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MARIGAT SUB-COUNTY
LEVEL 4 HOSPITAL

FOR THE YEAR ENDED
30 JUNE, 2025

COUNTY GOVERNMENT OF BARINGO



QW



MARIGAT SUB COUNTY LEVEL 4 HOSPITAL (Baringo County Government)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2025

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



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

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1. Acronyms & Glossary of Terms

| | |
|----------------------|---|
| Fiduciary Management | Key management personnel who had financial responsibility in the hospital |
| CSR | Corporate Social Responsibility |
| OSHA | Occupational Health & Safety Act |
| PFMA | Public Financial Management Act |
| MED SUP | Medical Superintendent |
| HMB | Hospital Management Board |
| HMT | Hospital Management Team |
| AIE | Authority to Incur Expenditure |

2. Key Entity Information and Management

(a) Background information

Marigat Sub County Hospital is a level 4 health facility established under gazette notice number 2509 and is domiciled in Baringo County under the Department of Health Services. The hospital is governed by a Board of Management.

(b) Principal Activities

Vision: To be the most attractive, resilient and competitive hospital that offers the highest standards of healthcare services for all its residents.

Mission: To invest in modern medical technologies and leverage on effective management of human and financial resources in offering affordable, accessible and high quality healthcare services.

Strategic goal: To provide accessible, affordable and quality healthcare services in a prompt, professional and equitable manner.

Core objectives:

- Eliminate communicable diseases
- Halt and reverse rising burden of non-communicable diseases
- Reduce the burden of violence and injuries
- Provide essential health services
- Minimize exposure to health risk factors
- Strengthen collaboration with health related sectors

(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 Administrative Officer (HAO)
- Hospital Management Team (HMT)
- Executive Expenditure Committee (EEC)
- Heads of Departments (HoDs)

(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. Patrick Kimutai |
| 2. | Head of finance | Renos Kipchumba |
| 3. | Head of supply chain | Evelyne Sindani |
| 4. | Health Administrative Officer | Patrick Terer |
| 5. | Head of nursing | Caroline Kangogo |
| 6. | Head of clinical services | Samuel Cheserem |

(e) Fiduciary Oversight Arrangements

The high-level key fiduciary oversight arrangements are as follows:

County Assembly

Provides overall resource allocation to the department and is responsible for ensuring proper utilization of allocated funds.

Board Quality of Healthcare Services Committee

Provides oversight and ensures quality healthcare is provided to all residents.

Audit Committee

Provides internal audit functions to the hospital.

Board Finance and General Purpose Committee

Provides overall financial oversight function to the hospital.

Key Entity Information and Management (continued)

(f) Entity Headquarters

Marigat Sub County Hospital
P.O. Box 71-30403
Marigat, Kenya

(g) Entity Contacts

Telephone: (+254) 0735461493
E-mail: marigatschospital@baringo.go.ke
Website: <https://baringo.go.ke/health-services/>

(h) Entity Bankers

Kenya Commercial Bank (KCB)
MARIGAT Branch
P.O Box 9-30403
Marigat, Kenya

(i) Independent Auditors

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






(j) Principal Legal Adviser

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






(k) County Attorney

P.O. Box 21-30400
Kabarnet, Kenya

3. The Board of Management






| Ref | Directors | Details |
|-----|---|--|
| 1. | <p>Ms. Rose Jepkoech</p>  | <p>Age: 41 years Key qualifications: Bachelor of Business Administration Work experience: Ass. Director Administration, Nakuru County from 2015 to date Independent Director Position: Board chairperson</p> |
| 2. | <p>Mr. Victor Kandie</p>  | <p>Age: 34 years Key qualifications: Bachelor of Info. Technology Work experience: 10 year-experience in Baringo County Government Independent Director Position: Vice chairperson to the board</p> |
| 3. | <p>Mr. Bernard Naremo</p>  | <p>Age: 39 years Key qualifications: Form 4 Work experience: NGO (Sud-Roussillon) Independent Director Position: Board Member</p> |
| 4. | <p>Mr. Obeta Sirma</p>  | <p>Age: 46 years Key qualifications: Bachelor of Community Development Work experience: Sub County Administrator for Baringo South Independent director Position: Board Member</p> |
| 5. | <p>Mr. Patrick Terer</p>  | <p>Age: 45 years Key Qualifications: MBA Finance Work experience: HAO at Hola SCH, Tana River SCHMT, Eldama Ravine SCH, Mogotio SCHMT, CHMT Baringo, Baringo County Referral Hospital and Marigat SCH Position: Board Member</p> |

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| | | |
|-----|---|--|
| 6. | <p>Mr. Dickson Kibet</p>  | <p>Age: 53 years Key qualifications: Bachelor of Arts in Business Management Work experience: General Manager Fortune Planet International Independent Director Position: Board Member</p> |
| 7. | <p>Mr. David Cheboi</p>  | <p>Age: 45 years Key qualifications: BSC Clinical Medicine and HND anaesthesia Work experience: MOH and lecturer KMTC for 6 years Independent Director Position: Board Member</p> |
| 8. | <p>Ms. Sharon Sambu</p>  | <p>Age: 37 years Key qualifications: Diploma in Business Management Work experience: Self employed Independent Director Position: Board Member</p> |
| 9. | <p>Mrs. Truphena Kandie</p>  | <p>Age: 64 years Key qualifications: Dipl. Education Management Work experience: Head teacher Independent Director Position: Board Member</p> |
| 10. | <p>Dr. Patrick Kimutai</p>  | <p>Age: 40 years Key qualifications: Bachelor of Pharmacy (BPharm) Work experience: Medical Superintendent- Mogotio SCH and Marigat SCH Independent Director Position: Secretary to the Board/Medical Superintendent</p> |

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

4. Key Management Team

| Ref | Management | Details |
|-----|--|-----------------------------------|
| 1. |  <p>Name: Dr. Patrick Kimutai Qualification: Bachelor of Pharmacy (B.Pharm)</p> | Medical superintendent |
| 2. |  <p>Name: Patrick Terer Qualification: MBA-Finance</p> | Hospital Administrative Officer |
| 3. |  <p>Name: Samuel Cheserem Qualification:</p> | Clinical Officer in charge |
| 4. |  <p>Name: Samuel Towet Qualification: Diploma in medical laboratory</p> | Laboratory Technologist in charge |
| 5. |  <p>Name: Dr. Victor Bosire Qualification: Bachelor of Pharmacy</p> | Pharmacist in charge |

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| | | |
|-----|--|---------------------------------|
| 6. |  Name: Renos Kipchumba Qualification: Bachelor in Finance and Banking | Accountant in charge |
| 7. |  Name: Andrew Kiptui Qualification: Diploma in medical engineering | Biomedical engineer in charge |
| 8. |  Name: Daisy Jerono Qualification: Diploma in medical imaging science | Radiology in charge |
| 9. |  Name: Jepkorir Kibet Qualification: Certificate in health records | Health records in charge |
| 10. |  Name: Caroline Kangogo Qualification: Bachelor's degree in nursing | Nursing officer in charge |
| 11. |  Name: Musango Maganga Qualification: Diploma in environmental health science | Public health officer in charge |

5. Chairman’s Statement

It is my pleasure to present the hospital’s annual report and financial statements for the year ended 30th June 2025. The Board of Management is proud of the achievements realized during the year under review. This has been possible through close collaboration with the County Department of Health, Health Management Teams and all the implementing partners in the region. We appreciate the support of our implementing partners who have played a pivotal role towards achieving the mandate of the hospital and the County Department of Health.

The Board has been able to execute its mandate including holding at least 4 meetings in the financial year and deliberating on matters pertaining improvement of services in the hospital. Among the notable gains realized during this period include increased hospital revenue collection from Kshs. 8,852,050 in FY 2023/2024 to Kshs. 13,805,775 in FY 2024/2025. Additionally, the hospital successfully implemented Social Health Authority (SHA) insurance and there has also been notable increase in claims from Kshs. 8,096,150 in FY 2023/2024 to Kshs. 13,818,776 in FY 2024/2025. Other successes in the financial year include installation of CCTV cameras to boost hospital security and additional human resource for health (HRH) including medical officers and additional pharmacist.

Notwithstanding the above achievements, we still face numerous challenges in service delivery to our communities. In order to further improve on own source revenue collection, there is need to expand and provide additional services in the hospital including operationalization of the theatre, enhancing diagnostic services (purchase of a new x-ray machine) and introduction of physiotherapy services among others. Additionally, the hospital lacks adequate human resource for health including consultants, specialized laboratory and diagnostic services and equipment. The management therefore, will work closely with the County Government in order to enhance service delivery in the hospital so as to address the health needs of our communities.



.....
Rose Jepkoech
Chairman to the Board

6. Report of The Medical Superintendent

I am pleased to present the hospital's annual report and financial statements for the financial year 2024/25. The report highlights the facility's operational and financial performance as well as its strategic direction. The hospital has a catchment population of 20,102 and serves as a primary referral facility for Marigat Sub County and also other neighbouring Sub Counties. The facility provides both outpatient and inpatient services as well as primary and secondary diagnostic laboratory and radiology services. The hospital attended to 16,968 patients in 2024, of whom 15,650 were outpatients while 1,318 being inpatients. As a healthcare facility, we strive towards ensuring that our patients and clients receive safe, timely, efficient, equitable and quality healthcare services.

In the year 2024, the top 10 morbidities recorded among the under 5 year old children were upper respiratory tract infections (3,845), diarrhea (1,058), pneumonia (294), skin diseases (289), other injuries (152), eye infections (148), confirmed malaria (143), ear infections (119), tonsillitis (60) and anemia (40) cases. For those over 5 years, the conditions documented were upper respiratory tract infections (2,234), pneumonia (549), confirmed malaria (471), violence related injuries (311), urinary tract infections (292), arthritis (196), hypertension (194), brucellosis (189), diabetes (136) and tuberculosis (65) cases.

Own source revenue plays a critical role in ensuring that the hospital is able to meet its recurrent and development costs. During the period under review, the hospital collected Kshs. 2,614,000 through Mpesa Paybill and claimed Kshs. 13,818,776 as SHA claims. However, we were able to get a total of Kshs. 11,191,775 as SHA reimbursements and therefore we recorded a revenue of Kshs. 13,805,775 compared to Kshs. 8,852,050 in FY 2023/2024. Additionally, the facility received a total of Kshs. 13,687,096 as in kind contribution from the county government. The total expenditure during the period under review was Kshs. 10,782,575. This included Kshs. 3,800,640 as medical/clinical costs, Kshs. 3,408,796 employee costs, Kshs. 259,000 medical board costs, 1,040,665 repairs and maintenance costs and Kshs. 2,273,474 general expenses.

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Notwithstanding the above achievements, we still face numerous challenges in service delivery to our communities. In order to further improve on own source revenue collection, there is need to expand and provide additional services in the hospital including operationalization of the theatre, enhancing diagnostic services (purchase of a new x-ray machine) and introduction of physiotherapy services among others. Additionally, the hospital lacks adequate human resource for health ~~including consultants, specialized laboratory and diagnostic services and equipment.~~ The management therefore, will work closely with the County Government in order to enhance service delivery in the hospital so as to address the health needs of our communities.

In conclusion, I strongly believe that with the determination of the staff to achieve the aspirations of the hospital and with continued effective partnerships, we will be able to realize effective, efficient and quality service delivery in our hospital.


.....

