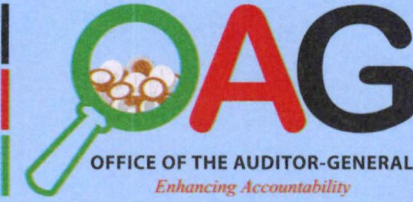


REPUBLIC OF KENYA



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REPORT

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**AMBIRA SUB - COUNTY LEVEL 4
HOSPITAL**

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

SIAYA COUNTY GOVERNMENT

23



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1. Acronyms & Glossary of Terms

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

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

2. Key Entity Information and Management

(a) Background information

Ambira Sub County level 4 Hospital established under Gazette Notice Number- Vol. CXXII-No.24 and is domiciled in Siaya County under the Health Department. The hospital is governed by a Board of Management.

(b) Principal Activities

The principal activity/mission/ mandate of the hospital is to offer high quality and affordable health services to its clients as captured in the statements.

Vision

We strive to improve Health by providing preventive, promotive, curative Health care by 2030

Mission

To provide quality Health care services that is accessible, affordable while being responsive to community Health needs.

(c) Key Management

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

- County department of health
- Board of Management
- Accounting Officer/ Medical Superintendent
- Hospital Administrator
- Hospital Accountant

(d) Fiduciary Management

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

No.	Designation	Name
1.	Medical Superintendent	Dr Don Kottowa
2.	Accountant	Mr. Kingsley Otieno
3.	Administrator	Mr Charles Lolwe Ombori

(e) Fiduciary Oversight Arrangements

- County Assembly
- Parliamentary committees
- County Assembly Health Committee
- County Assembly Finance Committee

- County Assembly Public Investment and Accounts Committee
- Audit committee

Key Entity Information and Management (continued)

(a) Entity Headquarters

P.O. Box 597-40600
SIAYA, KENYA
MILIMANI ROAD
ADJACENT TO JCC CHURCH

(b) Entity Contacts

Telephone: +254739178239
 +254706704627
E-mail: ambirasdh@gmail.com

(c) Entity Bankers

Kenya Commercial Bank
Ugunja Branch
P. O Box 52-40600
Ugunja
A/C NOs 1294087010
 1117740803
 1156762758

(d) Independent Auditors

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

(e) Principal Legal Adviser

The Attorney General
State Law Office
Harambee Avenue
P.O. Box 40112
City Square 00200
Nairobi, Kenya






(f) County Attorney

P.O. Box.803-40600
Siaya County Headquarters
Siaya, Kenya

3. The Board of Management

Ambira level 4 Hospital doesn't have Board of management. The previous Board of Management term expired on 30th June, 2021. Currently the board of management nominees is before the County Assembly for consideration

4. Key Management Team

Ref	Management	Details
1.	 DR. Don Kottowa Medical Superintendent MBCHB	Medical Superintendent of the hospital and chair of the management team. MBCHB holder. Duties include: <ul style="list-style-type: none"> • Seeing patients for treatment • Overall supervision of the hospital • Chairing of HMT meetings of the hospital
2.	 Mr Charles Lolwe Ombori Hospital Administrator	Hospital administrative officer (HAO) and member of HMT Duties include <ul style="list-style-type: none"> • Ensuring effective running of facility daily activities • Developing work and leave schedules for staff • Is the secretary to the HMT
3.	 Mr Job Kingsley Otieno Accountant BCOM	Hospital accountant and a member of HMT Duties <ul style="list-style-type: none"> • Supervising revenue staff • Budgeting for the facility • Maintain book of accounts for the facility • Control expenditure
4.	 Mrs Hellen Raganga Nursing Service Manager (NSM)	Nurse in charge and HMT member Duties <ul style="list-style-type: none"> • Preparing duty rotas for all nursing staff • Preparing end month nursing reports • Supervising the nursing staff
5.	 Dr Sharon Onyango Pharmacy In-charge Bachelor of pharmacy	Pharmaceutical technologist and member of HMT Duties <ul style="list-style-type: none"> • Issuing medicine to patients • Managing pharmacy operations • Ordering and receiving medical supplies • Doing stock takes

5. Chairman's Statement

Ambira level 4 Hospital doesn't have Board of management. The previous Board of Management term expired on 30th June, 2021. Currently the board of management nominees is before the County Assembly for consideration

6. Report of The Medical Superintendent

During the 2024/2025 financial year, Ambira level 4 Hospital had an average performance generally. We were able to maintain our core mandate of provision of curative and rehabilitative services during the year. The following were areas of priority that the hospital focussed on to ensure the delivery of the said services

1. Availability of health product and technologies
2. Sustaining the payment for utilities especially electricity and water
3. Payment of pending bills

Like all other entities, the hospital experienced a myriad of challenges that greatly affected the income and general cash flow to the hospital hence delaying execution of the financial plan.

These include


1. Interruption of service delivery due to the electoral process
2. High cost of living that saw the increase in price of commodity across almost all areas but significantly on food items, electricity and fuels
3. Reduced purchasing power of the patients resulting less revenue from the FIF revenue stream
4. Non remittance of funds from SHA and SHIF
5. Inadequate human resources – as a service oriented entity, adequate human resources remain an important pillar to the delivery of our services. During this financial year the hospital had severe shortage of personnel cutting across all departments. The worst affected being nursing, clinical officers, medical officers and specialists making it difficult to discharge our mandate of service provision.

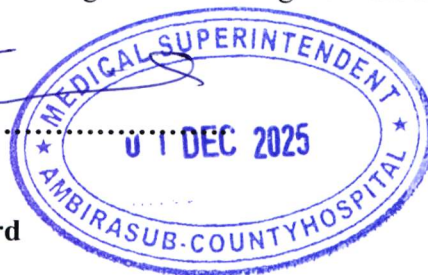
These significantly affect the facility since the hospital largely relies on its own revenue generated to facilitate services. This is further compounded by the requirement to surrender 25% of the revenue it generates to the department for running other rural facilities.

Despite all the above challenges, the hospital still managed to improve its revenue generation. This was largely possible due to the strengthening of our revenue collection system and better supervision by the various departmental heads that assisted in ensuring better revenue collection at their service delivery point. It shows the potential the hospital has to further improve service delivery once more funds are available.

To mitigate on the challenges raised above, the Hospital management team was very responsive and deliberate in decision making to prioritise key spending areas to keep the hospital running.

We hope that more deliberate efforts shall be made to support the operations of the hospital especially in making more funds available through direct funding from the exchequer and allowing the hospital to utilise 100% of their collection.


.....
Dr. Don F. Kottowa
Secretary to the Board



7. Statement of Performance Against Predetermined Objectives

(Section 164 (2) (f) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the accounting officer when preparing financial statements of each County Government Entity Government entities in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board includes a statement of the county government entity’s performance against predetermined objectives.

Strategic development objectives (Adopted from Siaya County)

The County’s CIDP has identified 10 key strategic development objectives. Broadly, these objectives have been identified through a participatory process that reviewed the development priorities of the Governor’s Manifesto, the National Government’s “Big Four”, NIUPLAN, SDGs and the MTP III.

The strategic objectives are a synthesised product of the afore-mentioned planning frameworks that amalgamate the thematic focus and development aspirations in these policy frameworks. The targets set for the FY 2024/2025 period for its strategic pillars, as indicated in the diagram below:

Strategic Pillar/Theme/Issues	Objective	Key Performance Indicators	Activities	Achievements
Pillar/ theme/ issue 1:				
Health and Sanitation	To reduce mortality from preventable deaths	To reduce mortality from preventable deaths	No. Completed medical laboratories	3
			No. Completed maternity units	5
			No. Completed general wards	2
			No. Completed dispensaries	3
			% of Clients counselled and tested for HIV	83%
			% of HIV positive clients linked to care	97%
			% of WRA who know their HIV status	92%
			Percentage of HEI turning HIV positive at 18 months	2%

Ambira Sub County level 4 Hospital (Siaya County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

		% of clients with viral load <1000c/ml	93%
		No. of accredited CHVs given feedback	1535
		No. of CHAs sensitized on eye health	24
		No. of half jackets distributed	2200
		No. of CHVs sensitized on NCDs	40
		No. of CHAs trained on community MNH	30
		No. of stakeholders meetings held	2
		No. of HHs reached with COVID19 messages	250,698
		No. of targeted dialogue days held	6
	Improved diagnostic services through completion of maternity wing		

8. Corporate Governance Statement

During the year under review the facility did not have a Board of management. The previous Board of Management term expired on 30th June, 2021. Currently the board of management nominees is before the County Assembly for consideration.

9. Management Discussion and Analysis

It is my pleasure to present Ambira level 4 hospital financial statements for the year ended 30th June 2025. The financial statements present the financial performance of Ambira level 4 Hospital over the past year.

