  |  |  |  |  |
| **Net book values** |  |  |  |  |  |  |  |  |
| **As at dd mm 20xx end of prior year audited** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** |
| **As at dd mm 20xx (close *of the current period)*** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** |

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

1. **Right- of-use assets**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | ***Buildings*** | **Motor vehicles** | ***Plant and equipment*** | ***Total*** |
|  | **Kshs** | **Kshs** | **Kshs** | **Kshs** |
| **Cost** |  |  |  |  |
| As at 1 July 20xx | xxx | xxx | xxx | xxx |
| Additions | xxx | xxx | xxx | xxx |
| As at 30th June 20xx | xxx | xxx | xxx | xxx |
|  |  |  |  |  |
| **Accumulated Depreciation** |  |  |  |  |
| As at 1 July 20xx | xxx | xxx | xxx | xxx |
| Charge for the year | xxx | xxx | xxx | xxx |
| As at 30 Sept/Dec/ March/June 20xx | xxx | xxx | xxx | xxx |
|  |  |  |  |  |
| **Carrying Amount** |  |  |  |  |
| **A**s at 1st July 20xx | xxx | xxx | xxx | xxx |
| **A at 30th June 20xx** | xxx | xxx | xxx | xxx |
| **A**s at July 20 | xxx | xxx | xxx | xxx |
| As at 30 Sept/Dec/ March/June 20xx | xxx | xxx | xxx | xxx |

1. **Intangible Assets**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Description** | **Indefinite life** | **Definite life** | **Work in Progress** | **Total** |
| **Rate** | **N/A** | **X%** | **N/A** |  |
| **Cost/Value At the 30th June** | **xx** | **xx** | **xx** | **xx** |
| Additions | xx | xx | xx | xx |
| Transfers | xx | xx | (xx) | - |
| Disposal | (xx) | (xx) | (xx) | (xx) |
| **Cost/Value At 30th of June** | **xx** | **xx** | **xx** | **xx** |
|  |  |  |  |  |
| **Amortization and impairment** |  |  |  |  |
| **At 1st July 20xx** |  | **xx** | **xx** | **xx** |
| Amortization charge for the period |  | xx | xx | xx |
| Disposal |  | (xx) |  |  |
| **At the end of the period** |  | **xx** | **xx** | **xx** |
| Impairment loss | (xx) | (xx) | (xx) | (xx) |
| **At end of the period** | **xx** | **xx** | **xx** | **xx** |
|  |  |  |  |  |
| **NBV at** | **xx** | **xx** | **xx** | **xx** |

1. **Investment Property**

|  |  |  |
| --- | --- | --- |
| **Description** | **Period ended Sep/Dec/March/June 20xx** | **Prior year**  **audited** |
| **Kshs** | **Kshs** |
| **At beginning of the year** | **xxx** | **xxx** |
| Additions | xxx | xxx |
| Fair value gain | xxx | xxx |
| Depreciation (*where investment property is*  *at cost*) | (xxx) | (xxx) |
| **At end of the period** | **xxx** | **xxx** |

1. **Biological Assets**

|  |  |  |
| --- | --- | --- |
| **Description** | **Period ended Sep\*/Dec\*/**  **March\*/June\* 20xx** | ***Audited***  ***Prior Year*** |
|  | **Kshs** | **Kshs** |
| Trees in a plantation forest | xxx | xxx |
| Animals: Dairy cattle, pigs, sheep | xxx | xxx |
| Fruit Trees | xxx | xxx |
| **Total** | **xxx** | **xxx** |

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

1. **Trade And Other Payables**

|  |  |  |
| --- | --- | --- |
| **Description** | **Period ended Sep/Dec/March/June 20xx** | **Prior year**  **audited** |
| **Kshs** | **Kshs** |
| Trade payables | xxx | xxx |
| Employee dues | xxx | xxx |
| Third-party payments (*unremitted payroll deductions*) | xxx | xxx |
| Audit fee | xxx | xxx |
| Doctors’ fee | xxx | xxx |
| **Total** **trade** **and** **other** **payables** | **xxx** | **xxx** |