Dr. Patrick Kimutai
Secretary to the Board

7. Statement of Performance Against Predetermined Objectives

Marigat Sub County Hospital has 6 strategic pillars/issues and objectives within the current Strategic Plan for 2023-2027. These strategic pillars/issues are as follows:

- Issue 1: Service delivery
- Issue 2: Human Resources for Health (HRH)
- Issue 3: Health products and technologies (HPTs)
- Issue 4: Technology adoption
- Issue 5: Health financing
- Issue 6: Research, development and innovation
- Issue 7: Health sector coordination and partnerships

Marigat Sub County Hospital develops its annual work plans based on the above 6 strategic pillars/issues. Assessment of the Board’s performance against its annual work plan is done on a quarterly basis. The hospital achieved its performance targets set for the FY 2024/2025 period for its 6 strategic pillars/issues, as indicated in the diagram below:

| Strategic Pillar/Theme/Issues | Objective | Key Performance Indicators | Activities | Achievements |
|-------------------------------|-----------------------------------|----------------------------|--|--------------|
| Service delivery | Eliminate communicable conditions | KHIS data | Number of HIV+ pregnant mothers receiving PMTCT | 11 (138%) |
| | | KHIS data | Children < 1 year distributed with LLITNs | 285 (42%) |
| | | KHIS data | Children < 1 year fully immunized | 450 (66%) |
| | | KHIS data | Number of pregnant women distributed with LLITNs | 827 (113%) |
| | | KHIS data | Number of newly diagnosed TB cases | 224 (102%) |
| | | KHIS data | Number of eligible HIV clients on ARVs | 1091 (103%) |

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| | | | | |
|---|---|----------------------------|--|-------------------|
| | Halt and reverse increase in non-communicable conditions | KHIS data | Number of women of reproductive age screened for cervical cancer | 310 (56%) |
| | Reduce the burden of violence and injuries | KHIS data | Number of new outpatient cases attributed to gender-based violence | 25 (312%) |
| | Provide essential health care | KHIS data | Number of pregnant women attending at least four ANC visits | 295 (98%) |
| | Access | KHIS data | Number of new outpatients (male) | 5104 (76%) |
| | | | Number of new outpatients (female) | 6388 (80%) |
| | | | Number of inpatients (admissions) under five years of age | 166 (83%) |
| Human Resources for Health | Adequate, well-trained, motivated and competent healthcare workers | Staff returns | Number of medical officers | 4 (25%) |
| Public Health Products and Technologies | Ensure availability of quality assured HPTs | Annual stock status report | Increase the value of inventories | 7,851,419 (5%) |
| Technology adoption | Enhanced utilization of appropriate technologies in delivery of health services | Budget for IT | Procurement of CCTV cameras and health information systems | 140,000 (280%) |
| Health Financing | Increase the amount collected by the hospital | Revenue report | Increase revenue collection | 13,805,775 (156%) |
| Research, development and innovation | Increased public health research and utilization | Research approval letters | Ongoing/ concluded researches | 3 |

Marigat Sub County Hospital (Baringo County Government)
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| | | | | |
|---|--|-----------|---|-------------|
| Health sector coordination and partnerships | Strengthened health sector coordination and partnerships | KHIS data | Number of children under five years of age attending child welfare clinics who are under weight | 22 (22%) |
| | | | Number of households with functional toilets | 10575 (95%) |
| | | | Number of households with hand washing facilities | 8894 (136%) |

8. Corporate Governance Statement

Appointment and removal of Board members

The Board was appointed by the CECM for Health in a transparent and formal process that took into consideration the mix of skills and competencies required for the achievement of the hospital's long term goals. The tenure of a Board member shall not exceed a cumulative term of 6 years, or 2 terms of 3 years each. Members are selected on the basis of ability to serve the and community effectively, not just to represent particular interests or groups.

A member shall vacate his/her position on the committee in the following circumstances:

- a) If a member is absent without apology and reasonable explanation from three (3) consecutive meetings of the committee.
- b) If, in the case of a member of a non-governmental organization, the member ceases to hold the office by virtue of which his nomination was made.
- c) If a member is convicted of a criminal offence.
- d) If a member ceases to reside or practice in the area of health facility jurisdiction.
- e) If a member voluntarily resigns from the committee.
- f) If a member is deceased.
- g) If the CEC responsible for health, in his/her discretion, rescinds the appointment of a member to the committee.

Roles and functions of the board

- a) Exercise their role collectively and not individually and approve hospital budgets
- b) Determine the organization's mission, vision, purpose and core values
- c) Set and oversee the overall strategy and approve significant policies of the organization
- d) Ensure that the strategy is aligned with the purpose of the organization and the legitimate interests and expectations of its shareholders and other stakeholders
- e) Ensure that the strategy of the organization is aligned to the long term goals of the organization on the sustainability so as not to compromise the ability of future generations to meet their own needs and enhance corporate image of the hospital
- f) Approve the organizational structure and monitor hospital performance

Induction, training and development

Induction of the sitting Board of Marigat Sub County Hospital was done in August 2022 in Rift Valley Hills resort in Kabarnet. Induction activities involve orientation, information pack and introductory visits.

Board and members' performance

The Board held a total of 4 quarterly meetings with the attendance as follows: First meeting (60%), second meeting (70%), third meeting (60%) and fourth meeting (50%). Additionally, other meetings were held to discuss important issues including human resource and budgets in the period under review.

Policy to manage conflict of interest

The Board members shall act in the best interest of the organization and uphold their fiduciary responsibilities. This involves not disclosing confidential information, avoiding real and perceived conflict of interest and favouring the interests of the organization over other interests. They will act honestly and in good faith so as to create a culture built on principles of integrity, accountability and transparency.

Board remuneration

The Board should convene once per quarter in each Financial Year (four full committee meetings a year). The county executive member of finance with consultation with the executive member responsible for health shall give guidelines on remuneration from time to time. The remuneration shall only refer to the four scheduled meetings in the Financial Year.

Ethics and conduct

All members of the Board shall act in the best interest of the organization and not for any other purpose. They shall also exercise independent judgement at all times and devote sufficient time to carry out their responsibilities.

Governance audit

The Board ensures that it subjects the organization to annual governance audit that covers leadership/strategic management, transparency and disclosure, compliance with laws/regulations, stakeholder communication, Board independence/governance, Board systems and procedures and corporate social responsibility.

Terms of Reference of Committees

Board Audit Committee

- a) Review in consultation with the internal auditors, the Office of the Auditor General or any appropriate independent auditor, significant accounting and reporting issues, including complex or unusual transactions and highly judgemental areas, and recent professional and regulatory pronouncements, and understand their impact on the financial reporting requirements.
- b) Apply appropriate level of scepticism, ask probing questions, and engage in frank discussions with management on the results of the audit, including any difficulties encountered.
- c) Review the quarterly and annual financial reports and consider whether they are complete, consistent with information known to Committee members, and reflect appropriate accounting principles.
- d) Review other sections of the annual report and disclosures before release and consider the accuracy and completeness of the information.
- e) Review with management and the auditors all matters required to be communicated to the Committee.
- f) Review any significant disagreement between management and the Office of the Auditor General or the internal audit department in connection with the preparation of the financial statements and management's response to such matters.

Quality of Health Care Services Committee

- a) Participate alongside HMT in an annual review of services, assessment of needs and setting of priorities for the hospitals
- b) Review any written complaints about the performance and quality of health services in the hospital and recommend remedial action
- c) Receive regular reports on the availability of supplies in the hospital, contribute to the search for solutions and address shortfalls
- d) Help to organize periodic exit surveys to assess patient satisfaction with services received
- e) Review quarterly workload indicators of the facilities in the hospital in relation to the relevant epidemiological data
- f) Report to Board and recommend actions to improve quality of services in the hospital

Finance and General Purposes sub-committee

- a) Review revenue targets for the hospital while comparing actual collections with targets.
- b) Review budgets and work plans and present to full Board for submission, approval and issuance of AIE
- c) Review expenditure plans from HMT and ensure that funds are spent in accordance with plans and AIEs
- d) Obtain the cash analysis books (payments and banking) and review the fund balances, banking versus collections, expenditures versus AIEs
- e) Review the financial aspects of long-term and annual development plans
- f) Monitor the insurance claiming process
- g) Arrange for annual audit of revenues and expenditures by auditors and request for special audits where irregularities are suspected
- h) Report to Board and recommend actions to improve prudent utilization of resources

Succession planning

The appointing authority shall ensure that the tenures of Board members are staggered to ensure a phased transition.

9. Management Discussion and Analysis

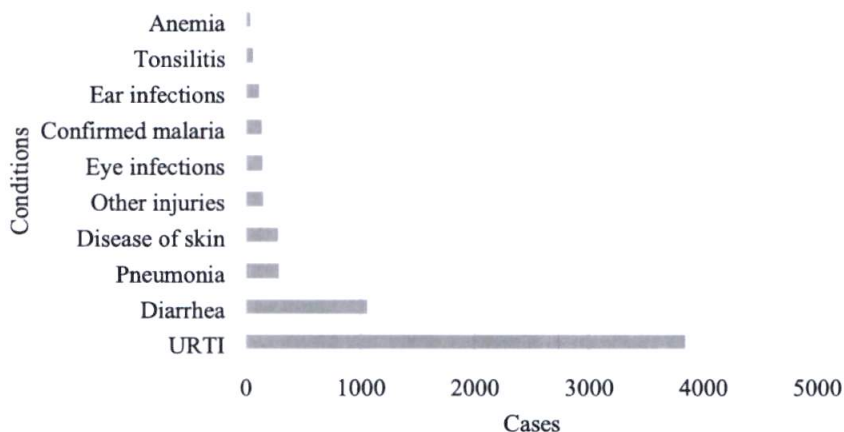
Clinical/operational performance

Marigat Sub County Hospital is a level 4 public health facility that offers both outpatient and inpatient services and has a bed capacity of 80. The hospital attended to 16,968 patients in 2024, of whom 15,650 were outpatients while 1,318 being inpatients. The average length of stay for inpatients was 3.5 days while the bed occupancy rate was 90%. The following table shows the special clinic attendance for the hospital in 2024:

| Special clinic | New clients | Re-visits | Total |
|--------------------------------------|-------------|-----------|-------|
| Eye Clinic Attendance | 775 | 182 | 957 |
| TB and Leprosy attendance | 126 | 179 | 305 |
| Comprehensive Care Clinic (CCC) | 54 | 2648 | 2702 |
| Orthopedic Clinic Attendance | 224 | 112 | 336 |
| Occupational Therapy Attendance | 52 | 119 | 171 |
| Medical Attendance | 37 | 45 | 82 |
| Nutrition Clinic | 964 | 1684 | 2648 |
| All other special clinics attendance | 25 | 54 | 79 |

Additionally, CWC attendance was 3,154, antenatal 2,460, postnatal 848 and family planning attendance 1,781. During the period, a total of 519 deliveries were conducted in the hospital by skilled birth attendants.

Top 10 morbidities among under 5 year children were as follows:



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Financial performance

Own source revenue plays a critical role in ensuring that the hospital is able to meet its recurrent and development costs. During the period under review, the hospital collected Kshs. 2,614,000 through Mpesa Paybill and claimed Kshs. 13,818,776 as SHA claims. However, we were able to get a total of Kshs. 11,191,775 as SHA reimbursements and therefore we recorded a revenue of Kshs. 13,805,775 compared to Kshs. 8,852,050 in FY 2023/2024. Additionally, the facility received a total of Kshs. 13,687,096 as in kind contribution from the county government. The total expenditure during the period under review was Kshs. 10,782,575. The following table shows the revenue performance in FY 2024/2025.

| Revenue Item | 1 st Quarter | 2 nd Quarter | 3 rd Quarter | 4 th Quarter | Total |
|--------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------|
| FIF Collections | 648,889 | 667,409 | 549,127 | 748,575 | 2,614,000 |
| Insurance Claims | 2,110,400 | 1,762,860 | 3,212,160 | 6,733,356 | 13,818,776 |
| Total Cash and Claims | 2,759,289 | 2,430,269 | 3,761,287 | 7,481,931 | 16,432,776 |
| Insurance Reimbursements | 737,928 | 2,791,275 | 2,077,219 | 5,585,353 | 11,191,775 |
| Total Revenue | 1,386,817 | 3,458,684 | 2,626,346 | 6,333,928 | 13,805,775 |

Patrick Kimutai

Dr. Patrick Kimutai
Medical Superintendent

10. Environmental And Sustainability Reporting

i) Sustainability strategy and profile

Marigat Sub County Hospital strives to implement the following sustainability measures as guided by hospital sustainability priorities.