Clinical/operational performance

- Bed capacity of the hospital.
The hospital bed capacity stood at 150 though a whole 50 bed capacity remained unutilized due to staff shortage.
- Overall patient attendance during the year for both inpatient and outpatient.
The overall patient attendance stood at 20476 and 3318 for outpatient and inpatient respectively.
- Accident and Emergency attendance
The attendance for accidents and emergencies was 686 for the FY 2024-2025. This was a significant rise compared to the FY ending 30th June 2024.
- Specialised clinic attendance
Special clinic attendance was majorly the medical outpatient clinic with a documented record of 846 clients being seen.
- Average length of stay for in patient
The average length of hospital stay was evaluated and documented to be 16 days which is way above the recommended average by the ministry of health. All hands are however on deck to ensure this indicator is brought down and subsequently sustained.
- Bed occupancy rate
The bed occupancy rate was 555 clients for the period under review.
- Mortality rate
The mortality rate stood at 27/100000 population.
- Surgical theatre utilisation (number of operations over a period of time)
The facility did not have an operational theatre during the period under review.
- Sponsorships and partnerships

Major partner was the care and treatment partner CHS.

The entity's operational and financial performance

The Hospital has seen a growth in revenue trends over the past periods. During the year under review, the facility raised a total of **Kshs. 43,127,209** as revenues and balance brought forward of **Kshs.2,644,777** A total of **Kshs. 40,884,418** as incurred as expenditures.

Entity's compliance with statutory requirements

The Hospital is continually carrying out its mandate in line with different regulations guiding its operations.

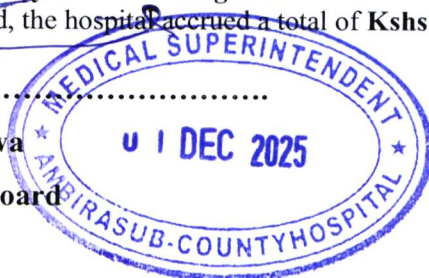
Major risks facing the entity

The major risk factor facing the Hospital is the lack of liquidity to finance most of its operations. Moreover, this poses a challenge in terms of offsetting its accrued pending bills.

Material arrears in statutory/financial obligations

During the reporting period, the hospital accrued a total of **Kshs. 3,357,604** as pending bills.

.....
Dr. Don F. Kottowa
Secretary to the Board



10. Environmental and Sustainability Reporting

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

i. Sustainability strategy and profile

Ambira Sub-County Hospital has identified the following sustainability priorities; consultative planning and budgeting process, improving own source revenue collection and sourcing for local service providers.

In consultative planning and budgeting process, the county has ensured all stakeholders are brought on board in project identification, implementation to completion and this has ensured project ownership by the intended beneficiaries and ultimately creating the desired impact. The county has developed own source revenue collection strategy as a deliberate effort of laying down strategies of improving own source revenue collected within the county. These efforts are aimed at boosting the fiscal resource basket of the county that is largely supported by the exchequer from the National Government. In the end, the county is also promoting sourcing of services from local providers with an objective of 'buying Siaya building Siaya'. This translates to promoting local goods and services that will ultimately build the local economy.

While implementing the above sustainability priorities, there are broad political and macroeconomic trends from the National outlook that are likely to affect their realization. The major macroeconomic trend projected is high cost of inflation in the country. The high inflation rate will affect the cost of living and production cost that will negatively affect the business environment and eventually own source revenue collection. Similarly, the country is also headed in the electioneering period and the political environment interfere with the sustainability priorities. Notwithstanding, the county will align its policies to adjust to the microeconomic conditions and implement succession management plan in the transition period to manage the political environment.

However, in the course of implementation, there are challenges experienced across departments. They include; effects of covid-19, inadequate staffing, inadequate funding and delays in disbursement of funds

ii. Environmental performance

Ambira Sub-County Hospital is yet to establish an environmental policy however, the county has adopted National laws to guide the public and help in compliance with environmental laws. Some of the environmental and climate change issues experienced in the County include; deforestation in hills, flooding in areas near water bodies, pollution in urban areas, drought and famine, invasive species, loss of biodiversity and change in water levels especially in Lake Victoria. To manage these environmental hazards, the county is; developing policies that will help protect the environment; investing in woodlots to

promote tree planting, establishing designated dumping sites for waste management; promoting irrigation; establishing dykes in flood prone areas; preserving indigenous trees and certain wild animals.

iii. Employee welfare

To improve staff performance, Ambira Sub County Hospital has initiated capacity building programmes to staffs through trainings by Kenya School of Government and partners such as World Bank. Further, the Human Resource department coordinates staff appraisal, performance contracting and propose rewards and sanctions.

The County has complied with Occupational Safety and Health Act of 2007, (OSHA) by providing adequate office space that is regularly cleaned, providing sanitation facilities, regular trainings on drug and substance abuse and providing PPEs to staffs in health-related fields.

iv. Market place practices-

In 2019, the County Government was declared a corruption free zone after engagements with Ethics and Anti-corruption commission. The county government advocates for fairness in service provision, resource allocation, open bidding, evaluation and awarding of tenders to suppliers. All advertisement of tenders and communications are done through the County Government website and official social media platforms. The county has fully embraced the e-procurement system to help in the tendering process. To successful suppliers, the county makes timely payment of goods and services delivered and made efforts of settling pending bills owed to creditors. The County expect quality goods and services despite not having a quality assurance unit to check on standards. Nonetheless, the process of ISO certification is on course.

v. Community Engagements-

Ambira Sub-County Hospital is fostering interaction with businesses, NGOs and other key stakeholders to address social problems through Corporate Social Responsibility (CSR) agenda. Various sectors have partnered with NGO's to provide CSR services. In health sector, the county has partnered with NGO's to provide polio vaccine to new born in the communities, training of expectant mothers, providing mosquito nets and providing food supplements. In agriculture, through partners, farmers have benefitted from free extension services, provision of certified seeds and fertilizers, provision of fingerlings and fishing gears.

11. Report of The Board of Management

The Board members submit their report together with the Audited Financial Statements for the year ended June 30, 2025, which show the state of the *hospital's* affairs.

Principal activities

The principal activities of Ambira Sub County Hospital are to provide quality and affordable preventive, promotive, rehabilitative and curative health services to the residence and its locality.

Results

The results of Ambira Sub County Hospital for the year ended June 30 2024 are set out on page 1 to 6

Board of Management

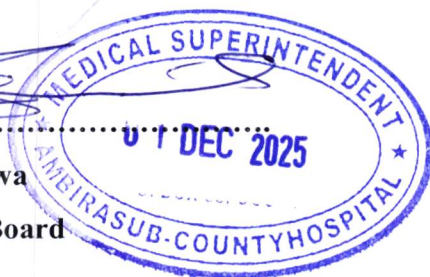
The members of the Board who served during the year are shown on page ix.

Auditors

The Auditor General is responsible for the statutory audit of *Ambira Sub County Hospital* in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015 for the year/period ended June 30, 2023 in accordance to section 23 of the Public Audit Act, 2015 which empowers the Auditor General to appoint an auditor to audit on his behalf.

By Order of the Board

.....
Dr. Don F. Kottowa
Secretary to the Board



12. Statement of Board of Management’s Responsibilities

Section 164 of the Public Finance Management Act, 2012 requires the Board of Management to prepare financial statements in respect of Ambira level 4 hospital, which give a true and fair view of the state of affairs of Ambira Level 4 Hospital at the end of the financial year/period and the operating results of the Ambira level 4 hospital for that year/period. The Board of Management is also required to ensure that the Ambira level 4 hospital has proper accounting records which disclose with reasonable accuracy the financial position of Ambira level 4 hospital. The council members are also responsible for safeguarding the assets of Ambira level 4 hospital.

The Board of Management is responsible for the preparation and presentation of Ambira level hospital financial statements, which give a true and fair view of the state of affairs of Ambira level 4 hospital for and as at the end of the financial year (period) ended on June 30, 2025. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period, (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity, (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud, (iv) safeguarding the assets of Ambira level 4 hospital; (v) selecting and applying appropriate accounting policies, and (vi) making accounting estimates that are reasonable in the circumstances.


The Board of Management accepts responsibility for Ambira level 4 hospital financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012. The Board members are of the opinion that Ambira level 4 hospital financial statements give a true and fair view of the state of Ambira level 4 hospital transactions during the financial year ended June 30, 2025, and of the Ambira level 4 hospital financial position as at that date. The Board members further confirm the completeness of the accounting records maintained for Ambira level 4 hospital, which have been relied upon in the preparation of Ambira level 4 hospital financial statements as well as the adequacy of the systems of internal financial control.

In preparing the financial statements, the Directors have assessed the Fund’s ability to continue as a going concern.

Approval of the financial statements

The Hospital’s financial statements were approved by the Board on 01/12/25 and signed on its behalf by:

.....
Name:
Chairperson
Board of Management


Dr. Don F. Kottowa
Accounting Officer



Ambira Sub County level 4 Hospital (Siaya County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

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

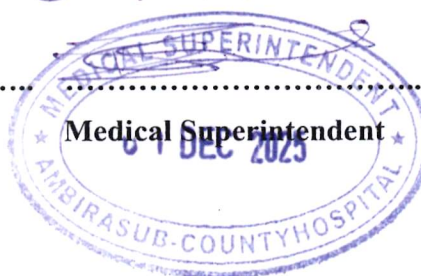
Description	Notes	Period ended	Period ended
		30th June 2025	30th June 2024
		Kshs	Kshs
Revenue from non-exchange transactions			
Transfers from the County Government	6	-	-
In- kind contributions from the County Government	7	6,864,515	6,022,874
			6,022,874
Revenue from exchange transactions			
Rendering of services- Medical Service Income	8	36,262,694	13,687,630
		36,262,694	13,687,630
Total revenue		43,127,209	19,710,504
Expenses			
Medical/Clinical costs	9	20,935,946	7,684,053
Employee costs	10	6,378,243	4,193,960
Repairs and maintenance	11	1,789,930	961,030
Grants and subsidies	12	1,914,400	-
General expenses	13	9,387,550	4,600,800
Finance costs	14	60,349	42,089
Depreciation and Amortization		73,125	239,046
Total expenses		40,539,543	17,720,978
Net Surplus for the quarter		2,587,666	1,989,527
Attributable to:			
Surplus/(deficit) attributable to minority interest			
Surplus attributable to owners of the controlling entity			

The Hospital's financial statements were approved by the Board on 01/12/2025 and signed on its behalf by:

DR. LOTIOWA D. O.