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

|  |  |  |
| --- | --- | --- |
| **Description** | **Period ended Sep/Dec/March/June**  **20xx** | **Prior year**  **audited** |
| **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** |

1. **Provisions**

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

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

1. **Lease Liability**

|  |  |  |
| --- | --- | --- |
| **Description** | **Period ended Sep/Dec/Mar/Jun 20xx** | **Prior year**  **audited** |
| **At the start of the period** | **Kshs** | **Kshs** |
| Discount interest on lease liability | xxx | xxx |
| Paid during the year | xxx | xxx |
| **At end of the period** | **xxx** | **xxx** |

**Analysed as**

|  |  |  |
| --- | --- | --- |
| **Description** | **Period ended Sep/Dec/Mar/Jun 20xx** | **Prior year**  **audited** |
| **Kshs** | **Kshs** |
| Current lease liabilities | xxx | xxx |
| Non-current lease liability | xxx | xxx |
| **Total** | **xxx** | **xxx** |

1. **Deferred Income**

|  |  |  |
| --- | --- | --- |
| **Description** | **Period ended Sep\*/Dec\*/**  **March\*/June\* 20xx** | ***Audited***  ***Prior Year*** |
|  | **Kshs** | **Kshs** |
| County Government | xxx | xxx |
| International Funders | xxx | xxx |
| Public Contributions and Donations | xxx | xxx |
| **Total** **Deferred** **Income** | xxx | xxx |

**Analysed as:**

|  |  |  |
| --- | --- | --- |
| **Description** | **Period ended Sep/Dec/Mar/Jun 20xx** | **Prior year**  **audited** |
| **Kshs** | **Kshs** |
| Current Portion | xxx | xxx |
| Non-Current Portion | xxx | xxx |
| **Total** | **xxx** | **xxx** |

**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 period | xxx | xxx | xxx | xxx |
| Transfers to Capital fund during  the period | (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** | **Period ended Sep/Dec/Mar/Jun 20xx** | **Prior year**  **audited** |
| **Kshs** | **Kshs** |
| **Balance at beginning of the year** | **xxx** | **xxx** |
| External borrowings during the period | xxx | xxx |
| Domestic borrowings during the period | xxx | xxx |
| Repayments of external borrowings during the period | (xxx) | (xxx) |
| Repayments of domestic borrowings during the period | (xxx) | (xxx) |
| **Balance at end of the period** | **xxx** | **xxx** |

**Breakdown of Long- And Short-Term Borrowings**

|  |  |  |
| --- | --- | --- |
| **Description** | **Period ended Sep/Dec/Mar/Jun 20xx** | **Prior year**  **audited** |
| **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).*

1. **Service Concession Arrangements**

|  |  |  |
| --- | --- | --- |
| **Description** | **Period ended Sep/Dec/March/June 20xx** | **Prior year**  **audited** |
| **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 during  the period | (xxx) | (xxx) |
| Service concession liability at end of the period | **xxx** | **xxx** |

**Analysed as**

|  |  |  |
| --- | --- | --- |
| **Description** | **Period ended Sep/Dec/March/June 20xx** | **Prior year**  **audited** |
| **Kshs** | **Kshs** |
| Current social benefits | xxx | xxx |
| Non- current social benefits | xxx | xxx |
| **Total (tie to totals above)** | **xxx** | **xxx** |

1. **Social Benefits Liabilities**

|  |  |  |
| --- | --- | --- |
| **Description** | **Period ended Sep/Dec/March/June 20xx** | **Prior year**  **audited** |
| **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** | **Period ended Sep/Dec/Mar/Jun 20xx** | **Comparative period** |
| **Surplus for the year before tax** | **Kshs** | **Kshs** |
| **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/used in operating activities** | **xxx** | **xxx** |

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

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 Ministry of xxx. Its ultimate parent is the Government of Kenya.