- a) Energy Efficiency: Reducing energy consumption through renewable energy sources like solar power.
- b) Water Conservation: Implementing water-saving measures such as rainwater harvesting.
- c) Healthy Work Environment: Creating a safe and supportive work environment for staff and promoting work-life balance.
- d) Patient-Centered Care: Providing high-quality, patient-centered care that is accessible, equitable, and affordable.
- e) Revenue Generation: Exploring opportunities to generate revenue
- f) Commitment from Leadership: Establishing a clear sustainability vision and providing leadership support for sustainability initiatives.
- g) Stakeholder Engagement: Involving staff, patients, and community members in the development and implementation of sustainability strategies.
- h) Monitoring and Evaluation: Tracking progress on sustainability goals and regularly evaluating the effectiveness of sustainability programs

ii) Environmental performance

The hospital endeavours to ensure environmental preservation as guided by Kenya Environmental Policy, 2013. This is achieved through proper waste segregation and disposal practices by provision of waste management facilities including colour coded bins, use of burning chamber and provision of safety boxes for disposal of sharps. However, the shortcomings include lack of regular trainings of staff on waste management, inadequate waste disposal facilities including incinerators and micro-shredders.

iii) Employee welfare

Hiring of employees is guided by the Employment Act of 2007 and the Employment (General) Rules of 2014, which outline the framework for employment contracts, rights, and responsibilities of both employers and employees. This is done by the County Government Public Service Board. Career progression is done through release for school for advancement of careers from different cadres and a performance system is in place to guide in performance of staff. Annual performance appraisal is done by supervisors to ensure to rate performance of staff in order to inform rewards and sanctions based on performance.

iv) Market place practices

a) Responsible competition practice.

The organization continuously works to improve responsible competition practices including areas of anti-corruption strategies, responsible political involvement, fair competition and respect for competitors. The hospital has implemented feedback mechanisms from its clients including provision of suggestion boxes and feedback forms. The facility has a displayed service charter that outlines services being offered and the responsibilities of patients/clients. The hospital has also implemented cashless payment methods by use of mobile money and carries out public sensitizations.

b) Responsible Supply chain and supplier relations

The hospital ensures good business practices, treats its own suppliers responsibly by honouring contracts and respecting payment practices. This is done through allowing competition in supply of goods and services and honouring payment of pending bills owed to suppliers so that no bill goes beyond a year before being settled.

c) Responsible marketing and advertisement or Responsible engagement with citizens

Efforts to maintain ethical marketing practices being undertaken by the organization include: accurate information being given to our clients regarding our services, seeking approvals from the county leadership in matters that touches the leadership and seeking regular feedback from our consumers regarding our services.

d) Product stewardship or Awareness Creation

The organization procures most of its health products from KEMSA. This ensures supply of goods of high quality and proven efficacy. In case of any product complaints, the same is cascaded to the relevant bodies including the Pharmacy and Poison Board for investigations and proper actions. Other pre-qualified suppliers are also engaged for supply of goods and services from time to time.

v) Corporate Social Responsibility / Community Engagements

The hospital staff participate in various activities that benefit communities including conducting outreach activities. These activities target children especially those who are under 5 years in interventions including immunization and nutrition activities. Additionally, they participate in response to disasters including floods whereby children are screened for water-borne diseases e.g cholera and treated.

11. Report of The Board of Management

The board members submit their report together with the audited financial statements for the year that ended June 30, 2025, which show the state of the hospital's affairs.

Principal activities

The principal activity of the hospital is to provide healthcare services.

Results

The results of the entity for the year ended June 30, 2025 are set out on pages xiii to xv.

Board of Management

The members of the Board who served during the year are shown on page vi to vii. During the year, no director retired nor resigned.

Auditors

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

By Order of the Board

Patrick Kimutai
.....

Dr. Patrick Kimutai

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 that hospital, which give a true and fair view of the state of affairs of the hospital at the end of the financial year/period and the operating results of the hospital for that year/period. The Board of Management is also required to ensure that the hospital keeps proper accounting records which disclose with reasonable accuracy the financial position of the hospital. The council members are also responsible for safeguarding the assets of the hospital.


The Board of Management is responsible for the preparation and presentation of the hospital’s financial statements, which give a true and fair view of the state of affairs of the hospital for and as at the end of the financial year 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 hospital, (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud, (iv) safeguarding the assets of the 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 the hospital’s financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and Mwongozo-The Code of Governance for State Corporations. The Board members are of the opinion that the hospital’s financial statements give a true and fair view of the state of hospital’s transactions during the financial year ended June 30, 2025, and of the hospital’s financial position as at that date. The Board members further confirm the completeness of the accounting records maintained for the hospital, which have been relied upon in the preparation of the hospital’s financial statements as well as the adequacy of the systems of internal financial control.

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

Approval of the financial statements

The Hospital’s financial statements were approved by the Board on 3rd / 12 / 2025 and signed on its behalf by:


.....
Rose Jepkoech
Chairperson
Board of Management


.....
Dr. Patrick Kimutai
Accounting Officer

REPUBLIC OF KENYA

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

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

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 Marigat Sub - County Level 4 Hospital - County Government of Baringo out on pages 1 to 58, 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 Marigat Sub - County Level 4 Hospital - County Government of Baringo 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. Unsupported Variance in the Net Assets Balance

The statement of changes in net assets reflects total capital or development balance of Kshs.13,158,704 which has not been reflected in the capital fund column and is not supported by way of note or any supporting document.

In the circumstances, the accuracy and completeness of the net assets balance of Kshs.15,673,049 could not be confirmed.

2. Unreconciled Net Cash Flow from Operating Activities

The statement of cash flows reflects cash and cash equivalents balance of Kshs.4,629,236 as disclosed in Note 27 to the financial statements. Further, the statement includes net cash flow from operating activities amount of Kshs.2,514,345 as reconciled in Note 43 to the financial statements. However, this amount was not reconciled with nil amount balance in Note 43 on cash generated from operations to the financial statements thus failing to take cognizance of changes in receivables, payables and inventories of Kshs.192,324, Kshs.1,323,528 and Kshs.405,502, respectively.

In the circumstances, the accuracy and completeness of statement of cash flows could not be confirmed.

3. Failure to Disclose Property, Plant and Equipment Balances

The statement of financial position and Appendix ix on assets register reflects property, plant and equipment nil balance as disclosed in Note 32 to the financial statements. However, the Hospital records and audit inspection carried in the month of October, 2025 revealed various assets included three (3) pieces of land, buildings, one (1) ambulance and motor vehicle were not disclosed in the financial statements. Further, the ownership documents for land were not provided for audit review.

In the circumstances, the accuracy, completeness, existence and ownership of property, plant and equipment nil balance could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Marigat Sub - County Level 4 Hospital - County Government of Baringo Management in accordance with ISSAI 130 on the Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects total final receipts budget and actual on a comparable basis amount of Kshs.13,714,276 and Kshs.15,441,811 respectively resulting in an over-funding of Kshs.1,697,544 or 13% of the budget. The Hospital spent an amount of Kshs.10,782,575 against actual receipts of Kshs.15,411,811 resulting in under-utilization amount of Kshs.4,629,236 or 30% of the actual receipts.

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

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 section, I have determined that there are no other key audit matters to communicate in my report.

Other Matter

Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised under the Report on Lawfulness and Effectiveness in Use of Public Resources and Report on Effectiveness of Internal Controls, Risk Management and Governance. Review of the status during audit of the Hospital in 2024/2025 revealed that sixteen (16) issues as per **Appendix I** were not resolved.

Other Information

The Management is responsible for the Other Information set out on page iii to xxvi which comprise of Key Hospital 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. Non-Compliance with Kenya Quality Model for Health Requirement

The Marigat Sub - County Level 4 Hospital is a level 4 health facility established under gazette notice number 2509 with a practicing certificate issued by the Kenya Medical Practitioners and Dentist Council (KMPDC) and is domiciled in Baringo County under the Department of Health Services. The Hospital is managed by a Board of Management. However, review of the Hospital records reveals the following;

1.1 Inadequate Staff Level

Review of number of staff revealed that the Hospital had less staff against the minimum required number by Kenya Quality Model for Health policy guidelines (KQMH) for level 4 Hospitals as shown. The Hospital had eighteen (18) staff against the required one hundred and one (101) staff as shown below:

| Staff Requirements | Level 4 Standard | Number in Hospital | Variance | Percentage % |
|--------------------|------------------|--------------------|----------|--------------|
| Medical Officers | 16 | 4 | 12 | 25 |
| Anesthesiologist | 2 | 0 | 2 | 0 |
| General Surgeons | 2 | 0 | 2 | 0 |
| Gynecologists | 2 | 0 | 2 | 0 |

| Staff Requirements | Level 4 Standard | Number in Hospital | Variance | Percentage % |
|--|------------------|--------------------|-----------|--------------|
| Pediatrics | 2 | 0 | 2 | 0 |
| Radiologists | 2 | 0 | 2 | 0 |
| Kenya Registered Community Health Nurses | 75 | 14 | 61 | 18.7 |
| Total | 101 | 18 | 83 | 17.8 |

This was contrary to Section 4(1) k, l as read with Section 15(3,10) of the Medical Practitioners and Dentists Act, 2012 (Revised 2019) which license the Hospital to operate as a Level 4 Hospital.

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

1.2 Inadequate Operational Equipment and Required Services

Review of number of services and equipment's in the month of October, 2025 revealed that the Hospital had less staff against the minimum required number by the Kenya Quality Model for Health policy guidelines KQMH for level 4 Hospitals as shown below:

| Service | Level 4 Hospital | Actuals in the Hospital | Variance | Percentage % |
|---|------------------|-------------------------|----------|--------------|
| Beds | 150 | 80 | 70 | 53 |
| Resuscitate (2 in Labor & 1 in Theatre) | 2 | 2 | 0 | 100 |
| New Born Unit Incubators | 5 | 1 | 4 | 20 |
| New Born Unit Cots | 5 | 0 | 5 | 0 |
| Functional ICU Beds | 6 | 0 | 6 | 0 |
| High Dependency Unit (HDU) Beds | 6 | 0 | 6 | 0 |
| Renal Unit with at least 5 Dialysis Machines | 5 | 0 | 5 | 0 |
| Two Functional Operational Theatres-Maternity & General | 2 | 0 | 2 | 0 |

These deficiencies contravene the First Schedule of 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. Further, the inadequate services and equipment may have impacted negatively on service delivery to the public.

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

2. Irregular Engagement of Casual Workers

The statement of financial performance reflects employee cost amount of Kshs.3,408,796 as disclosed in Note 16 to the financial statements. However, the Hospital Management engaged casual workers for more than three (3) months. This was contrary to

Section B 16(1) the County Public Service Human Resource Manual May, 2013 which states that casual workers shall be engaged only on urgent short-term tasks with the approval of the County Public Service Board and they shall not be engaged for more than three months, as stipulated in the Employment Act, 2007.

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the effects of the matter 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

Lack of Policies

As previously reported, Manual, Assets Management Policy, Transport Management Policy, Disaster Recovery Plan, Backup and Recovery strategy were not in place. This was contrary to Regulation 158(1)(a)(b) of the Public Finance Management (County Governments) Regulations, 2015 which requires the Accounting Officer to ensure that the County Government entity develops risk management strategies, which include fraud prevention mechanism, and the County Government entity develops a system of risk management and internal control that builds robust business operations.

In the circumstances, the effectiveness of risk management could not be confirmed.