.....
Chairman
Board of Management

[Signature]
.....
Head of Finance
ICPAK No:



REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON AMBIRA SUB - COUNTY LEVEL 4 HOSPITAL FOR THE YEAR ENDED 30 JUNE, 2025- COUNTY GOVERNMENT OF SIAYA

PREAMBLE

I draw your attention to the contents of my report which is in three parts:

- A. Report on Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements;
- B. Report on Lawfulness and Effectiveness in the Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure the Government achieves value for money and that such funds are applied for the intended purpose; and,
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, risk management environment and internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

A Qualified Opinion is issued when the Auditor-General concludes that, except for material misstatements noted, the financial statements are fairly presented in accordance with the applicable financial reporting framework. The Report on Financial Statements should be read together with the Report on Lawfulness and Effectiveness in the Use of Public Resources, and the Report on Effectiveness of Internal Controls, Risk Management and Governance.

The three parts of the report are aimed at addressing the statutory roles and responsibilities of the Auditor-General as provided by Article 229 of the Constitution, the Public Finance Management Act, 2012, and the Public Audit Act, 2015. The three parts of the report when read together constitute the report of the Auditor-General.

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Ambira Sub-County Hospital set out on pages 1 to 43, which comprise of the statement of financial position as at 30 June, 2025 and the statement of financial performance, statement of changes in

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

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Ambira Sub-County Hospital as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards Accrual Basis and comply with the County Governments Act, 2012, the Health Act, 2017 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Cash and Cash Equivalents

The statement of financial position reflects cash and cash equivalents of Kshs.2,574,777 whereas the corresponding Note 16 to the financial statement reflects Kshs.2,644,777.33 resulting in an unreconciled balance of Kshs.70,000.

In the circumstances, the accuracy and completeness of the cash and cash equivalent balance of Kshs.2,574,777 could not be confirmed.

2. Property, Plant and Equipment

The statement of financial position and as disclosed in Note 19 to the financial statements reflects property, plant and equipment balance of Kshs.2,421,770 which, includes additions during the year totalling to Kshs.378,000. However, the asset register maintained by the Hospital was not updated with asset cost, purchase date, depreciation rate, accumulated depreciation, depreciation charge for the year and book value of the asset among others, therefore the register maintained was incomplete and fell short of asset register requirements. Additionally, review of the Hospital's records and physical inspection revealed various assets including land, building, motor vehicles, furniture and specialized and non-specialized medical equipment which were not disclosed in the financial statement.

In the circumstances, the accuracy and completeness of property, plant and equipment balance of Kshs.2,421,770 could not be confirmed.

3. Trade and Other Payables

The statement of financial position and as disclosed in Note 21 to the financial statements reflects trade and other payables of Kshs.3,287,604. However, it was noted that the ageing analysis for trade and other payables has not been performed as prescribed by the Public Sector Accounting Standards Board (PSASB) template.

In the circumstances, the accuracy and completeness of trade and other payables of Kshs.3,287,604 could not be confirmed.

4. Inaccuracy in the Statement of Changes in Net Assets

The statement of changes in net assets reflects an opening balance of Ksh.1,989,527 which does not agree with the prior year audited balance of Kshs.3,687,799 resulting in an unreconciled balance of Kshs.1,551,080. Management has not provided prior year adjustment or journal entry to justify the decrease.

5. Unreconciled Income from Rendering of Services – Medical Service Income

The statement of financial performance reflects an amount of Kshs.36,262,694 in respect of rendering of services – medical service income, while the Receiver of Revenue reflect an amount of Kshs.31,849,017, resulting to unreconciled amount of Kshs.4,413,677. The amount of Kshs.36,262,694 as disclosed in Note 8 to the financial statements includes an amount of Kshs.2,587,345 relating to NHIF and Kshs.11,641,846 from SHA, while the rest, constituting Facility Improvement Fund (FIF) amounted to Kshs.22,033,503. However, the Siaya Receiver of Revenue disclosed an amount of Kshs.11,265,685 as being the amount received from NHIF/SHA and an amount of Kshs.20,583,332 as being the amount that had been received from the FIF, which implies that either, the Hospital under declared its revenues or the Receiver of Revenue released less than the collected amount.

In the circumstances, the completeness and accuracy of revenues received from rendering of services – medical service income could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts indicates final revenue budget of Kshs.49,940,000. However, only Kshs.39,648,953 was actualized resulting to a shortfall of Kshs.10,291,047 or 21% of the budget. Similarly, the Hospital recorded expenditure of Kshs.39,679,179 resulting to under-absorption of Kshs.10,260,821 or 21% of the budget.

This under-absorption may have negatively impacted service delivery to the citizens.

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Matter

Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised under the Report on the Financial Statements, Report on Lawfulness and Effectiveness in Use of Public Resources and Report on Effectiveness of Internal controls, Risk management and governance. However, Management had not resolved the issues as at 30 June, 2025 as detailed below:

S/No.	Financial Year	Issue
1.	2023/2024	Presentation and Disclosure in the Financial Statements.
2.	2023/2024	Revenue from Non- Exchange Transactions
3.	2023/2024	Non-Disclosure of Property, Plant and Equipment
4.	2023/2024	Unconfirmed Value and Ownership of Land
5.	2023/2024	Incomplete Fixed Assets Register
6.	2023/2024	Long Outstanding Trade and Other Payables
7.	2023/2024	Late Submission of Financial Statements to the Auditor-General
8.	2023/2024	Deficiencies in Implementation of Universal Health Coverage (UHC)
9.	2023/2024	Lack of Hospital Management Board
10.	2023/2024	Failure to Dispose Unserviceable Assets
11.	2023/2024	Shortage of Essential Medical Supplies
12.	2023/2024	Inventory Management

Other Information

The Management is responsible for the Other Information set out on page iii to xvi which comprise of Key Entity Information and Management, the Board of Management, Key Management Team, Chairman's Statement, Report of the Medical Superintendent, Statement of Performance against Predetermined Objectives, Corporate Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting, Report of the Board of Management and Statement of Board of Management's Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Long Outstanding Payables

The statement of financial position and as disclosed in Note 21 to the financial statements reflects trade and other payables of Kshs.3,287,604. Review of financial records revealed that a total of Kshs.2,182,177 with respect to trade and other payables were historical creditors and had not been settled as at the time of audit.

In the circumstances, the Hospital is exposed to the risk of incurring fines and penalties with the continued delays in settling liabilities while Management is in breach of the law.

2. Non- Compliance with Law on Ethnic Composition

Review of the payroll bio data provided for audit revealed that out of 34 casuals employed by the county and the hospital, a total of 30 employees representing 88% of the employees came from the dominant ethnic community contrary to Section 7(1) and (2) of the National Cohesion and Integration Act, 2008 which states that, "no public establishment shall have more than one third of its staff from the same ethnic community.

Consequently, Management was in breach of the law.

3. Failure to Observe Reservations in Employment

The staff bio data provided for audit review revealed that Ambira sub-county Level 4 hospital had a total of thirty-four (34) employees in the year under review and none is a person living with disability contrary to Section 13 of the Persons with Disabilities Act, 2003 which requires 5% of all appointments for persons with disabilities.

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

4. Non-Compliance with the Law and Effectiveness of Upgrade of Hospitals

Audit review established that Ambira Sub- County Level 4 Hospital has not fully complied with the provisions of the Health Act, 2017 regarding the requirements for Level 4 (Primary Hospital) facilities. Review of Hospital records and interviews on verification of services offered, equipment used and medical specialists in the Hospital at the time of audit revealed that the Hospital did not meet the requirements of Kenya Quality Model for Health Policy Guidelines due to staff deficits by seventy-two (72)

staff or 71% of the 101 required in the staff establishment; contrary to the norms and standards for human resource development as stipulated under Section 15(1)(g) of the Act. As a result, the Hospital's operations as a Level 4 facility only partially meet the statutory requirements outlined in Appendix 1 of the Act, thereby limiting its ability to effectively deliver the full range of services expected at this level. The Hospital also lacked of requisite medical equipment.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

1. Inventory Management

The statement of financial position and as disclosed in Note 18 to the financial statement reflects inventory balance of Kshs.1,088,265. Review of the Hospital's stock control cards together with the facility tracer health products and technologies (HPT) data report form which contains the list of essential pharmaceutical supplies; indicates that the hospital is experiencing acute shortage of the essential drugs not enough to accommodate the demand within the facility.