1. **Currency**

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



# Appendices

**Appendix i: Statement of Financial Performance Per Quarter**

| **Description** | **Quarter 1** | **Quarter 2** | **Quarter 3** | **Quarter 4** | **Cumulative to date for the period ended xxx** | **Comparative period** |
| --- | --- | --- | --- | --- | --- | --- |
| **Kshs** | **Kshs** | **Kshs** | **Kshs** | **Kshs** | **Kshs** |
| **Revenue** **from** **non-exchange** **transactions** |  |  |  |  |  |  |
| Transfers from the County Government | xxx | xxx | xxx | xxx | xxx | xxx |
| In- kind contributions from the County Government | xxx | xxx | xxx | xxx | xxx | xxx |
| Grants from donors and development partners | xxx | xxx | xxx | xxx | xxx | xxx |
| Transfers from other Government entities | xxx | xxx | xxx | xxx | xxx | xxx |
| Public contributions and donations | xxx | xxx | xxx | xxx | xxx | xxx |
|  | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** |
| **Revenue** **from** **exchange** **transactions** |  |  |  |  |  |  |
| Rendering of services- Medical Service Income | xxx | xxx | xxx | xxx | xxx | xxx |
| Revenue from rent of facilities | xxx | xxx | xxx | xxx | xxx | xxx |
| Finance /Interest Income | xxx | xxx | xxx | xxx | xxx | xxx |
| Other income (*specify*) | xxx | xxx | xxx | xxx | xxx | xxx |
| **Revenue** **from** **exchange** **transactions** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** |
| **Total** **revenue** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** |
|  |  |  |  |  |  |  |
| **Expenses** |  |  |  |  |  |  |
| Medical/Clinical costs | xxx | xxx | xxx | xxx | xxx | xxx |
| Employee costs | xxx | xxx | xxx | xxx | xxx | xxx |
| Board of Management Expenses | xxx | xxx | xxx | xxx | xxx | xxx |
| Depreciation and amortization expense | xxx | xxx | xxx | xxx | xxx | xxx |
| Repairs and maintenance | xxx | xxx | xxx | xxx | xxx | xxx |
| Grants and subsidies | xxx | xxx | xxx | xxx | xxx | xxx |
| General expenses | xxx | xxx | xxx | xxx | xxx | xxx |
| Finance costs | xxx | xxx | xxx | xxx | xxx | xxx |
| **Total** **expenses** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** |
| **Other** **gains/(losses)** |  |  |  |  |  |  |
| Gain on disposal of non-Current assets | xxx | xxx | xxx | xxx | xxx | xxx |
| Unrealized gain on fair value of investments | xxx | xxx | xxx | xxx | xxx | xxx |
| Medical services contracts Gains/Losses | xxx | xxx | xxx | xxx | xxx | xxx |
| Impairment loss | (xxx) | xxx | xxx | (xxx) | xxx | xxx |
| Gain on foreign exchange transactions | xxx | xxx | xxx | xxx | xxx | xxx |
| **Total other** **gains/(losses)** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** |
| **Net Surplus for the year** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** |
|  | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** |

**Appendix ii: Recording Of Transfers From Other Government Entities**

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Name of the MDA/Donor Transferring the funds** | **Date received**  **as per bank statement** |  |  | **Where Recorded/recognized** | | | | |  |
| **Nature: Recurrent/**  **Development/Others** | **Total Amount - KES** | **Statement of Financial Performance** | **Capital Fund** | **Deferred Income** | **Receivables** | **Others - must be specific** | **Total Transfers during the Period** |
| Ministry of Education | xxx | Recurrent | xxx | xxx | xxx | xxx | xxx | xxx | xxx |
| Ministry of Education | xxx | Development | xxx | xxx | xxx | xxx | xxx | xxx | xxx |
| USAID | xxx | Donor Fund | xxx | xxx | xxx | xxx | xxx | xxx | xxx |
| Ministry of Education | xxx | Direct Payment | xxx | xxx | xxx | xxx | xxx | xxx | xxx |
|  |  |  | xxx | xxx | xxx | xxx | xxx | xxx | xxx |
| **Total** |  |  | xxx | xxx | xxx | xxx | xxx | xxx | xxx |