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 control 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 control, 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 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 are in compliance 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

05 December, 2025

Appendix I: Unresolved Prior Year Matters

| No. | Financial Year | Audit Issues |
|-----|----------------|--|
| 1 | 2023/2024 | Inaccuracies in the Financial Statements |
| 2 | 2023/2024 | Variance in Other Medical Services Income |
| 3 | 2023/2024 | Unsupported Other Gains |
| 4 | 2023/2024 | Variances in Receivables from Exchange Transactions |
| 5 | 2023/2024 | Unsupported Receivables from Non-Exchange Transactions |
| 6 | 2023/2024 | Disclosure of property, Plant and Equipment |
| 7 | 2023/2024 | Budgetary Control and Performance |
| 8 | 2023/2024 | Failure to Remit Statutory Contributions |
| 9 | 2023/2024 | Non-Compliance with Kenya Quality Model for Health Requirement |
| 10 | 2023/2024 | Inadequate Staff Level |
| 11 | 2023/2024 | Inadequate Operational Equipment and Required Services |
| 12 | 2023/2024 | Non-Compliance in Identification, Collection and Accounting of Own Source Revenue-Failure to Prepare Quarterly Reports |
| 13 | 2023/2024 | Lack of Policies |
| 14 | 2023/2024 | Poor Storage of Medical Commodities |
| 15 | 2023/2024 | Lack of Asset Register |
| 16 | 2023/2024 | Lack of Imprest Register |

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

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

| Description | Note | 2024/2025 | 2023/2024 |
|---|------|-------------------|-------------------|
| | | Kshs | Kshs |
| Revenue from non-exchange transactions | | | |
| Transfers from the County Government | 6 | 207,000 | 12,136,085 |
| In- kind contributions from the County Government | 7 | - | 2,993,057 |
| Grants from donors and development partners | 8 | | |
| Transfers from other Government entities | 9 | | |
| Public contributions and donations | 10 | | |
| | | 207,000 | 15,129,142 |
| Revenue from exchange transactions | | | |
| Rendering of services- Medical Service Income | 11 | 13,089,920 | 8,754,828 |
| Revenue from rent of facilities | 12 | | |
| Finance /Interest Income | 13 | | |
| Miscellaneous Income | 14 | | |
| Revenue from exchange transactions | | 13,089,920 | 8,858,389 |
| Total revenue | | 13,296,920 | 23,987,531 |
| | | | |
| Expenses | | | |
| Medical/Clinical costs | 15 | 3,800,640 | 2,607,059 |
| Employee costs | 16 | 3,408,796 | 3,242,929 |
| Board of Management Expenses | 17 | 259,000 | 187,000 |
| Depreciation and amortization expense | 18 | | |
| Repairs and maintenance | 19 | 1,040,665 | 1,949,026 |
| Grants and subsidies | 20 | | |
| General expenses | 21 | 2,273,474 | 2,138,740.75 |
| Finance costs | 22 | | |
| Total expenses | | 10,782,575 | 10,124,755 |
| Other gains/(losses) | | | |
| Gain/Loss on disposal of non-Current assets | 23 | | |

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

| Description | Note | 2024/2025 | 2023/2024 |
|--|------|------------------|-------------------|
| | | Kshs | Kshs |
| Unrealized gain on fair value of investments | 24 | | |
| Medical services contracts Gains/Losses | 25 | | |
| Impairment loss | 26 | | |
| Gain on foreign exchange transactions | | | |
| Total other gains/(losses) | | | |
| Net Surplus / (Deficit) for the year | | 2,514,345 | 13,862,776 |

The Hospital's financial statements were approved by the Board on 3rd / 12 / 2025 and signed on its behalf by:



Rose Jepkoech
Board of Management



Head of Finance
ICPAK No: 11481



Medical Superintendent

Marigat Sub County Hospital (Baringo 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 | Note | 2024/2025 | 2023/2024 |
|---|------|-------------------|-------------------|
| | | Kshs | Kshs |
| Assets | | | |
| Current assets | | | |
| Cash and cash equivalents | 27 | 4,629,236 | 2,114,891 |
| Prepayments | 28 | | |
| Receivables from exchange transactions | 29 | 5,718,061 | 5,910,385 |
| Receivables from non-exchange transactions | 30 | | |
| Inventories | 31 | 7,851,419 | 7,445,917 |
| Total Current Assets | | 18,198,716 | 15,471,193 |
| | | | |
| Non-current assets | | | |
| Property, plant, and equipment | 32 | - | - |
| Intangible assets | 33 | - | - |
| Investment property | 34 | | |
| Biological Assets | 35 | | |
| Total Non-current Assets | | - | |
| | | | |
| Total assets (A) | | 18,198,716 | 15,521,194 |
| | | | |
| Liabilities | | | |
| Current liabilities | | | |
| Trade and other payables | 36 | 2,525,667 | 1,202,139 |
| Refundable deposits from Patients/Prepayments | 37 | | |
| Provisions | 38 | | |
| Finance lease obligation | 39 | | |
| Current portion of deferred income | 40 | | |
| Current portion of borrowings | 41 | | |
| Total Current Liabilities | | 2,525,667 | 1,202,139 |
| | | | |
| Non-current liabilities | | | |
| Provisions | 38 | | |
| Non-Current Finance lease obligation | 39 | | |
| Non-Current portion of deferred income | 40 | | |
| Non - Current portion of borrowings | 41 | | |

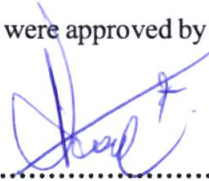
Marigat Sub County Hospital (Baringo County Government)
Annual Report and Financial Statements for The Year Ended 30th June 2025

| Description | Note | 2024/2025 | 2023/2024 |
|--------------------------------------|------|-------------------|-------------------|
| | | Kshs | Kshs |
| Service concession Arrangements | 42 | | |
| Total non-current liabilities | | - | - |
| | | | |
| Total Liabilities (B) | | 2,525,667 | 1,202,139 |
| | | | |
| Net assets (A-B) | | 15,673,049 | 14,319,055 |
| | | | |
| Represented by: | | | |
| Revaluation reserve | | | |
| Accumulated surplus/Deficit | | 2,514,345 | 2,114,890 |
| Capital Fund | | 13,158,704 | - |
| | | | |
| Net Assets | | 15,673,049 | 14,319,055 |


The Hospital's financial statements were approved by the Board on 3rd /12/ 2025 and signed on its behalf by:



Rose Jepkoech
Board of Management



Head of Finance
ICPAK No: 11481



Medical Superintendent

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

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

| Description | Revaluation reserve | Accumulated surplus/Deficit | Capital Fund | Total |
|--|---------------------|-----------------------------|--------------|-------------------|
| As at July 1, 2023 (previous year) | | 103,561 | | 103,561 |
| Revaluation gain | | | | |
| Surplus/(deficit) for the year | | 103,561 | | 103,561 |
| Capital/Development grants | | | | |
| As at June 30, 2024 (previous year) | | 2,114,891 | | 2,114,891 |
| | | | | |
| At July 1, 2024 (current year) | | 2,114,891 | | 2,114,891 |
| Revaluation gain | | | | |
| Surplus/(deficit) for the year | | 2,514,345 | | 2,514,345 |
| Capital/Development grants | | | | 13,158,704 |
| At June 30, 2025 (current year) | | 4,629,236 | | 15,673,049 |

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

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

| Description | Note | 2024/2025 | 2023/2024 |
|--|------|-------------------|-------------------|
| | | Kshs | Kshs |
| Cash flows from operating activities | | | |
| Receipts | | | |
| Transfers from the County Government | 6 | 207,000 | 12,136,085 |
| Grants from donors and development partners | | | |
| Transfers from other Government entities | | | |
| Public contributions and donations | | | |
| Rendering of services- Medical Service Income | 11 | 13,089,920 | - |
| Revenue from rent of facilities | | | |
| Finance / interest income | | | |
| Miscellaneous receipts(<i>specify</i>) | | | |
| Total Receipts | | 13,296,920 | 12,239,646 |
| | | | |
| Payments | | | |
| Medical/Clinical costs | 15 | 3,800,640 | 2,597,059 |
| Employee costs | 16 | 3,408,796 | 3,242,929 |
| Board of Management Expenses | 17 | 259,000 | 187,000 |
| Repairs and maintenance | 19 | 1,040,665 | 1,949,026 |
| Grants and subsidies | | | |
| General expenses | 21 | 2,273,474 | 2,148,741 |
| Finance costs | | | |
| Refunds paid out | | | |
| Total Payments | | 10,782,575 | 10,124,755 |
| Net cash flows from operating activities | 43 | 2,514,345 | 2,114,891 |
| Cash flows from investing activities | | | |
| Purchase of property, plant, equipment | | | |
| Purchase of intangible assets | | | |
| Proceeds from the sale of PPE | | | |
| Acquisition of investments | | | |
| Net cash flows used in investing activities | | | |
| Cash flows from financing activities | | | |
| Proceeds from borrowings | | | |
| Repayment of borrowings | | | |
| Capital grants received | | | |

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

| | | | |
|---|-----------|------------------|------------------|
| Net cash flows used in financing activities | | | |
| Net increase/(decrease) in cash and cash equivalents | | 2,514,345 | 2,114,891 |
| Cash and cash equivalents as at 1 July | 27 | 2,114,891 | 103,561 |
| Cash and cash equivalents as at 30 June | 27 | 4,629,236 | 2,114,891 |

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

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

| Description | Original budget | Adjustments | Final budget | Actual on comparable basis | Performance difference | % of utilisation |
|---|-------------------|-------------|-------------------|----------------------------|------------------------|------------------|
| | a | b | c=(a+b) | d | e=(c-d) | f=d/c% |
| | Kshs | Kshs | Kshs | Kshs | Kshs | |
| Budget carryovers from the previous year | 2,114,891 | - | 2,114,891 | 2,114,891 | 0 | 100 |
| Receipts | | | | | | |
| Transfers from the County Government | 207,000 | - | 207,000 | 207,000 | 0 | 100 |
| Grants from donors and development partners | | | | | | |
| Transfers from other Government entities | | | | | | |
| Public contributions and donations | | | | | | |
| Rendering of services- Medical Service Income | 11,392,376 | - | 11,392,376 | 13,089,920 | (1,697,544) | 115 |
| Revenue from rent of facilities | | | | | | |
| Finance / interest income | | | | | | |
| Miscellaneous receipts (<i>specify</i>) | | | | | | |
| Total receipts | 13,714,267 | - | 13,714,267 | 15,411,811 | (1,697,544) | 112 |
| Payments | | | | | | |
| Medical/Clinical costs | 3,798,851 | | 3,798,851 | 3,800,640 | (1,789) | 100 |
| Employee costs | 3,864,007 | | 3,864,007 | 3,408,796 | 455,211 | 88 |
| Remuneration of directors | 285,000 | | 285,000 | 259,000 | 26000 | 91 |
| Repairs and maintenance | 1,533,899 | | 1,533,899 | 1,040,665 | 493,234 | 68 |
| Grants and subsidies | - | | - | | | |
| General expenses | 2,740,534 | | 2,740,534 | 2,273,474 | 467,060 | 83 |
| Finance costs | - | | | | | |
| Refunds | - | | | | | |
| Total Operational Expenditure paid | 12,222,291 | | 12,222,291 | 10,782,575 | 1,439,716 | 88 |
| Capital Expenditure paid | | | | | | |
| Surplus | 1,491,976 | | 1,491,976 | 4,629,236 | (3,137,260) | 310 |

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Budget notes

Budget Reconciliation

| No | Description of Particulars | Amount in Kshs |
|----|---|----------------|
| 1 | Actual Surplus Amounts as per the statement of Budget | 4,629,236 |
| 2 | Underutilization resulted from late disbursement of funds from the county | 4,629,236 |
| 3 | Closing Cash and Cash Equivalent as per the statement of Cash flows | 4,626,296 |