Further, it was also noted that the drugs were being captured in the stock cards without the batch number and expiry dates thus making it difficult to confirm whether first expiry drugs were being issued out first and last expiry, last.

In addition, physical inspection of the non-pharmaceutical inventory store revealed that the store was very small with no shelves; making it difficult to store and issue the non-pharmaceuticals promptly hence delay of services.

In the circumstances, the effectiveness of internal controls on the Management of pharmaceuticals to achieve the desired mandate could not be confirmed.

2. Lack of Asset Ownership Documents

Audit examination revealed that Ambira Sub-County Level 4 Hospital sits on five (5) acres of land which lacks a land title deed. The parcel of land is occupied by the administration block, theatre, labs, wards, mortuary and grounds.

Lack of legal ownership documents is of particular concern given that the ownership of the land could not be confirmed.

3. Failure to Establish a Board of Management

During the year under review, the Hospital had not established a Board of management contrary to Section 12 of Siaya County Health Services Act, 2018. Therefore, functions of the board as outlined in the Act which include providing oversight over the administration of the Hospital, promoting the development of the Hospital, approving plans and programs, approving estimates before submission to the Executive Member, supervising and controlling the administration of the funds allocated to the hospital and recommending disciplinary measures and procedures in case of violation of provisions of this Act or any other related laws were not carried out by the Management team.

In the circumstances, the Hospital will not achieve its strategic objectives.

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

Responsibilities of Management and the Board of Management

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

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

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

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

The Board of Management is responsible for overseeing the Hospital's financial reporting process, reviewing the effectiveness of how Management monitors

compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

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

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

04 December, 2025

Ambira Sub County level 4 Hospital (Siaya County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

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

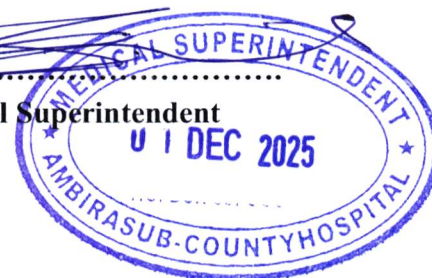
Description	Notes	Period ended 30th	Period ended 30th
		June 2025	June 2024
		Kshs	Kshs
Assets			
Current assets			
Cash and cash equivalents	16	2,574,777	2,675,004
Receivables from exchange transactions	17	3,478,256	-
Inventories	18	1,088,265	2,284,275
Total Current Assets		7,141,298	4,959,279
Non-current assets			
Property, plant, and equipment	19	2,421,770	2,116,895
Intangible assets	20	-	-
Total Non-current Assets		2,421,770	2,116,895
Total assets		9,563,068	7,076,174
Liabilities			
Current liabilities			
Trade and other payables	21	3,287,604	3,388,375
Total Current Liabilities		3,287,604	3,388,375
Non-current liabilities			
			-
Total Non-current liabilities		-	-
Total Liabilities		3,287,604	3,388,375
Net assets		6,275,465	3,687,799
Revaluation reserve			-
Accumulated surplus/Deficit		4,577,193	1,989,527
Capital Fund		1,698,272	1,698,272
Total Net assets		6,275,465	3,687,799
Total Net Assets and Liabilities		2,574,777	2,675,004

The Hospital's financial statements were approved by the Board on 01/12/2025 and signed on its behalf by:

.....
Chairman
Board of Management


.....
Head of Finance
ICPAK No:


.....
Medical Superintendent



16. Statement of Changes in Net Asset for The Year Ended 30 June 2025

	Revaluation reserve	Accumulated surplus/Deficit	Capital Fund	Total
As at July 1, 2024		-		-
Revaluation gain				-
Surplus/(deficit) for the year		1,989,527.00		1,989,527.00
Capital/Development grants				-
As at June 30, 2024		1,989,527.00	1,698,272.00	3,687,799.00
				-
At July 1, 2024		1,989,526.50	1,698,272.00	3,687,798.50
Revaluation gain				-
Surplus/(deficit) for the year		2,587,666.02		2,587,666.02
Capital/Development grants				-
At June 30, 2025		4,577,192.52	1,698,272.00	6,275,464.52

Ambira Sub County level 4 Hospital (Siaya County Government)
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17. Statement of Cash Flows for The Year Ended 30 June 2025

Description	Note	Period ended 30th	Period ended 30th June 2024
		June 2025	June 2024
		Kshs	Kshs
Cashflowsfromoperatingactivities			
Receipts			
Transfers from the County Government	6	-	-
Grants from donors and development partners	7	-	-
Rendering of services- Medical Service Income	8	32,784,438	13,687,630
Total Receipts		32,784,438	13,687,630
Payments			
Medical/Clinical costs	9	16,719,751	4,421,179
Employee costs	10	3,784,923	1,433,960
Repairs and maintenance	11	1,789,930	961,030
Grants and subsidies	12	1,914,400	-
General expenses	13	8,167,311	4,074,272
Finance costs	14	60,349	42,089
Refunds paid out			
Total Payments		32,436,664	10,932,530
Adjusted for			
Decrease/(Increase) in Accounts Receivable: NHIF and Linda mama			
		-	-
Netcashflowsfrom/(used in)operatingactivities		347,774	2,755,100
Cash flows from investing activities			
Purchase of property, plant, equipment, & intangible assets		378,000	1,778,368
Proceeds from the sale of property, plant, and equipment			
Acquisition of investments			
Net cash flows from /(used in) investing activities		378,000	1,778,368
Cashflowsfromfinancingactivities			
Proceeds from borrowings			
Repayment of borrowings			
Capital grants received			
Net cash flows from /(used in) financing activities		-	
Netincrease/(decrease)incashandcash equivalents		- 30,226	976,732
Cash and cash equivalents at 30th June 2024	26	2,675,004	1,698,272
Cashandcashequivalentsat 30th June 2025	26	2,644,778	2,675,004

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

Description	Originalbudget t	Adjustme nts	Finalbudget	Actual Cumulative to date	Performance Difference	% ofutilizat ion
	a	b	c=(a+b)	d	e=c-d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Revenue						
Transfers from the County Government	-	-		-		
In- kind contributions from the County Government	9,850,000		9,850,000	6,864,515	2,985,485	70%
Rendering of services- Medical Service Income	40,090,000		40,090,000	32,784,438	7,305,562	82%
Revenue from rent of facilities					-	
Finance / interest income					-	
Miscellaneous receipts (specify)					-	
Total income	49,940,000	-	49,940,000	39,648,953	10,291,047	79%
					-	
Expenses						
Medical/Clinical costs	23,600,000		23,600,000	20,935,946	2,664,054	89%
Employee costs	8,000,000		8,000,000	6,378,243	1,621,757	80%
Remuneration of directors					-	
Repairs and maintenance	2,520,000		2,520,000	1,789,930	730,070	71%
Grants and subsidies	3,200,000		3,200,000	1,914,400	1,285,600	60%
General expenses	11,000,000		11,000,000	8,222,311	2,777,689	75%
Finance costs	90,000		90,000	60,349	29,651	67%

Ambira Sub County level 4 Hospital (Siaya County Government)
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Acquisition of Assets	1,530,000		1,530,000	378,000	1,152,000	25%
Totalexpenditure	49,940,000	-	49,940,000	39,679,179	10,260,821	79%
Surplusfortheperiod	-	-	-	30,226	30,226	

BUDGET RECONCILIATION	
Description of Particulars	Amount in Kshs
Actual Surplus Amounts as per the statement of Budget	(30,226.25)
Reason for differences (operating)	-
Reason for differences (Investing)	-
Reason for differences(Financing)	-
Reason for differences Opening balance	2,675,004.05
Closing Cash and Cash Equivalent as per the statement of Cash flows	2,644,777.80

19. Notes to the Financial Statements

1. General Information

Ambira level 4 Hospital entity is established by and derives its authority and accountability from PFM Act. The entity is wholly owned by the Siaya County Government and is domiciled in Siaya County in Kenya. The entity's principal activity is to provide quality health services.

2. Statement of Compliance and Basis of Preparation

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant, and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts and actuarially determined liabilities at their present value. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgement in the process of applying Ambira sub county Hospital 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 Ambira sub county Hospital. 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.

3. Adoption of New and Revised Standards

i. New and amended standards and interpretations in issue effective in the year ended 30 June 2023.