19. Notes to the Financial Statements

1. General Information

Marigat Sub County Hospital is established by and derives its authority and accountability from Kenya Medical Practitioners and Dentists Act. The entity is wholly owned by the Baringo County Government and is domiciled in Baringo County in Kenya. The entity's principal activity is to provide healthcare 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 the hospital's accounting policies. The areas involving a higher degree of judgment or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note 32. The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the hospital. The financial statements have been prepared in accordance with the PFM Act, and 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

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

i. New and amended standards and interpretations in issue effective in the year ended 30 June 2025

There were no new and amended standards issued in the financial year.

ii) New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2025.

| Standard | Effective date and impact: |
|--|---|
| IPSAS 43 | <p><i>Applicable 1st January 2025</i></p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p> |
| IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations | <p><i>Applicable 1st January 2025</i></p> <p>The Standard requires,</p> <p>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:</p> <p>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.</p> |

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| Standard | Effective date and impact: |
|---|---|
| <p>IPSAS 45- Property Plant and Equipment</p> | <p><i>Applicable 1st January 2025</i></p> <p>The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.</p> |
| <p>IPSAS 46 Measurement</p> | <p><i>Applicable 1st January 2025</i></p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ul style="list-style-type: none"> i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS; iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p> |
| <p>IPSAS 47- Revenue</p> | <p><i>Applicable 1st January 2026</i></p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non-exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users</p> |

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| Standard | Effective date and impact: |
|--|---|
| | of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions. |
| IPSAS 48- Transfer Expenses | <p><i>Applicable 1st January 2026</i></p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p> |
| IPSAS 49- Retirement Benefit Plans | <p><i>Applicable 1st January 2026</i></p> <p>The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.</p> |
| IPSAS 50: Exploration For & Evaluation of Mineral Resources | <p><i>Applicable 1st January 2027</i></p> <p>The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires:</p> <ol style="list-style-type: none"> i. Limited improvements to existing accounting practices for exploration and evaluation expenditures. ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26. iii. Disclosures that identify and explain the amounts in the entity's financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized. |

iii) Early adoption of standards

The Entity did not early – adopt any new or amended standards in the financial year.

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

ii) Revenue from exchange transactions

Rendering of services

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

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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 Board on August 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. Accordingly, the hospital recorded additional appropriations of 0 on the FY 2024/2025 budget following the Board's approval. The hospital's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget.

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

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

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. Biological Assets

The entity recognizes biological assets when it controls the assets due to past events, it is probable that future economic benefits associated with the asset will flow to the entity, and when the fair value or cost of the asset can be measured reliably. Biological assets are initially and subsequently measured at fair value less costs to sell, except where fair value cannot be reliably determined. In such cases, the asset is measured at its cost less accumulated depreciation and any accumulated impairment losses. Changes in fair value less costs to sell are recognized in surplus/deficit in the period in which they occur.

i. 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.

j. 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.

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

Financial assets

Classification of financial assets

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

Subsequent measurement

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

Amortized cost

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest, and that are not designated at fair value through surplus or deficit, are measured at amortized cost. A gain or loss on an instrument that

is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in profit or loss when the asset is de-recognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair value through net assets/ equity

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

Fair value through surplus or deficit

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

Trade and other receivables

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

Impairment

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

Financial liabilities

Classification

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

k. Inventories

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

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

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

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

l. 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)

m. 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.

n. 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.

o. 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.

p. Nature and purpose of reserves

The entity creates and maintains reserves in terms of specific requirements.

q. 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)

r. 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. *(the entity to retain information relating to defined benefits or contributions, where both schemes are managed full policy applies)*

s. Foreign currency transactions

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction. At each reporting date, foreign currency monetary items are translated using the closing rate. Non-monetary items measured in historical cost are translated using the exchange rate at the date of the transaction, and those measured at fair value are translated using the exchange rates at the date when the fair value was determined. Exchange differences arising from the settlement of monetary items or translation of monetary/non-monetary items at rates different from those at which they were initially reported are recognized in surplus or deficit in the period.

t. 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.

u. Related parties

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

v. Service concession arrangements

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

w. 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.

x. Comparative figures

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

y. 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.

Notes to Financial Statements Continued

6. Transfers from the County Government

| Description | 2024/2025 | 2023/2024 |
|---|-----------|-----------|
| | KShs | KShs |
| Unconditional grants | | |
| Operational grant | | |
| Level 4/5 grants | | |
| Unconditional development grants | | |
| Other grants (<i>specify</i>) | | |
| | | |
| 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 |
| Baringo County Government | 207,000 | - | - | 207,000 | 12,136,085 |
| Total | 207,000 | - | - | 207,000 | 12,136,085 |

Notes to Financial Statements Continued

7. In Kind Contributions from The County Government

| Description | 2024/2025 | 2023/2024 |
|---|-----------|------------------|
| | KShs | KShs |
| Salaries and wages | | |
| Medical supplies-Drawings Rights (KEMSA) | - | 2,993,057 |
| Pharmaceuticals and Non-Pharmaceutical Supplies (other suppliers) | | |
| Utility bills | | |
| Total grants in kind | - | 2,993,057 |

8. Grants From Donors and Development Partners

| Description | 2024/2025 | 2023/2024 |
|---|-----------|-----------|
| | KShs | KShs |
| Cancer Centre grant- DANIDA | | |
| World Bank grants | | |
| Paediatric ward grant- JICA | | |
| Research grants | | |
| Other grants (<i>specify</i>) | | |
| Total grants from development partners | | |

8 (a) Grants from donors and development partners (Classification)

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

Notes to Financial Statements Continued

9. Transfers From Other Government Entities

| Description | 2024/2025 | 2023/2024 |
|--|-----------|-----------|
| | KShs | KShs |
| Transfer from National Government (Ministry of Health) | | |
| Transfer from National Hospital | | |
| Transfer from Institute | | |
| Total Transfers | | |

10. Public Contributions and Donations

| Description | 2024/2025 | 2023/2024 |
|--|-----------|-----------|
| | KShs | KShs |
| Public donations | | |
| Donations from local leadership | | |
| Donations from religious institutions | | |
| Donations from other international organisations and individuals | | |
| Other donations(<i>specify</i>) | | |
| Donations in kind-amortised | | |
| Total donations and sponsorships | | |

10 (a) Reconciliations of amortised grants

| Description | 2024/2025 | 2023/2024 |
|--|-----------|-----------|
| | Kshs | Kshs |
| Balance unspent at beginning of year | | |
| Current year receipts | | |
| Amortised and transferred to revenue | | |
| Conditions to be met – remain liabilities | | |

Notes to Financial Statements Continued

11. Rendering of Services-Medical Service Income

| Description | 2024/2025 | 2023/2024 |
|--|-------------------|------------------|
| | Kshs | Kshs |
| Pharmaceuticals | 697,072 | - |
| Non-Pharmaceuticals | 83,890 | - |
| Laboratory | 473,360 | - |
| Radiology | 174,200 | - |
| Orthopedic and Trauma Technology | 24,400 | - |
| Theatre | - | - |
| Accident and Emergency Service | - | - |
| Anesthesia Service | - | - |
| Ear Nose and Throat service | 5,700 | - |
| Nutrition service | - | - |
| Cancer centre service | - | - |
| Dental services | 65,440 | - |
| Reproductive health | 122,000 | - |
| Paediatrics services | 90,000 | - |
| Farewell home services | - | - |
| Ambulance services | - | - |
| Other medical services income (<i>medical records, female ward, general ward, male ward, deposits, outpatients, occupational therapy, inpatient ward, MCH, Eye clinic, attachment fee, medical examination, public health, tender, waivers and SHA reimbursements</i>) | 11,353,858 | 8,754,828 |
| Total revenue from the rendering of services | 13,089,920 | 8,754,828 |

Notes to the Financial Statements (Continued)

12. Revenue From Rent of Facilities

| Description | 2024/2025 | 2023/2024 |
|--|-----------|-----------|
| | Kshs | Kshs |
| Residential property | | |
| Commercial property | | |
| Total Revenue from rent of facilities | | |

13. Finance /Interest Income

| Description | 2024/2025 | 2023/2024 |
|--|-----------|-----------|
| | Kshs | Kshs |
| Interest income from Cash investments and fixed deposits | | |
| Interest income from short- term/ current deposits | | |
| Interest income from Treasury Bills | | |
| Interest income from Treasury Bonds | | |
| Interest from outstanding debtors | | |
| Total finance income | | |

14. Miscellaneous Income

| Description | 2024/2025 | 2023/2024 |
|---|-----------|-----------|
| | KShs | KShs |
| Insurance recoveries | | |
| Income from sale of tender | | |
| Services concession income | | |
| Sale of goods (water, publications, containers etc) | | |
| Write backs (Deposits, payments in advance etc) | | |
| Bad debts recovered | | |
| <i>Others (Specify)</i> | | |
| Total Miscellaneous income | | |

Notes to the Financial Statements (Continued)

15. Medical/ Clinical Costs

| Description | 2024/2025 | 2023/2024 |
|---|------------------|------------------|
| | Kshs | Kshs |
| Dental costs/ materials | - | 50,000 |
| Laboratory chemicals and reagents | 613,409 | 354,200 |
| Public health activities | | |
| Food and Ration | 1,108,324 | 847,562 |
| Uniform, clothing, and linen | 297,580 | 21,000 |
| Dressing and non-pharmaceuticals | 677,239 | 595,528 |
| Pharmaceutical supplies | 528,481 | 248,110 |
| Health information stationery | | |
| Reproductive health materials | | |
| Sanitary and cleansing Materials | 41,200 | 83,500 |
| Purchase of Medical gases | | |
| X-Ray/Radiology supplies | 83,600 | 100,959 |
| Other medical related clinical costs (purchase of medical and dental equipment, purchase of fans, purchase of household appliances and other fuels) | 450,807 | 306,200 |
| Total medical/ clinical costs | 3,800,640 | 2,607,059 |

16. Employee Costs

| Description | 2024/2025 | 2023/2024 |
|--|------------------|------------------|
| | Kshs | Kshs |
| Salaries, wages, and allowances | 2,965,173 | 2,519,303 |
| Contributions to pension schemes | | |
| Service gratuity | | |
| Performance and other bonuses | | |
| Staff medical expenses and Insurance cover | 90,300 | 65,900 |
| Group personal accident insurance and WIBA | | |
| Social contribution | 353,323 | 657,726 |
| Other employee costs (<i>specify</i>) | | |
| Employee costs | 3,408,796 | 3,242,929 |

Notes to the Financial Statements (Continued)

17. Board of Management Expenses

| Description | 2024/2025 | 2023/2024 |
|------------------------------------|----------------|----------------|
| | Kshs | Kshs |
| Chairman's Honoraria | | |
| Sitting allowance | 239,000 | 187,000 |
| Mileage | | |
| Insurance expenses | | |
| Induction and training | | |
| Travel and accommodation allowance | | |
| Airtime allowances | 20,000 | - |
| Total | 259,000 | 187,000 |

18. Depreciation and Amortization Expense

| Description | 2024/2025 | 2023/2024 |
|--|-----------|-----------|
| | Kshs | Kshs |
| Property, plant and equipment | | |
| Intangible assets | | |
| Investment property carried at cost | | |
| Total depreciation and amortization | | |

19. Repairs And Maintenance

| Description | 2024/2025 | 2023/2024 |
|--------------------------------------|------------------|------------------|
| | Kshs | Kshs |
| Property- Buildings | 695,572 | 1,152,321 |
| Medical equipment | 45,000 | 150,000 |
| Office equipment | 55,593 | - |
| Furniture and fittings | 73,700 | 588,000 |
| Computers and accessories | 154,800 | 58,705 |
| Motor vehicle expenses | 16,000 | - |
| Maintenance of civil works | - | - |
| Total repairs and maintenance | 1,040,665 | 1,949,026 |

Notes to the Financial Statements (Continued)

20. Grants And Subsidies

| Description | 2024/2025 | 2023/2024 |
|--|-----------|-----------|
| | Kshs | Kshs |
| Community development and social work | | |
| Education initiatives and programs | | |
| Free/ subsidised medical camp | | |
| Disability programs | | |
| Free cancer screening | | |
| Social benefit expenses | | |
| Other grants and subsidies(<i>specify</i>) | | |
| Total grants and subsidies | | |

21. General Expenses

| Description | 2024/2025 | 2023/2024 |
|------------------------------------|-----------|-----------|
| | Kshs | Kshs |
| Advertising and publicity expenses | | |
| Catering expenses | 152,000 | 204,000 |
| Waste management expenses | | |
| Insecticides and rodenticides | 15,000 | 15,000 |
| Audit fees | | |
| Bank charges | 2,871 | 10,489 |
| Conferences and delegations | | |
| Consultancy fees | | |
| Contracted services | | |
| Electricity expenses | 648,138 | 879,874 |
| Fuel and Lubricants | 334,219 | |
| Insurance | | |
| Research and development expenses | | |
| Travel and accommodation allowance | 170,000 | 174,700 |
| Legal expenses | | |
| Licenses and permits | 60,000 | |
| Courier and postal services | 18,900 | 9,450 |
| Printing and stationery | 555,155 | 489,413 |
| Hire charges | | |
| Rent expenses | | |
| Water and sewerage costs | 9,000 | 169,520 |
| Skills development levies | | |

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| Description | 2024/2025 | 2023/2024 |
|--|------------------|------------------|
| | Kshs | Kshs |
| Telephone and mobile phone services | 206,191 | 118,000 |
| Internet expenses | 52,000 | 54,000 |
| Staff training and development | | |
| Subscriptions to professional bodies | | |
| Subscriptions to newspapers periodical, magazines, and gazette notices | | |
| Library books/Materials | | 14,295 |
| Parking charges | | |
| Total General Expenses | 2,273,474 | 2,138,741 |

22. Finance Costs

| Description | 2024/2025 | 2023/2024 |
|---|-----------|-----------|
| | KShs | KShs |
| Borrowings (amortized cost) * | | |
| Finance leases (amortized cost) | | |
| Interest on Bank overdrafts/Guarantees | | |
| Interest on loans from commercial banks | | |
| Total finance costs | | |

23. Gain/Loss on Disposal of Non-Current Assets

| Description | 2024/2025 | 2023/2024 |
|---|-----------|-----------|
| | KShs | KShs |
| Property, plant, and equipment | | |
| Intangible assets | | |
| Other assets not capitalised (<i>specify</i>) | | |
| Total gain on sale of assets | | |

24. Unrealized Gain On Fair Value Investments

| Description | 2024/2025 | 2023/2024 |
|---------------------------|-----------|-----------|
| | KShs | KShs |
| Investments at fair value | | |
| Total gain | | |

Notes to the Financial Statements (Continued)

25. Medical Services Contracts Gains /Losses

| Description | 2024/2025 | 2023/2024 |
|---|-----------|-----------|
| | KShs | KShs |
| Comprehensive care contracts with NHIF/SHA | | |
| Non- Comprehensive contracts care with NHIF/SHA | | |
| Linda Mama Program | | |
| Waivers and Exemptions | | |
| Total Gain/Loss | | |

26. Impairment Loss

| Description | 2024/2025 | 2023/2024 |
|--------------------------------|-----------|-----------|
| | KShs | KShs |
| Property, plant, and equipment | | |
| Intangible assets | | |
| Investments | | |
| Total impairment loss | | |

27. Cash And Cash Equivalentents

| Description | 2024/2025 | 2023/2024 |
|---|------------------|------------------|
| | KShs | KShs |
| Current accounts | 4,629,236 | 2,114,891 |
| On - call deposits | | |
| Fixed deposits accounts | | |
| Cash in hand | | |
| Others(<i>specify</i>)- Mobile money | | |
| Total cash and cash equivalentents | 4,629,236 | 2,114,891 |

Notes to the Financial Statements (Continued)

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

| Description | | 2024/2025 | 2023/2024 |
|-----------------------------------|----------------|------------------|------------------|
| Financial institution | Account number | KShs | KShs |
| a) Current account | | | |
| Kenya Commercial bank | 1149258599 | 4,629,236 | 2,114,891 |
| Equity Bank, etc | | | |
| Sub- total | | 4,629,236 | 2,114,891 |
| b) On - call deposits | | | |
| Kenya Commercial bank | | | |
| Equity Bank – etc | | | |
| Sub- total | | | |
| c) Fixed deposits account | | | |
| Bank Name | | | |
| Sub- total | | | |
| d) Others(<i>specify</i>) | | | |
| cash in hand | | | |
| Mobile money- Mpesa, Airtel money | | | |
| Sub- total | | | |
| | | | |
| Grand total | | 4,629,236 | 2,114,891 |

28. Prepayments

| Description | 2024/2025 | 2023/2024 |
|----------------|-----------|-----------|
| | Kshs | Kshs |
| Insurance | | |
| Rent | | |
| Water | | |
| Internet | | |
| Others specify | | |
| Total | | |

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29. Receivables From Exchange Transactions

| Description | 2024/2025 | 2023/2024 |
|------------------------------|------------------|------------------|
| | KShs | KShs |
| Medical services receivables | 5,718,061 | 5,910,385 |
| Rent receivables | | |
| Other exchange debtors | | |
| Less: impairment allowance | | |
| Total receivables | 5,718,061 | 5,910,385 |

Analysis of Receivables From Exchange Transactions

| Description | 2024/2025 | | 2023/2024 | |
|--------------------|------------------|----------------|------------------|----------------|
| | Kshs | | Kshs | |
| | Current FY | % of the total | Comparative FY | % of the total |
| Less than 1 year | 5,718,061 | | 5,910,385 | 100 |
| Between 1- 2 years | | | | |
| Between 2-3 years | | | | |
| Over 3 years | | | | |
| Total (a+b) | 5,718,061 | | 5,910,385 | 100 |

30. Receivables From Non-Exchange Transactions

| Description | 2024/2025 | 2023/2024 |
|--|-----------|-----------|
| | KShs | KShs |
| Transfers from the County Government | | |
| Undisbursed donor funds | | |
| Other debtors (<i>non-exchange transactions</i>) | | |
| Less: impairment allowance | | |
| Total | | |

Analysis of Receivables From Non-Exchange Transactions

| Description | 2024/2025 | | 2023/2024 | |
|--------------------|------------|----------------|----------------|----------------|
| | Kshs | | Kshs | |
| | Current FY | % of the total | Comparative FY | % of the total |
| Less than 1 year | | | | |
| Between 1- 2 years | | | | |
| Between 2-3 years | | | | |
| Over 3 years | | | | |
| Total (a+b) | | | | |

31. Inventories

| Description | 2024/2025 | 2023/2024 |
|--|------------------|------------------|
| | KShs | KShs |
| Pharmaceutical supplies | 7,356,929 | 7,445,917 |
| Maintenance supplies | 57,000 | - |
| Food supplies | 10,975 | - |
| Linen and clothing supplies | 87,000 | - |
| Cleaning materials supplies | 5,335 | - |
| General supplies | 334,180 | - |
| Less: provision for impairment of stocks | - | - |
| Total | 7,851,419 | 7,445,917 |

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Detailed disclosure on inventories

| | 2024/2025 | 2023/2024 |
|----------------------------------|-----------|-----------|
| Opening balance | 7,445,917 | - |
| Additional Inventory in the year | | |
| Inventory expensed in the year | | |
| Write-downs in the year | | |
| Others specify | | |
| Closing balance | 7,851,419 | 7,445,917 |



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Notes to the Financial Statements (Continued)

32. Property, Plant and Equipment

| Description | Land | Buildings and Civil works | Motor vehicles | Furniture, fittings, and office equipment | ICT Equipment | Plant and medical equipment | Other Assets (specify) | Capital Work in progress | Total |
|------------------------------------|------|---------------------------|----------------|---|---------------|-----------------------------|------------------------|--------------------------|-------|
| | Ksh | Ksh | Ksh | Ksh | Ksh | Ksh | | Ksh | Ksh |
| Cost | | | | | | | | | |
| At 1 July 2023 (previous year) | | | | | | | | | |
| Additions | | | | | | | | | |
| Disposals | | | | | | | | | |
| Transfers/adjustments | | | | | | | | | |
| Revaluation Adjustments | | | | | | | | | |
| At 30th Jun 2024 | | | | | | | | | |
| | | | | | | | | | |
| At 1 July 2024 (current year) | | | | | | | | | |
| Additions | | | | | | | | | |
| Disposals | | | | | | | | | |
| Transfer/adjustments | | | | | | | | | |
| Revaluation Adjustments | | | | | | | | | |
| At 30th Jun 2025 | | | | | | | | | |
| Depreciation and impairment | | | | | | | | | |
| At 1 July 2023 (previous year) | | | | | | | | | |

**Marigat Sub County Hospital (Baringo County Government)
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| Description | Land | Buildings and Civil works | Motor vehicles | Furniture, fittings, and office equipment _t | ICT Equipment _t | Plant and medical equipment _t | Other Assets (specify) | Capital Work in progress | Total |
|---|------|---------------------------|----------------|--|----------------------------|--|------------------------|--------------------------|-------|
| | Ksh | Ksh | Ksh | Ksh | Ksh | Ksh | Ksh | Ksh | Ksh |
| Depreciation for the year | | | | | | | | | |
| Disposals | | | | | | | | | |
| Impairment | | | | | | | | | |
| At 30 June 2024 | | | | | | | | | |
| At July 2024 (current year) | | | | | | | | | |
| Depreciation | | | | | | | | | |
| Disposals | | | | | | | | | |
| Impairment | | | | | | | | | |
| Transfer/adjustment | | | | | | | | | |
| At 30th June 2025 | | | | | | | | | |
| Net book values | | | | | | | | | |
| At 30 th Jun 2024 (previous) | | | | | | | | | |
| At 30 th Jun 2025 (current) | | | | | | | | | |

Marigat Sub County Hospital (Baringo County Government)
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Notes to the Financial Statements (Continued)

33. Intangible Assets-Software

| Description | 2024/2025 | 2023/2024 |
|------------------------------------|-----------|-----------|
| | KShs | KShs |
| Cost | | |
| At beginning of the year | | |
| Additions | | |
| Additions–Internal development | | |
| Disposal | | |
| At end of the year | | |
| | | |
| Amortization and impairment | | |
| At beginning of the year | | |
| Amortization for the period | | |
| Impairment loss | | |
| At end of the year | | |
| NBV | | |

34. Investment Property

| Description | 2024/2025 | 2023/2024 |
|--|-----------|-----------|
| | KShs | KShs |
| At beginning of the year | | |
| Additions | | |
| Disposals during the year | | |
| Fair value gain | | |
| Depreciation (<i>where investment property is at cost</i>) | | |
| Impairment | | |
| At end of the year | | |

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Notes to the Financial Statements (Continued)

35. Biological Assets

| Description | 2024/2025 | 2023/2024 |
|------------------------------------|-----------|-----------|
| | Kshs | Kshs |
| Trees in a plantation forest | | |
| Animals: Dairy Cattle, Pigs, Sheep | | |
| Others specify | | |
| Total | | |

36. Trade and other Payables

| Description | 2024/2025 | | 2023/2024 | |
|---|-------------------|-----------------------|-----------------------|-----------------------|
| | KShs | | KShs | |
| Trade payables | 2,525,667 | | 1,202,139 | |
| Employee dues | | | | |
| Third-party payments (e.g. unremitted payroll deductions) | | | | |
| Audit fee | | | | |
| Doctors' fee | | | | |
| Total trade and other payables | 2,525,667 | | 1,202,139 | |
| Ageing analysis: | Current FY | % of the Total | Comparative FY | % of the total |
| Under one year | 2,525,667 | | 1,202,139 | 100 |
| 1-2 years | | | | |
| 2-3 years | | | | |
| Over 3 years | | | | |
| Total | 2,525,667 | | 1,202,139 | 100 |