Standard	Effective date and impact
<p>IPSAS 41: Financial Instruments</p>	<p>Applicable: 1st January 2023</p> <p>The objective of IPSAS 41 is to establish principles for the financial reporting of financial assets and liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of an Entity’s future cash flows.</p> <p>IPSAS 41 provides users of financial statements with more useful information than IPSAS 29, by:</p> <ul style="list-style-type: none"> • Applying a single classification and measurement model for financial assets that considers the characteristics of the asset’s cash flows and the objective for which the asset is held; • Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and • Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between an Entity’s risk management strategies and the accounting treatment for instruments held as part of the risk management strategy. <p><i>(State the impact of the standard to the Entity if relevant)</i></p>
<p>IPSAS 42: Social Benefits</p>	<p>Applicable: 1st January 2023</p> <p>The objective of this Standard is to improve the relevance, faithful representativeness and comparability of the information that a reporting Entity provides in its financial statements about social benefits. The information provided should help users of the financial statements and general-purpose financial reports assess:</p>

*Ambira Sub County level 4 Hospital (Siaya County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025*

Standard	Effective date and impact
	<p>(a) The nature of such social benefits provided by the Entity.</p> <p>(b) The key features of the operation of those social benefit schemes; and</p> <p>(c) The impact of such social benefits provided on the Entity's financial performance, financial position and cash flows.</p>
<p>Amendments to Other IPSAS resulting from IPSAS 41, Financial Instruments</p>	<p>Applicable: 1st January 2023</p> <p>a) Amendments to IPSAS 5, to update the guidance related to the components of borrowing costs which were inadvertently omitted when IPSAS 41 was issued.</p> <p>b) Amendments to IPSAS 30, regarding illustrative examples on hedging and credit risk which were inadvertently omitted when IPSAS 41 was issued.</p> <p>c) Amendments to IPSAS 30, to update the guidance for accounting for financial guarantee contracts which were inadvertently omitted when IPSAS 41 was issued.</p> <p>Amendments to IPSAS 33, to update the guidance on classifying financial instruments on initial adoption of accrual basis IPSAS which were inadvertently omitted when IPSAS 41 was issued.</p>
<p>Other improvements to IPSAS</p>	<p>Applicable 1st January 2023</p> <ul style="list-style-type: none"> • <i>IPSAS 22 Disclosure of Financial Information about the General Government Sector.</i> <p>Amendments to refer to the latest System of National Accounts (SNA 2008).</p> <ul style="list-style-type: none"> • <i>IPSAS 39: Employee Benefits</i> <p>Now deletes the term composite social security benefits as it is no longer defined in IPSAS.</p> <ul style="list-style-type: none"> • <i>IPSAS 29: Financial instruments: Recognition and Measurement</i> <p>Standard no longer included in the 2023 IPSAS handbook as it is now superseded by IPSAS 41 which is applicable from 1st January 2023.</p>

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

*Ambira Sub County level 4 Hospital (Siaya County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025*

Standard	Effective date and impact
IPSAS 43	<p><i>Applicable 1st January 2025</i></p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cash flows of an Entity.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p>
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<p><i>Applicable 1st January 2025</i></p> <p>The Standard requires: -</p> <ul style="list-style-type: none"> i. Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: ii. Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.

iii) Early adoption of standards

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

4. Summary of Significant Accounting Policies

a. Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other Government entities

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

ii) Revenue from exchange transactions

Rendering of services

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

Sale of goods

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

Interest income

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

Rental income

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

Notes to the Financial Statements (Continued)

b. Budget information

The original budget for FY 2024/2025 was approved by Chief Officer health 30th June 2024. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the entity upon receiving the respective approvals in order to conclude the final budget. Ambira sub county Hospital budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget.

A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented on page 5 under Note 18 of these financial statements.

c. Taxes

Sales tax/ Value Added Tax

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

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

Notes to the Financial Statements (Continued)

d. Investment property

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

Investment property acquired through a non-exchange transaction is measured at its fair value at the date of acquisition. Subsequent to initial recognition, investment properties are measured using the cost model and are depreciated over a period of ~~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.

e. Property, plant and equipment

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

Notes to the Financial Statements (Continued)

f. Leases

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

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

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

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

g. Intangible assets

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

Notes to the Financial Statements (Continued)

h. 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.

i. Financial instruments

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

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

Notes to the Financial Statements (Continued)

Financial assets

Classification of financial assets

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

Subsequent measurement

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

Amortized cost

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

Notes to the Financial Statements (Continued)

Fair value through net assets/ equity

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

Fair value through surplus or deficit

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

Trade and other receivables

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

Impairment

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

Financial liabilities

Classification

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

Notes to the Financial Statements (Continued)

j. 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 Ambira Sub County Hospital.

k. Provisions

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

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

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

Notes to the Financial Statements (Continued)

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.

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.

o. 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.

Notes to the Financial Statements (Continued)

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.

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 Ambira Sub County Hospital, or vice versa. Members of key management are regarded as related parties and comprise the directors, the CEO/principal and senior managers.

Notes to the Financial Statements (Continued)

u. Service concession arrangements

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

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.

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 year end with a significant impact on the financial statements for the year ended June 30, 2025.

5. Significant Judgments and Sources of Estimation Uncertainty

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

Estimates and assumptions.

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

Useful lives and residual values

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

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

Provisions

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

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

Notes to Financial Statements Continued

6. Transfers from the County Government

Description	FY 2024-2025	FY 2023-2024
	KShs	KShs
Unconditional grants		
Operational grant		
Level 5 grants		
Unconditional development grants		
Other grants		
Conditional grants		
User fee forgone		
Transforming health services for Universal care project (THUCP)		
DANIDA		
Wards Development grant		
Paediatric block grant		
Administration block grant		
Laboratory grant		
Total government grants and subsidies		

6 b Transfers from the County Government

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

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7. In Kind Contributions from The County Government

Description	Period ended 30th June 2025	Period ended 30th June 2024
	Kshs	Kshs
Salaries and wages	2,593,320	2,760,000
Pharmaceutical and Non-Pharmaceutical Supplies	4,216,195	
Medical supplies-Drawings Rights (KEMSA)		3,262,874
Other medical costs	55,000	
Total grants in kind	6,864,515	6,022,874

8. Rendering of Services-Medical Service Income

Description	Period ended 30th June 2025	Period ended 30th June 2024
	Kshs	Kshs
Pharmaceuticals	3,989,126	1,958,576
Non-Pharmaceuticals	783,049	390,276
Laboratory	4,611,149	2,310,570
Radiology	2,128,950	250,968
Orthopaedic and Trauma Technology	429,740	91,320
Theatre	1,390,500	315,850
Ear Nose, Eye and Throat service		
Ophthalmology		
Medical Examination	76,000	45,050
Dental services	623,270	710,550
Reproductive health- Linda Mama		
Paediatrics services		
Inpatient services	2,962,950	1,513,840
Waste Management	37,000	
Farewell home services	1,342,175	1,005,930
Other medical services income	1,245,108	
Delivery	1,049,800	
NHIF	2,587,345	4,088,000
SHAA	11,641,846	
Medical Records	533,460	692,480
Outpatient Services	297,041	153,830
Ambulance Services	92,400	
Physiotherapy	377,130	119,600
Special clinic	64,656	15,790
Public Health		25,000
Total revenue from the rendering of services	36,262,694	13,687,630

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9. Medical / Clinical Costs

Description	Period ended 30th June 2025	Period ended 30th June 2024
	Kshs	Kshs
Dental costs/ materials		
Laboratory chemicals and reagents	3,947,500	430,500
Public health activities	180,200	
Food and Ration	3,617,140	2,015,794
Uniform, clothing, and linen	142,300	60,000
Dressing and Non-Pharmaceuticals	5,124,637	483,995
Pharmaceutical supplies	5,658,969	648,390
Health information stationery		
Reproductive health materials		
Surgical Consumables		
Sanitary and cleansing Materials	974,500	438,000
Purchase of Medical gases	355,000	195,000
Rehabilitation materials		
X-Ray/Radiology supplies	935,700	149,500
Other medical related clinical costs - Drawing Rights		3,262,874
Total medical/ clinical costs	20,935,946	7,684,053

10. Employee Costs

Description	Period ended 30th June 2025	Period ended 30th June 2024
	Kshs	Kshs
Salaries, wages, and allowances	3,784,923	4,193,960
Social contribution	-	-
Employee costs paid – Drawing Rights From the County	2,593,320	
Employee costs	6,378,243	4,193,960

11. Repairs And Maintenance

Description	Period ended 30th June 2025	Period ended 30th June 2024
	Kshs	Kshs
Property- Buildings	1,454,330	622,030
Medical equipment		
Office equipment		
Plant and Machinery	140,600	212,000
Furniture and fittings	43,200	50,000
Computers and accessories	151,800	77,000
Motor vehicle expenses		

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Maintenance of civil works		-
Total repairs and maintenance	1,789,930	961,030

12. Grants And Subsidies

Description	Period ended 30th June 2025	Period ended 30th June 2024
	Kshs	Kshs
Community development and social work	-	-
Education initiatives and programs	-	-
Free/ subsidised medical camp	-	-
Disability programs	-	-
Free cancer screening	-	-
Other grants and subsidies(<i>specify</i>)	-	-
Transfers to the County Health HSSF Account	1,914,400	
Total grants and subsidies	1,914,400	

13. General Expenses

Description	Period ended 30th June 2025	Period ended 30th June 2024
	Kshs	Kshs
Advertising and publicity expenses	-	-
Catering expenses	411,700	54,000
Waste management expenses		
Insecticides and rodenticides		25,000
Audit fees		
Conferences and delegations		
Consultancy fees		
Contracted services	735,000	901,000
Electricity expenses	1,136,000	1,469,000
Tuition Fee		20,000
Research and development expenses		
Travel and accommodation allowance		20,000
Legal expenses		
General Office Supplies	2,158,100	811,300
Courier and postal services		
Printing and stationery		60,500
Computers, printers & other IT Equipment's		
Other operating expenses	1,127,200	
Rehabilitation materials		36,000
Water and sewerage costs	54,000	
Daily Subsistence Allowance	776,700	150,000
Telephone and mobile phone services	246,250	100,000