37. Refundable Deposits from Customers/Patients

| Description | 2024/2025 | 2023/2024 |
|------------------------------|-----------|-----------|
| | KShs | KShs |
| Medical fees paid in advance | | |
| Credit facility deposit | | |
| Rent deposits | | |
| Others (specify) | | |
| Total deposits | | |

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| Ageing analysis: | Current FY | % of the Total | Comparative FY | % of the Total |
|-------------------------|-------------------|-----------------------|-----------------------|-----------------------|
| Under one year | | | | |
| 1-2 years | | | | |
| 2-3 years | | | | |
| Over 3 years | | | | |
| Total | | | | |

38. Provisions

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

39. Finance Lease Obligation

| Description | 2024/2025 | 2023/2024 |
|----------------------------|------------------|------------------|
| | Kshs | Kshs |
| Current Lease obligation | | |
| Long term lease obligation | | |
| Total | | |

40. Deferred Income

| Description | 2024/2025 | 2023/2024 |
|---------------------|------------------|------------------|
| | KShs | KShs |
| Current Portion | | |
| Non-Current Portion | | |
| Total | | |

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Notes to the Financial Statements (Continued)

40 (a) The deferred income movement is as follows:

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

41. Borrowings

| Description | 2024/2025 | 2023/2024 |
|---|-----------|-----------|
| | KShs | KShs |
| Balance at beginning of the period | | |
| External borrowings during the year | | |
| Domestic borrowings during the year | | |
| Repayments of external borrowings during the year | | |
| Repayments of domestic borrowings during the year | | |
| Balance at end of the period | | |

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

| Description | 2024/2025 | 2023/2024 |
|------------------------|-----------|-----------|
| | KShs | KShs |
| Current Obligation | | |
| Non-Current Obligation | | |
| Total | | |

Notes to the Financial Statements (Continued)

42. Service Concession Arrangements

| Description | 2024/2025 | 2023/2024 |
|--|-----------|-----------|
| | KShs | KShs |
| Fair value of service concession assets recognized under PPE | | |
| Accumulated depreciation to date | | |
| Net carrying amount | | |
| Service concession liability at beginning of the year | | |
| Service concession revenue recognized | | |
| Service concession liability at end of the year | | |

43. Cash Generated from Operations

| Description | 2024/2025 | 2023/2024 |
|--|------------------|------------------|
| | KShs | KShs |
| Surplus for the year before tax | 2,514,345 | 2,114,891 |
| Adjusted for: | | |
| Depreciation | | |
| Non-cash grants received | | |
| Impairment | | |
| Gains and losses on disposal of assets | | |
| Contribution to provisions | | |
| Contribution to impairment allowance | | |
| Working Capital adjustments | | |
| Increase in inventory | | |
| Increase in receivables | | |
| Increase in deferred income | | |
| Increase in payables | | |
| Increase in payments received in advance | | |
| Net cash flow from operating activities | 2,514,345 | 2,114,891 |

Notes to the Financial Statements (Continued)

44. 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 hospital'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 hospital does not hedge any risks and has in place policies to ensure that credit is only extended to customers with an established credit history.

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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 hospital's management based on prior experience and their assessment of the current economic environment. The carrying amount of financial assets recorded in the financial statements representing the entity's maximum exposure to credit risk without taking account of the value of any collateral obtained is made up as follows:

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

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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 hospital has recognised in the financial statements is considered adequate to cover any potentially irrecoverable amounts. The entity has significant concentration of credit risk on amounts due from xxxx. The board of management sets the hospital's credit policies and objectives and lays down parameters within which the various aspects of credit risk management are operated.

(ii) Liquidity risk management

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

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

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

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

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

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

Marigat Sub County Hospital (Baringo 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 20xx | | | |
| 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 hospital'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 |
| 2024 (previous year) | | | |
| Euro | 10% | | |
| USD | 10% | | |
| 2025 (current year) | | | |
| Euro | 10% | | |
| USD | 10% | | |

b) Interest rate risk

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

Management of interest rate risk

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

Notes to the Financial Statements (Continued)

Sensitivity analysis

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

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

iv) Capital Risk Management

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

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

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

Notes to the Financial Statements (Continued)

45. Related Party Balances

Nature of related party relationships

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

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

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

| Description | 2024/2025 | 2023/2024 |
|--|-----------|-----------|
| | Kshs | Kshs |
| Transactions with related parties | | |
| a) Services offered to related parties | | |
| Services to xxx | | |
| Sales of services to xxx | | |
| Total | | |
| b) Grants from the Government | | |
| Grants from County Government | | |
| Grants from the National Government Entities | | |
| Donations in kind | | |
| Total | | |
| c) Expenses incurred on behalf of related party | | |
| Payments of salaries and wages for xxx employees | | |
| Payments for goods and services for xxx | | |
| Total | | |
| d) Key management compensation | | |

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

| Description | 2024/2025 | 2023/2024 |
|---------------------------------|-----------|-----------|
| | Kshs | Kshs |
| Directors' emoluments | | |
| Compensation to the medical Sup | | |
| Compensation to key management | | |
| | | |
| Total | | |

46. 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)

47. Contingent Liabilities

| Contingent liabilities | 2024/2025 | 2023/2024 |
|---|-----------|-----------|
| | Kshs | Kshs |
| Court case xxx against the hospital | | |
| Bank guarantees in favour of subsidiary | | |
| Total | | |

48. Capital Commitments

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

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

49. Events after the Reporting Period

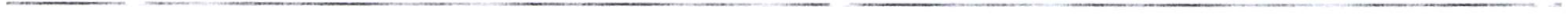
There were no material adjusting and non-adjusting events after the reporting period.

50. Ultimate and Holding Entity

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

51. Currency

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



Marigat Sub County Hospital (Baringo County Government)
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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 comments | Status: (Resolved / Not Resolved) | Timeframe: (Put a date when you expect the issue to be resolved) |
|---|--|--|--|---|
| 1. | Inaccuracies in the financial statements | The financial statements amended to tally with ledgers | Resolved | 31 st March 2025 |
| 2. | Variance in Other Medical Services Income | The financial statements to capture correct medical services income | Resolved | 31 st March 2025 |
| 3. | Unsupported Other Gains | Financial statements amended and other gains supported by note 6 | Resolved | 31 st March 2025 |
| 4. | Variances in Receivables from Exchange Transactions | Financial statements amended in respect of receivables from exchange transactions | Resolved | 31 st March 2025 |
| 5. | Unsupported Receivables from Non-Exchange Transactions | The statement of financial position amended to include Nil receivables from non-exchange transactions in note 29 | Resolved | 31 st March 2025 |
| 6. | Non-Disclosure of Property, Plant and Equipment | Valuation of all non-recurrent assets to be done | Not resolved | 30 th June 2027 |

Marigat Sub County Hospital (Baringo County Government)
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| Reference No. on the external audit Report | Issue / Observations from Auditor | Management comments | Status: (Resolved / Not Resolved) | Timeframe: (Put a date when you expect the issue to be resolved) |
|--|--|--|--------------------------------------|---|
| 7. | Budgetary Control and Performance | The statement of comparison of budget and actual amounts has been amended | Resolved | 31 st March 2025 |
| 8. | Failure to Remit Statutory Contributions | Evidence of statutory deductions remittance submitted | Resolved | 31 st March 2025 |
| 9. | Inadequate Staff Level. | County Government has from time to time advertised and filled vacant positions in the department | Not resolved | 30 th June 2027 |
| 10. | Inadequate Operational Equipment and Required Services | With additional investment in infrastructure, more equipment will be available for improved patient care | Not resolved | 30 th June 2027 |
| 11. | Non-Compliance in Identification, Collection and Accounting of Own Source Revenue-Failure to Prepare Quarterly Reports | Evidence of submission of quarterly reports submitted | Resolved | 31 st March 2025 |
| 12. | Lack of Policies | The management will liaise with relevant county department to develop a risk management policy to aid in recognition of threats and risks that the hospital may face from time to time | Not resolved | 30 th June 2026 |
| 13. | Poor Storage of Medical Commodities | The hospital will liaise with the County Government to have a proper drug store established. | Not resolved | 30 th June 2027 |
| 14. | Lack of Asset Register | The hospital has a list of assets that have not been valued. Once assets are | Not resolved | 30 th June 2026 |

Marigat Sub County Hospital (Baringo County Government)
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| Reference No. on the external audit Report | Issue / Observations from Auditor | Management comments | Status: (Resolved / Not Resolved) | Timeframe: (Put a date when you expect the issue to be resolved) |
|--|-----------------------------------|--|--------------------------------------|---|
| | | valued, the asset register will be updated accordingly | | |
| 15. | Lack of Imprest Register | The hospital has developed and maintains an imprest register | Resolved | 31 st March 2025 |

Guidance Notes:

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

Pmutai

Accounting Officer

Appendix II: Projects Implemented by The Entity

Projects

Projects implemented by the Hospital Funded by development partners

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

Status of Projects completion

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

Marigat Sub County Hospital (Baringo County Government)
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Appendix III: Inter-Entity Confirmation Letter

Name of Transferring entity: Baringo County Government

Name of Beneficiary entity: Marigat Sub County Hospital

Confirmation of amounts received by Marigat Sub County Hospital as at 30th June 2025


| Reference Number | Date Disbursed | Recurrent (A) | Development (B) | Total (C)=(A+B) | Remarks |
|----------------------|----------------|-------------------|-----------------|-------------------|-----------------------|
| MARSCH/ADM/CO/2024/8 | 26/08/2024 | 627,608 | - | 627,608 | Rendering of services |
| MARSCH/ADM/CO/2024/9 | 11/12/2024 | 1,386,817 | - | 1,386,817 | Rendering of services |
| MARSCH/ADM/CO/2024/8 | 20/12/2024 | 107,000 | - | 107,000 | Non-exchange |
| MARSCH/ADM/CO/2024/8 | 20/12/2024 | 100,000 | - | 100,000 | Non-exchange |
| MARSCH/ADM/CO/2024/9 | 16/01/2025 | 1,578,770 | - | 1,578,770 | Rendering of services |
| MARSCH/ADM/CO/2025/1 | 11/03/2025 | 1,879,914 | - | 1,879,914 | Rendering of services |
| MARSCH/ADM/CO/2024/8 | 02/04/2025 | 1,637,127 | - | 1,637,127 | Rendering of services |
| MARSCH/ADM/CO/2024/8 | 25/06/2025 | 1,507,106 | - | 1,507,106 | Rendering of services |
| MARSCH/ADM/CO/2024/8 | 25/06/2025 | 4,472,578 | - | 4,472,578 | Rendering of services |
| Total | | 13,296,920 | - | 13,296,920 | |

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

Head of Accounts Department - Disbursing Entity:

Name David Chugor Sign  Date 31/12/2025

Head of Accounts Department - Beneficiary Entity:

Name Renos Zephaniah Sign  Date 31/12/2025

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

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 |
|-----------|---------------|---------------|--|------------------|----------------|----------|
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |

Marigat Sub County Hospital (Baringo County Government)
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Appendix VI: Medical Service Income Receivables