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Fuel, oil & lubricants	2,353,500	812,000
Fungicides		
Other fuel (Charcoal and firewood)	389,100	142,000
Internet expenses		
Total General Expenses	9,387,550	4,600,800

14. Finance Costs

Description	Period ended 30th June 2025	Period ended 30th June 2024
	Kshs	Kshs
Bank Charges	60,349	42,089
Borrowings (amortized cost) *	-	-
Finance leases (amortized cost)	-	-
Total finance costs	60,349	42,089

15. Depreciation and Amortization Expense

Description	Period ended 30th June 2025	Comparative Period prior year
	Kshs	Kshs
Property, plant and equipment	73,125	239,046
Intangible assets	-	-
Investment property carried at cost	-	-
Total depreciation and amortization	73,125	239,046

16. Cash And Cash Equivalents

Description	Period ended 30th June 2025	Period ended 30th June 2024
	Kshs	Kshs
Current accounts	2,644,777	2,675,004
On - call deposits	-	-
Fixed deposits accounts	-	-
Cash in hand	-	-
Others(<i>specify</i>)- Mobile money	-	-
Total cash and cash equivalents	2,644,777	2,675,004

Ambira Sub County level 4 Hospital (Siaya County Government)
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16 (a). Detailed Analysis of Cash and Cash Equivalents

Description		Period ended 30th June 2025	Period ended 30th June 2024
Financial institution	Account number	Kshs	Kshs
a) Current account			
Ambira Sub County Hospital-Revenue	1156762758	1,950,952.29	1,228,355
Ambira Sub County Hospital-Linda mama/NHIF	1117740803	689,637.41	209,868
Ambira Sub County Hospital-Operations	1294087010	4,187.63	1,236,781
			-
Sub- total		2,644,777.33	2,675,004
b) On - call deposits			
Kenya Commercial bank		-	-
Grand total		2,644,777.33	2,675,004

17. Receivables From Exchange Transactions

Description	Period ended 30th June 2025	Period ended 30th June 2024
	Kshs	Kshs
Medical services receivables	3,478,256	
Rent receivables	-	
Other exchange debtors/ imprest		
Less: impairment allowance	-	
Total receivables	3,478,256	

18. Inventories

Description	Period ended 30th June 2024	Period ended 30th June 2023
	Kshs	Kshs
Pharmaceutical supplies	477,200	1,267,219
Maintenance supplies		90,145
Food supplies	167,800	103,934
Laboratory Supplies	145,235	480,154
Linen and clothing supplies		-
Cleaning materials supplies	152,160	110,250
Non Pharmaceuticals		146,958
General supplies	145,870	85,615
Less: provision for impairment of stocks	-	-
Total	1,088,265	2,284,275

Ambira Sub County level 4 Hospital (Siaya County Government)
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19. Property, Plant and Equipment

Description	Land	Buildings and Civil works	Motor vehicles	Furniture and Fittings	ICT Equipment 25%	Plant and medical equipment 12.5%	Capital Work in progress	Total
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Cost								-
As at 1 July 2023	-	-	-	-	160,573.00	417,000.00	-	577,573
Additions during the year	-	-	-	-	134,000.00	1,644,368.00	-	1,778,368
Disposals during the year	-	-	-	-	-	-	-	-
Transfers/adjustments during the year	-	-	-	-	-	-	-	-
As at 30 June 2024	-	-	-	-	294,573.00	2,061,368.00	-	2,355,941
	-	-	-	-	-	-	-	-
As at 1 July 2024	-	-	-	-	294,573.00	2,061,368.00	-	2,355,941
Additions during the period	-	-	-	-	207,000.00	171,000.00	-	378,000
Disposals during the period	-	-	-	-	-	-	-	-
Transfer/adjustments during the period	-	-	-	-	-	-	-	-
As at 30 June 2025	-	-	-	-	501,573.00	2,232,368.00	-	2,733,941
	-	-	-	-	-	-	-	-
Depreciation and impairment								
As at 1 July 2023	-	-	-	-	-	-	-	-
Depreciation for the year	-	-	-	-	33,500.00	205,546.00	-	239,046
Disposals	-	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-	-
As at 30 June 2024	-	-	-	-	33,500.00	205,546.00	-	239,046
As at 1 July 2024	-	-	-	-	-	-	-	-
Depreciation for the period	-	-	-	-	51,750.00	21,375.00	-	73,125
Disposals for the period	-	-	-	-	-	-	-	-
Impairment for the period	-	-	-	-	-	-	-	-
Transfer/adjustment during the period	-	-	-	-	-	-	-	-
As at 30 June 2025	-	-	-	-	51,750.00	21,375.00	-	73,125
	-	-	-	-	-	-	-	-
Net book values								
As at 30 June 2024	-	-	-	-	220,429.75	1,803,697.00	-	2,116,895
As at 30 June 2025	-	-	-	-	416,323	2,005,447	-	2,421,770

Ambira Sub County level 4 Hospital (Siaya County Government)
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20. Intangible Assets-Software

Description	Period ended 30th June 2025	Period ended 30th June 2024
	Kshs	Kshs
Cost		
At beginning of the year	-	
Additions	-	-
Disposal	-	-
At end of the period	-	-
Amortization and impairment		
At beginning of the year	-	-
Amortization for the period	-	-
At end of the period	-	-
NBV	-	-

21. Trade and other Payables

Description	Period ended 30th June 2025	Period ended 30th June 2024
	Kshs	Kshs
	3,357,604	
Trade payables		3,388,375
Employee dues	-	-
Third-party payments (<i>unremitted payroll deductions</i>)	-	-
Audit fee	-	-
Doctors' fee	-	-
Total trade and other payables	3,357,604	3,388,375

22. Cash Generated from Operations

Description	Period ended 30th June 2025	Period ended 30th June 2024
	KShs	KShs
Surplus for the year before tax	2,587,666	1,989,527
Add Depreciation	73,125	
Adjusted for:		

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Working Capital adjustments		
Increase in inventory	1,196,010	-2,284,275
Increase in receivables	-3,478,256	
Increase in payables	-30,771	3,388,375
Net cash flow from operating activities	347,774	3,093,627

23. Revaluation Reserve

Description	Period ended 30th June 2025	Period ended 30th June 2024
	KShs	KShs
Balance at beginning of the period		-
Cash and cash equivalent balance as at 30 June 2021	-	
Addition	-	
Balance at end of the period		

24. Financial Risk Management

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

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

(i) Credit risk

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

Description	Total amount	Fully performing	Past due	Impaired
	Kshs	Kshs	Kshs	Kshs

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At 30 June 2024				
Receivables from exchange transactions				
Receivables from –non-exchange transactions				
Bank balances				
Total				
At 30 June 2025				
Receivables from exchange transactions				
Receivables from –non-exchange transactions				
Bank balances				
Total				

Notes to the Financial Statements (Continued)

The customers under the fully performing category are paying their debts as they continue trading. The credit risk associated with these receivables is minimal and the allowance for uncollectible amounts that the company has recognised in the financial statements is considered adequate to cover any potentially irrecoverable amounts. Ambira level 4 Hospital has significant concentration of credit risk on amounts due from. The board of management sets the company's credit policies and objectives and lays down parameters within which the various aspects of credit risk management are operated.

(ii) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the hospital's board of management who have built an appropriate liquidity risk management framework for the management of Ambira level 4 Hospital short, medium and long-term funding and liquidity management requirements. Ambira level 4 Hospital manages liquidity risk through continuous monitoring of forecasts and actual cash flows.

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

Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
At 30 June 2022				
Trade payables				
Current portion of borrowings				
Provisions				
Deferred income				
Employee benefit obligation				
Total				
At 30 June 2023				
Trade payables				
Current portion of borrowings				
Provisions				
Deferred income				
Employee benefit obligation				
Total				

Notes to the Financial Statements (Continued)

(iii) Market risk

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

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

a) Foreign currency risk

Ambira level 4 Hospital has transactional currency exposures. Such exposure arises through purchases of goods and services that are done in currencies other than the local currency. Invoices denominated in foreign currencies are paid after 30 days from the date of the invoice and conversion at the time of payment is done using the prevailing exchange rate. The carrying amount of Ambira level 4 Hospital foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Description	KShs	Other currencies	Total
	Kshs		Kshs
At 30 June 2023			
Financial assets (investments, cash, debtors)			
Liabilities			
Trade and other payables			
Borrowings			
Net foreign currency asset/(liability)			

Ambira level 4 Hospital manages foreign exchange risk from future commercial transactions and recognised assets and liabilities by projecting expected sales proceeds and matching the same with expected payments.

Ambira Sub County level 4 Hospital (Siaya County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Notes to the Financial Statements (Continued)

Description	KShs	Other currencies	Total
	Kshs		Kshs
At 30 June 2023			
Financial assets (investments, cash, debtors)			
Liabilities			
Trade and other payables			
Borrowings			
Net foreign currency asset/(liability)			

Foreign currency sensitivity analysis

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

Description	Change in currency rate	Effect on Profit before tax	Effect on equity
	Kshs	Kshs	Kshs
2022			
Euro			
USD			
2023			
Euro			
USD			

b) Interest rate risk

Interest rate risk is the risk that Ambira level 4 Hospital financial condition may be adversely affected as a result of changes in interest rate levels. The company's interest rate risk arises from bank deposits. This exposes the company to cash flow interest rate risk. The interest rate risk exposure arises mainly from interest rate movements on the company's deposits.

Management of interest rate risk

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

Ambira Sub County level 4 Hospital (Siaya County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

Notes to the Financial Statements (Continued)

Sensitivity analysis

Ambira level 4 Hospital analyses its interest rate exposure on a dynamic basis by conducting a sensitivity analysis. This involves determining the impact on profit or loss of defined rate shifts. The sensitivity analysis for interest rate risk assumes that all other variables, in particular foreign exchange rates, remain constant. The analysis has been performed on the same basis as the prior year.

iv) Capital Risk Management

The objective of the Ambira level 4 Hospital's capital risk management is to safeguard the Hospital's ability to continue as a going concern. Ambira level 4 Hospital capital structure comprises of the following funds:

Description	Current Period	Comparative Period
	Kshs	Kshs
Revaluation reserve		
Retained earnings		
Capital reserve		
Total funds		
Total borrowings		
Less: cash and bank balances		
Net debt/ <i>(excess cash and cash equivalents)</i>		
Gearing		

25. Related Party Balances

Nature of related party relationships

Entities and other parties related to the Ambira level 4 Hospital include those parties who have the ability to exercise control or exercise significant influence over its operating and financial decisions. Related parties include management personnel, their associates, and close family members.

Siaya County Government is the principal shareholder of Ambira level 4 Hospital the *entity*, holding 100% of the *entity's* equity interest. The National Government of Kenya has provided full guarantees to all long-term lenders of Ambira level 4 Hospital, both domestic and external. The related parties include:

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

26. Segment Information

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

27. Contingent Liabilities

Contingent liabilities	FY 2024-2025	FY 2023-2024
	KShs	KShs
Court case xxx against the company		
Bank guarantees in favour of subsidiary		
Total		

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28. Capital Commitments

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

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

29. Events after the Reporting Period

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

30. Ultimate and Holding Entity

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

31. Currency

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

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

20. Appendices

Appendix 1: Progress on Follow up of Auditor Recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comment	Status (Resolved / Not Resolved)	Timeframe (Put a date when you expect the issue to be resolved)
	<p>1. Presentation and Disclosure in the Financial Statements.</p> <p>Review of the financial statements submitted for audit revealed inaccuracies and inconsistencies as detailed below:</p> <p>i. The financial statements were not approved by the Board of Management.</p> <p>ii. The statement of financial performance indicates net surplus for the quarter instead of net surplus for the year.</p> <p>iii. Further, comparative balance for revaluation reserve of Kshs.540,228 was not indicated in both the current and prior year.</p> <p>iv. In addition, the statement of cashflow reflects cash and cash equivalents balance of Kshs.2,675,004 as at 30 June, 2024. However, re-computation indicated an amount, Kshs.2,148,477 resulting in a variance of Kshs.526,527. Additionally, the statement of cashflows indicates Note 26 which is not consistent with the disclosure note.</p> <p>In the circumstances the accuracy of amounts and balances reflected in the financial statements could not be confirmed</p>	<p>Management Response</p> <p>The anomaly in the statement of cashflow was as result of computing error during preparation of the financial statement. In the subsequent financial years the management the will ensure the financial statement is prepared as per the template provided by Public Sector Accounting Standards Board</p> <p>The Kshs.540,228 is cash and cash equivalent brought forward in the financial year 2021-2022 that was reported in the statement of changes in net asset and the same was reported in the financial year 2022-2023 as revaluation reserve. The facility has never revalued the assets and for the reason it should have been posted change in next asset for the periods. In the financial year 2023-2024 it was correctly posted in change in next asset as brought forward for the period 2022-2023 as per the attached extract</p>	Open/s enate recom mendati on not yet issued	
	<p>2. Revenue from Non- Exchange Transactions</p> <p>The statement of financial performance for the year ended 30 June, 2024 and as disclosed in Note 7 to the financial statements reflects in-kind contributions from the county government of Kshs.6,022,874. Included in the amount are receipts of</p>	<p>Management Response</p> <p>The in-kind contribution from the county government of Kshs.3,262,874 (medical supplies drawing rights-KEMSA) were supported by invoices, inspection and acceptance certificates and</p>	Resolved	

**Ambira Sub County level 4 Hospital (Siaya County Government)
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Reference No. on the External Audit Report	Issue/Observations from Auditor	Management Comments	Status (Resolved/Not Resolved)	Final Status (Date when you expect the issue to be resolved)
	Kshs.3,262,874 for medical supplies – drawing rights (KEMSA) which was not supported by schedules. In the circumstances, the accuracy and completeness of in-kind contributions from the County Government of Kshs.6,022,874 could not be confirmed.	S13 that are hereby attached for your verification. Annex 2: Invoices, inspection and acceptance certificates and S13		
	<p>3. Non-Disclosure of Property, Plant and Equipment</p> <p>The statement of financial position and as disclosed in Note 19 to the financial statement reflects balance of Kshs.2,116,895 in respect to property, plant and equipment. The balance includes ICT equipment and medical equipment of Kshs.261,073 and Kshs.1,855,822 respectively. Review of the Hospital's records and physical inspection revealed various assets including land, building, motor vehicles, furniture and specialized and non-specialized medical equipment which were not disclosed in the financial statement.</p> <p>In the circumstances the accuracy and completeness of the of Kshs.2,116,895 in respect of property, plant and equipment could not be confirmed.</p>	<p>Management Responses</p> <p>The County is yet to develop Asset Management Policy for Property, Plant and Equipment. As a result prior year asset acquisitions (land, building, motor vehicles, furniture and specialized and non-specialized medical equipment) could not be included in the financial statements since ownership and asset values could not be reasonably ascertained.</p> <p>The county in collaboration with the National Treasury is the process of developing Asset Management Policy which when finalized will enable recognition of prior year asset acquisitions in the financial statement. Note that IPSAS 33 (attached in Annex 3), allows for a transition period of 3 years to prepare policy documents and also to confirm values to be carried to the Financial Statement.</p>		Open/enate recomedati on not yet issued
	<p>4. Unconfirmed Value and Ownership of Land</p> <p>Audit review revealed that the Hospital sits on five (5) acres parcel of land which did not have a title deed. In addition, value of the land was not disclosed in the financial statements. The parcel of land is occupied by the administration block, theatre, labs, wards, mortuary and grounds.</p> <p>In the circumstances, the accuracy and ownership of land could not be confirmed.</p>	<p>Management Response</p> <p>The hospital awaits the process of transferring land, buildings, motor vehicles, furniture, computers and equipment from National Government to County Government through the Intergovernmental Technical Relation Committee Report on Property, Plant and Equipment process which is yet to be finalized. The assets with values are the ones disclosed in the financial statements.</p> <p>The county in collaboration with the National Treasury is the process of developing Asset Management Policy which when finalized will enable recognition of prior year asset acquisitions in the financial statement. Note that IPSAS 33 , allows for a transition period of 3 years</p>		Open/enate recomedati on not yet issued

Ambira Sub County level 4 Hospital (Siaya County Government)
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Reference No. in the external audit Report	Issue/Observations from Auditor	Management Comments	Status (Resolved/Not Resolved)	Time frame (When you expect the issue to be resolved)
		to prepare policy documents and also to confirm values to be carried to the Financial Statement.		
	<p>5. Incomplete Fixed Assets Register.</p> <p>The statement of financial position and as disclosed in Note 19 to the financial statement reflects balances of Kshs.2,116,895 in respect to property, plant and equipment which includes additions during the year totaling to Kshs.1,778,368. However, the asset register maintained by the Hospital was not updated with asset costs, purchase date, depreciation rate, accumulated depreciation, depreciation charge for the year and net book value of the assets among others.</p> <p>In the circumstances, the accuracy and completeness of property, plant and equipment balance of Kshs.2,116,895 could not be confirmed.</p>	<p>Management Response</p> <p>The hospital maintained an asset register and updated it to capture details of assets acquired in the financial year under review and have book value, but for assets whose ownership has not been transferred to the hospital were recorded in the asset register but with no value.</p> <p>The hospital has a listing of all the assets as per the prescribed template (attached in annex 4). Since most of the assets were inherited from National government, defunct local authorities and some were donations, the values have not been ascertained. The county intends to value all its assets in the transition period as guided by IPSAS 33. Once the assets are valued we shall update the asset register accordingly.</p>	Open/enate recommendation not yet issued	
	<p>1. Unresolved Prior Year Matters</p> <p>In the audit report of the previous year, several issues were raised under the Report on the Financial Statements, Report on Lawfulness and Effectiveness in Use of Public Resources and Report on Effectiveness of Internal controls, Risk management and governance. However, the Management had not resolved the issues as at 30 June, 2024 or given any explanation for the failure to resolve them.</p>	<p>Management Response</p> <p>The Hospital is yet to receive County Assembly report (recommendations) for financial year 2022/2023. Once the report is received, the facility shall implement the report accordingly. We affirm that by implementing the recommendations of the county assembly, we shall have addressed effectiveness of internal controls, risk management and governance issues contained in the audit report</p>	Open/enate recommendation not yet issued	
	<p>2. Long Outstanding Trade and other Payables</p> <p>The statement of financial performance and as disclosed in Note 21 to the financial statements reflects trade and other payables of Kshs.3,388,375. Examination of financial records provided revealed that a total of Kshs.1,997,868 with respect to trade and other payables were historical creditors, some dating as far back as 2020 that had not been settled by the Hospital.</p>	<p>Management Response</p> <p>At beginning of the year, the hospital had trade payables of Kshs.3,388,375 out of which Kshs. 1,127,000 was paid leaving a balance of Kshs.2,261,375 representing 33% settlement. The hospital has developed a payment plan (as attached in annex 6) for ensure that the balance is paid as first charge in the financial year</p>	Open/enate recommendation not yet issued	