Revenue Collection

| Revenue Item | Jul-24 | Aug-24 | Sep-24 | Oct-24 | Nov-24 | Dec-24 | Jan-25 | Feb-25 | Mar-25 | Apr-25 | May-25 | Jun-25 | Total |
|--------------------------|----------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|
| Revenue Target | 1,255,390 | 1,798,693 | 1,354,630 | 979,160 | 1,234,935 | 1,127,995 | 1,741,380 | 1,869,135 | 1,256,512 | 1,684,739 | 1,840,734 | 2,228,203 | 18,371,506 |
| FIF Collections | 204,030 | 208,890 | 235,969 | 273,310 | 221,010 | 173,089 | 202,715 | 138,630 | 207,782 | 229,790 | 218,700 | 300,085 | 2,614,000 |
| Insurance Claims | 506,200 | 1,067,900 | 536,300 | 364,050 | 392,850 | 1,005,960 | 1,312,320 | 700,480 | 1,199,360 | 1,484,124 | 2,693,951 | 2,555,281 | 13,818,776 |
| Total Revenue | 710,230 | 1,276,790 | 772,269 | 637,360 | 613,860 | 1,179,049 | 1,515,035 | 839,110 | 1,407,142 | 1,713,914 | 2,912,651 | 2,855,366 | 16,432,776 |
| Insurance Reimbursements | 233,130 | - | 504,798 | 1,305,460 | 1,100,815 | 385,000 | 536,062 | 759,720 | 781,437 | 3,253,569 | 1,288,406 | 1,043,378 | 11,191,775 |
| Resource Envelope | 437,160 | 208,890 | 740,767 | 1,578,770 | 1,321,825 | 558,089 | 738,777 | 898,350 | 989,219 | 3,483,359 | 1,507,106 | 1,343,463 | 13,805,775 |
| Revenue Performance (%) | 57 | 71 | 57 | 65 | 50 | 105 | 87 | 45 | 112 | 102 | 158 | 128 | 89 |
| Gap | 545,160 | 521,903 | 582,361 | 341,800 | 621,075 | (51,054) | 226,345 | 1,030,025 | (150,630) | (29,175) | (1,071,917) | (627,163) | 1,938,730 |
| AIE Claims | | | 1,386,817 | 1,578,770 | | 1,879,914 | | 1,637,127 | | 4,472,578 | 1,507,106 | 1,343,463 | 13,805,775 |

NHIF/SHA Claims and Reimbursements

| NHIF CATEGORY | SHA CLAIMS AND REIMBURSEMENTS FOR FY 2024/2025 | | | | | | | | | | | | SUB TOTAL |
|-------------------------------|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|
| | Jul-24 | Aug-24 | Sep-24 | Oct-24 | Nov-24 | Dec-24 | Jan-25 | Feb-25 | Mar-25 | Apr-25 | May-25 | Jun-25 | |
| Unpaid NHIF Claims B/F | | | | | | | | | | | | | 2,790,975 |
| DELIVERIES | 225,000 | 200,000 | 200,000 | 225,000 | 255,000 | 430,000 | 560,000 | 330,000 | 430,000 | 520,000 | 490,000 | 265,000 | 4,130,000 |
| ANC/PNC | 85,100 | 34,800 | 83,400 | 66,250 | 79,350 | | | | | | | | 348,900 |
| INPATIENT | - | 609,000 | 126,000 | 42,000 | - | 543,960 | 544,320 | 144,480 | 255,360 | 453,600 | 651,840 | 668,640 | 4,039,200 |
| OUTPATIENT | 30,900 | 50,400 | 15,000 | 21,000 | - | | | | | | | | 117,300 |
| CAPITATION | 165,200 | 173,700 | 111,900 | 9,800 | 58,500 | 32,000 | 208,000 | 226,000 | 514,000 | 510,524 | 1,552,111 | 1,621,641 | 5,183,376 |
| TOTAL CLAIMS | 506,200 | 1,067,900 | 536,300 | 364,050 | 392,850 | 1,005,960 | 1,312,320 | 700,480 | 1,199,360 | 1,484,124 | 2,693,951 | 2,555,281 | 13,818,776 |
| Paid Claims | 233,130 | 0 | 504,798 | 1,305,460 | 1,100,815 | 385,000 | 536,062 | 759,720 | 781,437 | 3,253,569 | 1,288,406 | 1,043,378 | 11,191,775 |
| Pending Payments | 3,064,045 | 4,131,945 | 4,163,447 | 3,222,037 | 2,514,072 | 3,135,032 | 3,911,290 | 3,852,050 | 4,269,973 | 2,500,528 | 3,906,073 | 5,417,976 | 5,417,976 |

Marigat Sub County Hospital (Baringo County Government)
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Appendix VII: Trade Payables

| Category | Supplier Name | Jun-25 | Categ. Total |
|--|------------------------------|------------------|------------------|
| Sanitary and Cleaning Materials, Supplies and Services | PRIVALLA | 13,235 | |
| | TITAZON | 3,000 | 16,235 |
| Food & Rations | WILSON CHEPTUMO | 61,600 | |
| | JANE KOTUT | 66,700 | |
| | ENOCK CHELIMO | 76,250 | |
| | ALEX BOGORIA | 18,900 | |
| | RATTO GREENS | 53,535 | 276,985 |
| Laboratory Materials, Supplies and Small Equipment | SANPEC SUPPLIERS | 121,813 | |
| | CELLPHARM HEALTHCARE LTD | 23,050 | 144,863 |
| Publishing and Printing Services | MERIC PRINTERS | 122,760 | 122,760 |
| General Office Supplies | KETBONET BOOKSTORES | 15,210 | 15,210 |
| Water and sewerage charges | KIRANDICH | 299,950 | 299,950 |
| Medical Drugs | KEMSA | 303,940 | 303,940 |
| Dressings and Other Non-Pharmaceutical Medical Items | EASTLEIGH PHARMACEUTIALS | 82,500 | 82,500 |
| Refined Fuels and Lubricants for Transport | SHELL | 4,000 | 4,000 |
| Other Fuels (Wood, Charcoal, Cooking gas) | ENOCK CHELIMO | 62,800 | 62,800 |
| Purchase of medical gases (Oxygen) | HEWA TELE | 3,900 | 3,900 |
| Internet Connections | SKYLINK NETWORKS LTD | -8,000 | -8,000 |
| Electricity | KPLC | 269,375 | 269,375 |
| Casual Labour Wages | BORESHA SACCO | 261,077 | 261,077 |
| Maintenance of Buildings and Stations-Non-Residential | MASSIF WELDERS FABRICATORS | 94,200 | |
| | SAI-SAI HARDWARE | 64,462 | 158,662 |
| Maintenance Expenses - Motor Vehicles and cycles | COMOSCO ENTERPRISES | 82,250 | |
| | GENERATION TYRES LTD | 114,000 | 196,250 |
| Purchase of medical and dental equipment | CELLPHARM HEALTHCARE LIMITED | 200,000 | 200,000 |
| Purchase of household and institutional appliances | SAI-SAI HARDWARE | 8,660 | 8,660 |
| Maintenance of Plant, Machinery and Equipment | JOSEPH OLOO | 24,000 | 24,000 |
| Repatriation | CAROLINE KANGOGO | 82,500 | 82,500 |
| TOTAL | | 2,525,667 | 2,525,667 |

Marigat Sub County Hospital (Baringo County Government)
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Appendix VIII: In Kind Contribution from County Government

| Date | Source | Amount |
|-------------|---------------|-------------------|
| 08-Aug-24 | KEMSA | 701,476.19 |
| 06-Aug-24 | KEMSA | 17,039.09 |
| 01-Oct-24 | KEMSA | 159,500.00 |
| 10-Oct-24 | KEMSA | 923,882.40 |
| 18-Nov-24 | KEMSA | 8,821.41 |
| 17-Dec-24 | KEMSA | 52,988.50 |
| 17-Dec-24 | KEMSA | 727,869.80 |
| 10-Jan-25 | KEMSA | 9,052.92 |
| 20-Jan-25 | KEMSA | 307,960.80 |
| 20-Jan-25 | KEMSA | 1,541,053.00 |
| 20-Jan-25 | KEMSA | 1,351,373.00 |
| 20-Jan-25 | KEMSA | 769,873.00 |
| 20-Jan-25 | KEMSA | 538,553.00 |
| 23-Jan-25 | KEMSA | 32,674.00 |
| 06-Feb-25 | KEMSA | 57,928.69 |
| 10-Feb-25 | KEMSA | 19,000.00 |
| 19-Feb-25 | KEMSA | 4,280.00 |
| 06-Feb-25 | KEMSA | 79,750.00 |
| 03-Mar-25 | KEMSA | 369,552.96 |
| 11-Mar-25 | KEMSA | 38,712.47 |
| 11-Mar-25 | KEMSA | 103,750.00 |
| 13-Mar-25 | KEMSA | 30,329.92 |
| 13-Mar-25 | KEMSA | 82,259.84 |
| 23-May-25 | KEMSA | 378,715.00 |
| 23-May-25 | KEMSA | 718,721.00 |
| 23-May-25 | KEMSA | 1,121,775.00 |
| 23-May-25 | KEMSA | 927,563.00 |
| 19-Apr-25 | KEMSA | 66,067.14 |
| 28-May-25 | KEMSA | 151,339.00 |
| 16-Apr-25 | KEMSA | 5,879.87 |
| 16-Apr-25 | KEMSA | 4,392.38 |
| 16-Apr-25 | KEMSA | 23,757.86 |
| 16-Jun-25 | KEMSA | 35,924.74 |
| 16-Jun-25 | KEMSA | 54,000.00 |
| 16-Jun-25 | KEMSA | 1,845,390.00 |
| 16-Jun-25 | KEMSA | 319,690.00 |
| 18-Jun-25 | KEMSA | 97,200.00 |
| | TOTAL | 13,678,096 |

Marigat Sub County Hospital (Baringo County Government)
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Appendix IX: Assets register

| Description | Land | Buildings and Civil works | Motor vehicles | Furniture, fittings, and office equipment | ICT Equipment | Plant and medical equipment | Other Assets (specify) | Capital Work in progress | Total |
|------------------------------------|------|---------------------------|----------------|---|---------------|-----------------------------|------------------------|--------------------------|-------|
| | Ksh | Ksh | Ksh | Ksh | Ksh | Ksh | | Ksh | Ksh |
| Cost | | | | | | | | | |
| At 1 July 2023 (previous year) | - | - | - | - | - | - | - | - | - |
| Additions | - | - | - | - | - | - | - | - | - |
| Disposals | - | - | - | - | - | - | - | - | - |
| Transfers/adjustments | - | - | - | - | - | - | - | - | - |
| Revaluation Adjustments | - | - | - | - | - | - | - | - | - |
| At 30th Jun 2024 | - | - | - | - | - | - | - | - | - |
| | - | - | - | - | - | - | - | - | - |
| At 1 July 2024 (current year) | - | - | - | - | - | - | - | - | - |
| Additions | - | - | - | - | - | - | - | - | - |
| Disposals | - | - | - | - | - | - | - | - | - |
| Transfer/adjustments | - | - | - | - | - | - | - | - | - |
| Revaluation Adjustments | - | - | - | - | - | - | - | - | - |
| At 30th Jun 2025 | - | - | - | - | - | - | - | - | - |
| Depreciation and impairment | - | - | - | - | - | - | - | - | - |
| At 1 July 2023 (previous year) | - | - | - | - | - | - | - | - | - |

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| | | | | | | | | | |
|---|--|--|--|--|--|--|--|--|--|
| Depreciation for the year | | | | | | | | | |
| Disposals | | | | | | | | | |
| Impairment | | | | | | | | | |
| At 30 June 2024 | | | | | | | | | |
| At July 2024 (current year) | | | | | | | | | |
| Depreciation | | | | | | | | | |
| Disposals | | | | | | | | | |
| Impairment | | | | | | | | | |
| Transfer/adjustment | | | | | | | | | |
| At 30th June 2025 | | | | | | | | | |
| | | | | | | | | | |
| Net book values | | | | | | | | | |
| At 30 th Jun 2024 (previous) | | | | | | | | | |
| At 30 th Jun 2025 (current) | | | | | | | | | |