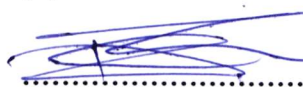
Ambira Sub County level 4 Hospital (Siaya County Government)
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Reference No. of the Audit Report	Issue / Observations from Auditor	Management Comments	Status (Resolved / Not Resolved)	Timeline (Provide date when you expect the issue to be resolved)
		2024-2025. Please note that due to financial constraints caused by delays on disbursement of funds from NHIF management was not in the position of paying all its pending bills		
	<p>1. Late Submission of Financial Statements to the Auditor-General</p> <p>The financial statements for Ambira Sub County Level 4 Hospital were submitted to the Auditor-General on 18 October, 2024 instead of 30 September, 2024. This is contrary to Section 47(1) of the Public Audit Act, 2015 which provides that, the financial statements required under the Constitution, the Public Finance Management Act, 2012 and any other legislation, shall be submitted to the Auditor-General within three months after the end of the fiscal year to which the accounts relate.</p> <p>In the circumstances, Management was in breach of the law.</p>	<p>Management Response We note your findings and wish to state that going forward the financial statement will be submitted to the Office of the Auditor General and other relevant bodies on time by 30th September</p>	Open/enacted recommendation not yet issued	
	<p>2. Deficiencies in Implementation of Universal Health Coverage</p> <p>Review of Hospital records and interviews on verification of services offered, equipment used and medical specialists in the Hospital at the time of audit revealed that the Hospital did not meet the requirements of Kenya Quality Model for Health Policy Guidelines due to staff deficits by seventy-two (72) staff requirements or 71.3% of the 101 authorized establishment. These deficiencies contravene the First Schedule of the Health Act, 2017 and imply that accessing the highest attainable standard of health, which includes the right to health care services, including reproductive health care as required by Article 43(1) of the Constitution of Kenya, 2010 may not be achieved.</p> <p>In the circumstances, the Hospital will not be able to deliver on its mandate.</p>	<p>Management Response In the Siaya County CIDP 2023-2027 the county planned to employ 163 health care workers and improve access to specialized services to comply with the requirements of Kenya Quality Model for Health Policy Guidelines (as per the attached CIDP extract pg 26). The County Health Department has deployed 1 qualified nurse 1 nutritionist, 1 radiologist, 1 orthopedic technician, 1 physiotherapist, 1 social worker, 2 pharmacist, 3 health record officers and 2 registered clinical officers. Annex 7: CIDP Extract and Deployment Letters for Posted Staffs.</p>	Open/enacted recommendation not yet issued	
	<p>1. Lack of Hospital Management Board</p> <p>During the year under review the Hospital did not have Health Management Board in place whose purpose is oversight, promoting development, approving plans, programs and estimates for implementing county health strategies in the Hospital, and controlling the administration of the funds.</p> <p>In the circumstances, the effectiveness of the Hospital's oversight and governance systems could not be confirmed</p>	<p>Management Responses The process of recruiting Hospital Board is ongoing and currently the names of the proposed board members have been forwarded to the County Assembly for vetting and approval as per the attached forwarding letter in Annex 7.</p> <p>Annex 8: Forwarding Letter to County Assembly</p>	Open/enacted recommendation not yet issued	
	<p>2. Failure to Dispose Unserviceable Assets</p> <p>The statement of financial position and as disclosed in Note 19 to the financial statement reflects property, plant and equipment balance of Kshs. 2,116,895. A physical inspection at the facility in the month of December, 2024 revealed existence of several unserviceable assets that had not been disposed and remained</p>	<p>Management Response The county in collaboration with the National Treasury is the process of developing Asset Management Policy which when finalized will enable recognition of prior year asset acquisitions in</p>	Open/enacted recommendation not yet issued	

**Ambira Sub County level 4 Hospital (Siaya County Government)
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Reference No. of the external audit report	Issue / Observations from Auditor	Management Comments	Status (Resolved / Not Resolved)	Timeframe (Date when you expect the issue to be resolved)
	<p>unutilized. The disposal plan for these assets was not provided for audit.</p> <p>In the circumstances, the effectiveness of internal controls on fixed assets management could not be confirmed.</p>	<p>the financial statement and disposal of the Asset. The assets which were either grounded, unserviceable or abandoned which were transferred from the National Government, and their ownership documents have not been transferred to the County Government and as such cannot be disposed by the hospital, we await direction from the Intergovernmental Relations Technical Committee</p>	<p>yet issued</p>	
	<p>3. Shortage of Essential Medical Supplies</p> <p>The statement of financial position reflects inventory balance of Kshs.2,284,275 as disclosed in note 18 to the financial statements. Review of the Hospital stock cards for controlling stores together with the facility tracer health products and technologies (HPT) data report form which contains the list of essential pharmaceutical supplies, indicated that the Hospital was experiencing acute shortage of essential drugs, not enough to accommodate the demand within the Facility.</p> <p>In the circumstances, the effectiveness of internal controls on the management of pharmaceuticals to achieve the desired mandate could not be confirmed.</p>	<p>Management Response</p> <p>The audit observation is noted, the hospital relies on KEMSA due to its relative low prices for its commodities and when stocks run out, this affects our re-order level.</p>	<p>Open/enate recom mendati on not yet issued</p>	
	<p>4. Inventory Management</p> <p>The statement of financial position and as disclosed in Note 18 to the financial statement reflects inventories of Kshs.2,284,275. Review of the stock take report as well as physical inspection of the stores revealed that the Hospital had a shortage of stock cards used to receive and issue stock. This may have interfered with the record keeping and stock monitoring.</p> <p>In the circumstances, the effectiveness of internal controls on inventory management could not be confirmed.</p>	<p>Management Response</p> <p>The hospital's pharmacy department has put in place measures to track stock of all medical supplies as per the required standards. This is to ensure minimal stock-out of medical supplies in the facility. The hospital also wishes to note that the stock outs also arise due to budgetary constraints, late release of drawing rights by the county government and stock out of essential commodities from our major supplier KEMSA.</p>	<p>Resolved</p>	

- (i) The senate report on the findings have not yet been issued to Ambira Sub-County Hospital
- (ii) Time frames will be set once the senate recommendation have been issued.


Accounting Officer



*Ambira Sub County level 4 Hospital (Siaya County Government)
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Appendix II: Projects Implemented by the Entity

Projects

There was no major development project in the financial year 2024/2025 however in the financial year 2025/2025 the management in collaboration with other development partners is planning to acquire a new state of the art x-ray machine to carter for the increased number of patients and also to refurbish and expand the existing maternity ward.

Projects implemented by the Hospital Funded by development partners

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

Status of Projects completion

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

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

Ambira Sub County level 4 Hospital (Siaya County Government)
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Appendix III: Inter-Entity Confirmation Letter

[Insert your Letterhead]

[Insert name of beneficiary entity]

[Insert Address]

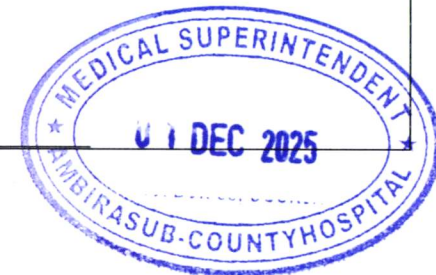
The *[insert SC/SAGA/Fund name here]* wishes to confirm the amounts disbursed to you as at 30th June 2023 as indicated in the table below. Please compare the amounts disbursed to you with the amounts you received and populate the column E in the table below Please sign and stamp this request in the space provided and return it to us.

Confirmation of amounts received by <i>[Insert name of beneficiary entity]</i> as at 30 th June 2025							
Reference Number	Date Disbursed	Amounts Disbursed by <i>[SC/SAGA/Fund]</i> (KShs) as at 30th June 2025				Amount Received by <i>[beneficiary entity]</i> (KShs) as at 30 th June 2023 (E)	Differences (KShs) (F)=(D-E)
		Recurrent (A)	Development (B)	Inter-Ministerial (C)	Total (D)=(A+B+C)		
Total							

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

Head of Accounts Department of the beneficiary entity:

Name *Job K. Ojima* Sign *[Signature]* Date *01/12/25*



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Appendix IV Reporting of Climate Relevant Expenditures

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

Appendix V: Disaster Expenditure Reporting Template

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



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